

**TEST BANK**



## Chapter 02

# Marketing Research: Process and Systems for Decision Making

### Multiple Choice Questions

1. (p. 30) The process by which information about the environment is generated, analyzed, and interpreted for use in marketing decision making is called

- A. marketing concept.
- B. marketing research.**
- C. marketing strategy.
- D. product research.

Marketing research is the process by which information about the environment is generated, analyzed, and interpreted for use in marketing decision making.

2. (p. 30) Which of the following statements about marketing research is true?

- A. The most carefully executed research will always be error free.
- B. Marketing research is an aid to decision making and not a substitute for it.**
- C. Marketing managers should rely on marketing research for making decisions rather than intuition or experience.
- D. Marketing research forecasts with certainty what will happen in the future.

Marketing research is an aid to decision making and not a substitute.

3. (p. 30) Charles Walker wants to build a distribution center in Colorado. When you meet him for lunch, he shows you the marketing research that guarantees his new enterprise will be a success. What should you tell him to curb his unbridled optimism?

- A. Walker should execute research very carefully to make it error free.
- B. Walker needs to formulate a better plan for his organization.
- C. Walker should know that even the most carefully executed research can be fraught with errors.**
- D. Walker should be laying stress on strategic planning and not research.

Even the most carefully executed research can be fraught with errors.

4. (p. 30) Since marketing research does not make decisions, why should an organization bother with it at all?

- A. To make strategies error free.
- B.** To reduce the risks associated with managing marketing strategies.
- C. To equalize the risk of profit and loss and get maximum returns on investment.
- D. To eliminate consumer concerns.

Although marketing research does not make decisions, it can reduce the risks associated with managing marketing strategies.

5. (p. 30) All of the following are true of market research except

- A. even the most carefully executed research can be fraught with errors.
- B. marketing research does not forecast the future with certainty.
- C. decisions must be made in light of managers' own knowledge and experience.
- D.** it is a substitute for decision making.

Marketing research is the process by which information about the environment is generated, analyzed, and interpreted for use in marketing decision making. It cannot be overstated that marketing research is an aid to decision making and not a substitute for it.

6. (p. 30) Which of the following does not pertain to marketing research?

- A. Generation of information
- B. Analysis of information
- C. Aid to making good decisions
- D.** Substitute to decision making

It cannot be overstated that marketing research is an aid to decision making and not a substitute for it.

7. (p. 30-31) What is the closest observation one can make about the statement: "Marketing research can examine the effects of a change in any element of the marketing mix on customer perception and behavior"?

- A. Marketing research does not make decisions.
- B. Marketing research can forecast with certainty what will happen in the future.
- C. Marketing research can increase the risks associated with managing marketing strategies.
- D.** Marketing research can investigate effects of various marketing strategies after they have been implemented.

Marketing research is vital for investigating the effects of various marketing strategies after they have been implemented.

8. (p. 31) A systematic process for obtaining information to aid in decision making is called

- A.** marketing research.
- B. product analysis.
- C. audit.
- D. data processing.

Marketing research can be viewed as systematic processes for obtaining information to aid in decision making.

9. (p. 31) In the past, marketing researchers were primarily engaged in the technical aspects of the research, but were not extensively involved in

- A. sample selection of research findings.
- B.** strategic use of research findings.
- C. research design.
- D. data collection.

At one time, marketing researchers were primarily engaged in the technical aspects of research, but were not heavily involved in the strategic use of research findings.

10. (p. 31) The first step in the research process is to determine
- A. information about the changing elements of the market.
  - B. the marketing strategy.
  - C. the research and development and production systems.
  - D.** explicitly why research is needed and what it is to accomplish.

The first step in the research process is to determine explicitly why the research is needed and what it is to accomplish.

11. (p. 31) Reading of Toledo, Inc. makes a streaked griddle that produces char-broiled looking meat without the grease flare-ups, smoke, or wasted energy. Sales have been down recently for its streaked griddle. Its marketing manager wonders if consumer health concerns about grilled meat causing cancer are responsible for the decrease in sales. The manager wants to conduct marketing research to see if the firm needs to modify the product or advertise more. The marketing manager
- A.** is in the first stage of the market research process.
  - B. is uninformed about the scientific and political issues involved.
  - C. will have to rely solely on secondary data.
  - D. will next need to determine how the gathered data will be processed.

The first step in the research process is to determine explicitly why the research is needed and what it is to accomplish.

12. (p. 31) Identify the first step in the research process that determines why the research is needed and what it is to accomplish?
- A. Plan of the research
  - B. Processing of research data
  - C.** Purpose of the research
  - D. Preparation of research report

Purpose of research is the first step in the research process which determines explicitly why the research is needed and what it is to accomplish.

