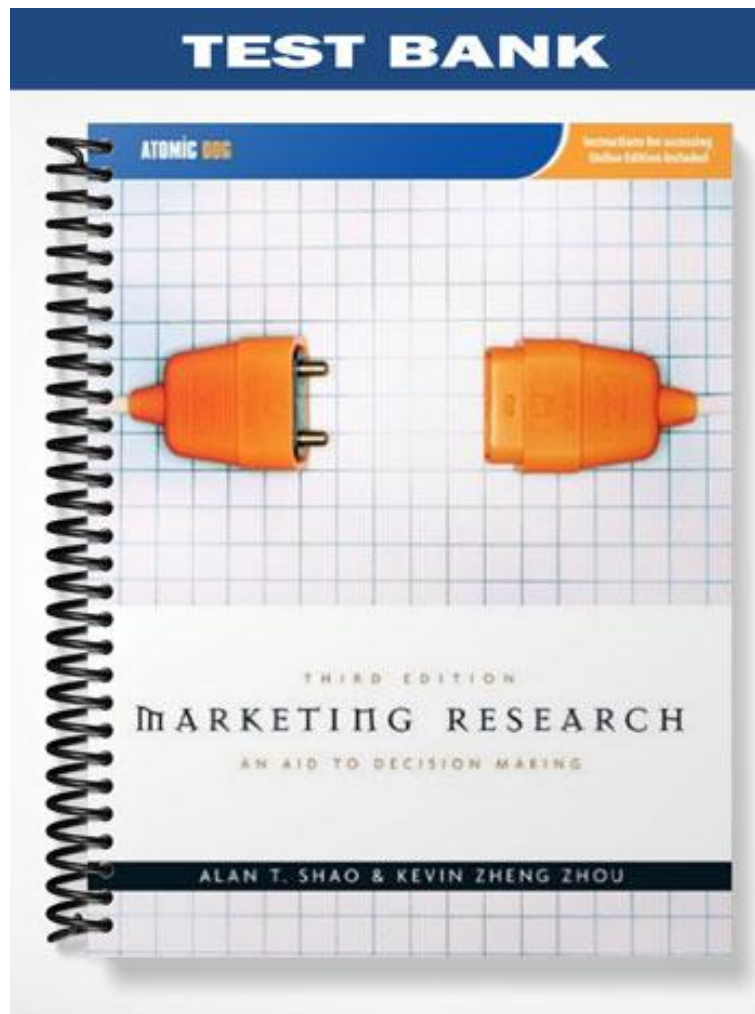


TEST BANK



Chapter 2: Marketing Research Process and Problem Identification

TRUE/FALSE

1. Research design is the driving force behind marketing research efforts.

ANS: T

This is the definition of research design.

PTS: 1 DIF: Easy REF: 2-1c

2. Exploratory research is a type of conclusive research that describes attitudes, perceptions, characteristics, activities, and situations.

ANS: F

This is the definition of descriptive research.

PTS: 1 DIF: Easy REF: 2-1c

3. Conclusive research endeavors help the marketing researcher identify problems, generates hypotheses, and gains insights.

ANS: F

This is exploratory research.

PTS: 1 DIF: Easy REF: 2-1c

4. The sample size for conclusive research tends to be large and representative of the population.

ANS: T

To obtain reliability requires large samples.

PTS: 1 DIF: Moderate REF: 2-1c

5. Causal research provides evidence that a cause-and-effect relationship exists or does not exist.

ANS: T

This is by definition and by requirements.

PTS: 1 DIF: Moderate REF: 2-1c

6. For causality to exist, the cause must precede the effect; it cannot occur simultaneously or after the effect.

ANS: F

It can occur simultaneously with the effect.

PTS: 1 DIF: Difficult REF: 2-1c

7. Concomitant variation is the extent to which the cause and effect vary together as hypothesized.

ANS: T

This is true by definition.

PTS: 1 DIF: Easy REF: 2-1c

8. To definitively determine that one variable causes another variable to occur, most outside factors that could influence the association between the two variables need to be eliminated.