13. (p. 31) The Five Ps of the research process include purpose of research, plan of research, performance of research, processing of research data and
- A. preparation of research report.
  - B. predictability of research.
  - C. promotion of research results.
  - D. propagation of research.

Refer to Fig 2.1.

14. (p. 31) By the end of the first stage of the marketing research process, managers and researchers should agree on
- A. whether the company will do its own research or hire a marketing research specialist.
  - B. whether primary or secondary data will be used.
  - C. the specific question or questions the research is designed to investigate.
  - D. the type of quantitative research to be conducted.

At the end of the first stage, managers and researchers should agree on (1) the current situation involving the problem to be researched, (2) the nature of the problem, and (3) the specific question or questions the research is designed to investigate.

15. (p. 32) Which of the following best describes primary data?
- A. Data collected specifically for the research problem under investigation.
  - B. Data that has previously been collected for other purposes but can be used for the problem at hand.
  - C. Data collected through business and industry publications.
  - D. Data collected through government reports such as Statistical Abstracts of the United States.

Primary data are data collected specifically for the research problem under investigation.

16. (p. 32) Belinda Nunez wants to open a gallery in which she will feature young Hispanic artists. She was unsure if the new business would succeed until she read in the local newspaper that 55 percent of the community in which she will be operating the gallery is Hispanic. Which of the following statements could describe this situation?

- A. Nunez realized that she must carefully conduct research in order to eliminate all errors.
- B. Nunez used primary marketing research before she invested her money and time into the project.
- C.** Nunez used secondary data to aid her in decision making.
- D. Nunez realized that her decisions should be totally based on research and not on intuition or experience.

Secondary data are those that have previously been collected for other purposes but can be used for the problem at hand.

17. (p. 32) Belinda Nunez wants to open a gallery in which she will feature young Hispanic artists. She was unsure if the new business would succeed until she read in the local newspaper that 55 percent of the community in which she will be operating the gallery is Hispanic. What type of research (data) has she used to aid her in decision making?

- A. Primary data
- B.** Secondary data
- C. Qualitative research
- D. Observational research

Secondary data are those that have previously been collected for other purposes but can be used for the problem at hand.

18. (p. 32) What is the advantage of secondary data over primary data?

- A. It is always available for strategy-specific research questions.
- B. There are limited sources for secondary data making it easier to use.
- C.** It is less expensive.
- D. It is very systematic.

Secondary information has the advantage of usually being cheaper than primary data.

19. (p. 32) All of the following are critical issues influencing the research plan, except
- A. whether primary or secondary data are needed.
  - B. whether qualitative or quantitative research is needed.
  - C. whether the company will conduct its own research or contract with a marketing research specialist.
  - D.** whether the research is totally error free and statistical in nature.

Three critical issues that influence the research plan are (1) whether primary or secondary data are needed, (2) whether qualitative or quantitative research is needed, and (3) whether the company will do its own research or contract with a marketing research specialist.

20. (p. 32) Retail marketers are conducting research to estimate the traffic flow during peak hours at various intersections. This is to help determine the best locations for check-out stores. What type of research are they using?
- A.** Observational research
  - B. Survey research
  - C. Experimental research
  - D. Focus research

Observational research involves watching people and recording relevant facts and behaviors.

21. (p. 32) \_\_\_\_\_ is the data specifically collected for the research problem under investigation.
- A. Participant analysis
  - B.** Primary data
  - C. Sample data
  - D. Secondary data

Primary data are data collected specifically for the research problem under investigation.



22. (p. 32) Data that has been previously collected for other purposes but can be used for the problem at hand is known as

- A. research plan.
- B. proposal writing.
- C. secondary data.**
- D. primary data.

Secondary data are those that have previously been collected for other purposes but can be used for the problem at hand.

23. (p. 32) \_\_\_\_\_ has the advantage of usually being cheaper, but may not always be available for strategy-specific research questions.

- A. Primary data
- B. Secondary data**
- C. Mathematical modeling research
- D. Observational research

Secondary information has the advantage of usually being cheaper than primary data, although it is not always available for strategy-specific research questions.

24. (p. 32) All of the following are different types of quantitative research, except

- A. observations.
- B. surveys.
- C. experiments.
- D. focus groups.**

Four common types of quantitative research in marketing are observation, surveys, experiments, and mathematical modeling.

25. (p. 32) Quantitative research involves

- A. more systematic procedures designed to obtain and analyze numerical data.
- B. face-to-face interviews with respondents designed to develop a better understanding of what they think.
- C. discussions among a small number of individuals led by an interviewer.
- D. conducting an interview with a single respondent for several hours.

Quantitative research involves more systematic procedures designed to obtain and analyze numerical data.