ANS: F
All outside factors need to be eliminated.

PTS: 1 DIF: Moderate REF: 2-1c

9. A longitudinal study is the most common form of study.

ANS: F
This is a cross-sectional study.

PTS: 1 DIF: Easy REF: 2-1c

10. Longitudinal studies are continuous whereby the same respondents are questioned or observed during predetermined time intervals over a span of time.

ANS: T
This is by definition.

PTS: 1 DIF: Easy REF: 2-1c

11. If a marketing researcher chooses ten consumers that represent the target population of 100 and ask them questions, the ten people represent some type of sample.

ANS: T
This is the definition of sample.

PTS: 1 DIF: Difficult REF: 2-1d

12. When a nonprobability sample is acquired, statistics can be used to determine the extent to which the sample is not representative of the population.

ANS: F
This is only true for a probability sample.

PTS: 1 DIF: Moderate REF: 2-1d

13. Qualitative data is information gathered from a small sample of the target population that is used to understand a group's feelings and insights.

ANS: T
This is inherent in the definition of qualitative data.

PTS: 1 DIF: Moderate REF: 2-1d

14. Qualitative studies are not popular because they are often expensive to conduct and tend to take a long time to perform.

ANS: F

They are inexpensive and take a short time to perform.

PTS: 1 DIF: Moderate REF: 2-1d

15. Editing is the process of systematically and consistently assigning each survey response a numerical score or code.

ANS: F

This is coding.

PTS: 1 DIF: Easy REF: 2-1f

16. After defining the problem or opportunity, researchers should state the research objectives, which should flow from and be consistent with the definition.

ANS: T

This is the step two in the marketing research process.

PTS: 1 DIF: Moderate REF: 2-1

17. Research design is the framework that directs marketing research efforts.

ANS: T

This is by definition.

PTS: 1 DIF: Easy REF: 2-1c

18. Descriptive and causal research are two types of conclusive research.

ANS: T

This is by definition. and Exhibit 2-5.

PTS: 1 DIF: Easy REF: 2-1c

19. A disadvantage of cross-sectional studies is that they cannot be performed at a relatively low cost.

ANS: F

The advantage is that they can be performed at a relatively low cost.

PTS: 1 DIF: Moderate REF: 2-1c

20. Nonprobability samples are used because probability samples are not always possible or necessary.

ANS: T

They are easier to implement into a design and if hypothesis testing is not called for-a better choice.

PTS: 1 DIF: Moderate REF: 2-1d

21. It is not necessary to follow the marketing research process to accomplish good marketing research.

ANS: T

Although it is not necessary, we suggest that if you don't follow the process, you could miss something very important in the conduct of the research.

PTS: 1 DIF: Difficult REF: 2-1

22. As a marketing manager, preliminary indications in market A reveal that customers are reacting negatively to a price increase. After eliminating all other rationale for the drop in market share in market A, you ask your marketing research staff to study the price elasticity for the product so correct changes can be made in the pricing. This is an example of adequately defining the decision problem or opportunity.

ANS: T

Application of step 1 in the marketing research process. This first step is important and gives direction to the research.

PTS: 1 DIF: Difficult REF: 2-1a

23. Problem definitions are very easy to formulate.

ANS: F

They are very complex but important.

PTS: 1 DIF: Easy REF: 2-1a

24. There is usually a one to one relationship between decision problems and research objectives.

ANS: T

Examples are shown in exhibit 2-2.

PTS: 1 DIF: Moderate REF: 2-1b

25. Exploratory research is the basic building block of all applied research and helps in problem definition.

ANS: T

By definition exploratory research identifies problems and sets research direction.

PTS: 1 DIF: Moderate REF: 2-1c

26. If I am a researcher that wants to develop a segment profile of young fashion sophisticates, causal research is the appropriate research design.

ANS: F

Descriptive research is the appropriate design.

PTS: 1 DIF: Moderate REF: 2-1c

27. If market share is increased when I use more print ads in the market segment, then market share is the independent variable.

ANS: F

Market share is the dependent variable and is affected by the print ads.

PTS: 1 DIF: Difficult REF: 2-1c

28. A cross sectional design takes place over time.

ANS: F

It is time based - at one moment in time.

PTS: 1

DIF: Easy

REF: 2-1c

29. If a researcher asks a series of questions to a mall shopper on a Thursday at 6:15 PM, she is using a cross sectional design.

ANS: T

This uses the definition of a cross sectional design.

PTS: 1

DIF: Moderate

REF: 2-1c

30. When conducting marketing research, a researcher takes a sample of a sample to accomplish the research.

ANS: F

Samples are taken from populations.

PTS: 1

DIF: Easy

REF: 2-1d

31. If I am conducting research in Mexico, and my research design includes an dependent variable called smooth skin, I may have a problem measuring this variable because of the translation differences common to conducting research in non-US global markets.

ANS: T

Smooth skin, a common term in the US, has to be translated as “having baby skin” in Spanish.

PTS: 1

DIF: Difficult

REF: 2-2

MULTIPLE CHOICE

1. Which of the following is not a legitimate concern for researchers when defining a problem or opportunity?
- what is already known about the issue
 - resources available for the research activity
 - the decision maker’s objectives
 - all of the above are legitimate concerns

ANS: D

All are effective means to define problems.

PTS: 1

DIF: Easy

REF: 2-1a

2. After defining a problem or opportunity, what should be done?
- state the research objectives
 - develop a research design
 - prepare for data collection
 - analyze the data

ANS: A

This is the second step in the research process.

PTS: 1

DIF: Easy

REF: 2-1b

3. Which of the following is not a type of research objective?
- describe things like attitudes, perceptions, characteristics, activities, and situations
 - test hypotheses to determine cause-and-effect relationships
 - gather preliminary information to help identify a problem, generate hypotheses, and gain insights into something of interest
 - a, b, and c are not types of research objectives

ANS: D

Knowledge of research objectives is necessary.

PTS: 1 DIF: Difficult REF: 2.1b

4. Which of the following is not a type of research design?
- conclusive
 - exploratory
 - descriptive
 - all of the above are types of research design

ANS: D

All are research designs by definition.

PTS: 1 DIF: Easy REF: 2-1c

5. Which of the following is not a common description of exploratory research?
- sample is representative of target population
 - expenditures are relatively low
 - tends to be flexible
 - research environment is relaxed

ANS: A

This is necessary to all designs and not necessarily a descriptor of exploratory research.

PTS: 1 DIF: Moderate REF: 2-1c

6. Which of the following is not part of the definition of descriptive research?
- builds on previous information
 - requires minimal background knowledge
 - samples are representative
 - expected expenditures are high

ANS: B

Prior knowledge must exist to implement a descriptive design.

PTS: 1 DIF: Moderate REF: 2-1c

7. Which of the following is not a common element of causal research?
- little flexibility
 - requires considerable background knowledge
 - research environment is relaxed
 - expected expenditures are high

ANS: C

This is not in the definition of causal research.

PTS: 1 DIF: Moderate REF: 2-1c

8. Which of the following is not a characteristic of descriptive research?
- shows a relationship between variables
 - research plan is unstructured
 - requires substantial resources
 - findings are conclusive

ANS: B

This is not in the definition of descriptive research. Research plan is structured.

PTS: 1 DIF: Moderate REF: 2-1c

9. What is the variable that causes or explains variations in the dependent variable?
- exploratory variable
 - independent variable
 - structured variable
 - unstructured variable

ANS: B

Independent variables influence dependent variables by definition.

PTS: 1 DIF: Easy REF: 2-1c

10. Which of the following is an advantage of longitudinal studies?
- takes changes related to time into consideration
 - may be performed at a relatively low cost
 - short time to collect data
 - required cooperation by respondents

ANS: A

This is true by definition. Longitudinal designs are the only designs that take changes over time into consideration.

PTS: 1 DIF: Moderate REF: 2-1c

11. Data that has already been collected for a purpose other than the current study is called_____.
- primary data
 - internal data
 - secondary data
 - external data

ANS: C

This is the definition of secondary data.