26. (p. 32) In marketing, observation, surveys, experiments, and mathematical modeling are four common types of

- A. quantitative research.
- B. qualitative research.
- C. archive research.
- D. secondary research.

Four common types of quantitative research in marketing are observation, surveys, experiments, and mathematical modeling.

27. (p. 32) Which of the following involves the collection of data by means of a questionnaire either by mail, phone, or in person?

- A. Experimental research
- B. Long interviews
- C. Survey research
- D. Observational research

Survey research involves the collection of data by means of a questionnaire either by mail, phone, or in person.

28. (p. 32) Prior to introducing Vanilla Coke, the Coca-Cola Company did extensive research by collecting data through questionnaires by mail, phone, or in person. Identify the type of research used.

- A. Experimental research
- B. Long interviews
- C. Survey research**
- D. Observational research

Survey research involves the collection of data by means of a questionnaire either by mail, phone, or in person.

29. (p. 32) Qualitative research typically involves

- A. face-to-face interviews.**
- B. watching people and recording relevant facts.
- C. collection of data by means of a questionnaire.
- D. obtaining and analyzing numerical data.

Qualitative research typically involves face-to-face interviews with respondents designed to develop a better understanding of what they think and feel concerning a research topic, such as a brand name, a product, a package, or an advertisement.

30. (p. 32) Armstrong Inc. is a well-known producer and seller of rose bushes. The company's marketing manager is interested in knowing what gardeners think about its new line of hardy miniature rose bushes. Armstrong Inc. wants to know if the majority of gardeners perceive roses as a high-maintenance plant. Which of the following could be used by the company for gathering relevant primary data?

- A. The survey data gathered for the new edition of the *Reader's Digest Gardening* book.
- B. Summaries of consumer purchases from a gardening catalog retailer.
- C. A study of consumer complaints about their plant purchases from a large discount store.
- D. Discussions among focus groups made up of small number of gardeners led by an interviewer.**

Focus groups involve discussions among a small number of individuals led by an interviewer; they are designed to generate insights and ideas.

31. (p. 32) Which of the following is an example of qualitative research?

- A. Research conducted by watching how a buyer selects a ripe melon.
- B. Research conducted by comparing how people act when they are waiting for service at a fast-food restaurant and how they act when they are waiting for a table at a four-star restaurant.
- C. A mail survey about perceived benefits of breast feeding.
- D.** A three-hour interview during which the interviewee discusses his allergies and the products that have improved the quality of his life.

The two most common types of qualitative research in marketing are focus groups and long interviews. Long interviews are conducted by an interviewer with a single respondent for several hours.

32. (p. 32) Reading of Toledo, Inc. makes a streaked griddle that produces char-broiled looking meat without the grease flare-ups, smoke, or wasted energy. Sales have been down recently for its streaked griddle. Its marketing manager wonders if consumer health concerns about grilled meat causing cancer are responsible for the decrease in sales. The manager wants to conduct marketing research to see if the firm needs to modify the product or advertise more. He sends out a questionnaire by mail to gather relevant information. What type of research is he using?

- A. Observational research
- B. Experimental research
- C.** Survey research
- D. Mathematical research

Survey research involves the collection of data by means of a questionnaire either by mail, phone, or in person.

33. (p. 32) Quaker Oats has introduced a line of breakfast cereal packaged in bags. These are typically found on the bottom shelf of the cereal display as they don't stack or display as well as boxes. The bags are more economical and produce less waste. Quaker Oats attempts to judge whether they are a part of the buyers' consideration set by watching people buy cereal. Identify the type of quantitative research Quaker Oats is using?

- A. Observational
- B. Modeling
- C. Experimental
- D. Survey

Observational research involves watching people and recording relevant facts and behaviors.

34. (p. 32) \_\_\_\_\_ involve(s) discussions among a small number of individuals led by an interviewer; and are (is) designed to generate insights and ideas.

- A. Observational research
- B. Long interviews
- C. Focus groups
- D. Market segments

Focus groups involve discussions among a small number of individuals led by an interviewer; they are designed to generate insights and ideas.

35. (p. 32) Which of the following is not a type of quantitative research?

- A. Mathematical modeling
- B. Long interviews**
- C. Experiments
- D. Surveys

Four common types of quantitative research in marketing are observation, surveys, experiments, and mathematical modeling.

36. (p. 32) Identify the type of research which involves watching people and recording relevant facts and behaviors.

- A. Experimental research
- B. Long interviews
- C. Observational research**
- D. Survey research

Observational research involves watching people and recording relevant facts and behaviors.