PTS: 1 DIF: Easy REF: 2-1d

12. Which of the following factors does not affect marketing research in developing countries?
- research focuses on operational issues
 - data gathering is difficult and expensive
 - unsophisticated research infrastructure
 - media is underdeveloped and poor in quality

ANS: A

Operational issues of research are related to the research process and not effected by global aspects of research.

PTS: 1 DIF: Moderate REF: 2-2

13. A group of individuals or objects from a target population that is chosen to represent the target population is called a_____.
- a. sample
 - b. population
 - c. segment
 - d. cell

ANS: A

This is the definition of a sample.

PTS: 1 DIF: Easy REF: 2-1d

14. A subset of a population in which the probability of obtaining each sample can be computed and is nonzero for every unit of the population is called a _____.
- a. nonzero sample
 - b. probability sample
 - c. nonprobability sample
 - d. none of the above

ANS: B

This is the definition of a probability sample.

PTS: 1 DIF: Easy REF: 2-1d

15. The data that is obtained from within the organization for which the research is conducted is called_____.
- a. external data
 - b. internal data
 - c. domestic data
 - d. reserved data

ANS: B

This is by definition.

PTS: 1 DIF: Easy REF: 2-1d

16. Carefully checking survey data for completeness, legibility, consistency, and accuracy is called _____ data.
- a. checking
 - b. marking
 - c. editing
 - d. coding

ANS: C

This is by definition.

PTS: 1 DIF: Easy REF: 2-1f

17. Which of the following is not a factor affecting marketing research in developed countries?
- a. data is widely available and reliable

22. The degree to which a sample of consumers represents the characteristics of the population of consumers under study is known as its_____.
- representativeness
 - experimentation
 - reliability
 - validity

ANS: A

Samples should be representative of the population that is used in the research.

PTS: 1 DIF: Moderate REF: 2-1d

23. The total number of consumers under study is known as the_____.
- sample
 - probability sample
 - population
 - non-probability sample

ANS: C

This is the definition of population.

PTS: 1 DIF: Easy REF: 2-1d

24. Which of the following is not a type of research objective?
- exploratory
 - qualitative
 - establishing causality
 - descriptive

ANS: B

Qualitative refers to data and not research objectives.

PTS: 1 DIF: Moderate REF: 2-1c

25. The Cremola Company would like to get a better understanding of why sales are declining in their “wheat bran” cereal segment. They would most likely conduct market research by incorporating this type of design.
- causal
 - descriptive
 - normative
 - exploratory

ANS: D

An exploratory design allows the manager/researcher to understand the problem.

PTS: 1 DIF: Difficult REF: 2-1c

26. The Shamrock Company would like to profile what type of customers might react to new advertisements for their “planting mix.” The research design Shamrock would likely use in the conduct of the research is a (an) _____ design.
- normative
 - exploratory
 - causal
 - descriptive

ANS: B

Descriptive designs allow for profiles of customers to be developed from the collected data.

PTS: 1 DIF: Difficult REF: 2-1c

27. The idea that marketing research should follow a logical process of steps to achieve the research objectives is another way of saying that the research should be_____.
- valid
 - syndicated
 - systematic
 - representative

ANS: C

This is an interrelated question using chapter 1 and chapter 2 knowledge. Marketing research is systematic in nature. The research process is also systematic in steps.

PTS: 1 DIF: Difficult REF: 2-1

28. The primary purpose of choosing a research design is to_____.
- choose the right sample
 - state the specific procedures in the conduct of the research
 - guide researchers in their quest to solve marketing problems
 - assign people to research tasks

ANS: C

This is implied in the choice of design as applied research.

PTS: 1 DIF: Difficult REF: 2-1c

29. The number of times a consumer visits an Internet store like Amazon.com is an example of_____ data.
- web
 - qualitative
 - quantitative
 - redundant

ANS: C

Quantitative data are numbers.

PTS: 1 DIF: Moderate REF: 2-1d

30. Communicating the findings of marketing research is usually done in a(n) _____ format
- written
 - written and oral
 - non-proprietary
 - Internet

ANS: A

This is usually done in both written and oral form.

PTS: 1 DIF: Easy REF: 2-1g

ESSAY

1. Marketing Research can be optimized if a researcher follows what general guidelines?

ANS:

Clear problem (or opportunity) definition
Clearly stated and accurate research objectives
Well laid out research design
Efficient and effective data collection method
Utilization of proper data analysis techniques
Accurate, reliable, and defensible findings
High ethical standards applied
Limitations explicitly stated
Decision maker's information needs satisfied
Research report well written and accurately presented
Study measured what it intended to measure

PTS: 1 DIF: Easy REF: 2-3

2. A marketing manager for the Mattel company wants to get a description of the users (those that play with the toy) of the new Tickle Me Elmo 10th anniversary edition toy. They summon you to create a research design for them. What do you suggest.

ANS:

You suggest a descriptive research design that will identify the users, describe their behavior and characteristics, and provide conclusive evidence of the descriptive profiles of these users.

PTS: 1 DIF: Moderate REF: 2-1c

3. Your friend suggests that good product advertising causes product sales to rise. From what you have read about causality in this chapter, how would you respond?

ANS:

You should reply that if sales is the dependent variable and advertising is the potential causal factor, to establish causality, there must be the following:

Logical Time Sequence: For causality to exist, the cause must either precede or occur simultaneously with the effect—it cannot occur later. For an independent variable (for example, advertising expenditures for a specific product) to predict a dependent variable (sales level of the product), there must be a logical order of events. In other words, advertising must precede the measurement of sales.

Concomitant variation : This is the extent to which the cause and effect vary together as hypothesized. That is, do the independent (cause) and dependent (effect) variables change together in the hypothesized direction? If it is hypothesized that increased advertising of the product generates more sales of the product, then when advertising expenditures increase from \$100,000 per month to \$200,000 per month, sales should increase. Similarly, if advertising expenditures are cut from \$100,000 to \$50,000, sales reductions should result.

Control For Other Possible Causal Factors: To definitively determine that one variable (advertising) causes another variable (sales) to occur, all outside factors that could influence the association between the two variables need to be eliminated.

PTS: 1 DIF: Difficult REF: 2-1c

4. A researcher would like to determine the attitudes of a young style group called “emos”. Emos shop at stores like “Hot Topic”, wear their hair the same, and have a definite style/attitude. What population would you sample from to get a representation of this group? And, where would you collect data from this group?

ANS:

You must zero in on identifying the correct population of interest for the study for example, mostly males/females 14-15. Then, you would most likely collect data in front of Hot Topic. You would try to intercept/identify emos as they went into the store and ask them to participate in the attitude survey. Parents, older people, and non-identified emos would not be surveyed.

PTS: 1 DIF: Difficult REF: 2-1d

5. List and describe the seven steps in the marketing research process.

ANS:

Step 1: Define the Problem or Opportunity

To correctly define a problem or opportunity, researchers should consider the following concerns:

- Reasons for pursuing the information
- Decision maker’s objectives
- What is already known about the issue
- Risks associated with the problem or opportunity
- Resources available for the research activity
- How the information will help the decision maker

Step 2: State the Research Objectives

These objectives should evolve from the problem or opportunity definition.

Step 3: Develop a Research Design

Research design: the framework that directs marketing research efforts. It should (1) provide answers to questions as objectively, accurately, and economically as possible and (2) control possible sources of errors.

Types of research design:

- *Exploratory Research*: research that identifies problems, generates hypotheses, and gains insights about particular subjects. This type of research typically is small-scale in nature, inexpensive, flexible, performed several ways, and inconclusive.
- *Descriptive Research*: research that describes attitudes, perceptions, characteristics, activities, and situations. This type of research builds off of previous information, shows a relationship between variables, uses representative samples, has a structured research plan, is expensive, and conclusive.
- *Causal Research*: research that provides evidence that a cause-and-effect relationship exists or does not exist. This type of research has some conditions that differentiate it from other research designs: logical time sequence, concomitant variation (this is the extent to which the cause and effect vary together as hypothesized), and control for other possible causal factors.