37. (p. 32) Some hospitals have a standing policy that everyone who is to have surgery on a specific day must arrive at the hospital no later than 8 a.m. Then the patients and their friends and family members who accompanied them are asked to sit in a large impersonal waiting room until it is time to be prepped for their scheduled surgeries. One hospital is responding to customer complaints about this situation by conducting marketing research to determine what can be done to make the wait less stressful. The research began by seeing what people are doing to pass their time and by recording relevant facts and behaviors. What type of research is being used in this example?

- A. Qualitative (focus groups)
- B. Qualitative (long interview)
- C. Quantitative (observational)**
- D. Quantitative (experiments)

Four common types of quantitative research in marketing are observation, surveys, experiments, and mathematical modeling. Observational research involves watching people and recording relevant facts and behaviors.

38. (p. 32-34) What kind of quantitative research would a marketer most likely use to know more about the response a nicotine patch would generate among smokers?

- A. Observational
- B. Mathematical
- C. Experimental
- D. Survey**

Survey research involves the collection of data by means of a questionnaire either by mail, phone, or in person. Surveys are commonly used in marketing research to investigate customer beliefs, attitudes, satisfaction, and many other issues.

39. (p. 32) Retail stores use this type of research to determine what patterns customers use in walking through stores, how much time they spend in various parts of the store, and how many items of merchandise they examine.

- A. Observational research**
- B. Survey research
- C. Experimental research
- D. Mathematical modeling research

Observational research involves watching people and recording relevant facts and behaviors.

40. (p. 32) Which type of research is commonly used to investigate customer beliefs, attitudes, satisfaction, and other such issues?

- A. Observational research
- B. Survey research**
- C. Experimental research
- D. Mathematical modeling research

Surveys are commonly used in marketing research to investigate customer beliefs, attitudes, satisfaction, and many other issues.

41. (p. 32) What type of research would be used by a company that wants to know the meaning that various products or brands have for an individual, or how a product influences a person's life?

- A. Observational research
- B. Mathematical modeling
- C. Experimental research
- D.** Long interviews

Long interviews are designed to find out such things as the meanings various products or brands have for an individual or how a product influences a person's life.

42. (p. 32) Company T manufactures and markets computer games. Their latest addition is a game called "Thunderbolt". This game is targeted at the age group 13-16. The company recruited a volunteer group of kids in this target market and made them play the game. After the gaming session, the company executives conducted intense discussions with this group and gauged their feedback. What kind of research is undertaken by Company T?

- A.** Qualitative research
- B. Observational research
- C. Survey research
- D. Experimental research

Qualitative research typically involves face-to-face interviews with respondents designed to develop a better understanding of what they think and feel concerning a research topic, such as a brand name, a product, a package, or an advertisement.

43. (p. 32) \_\_\_\_\_ research typically involves face-to-face interviews with respondents and is designed to develop a better understanding of what they think and feel concerning a research topic.

- A. Experimental
- B. Quantitative
- C. Mathematical modeling
- D.** Qualitative

Qualitative research typically involves face-to-face interviews with respondents designed to develop a better understanding of what they think and feel concerning a research topic, such as a brand name, a product, a package, or an advertisement.



44. (p. 34) A manufacturer of computer monitors wants to know whether there would be an increase in sales to women if monitors were made using pastel-colored cases; while keeping all other elements of its marketing mix the same. What marketing research technique should the manufacturer use?

- A. Observational
- B. Modeling
- C. Experimental**
- D. Survey

Experimental research involves manipulating one variable and examining its impact on other variables.

45. (p. 34) Which type of quantitative research often involves secondary data, such as scanner data collected and stored in computer files from retail checkout counters?

- A. Extended focus groups
- B. Observational research
- C. Mathematical modeling**
- D. Experimental research

Mathematical modeling research often involves secondary data, such as scanner data collected and stored in computer files from retail checkout counters.

46. (p. 34) What type of research would you expect a consumer products company to use if it wanted to study household buying habits (specifically aisle and shelf location for its products) using secondary data sets each containing 500,000 items?

- A. Short interviews
- B. Mathematical modeling**
- C. Experimental Research
- D. Long interviews

Mathematical modeling research often involves secondary data, such as scanner data collected and stored in computer files from retail checkout counters.

47. (p. 34) The price of a product in one test store was changed while it was left the same in other stores. Comparing sales in the test store to those in other stores provided evidence about the impact of price change in the overall market. The type of research used here is

- A.** experimental.
- B. mathematical modeling.
- C. observational.
- D. surveys.

In experimental research, the price of a product in one test store could be changed, while left the same in other stores. Comparing sales in the test store with those in other stores can provide evidence about the likely impact of a price change in the overall market.

48. (p. 34) Identify the research process that involves manipulating one variable and examining its impact on other variables.

- A. Marketing audit
- B. Mathematical modeling
- C. Statistical study
- D.** Experimental research

Experimental research involves manipulating one variable and examining its impact on other variables.

49. (p. 34) A company making ice-creams has recently introduced a brand new flavor. It uses scanner data collected and stored in computer files from retail checkout counters to find out how the sale of the new flavor is doing. What type of research has the company used here?

- A.** Mathematical modeling research
- B. Experimental research
- C. Product research
- D. Sales forecasting

Mathematical modeling research often involves secondary data, such as scanner data collected and stored in computer files from retail checkout counters.

50. (p. 34) A travel agency wants to implement market segmentation in order to target people who travel at least once a week for business purposes. It uses its ticketing data collected and stored in computer files from all outlets issuing tickets to identify this segment. What type of research is the company using?

- A. Mathematical modeling research
- B. Observational research
- C. Qualitative research
- D. Experimental research

Mathematical modeling research often involves secondary data, such as scanner data collected and stored in computer files from retail checkout counters.

51. (p. 34) For years, Wisk liquid detergent has positioned itself as a detergent/stain remover. Its manufacturer is worried about losing market share. The company is concerned about whether it is losing customers to stain removers like Shout and Grease Relief or to products that are essentially stain resistant. Unless it has this information, the manufacturer of Wisk cannot efficiently begin a new advertising program. It uses scanner data on consumer supermarket purchases collected at checkout counters to gather relevant information. The type of research used here is

- A. mathematical modeling research.
- B. observational research.
- C. qualitative research.
- D. experimental research.

Mathematical modeling research often involves secondary data, such as scanner data collected and stored in computer files from retail checkout counters.

52. (p. 34) A marketer of yo-yos wants to know how an increase in price would affect its sales. It uses a test store where it increases the price of the yo-yo by ten percent and then studies its impact on sales. Comparing sales in the test store with those in other stores provides evidence about the likely impact of a price change in the overall market. Identify the type of market research used here.

- A. Experimental research
- B. Mathematical modeling research
- C. Observational research
- D. Qualitative research

Experimental research involves manipulating one variable and examining its impact on other variables.

53. (p. 34) Company S, a maker of Baby Wipes, wants to know the reaction of parents to their new non-scented hypoallergenic wipes. It conducts a survey of new mothers - one involving first-time mothers and the other involving mothers who had at least one child at home. Now it wants to know if these samples came from populations with equal means. In other words, are the samples comparable? Which of the following research techniques will it need to use?
- A. Experimental research
  - B. Mathematical modeling research**
  - C. Quantitative observational research
  - D. Survey research

Mathematical modeling research often involves secondary data. This approach involves the development of equations to model relationships among variables and uses econometric and statistical techniques to investigate the impact of various strategies and tactics on sales and brand choices.

54. (p. 35) This research method is useful because it provides an efficient way to study problems with extremely large secondary data sets.
- A. Observational research
  - B. Quantitative survey research
  - C. Experimental research
  - D. Mathematical modeling research**

Math modeling is useful because it provides an efficient way to study problems with extremely large secondary data sets.

55. (p. 35) Mathematical modeling is useful for marketing research because it provides
- A. exact answers about how the market will behave and guidelines for implementing the marketing mix.
  - B. an efficient way to study problems with extremely large secondary data sets.**
  - C. a simple way to quantify data.
  - D. a way to convert data into graphs.

Math modeling is useful because it provides an efficient way to study problems with extremely large secondary data sets.

56. (p. 35) A disadvantage of mall intercepts is that

- A.** sample composition or representativeness is suspect.
- B. collection of data takes a very long time.
- C. response rates are very low.
- D. no flexibility in collecting data, answering questions, probing respondents.

A disadvantage of mall intercepts is that sample composition or representativeness is suspect.

57. (p. 35) One of the disadvantages of internet surveys is that

- A. they are very expensive.
- B.** responses must be checked for duplication, bogus responses.
- C. visual stimuli cannot be evaluated.
- D. real-time data processing is not possible.

One of the disadvantages of internet surveys is that responses must be checked for duplication, bogus responses.

58. (p. 35) Which of the following does not pertain to projective techniques?

- A. Useful in word association tests of new brand names.
- B.** Inexpensive, quickly executed.
- C. Less threatening to respondents for sensitive topics.
- D. Can identify important motives underlying choices.

In projective techniques, cost per interview is quite high.

59. (p. 35) Which of the following would be an advantage of telephone surveys?

- A. Visual stimuli can be evaluated
- B. Accuracy of measuring overt behaviors
- C. Less threatening to respondents for sensitive topics
- D.** Data collected quickly

An advantage of telephone surveys is that data can be collected quickly.

60. (p. 35) Mall intercepts are excellent for all of the following, except

- A. concept tests.
- B. copy evaluations.
- C. collecting data quickly.
- D.** collecting sensitive data.