Step 4: Prepare for Data Preparation

Either secondary (existing) data or primary data (new information) can be collected. If primary data is gathered, then the following concerns should be considered:

- Essence of sampling
- How will the data be gathered?
- How will the questionnaire be designed?

Step 5: Collect the Data

Information may be gathered through personal interviews, telephone surveys, mail surveys, and computer-assisted surveys. The method selected should be based on several factors, including budget allocation, time availability, need for product demonstration, survey content, survey length, survey structure, desired response rate, desired sampling precision, and the percentage of people in the general population that fit the characteristics of individuals to be studied.

Step 6: Analyze the Data

This step makes sense of the data so that marketing decision makers can draw conclusions about particular variables being studied. Researchers must edit and code the information so that responses can be identified and analyzed.

Step 7: Write and Present Research Report

The written report should summarize all steps in the study. It allows the reader to clearly understand the research problem or opportunity, how the study was designed, and conclusions drawn from the research effort.

The report should offer recommendations based on the results of the study.

PTS: 1 DIF: Moderate REF: 2-1a

6. What is probability and nonprobability sampling?

ANS:

Probability sample is a subset of a population in which the probability of obtaining each sample can be computed and is nonzero for every unit in the population.

Nonprobability sample is any subset of a population in which the probability of obtaining the sample cannot be computed and is, therefore, not considered statistically representative of the population.

PTS: 1 DIF: Easy REF: 2-1d

7. What factors should be considered when defining the problem or opportunity?

ANS:

Reasons for pursuing the information

Decision maker's objectives

What is already known about the issue

Risks associated with the problem or opportunity

Resources available for the research activity

How the information will help the decision maker

PTS: 1

8. What is a research design? How can it be implemented?

ANS:

A research design is the framework that directs marketing research efforts. It should provide answers to questions as objectively, accurately, and economically as possible and control possible sources of errors. It can be implemented through exploratory, descriptive, or causal research.

PTS: 1 DIF: Moderate REF: 2-1c

9. What is the difference between qualitative and quantitative data? How are they similar?

ANS:

Qualitative data is information gathered from a small sample of the target population that is used to understand a group's feelings and insights but cannot predict with absolute certainty and is not projectable to the targeted population.

Quantitative data is information gathered from many members of the target population that can be quantified and projected to represent the targeted population.

They are similar because qualitative data will often provide insight into the development of hypotheses, which can ultimately be tested using quantitative data. Some researchers use qualitative data to validate their quantitative findings. Other researchers use quantitative data to validate their qualitative findings.

PTS: 1 DIF: Difficult REF: 2-1d

10. What is conclusive research? What are the different types of conclusive research?

ANS:

Conclusive research provides specific information that aids the decision maker in evaluating different courses of action. Sound statistical methods and formal research methodologies are used by researchers to increase the reliability of the information.

There are two types of conclusive research:

Descriptive Research: research that describes attitudes, perceptions, characteristics, activities, and situations. This type of research builds on previous information, shows a relationship between variables, uses representative samples, has a structured research plan, is expensive, and is conclusive.

Causal Research: research that provides evidence that a cause-and-effect relationship exists or does not exist. This type of research has some conditions that differentiate it from other research designs: logical time sequence, concomitant variation (this is the extent to which the cause and effect vary together as hypothesized), and control for other possible causal factors.

PTS: 1 DIF: Moderate REF: 2-1c

11. You own a successful pizza restaurant. You have been thinking lately that you either need to find a new location or expand this one, as you stumble over inventory in the cramped space. Explain the steps in the research process in depth that will help you find a solution to this problem (expand or find a new location). What type of research could be used to help solve the problem?

ANS:

Answers will vary by student. However concentration should be on the first step of the MRP: Problem definition. It is mostly exploratory.

PTS: 1 DIF: Difficult REF: 2-1c