Mall intercepts are excellent for concept tests, copy evaluations, other visuals and collecting data quickly.

61. (p. 35) Identify a disadvantage of mail surveys.

- A.** Limited depth of response
- B. Limited geographic dispersion
- C. Difficulty of administration
- D. Data collection extremely time consuming

A disadvantage of mail surveys is that it has a limited depth of response.

62. (p. 35) Which of the following is a disadvantage of personal (in-depth) interviews?

- A. Limited depth of response.
- B.** Easy to transmit biasing cues.
- C. Unable to assess opinions of attitudes causing behaviors.
- D. Requires expert moderators.

Easy to transmit biasing cues is one of the disadvantages of Personal (in-depth) interviews.

63. (p. 35) Which of the following does not pertain to internet surveys?

- A. Responses must be checked for duplication, bogus responses.
- B. Difficulty in generating sample frames for probability sampling.
- C. Limited ability to qualify respondents and confirm responses.
- D.** Cost per contact is high.

Disadvantages of internet surveys include: responses must be checked for duplication, bogus responses; respondent self-selection bias; limited ability to qualify respondents and confirm responses; and difficulty in generating sample frames for probability sampling.

64. (p. 35) Which of the following is an advantage of mail surveys?

- A. Accuracy of measuring overt behaviors
- B. Visual stimuli can be evaluated
- C. Broad geographic dispersion**
- D. Real-time data processing possible

Refer Figure 2.3.

65. (p. 35) Which of the following does not pertain to mall intercepts?

- A. Flexibility in collecting data, answering questions, probing respondents
- B. Data collected quickly
- C. Excellent for concept tests, copy evaluations, other visuals
- D. Unlimited time**

Refer Figure 2.3.

66. (p. 35) Which of the following does not pertain to focus groups?

- A. Relatively low cost
- B. Flexibility in use
- C. Potential for bias from moderator
- D. Broad geographic dispersion**

Refer Figure 2.3.

67. (p. 35) Identify the marketing research method in which the survey can be answered at the convenience of the respondent and where visual stimuli can be evaluated.

- A. Telephone surveys
- B. Internet survey**
- C. Mail survey
- D. Mall intercepts

Refer Fig 2.3.

68. (p. 35) An advantage of using focus groups is that
- A.** data can be collected quickly and at a relatively low cost.
  - B. it uses expert moderators.
  - C. it covers a broad geographic dispersion.
  - D. surveys can be answered at convenience of the respondents.

Refer Fig 2.3.

69. (p. 35) A disadvantage of telephone surveys is
- A. the lack of cost-effectiveness as compared to personal interviews.
  - B. the delay in collection of data.
  - C. centralized control on data collection.
  - D.** the resistance in collecting financial data.

Refer Fig 2.3.

70. (p. 35) One advantage of internet surveys is
- A. that the responses are accurate.
  - B. that the responses need not be checked for duplication.
  - C. the ability to qualify respondents and confirm responses.
  - D.** that real-time data processing is possible.

Refer Fig 2.3.

71. (p. 35) One disadvantage of the projective technique is that
- A. it is highly threatening to respondents for sensitive topics.
  - B. it is not useful in word association tests of new brand names.
  - C. it is not possible to identify important motives underlying choices.
  - D.** it requires trained interviewers.

Refer Fig 2.3.



72. (p. 35) The advantage of observation is that
- A.** it can accurately measure overt behaviors.
  - B. it is inexpensive in data-collection-time costs.
  - C. it can assess opinions of attitudes causing behaviors.
  - D. it is appropriate only for infrequently occurring behaviors.

Refer Fig 2.3.

73. (p. 35) The advantage of personal interviews is that
- A. they do not involve the element of bias.
  - B. the cost per contact is quite low; hence they are highly cost effective.
  - C. they have no time constraints.
  - D.** they generate substantial number of ideas compared with group methods.

Refer Fig 2.3.

74. (p. 36) What kinds of people buy our products, where do they live, and how much do they earn are \_\_\_\_\_ questions that marketing research can help answer.
- A.** segmentation
  - B. demand estimation
  - C. environmental assessment
  - D. control assessment

Refer Marketing Highlight 2-2.

75. (p. 36) "In testing new products and product-line extensions, which product design is likely to be the most successful?" This is an example of a question pertaining to \_\_\_\_\_ that marketing research can help answer.
- A. control
  - B. planning
  - C. segmentation
  - D.** problem solving

Refer Marketing Highlight 2-2.

76. (p. 37) Company Z is a catalog company. It studies about 3,500 variables over the lifetime of a consumer's relationship. It has found that customers who change residences are more likely to buy tables, fax machines, and decorative products than jewelry or footwear when compared to regular customers. So Company Z creates a catalog especially targeted at consumers who have recently moved. Which process has the company followed to arrive at this particular decision?

- A. Information retrieval
- B. Data mining**
- C. Data warehousing
- D. Text mining

Data mining is the process of searching through data sets looking for insights to improve marketing strategies.

77. (p. 37) \_\_\_\_\_ is the process of extraction of hidden predictive information from large data bases.

- A. Data mining**
- B. Marketing research
- C. Planning
- D. Mail surveys

Data mining is the extraction of hidden predictive information from large databases.

78. (p. 37) "Performance of the research" involves

- A. preparing data or analysis and actual analysis of them.
- B. creation of a production schedule.
- C. detailed statistical analysis.
- D. preparing for data collection and actually collecting it.**

Performance of the research involves preparing for data collection and actually collecting them.

79. (p. 37) Processing of research data includes such things as
- A. manipulating one variable and examining its impact on other variables.
  - B. obtaining and recording the maximal amount of useful information, subject to the constraints of time, money, and respondent privacy.
  - C. collection of data by means of a questionnaire either by mail, phone, or in person.
  - D.** editing and structuring data and coding them for analysis.

Processing research data includes such things as editing and structuring data and coding them for analysis.

80. (p. 37) The appropriate analysis techniques for collected data depend on the
- A. number of respondents and their abilities.
  - B.** nature of the research question and the design of the research.
  - C. manipulation of variables.
  - D. data mining tools available.

The appropriate analysis techniques for collected data depend on the nature of the research question and the design of the research.

81. (p. 38) \_\_\_\_\_ is a complete statement of everything done in a research project and includes a write up of each of the previous stages as well as the strategic recommendations from the research.
- A.** Research report
  - B. Research plan
  - C. Research evaluation
  - D. Research data

The research report is a complete statement of everything done in a research project and includes a write-up of each of the previous stages as well as the strategic recommendations from the research.

82. (p. 38) The major goal of most \_\_\_\_\_ is to measure new product sales on a limited basis where competitive retaliation and other factors are allowed to operate freely.

- A. mathematical modeling
- B. test marketing**
- C. process researches
- D. data evaluation

The major goal of most test marketing is to measure new product sales on a limited basis where competitive retaliation and other factors are allowed to operate freely.

83. (p. 38) Which of the following is not a factor responsible for the invalidation of test marketing study results?

- A. Test market areas are representative of the market in general in terms of population characteristics, competition, and distribution outlets.**
- B. Sample size and design are incorrectly formulated because of budget constraints.
- C. Pretest measurements of competitive brand sales are not made or are inaccurate.
- D. Test stores do not give complete support to the study such that certain prices may not be held constant during the test period.

Test market areas are not representative of the market in general in terms of population characteristics, competition, and distribution outlets.

84. (p. 38) Budget constraints on marketing research can lead to

- A. wrong interpretation of the research results.
- B. inappropriate inferences and conclusions.
- C. incorrectly formulated sample size and design.**
- D. incorrect reasons regarding why the research is needed.

Sample size and design are incorrectly formulated because of budget constraints.

85. (p. 38) Which of the following does not pertain to the preparation of research reports?

- A. It must include limitations of the study.
- B. It should include a write-up of the strategic recommendations from the study.
- C. It should be a complete statement of everything done in a research project.
- D. It must use only scientific jargon.**

Often research reports must trade off the apparent precision of scientific jargon for everyday language that managers can understand.

86. (p. 38) Which of the following is not a stated criterion for the evaluation of marketing research reports?

- A. Determining whether type of research is appropriate for the research questions.
- B. Determining if the limitations of the study are recognized and explained in detail
- C. Determining whether analysis conducted is according to standards accepted in the field.
- D. Determining if the research report used technical jargon.**

Often research reports must trade off the apparent precision of scientific jargon for everyday language that managers can understand.

87. (p. 38) Ruddick Inc., a chain of grocery stores in Philadelphia, is considering stocking the company Atlanta's 'Binge Oatmeal Cookies with Vitamin Chips'. The store's marketing team conducts a research on feasibility of sales within specific areas and identification of the target market for this product. However, when the product is introduced in the stores, sales do not reach the targeted number. The marketing team realizes that they had overlooked the more popular organically processed whole grain cookies stocked by the competitor store. What type of problem invalidated the research findings in this example?

- A. Test-market products are advertised or promoted beyond a profitable level for the market in general.
- B. Sample size and design are incorrectly formulated because of budget constraints.
- C. The test-market period is too short to determine whether the product will be repurchased by customers.
- D. Pretest measurements of competitive brand sales are not made or are inaccurate, limiting the meaningfulness of market share estimates.**

One problem that can invalidate research findings includes the fact that pretest measurements of competitive brand sales are not made or are inaccurate, limiting the meaningfulness of market share estimates.

88. (p. 38) Interpreting and assessing research results is a critical part of
- A. identifying the research type.
  - B. preparation of the research report.
  - C. performance of the research.
  - D.** processing research data.

A critical part of processing research data is interpreting and assessing the research results.

89. (p. 38-39) Test-market products advertised or promoted beyond a profitable level for the market in general
- A. are representative of the competitive retaliation in the market.
  - B.** are capable of invalidating test marketing study results.
  - C. are the result of an unethical work environment.
  - D. are examples of how manipulating one variable impacts other variables.

A problem that could invalidate test marketing study results is if test-market products are advertised or promoted beyond a profitable level for the market in general.

90. (p. 39) Marketing research managers should ensure that
- A.** respondents' identities are safe from invasion of privacy.
  - B. they reveal information about a client to competitors.
  - C. they place subordinates in situations where unethical behavior could be concealed but rewarded.
  - D. they promote an environment where unethical behavior is overlooked.

Refer to Marketing Highlight 2-4.

91. (p. 39) All of the following are instances where deception could be considered acceptable in research, except where
- A. it is needed to obtain valid results.
  - B. there is minimal risk to respondents.
  - C. respondents are debriefed explaining the real purpose of the study.
  - D.** unethical behavior could be concealed but rewarded.

Refer to Marketing Highlight 2-4.

92. (p. 39) All of the following are ethical responsibilities of marketing researchers to the respondents, except

- A. preserving respondent anonymity.
- B. avoiding mental stress for respondents.
- C.** avoiding opportunities for unethical behavior.
- D. avoiding the use of dangerous equipment or techniques.

Refer to Marketing Highlight 2-4.

93. (p. 39) Providing confidentiality is one of the responsibilities of the marketing researchers, since they are obliged not to

- A. debrief them explaining the real purpose of the study.
- B.** reveal information about a client to the competitors.
- C. call the clients again.
- D. use the data collected from them in any research.

Marketing researchers are obliged not to reveal information about a client to competitors and should carefully consider when a company should be identified as a client.

94. (p. 39) Which of the following does not fall under the responsibility of the market researchers towards respondents?

- A. Preserving respondent anonymity
- B. Avoiding mental stress
- C. Avoiding detrimental questions
- D.** Overlooking unethical behavior

Refer to Marketing Highlight 2-4.

95. (p. 39) Which of the following should an ethical marketing research firm avoid doing?

- A. Should price its work fairly with no hidden charges.
- B. Promote the correct usage of research and prevent the misuse of findings.
- C. Not reveal information about a client to its competitors.
- D.** Should hastily identify companies as clients.

See Marketing Highlight 2-4.

96. (p. 40) Marketing decision support system

- A. is a popular form of marketing information system.
- B. is a group of technical staff aiding managerial decisions.
- C. is a firewall that does not permit marketers to explore external databases.
- D. are only designed to handle information from internal sources.

A popular form of marketing information system is the marketing decision support system.

97. (p. 40-41) Marketing decision support systems require three types of software. These are

- A. word processing systems, a spreadsheet, and a local area network system.
- B. a database management system, search engine software, and a dialog system.
- C. a spreadsheet, communications software, and word processing systems.
- D. database management system, model base management software, and a dialog system.

Marketing decision support systems require three types of software: a database management system, model base management software, and a dialog system.

98. (p. 41) Marketing decision support systems are designed to handle information from both internal and external sources. Which of the following is an example of an internal source of data that could be used with a marketing decision support system?

- A. Company expenditure data on advertising.
- B. Industry expenditure data on sales promotions.
- C. Economic environmental changes.
- D. Global information on competitors.



Internal information includes such things as sales records, which can be divided by territory, package size, brand, price, order size, or salesperson; inventory data that can indicate how rapidly various products are selling; or expenditure data on such things as advertising, personal selling, or packaging.

99. (p. 41) Which of the following best illustrates an external source of data that could be used with a marketing decision support system?

- A. Information on sales territories' allocated to the various salespeople.
- B. Company expenditures on personal selling.
- C. Average size of commissions paid to sales personnel.
- D.** Information on advances in the field of software technology.

External information is gathered from outside the organization and concerns changes in the environment that could influence marketing strategies.

100. (p. 41) Which of the following pertains to the model base management software?

- A. It permits marketers to explore databases.
- B.** It contains routines for manipulating data.
- C. It contains models that produce information to address decision-making needs.
- D. It helps in sorting and retrieving data from internal and external sources.

Model base management software that contains routines for manipulating data in ways that are useful for marketing decision making.