**Chapter 1: The Role of Marketing Research**

**TRUE/FALSE**

1. Marketing research attempts to provide accurate information in order to reduce uncertainty in decision-making.

ANS: T REF: What Is Marketing Research?

NAT: BUSPROG: Analytic

2. Marketing research involves more than conducting surveys.

ANS: T REF: What Is Marketing Research?

NAT: BUSPROG: Analytic

3. The term “research” means “to search again.”

ANS: T REF: What Is Marketing Research?

NAT: BUSPROG: Analytic

4. A marketing researcher must be objective in order to provide accurate information.

ANS: T REF: What Is Marketing Research?

NAT: BUSPROG: Analytic

5. Marketing research is restricted to the promotion aspect of the marketing mix.

ANS: F

Marketing research is relevant to all aspects of the marketing mix: product, pricing, promotion, and distribution.

REF: What Is Marketing Research? NAT: BUSPROG: Analytic

6. Marketing research should not be used by non-profit organizations.

ANS: F

Marketing research includes efforts that assist nonprofit organizations satisfy social needs.

REF: What Is Marketing Research? NAT: BUSPROG: Analytic

7. Applied marketing research is conducted to address a specific marketing decision for a specific firm or organization.

ANS: T REF: Applied and Basic Marketing Research

NAT: BUSPROG: Analytic

8. The procedures and techniques used by applied researchers and basic researchers differ substantially.

ANS: F

All marketing research, whether basic or applied, involves the scientific method.

REF: Applied and Basic Marketing Research NAT: BUSPROG: Analytic

9. The scientific method used by researchers is essentially the same process in marketing as in the physical sciences.

ANS: T REF: Applied and Basic Marketing Research

NAT: BUSPROG: Analytic

10. When ideas can be stated in researchable terms, we have reached the analysis stage of the scientific method.

ANS: F

At this point, we have reached the hypothesis stage of the scientific method.

REF: Applied and Basic Marketing Research NAT: BUSPROG: Analytic

11. Marketing research plays a more prominent role in product-oriented companies than in customer-oriented companies.

ANS: F

A product-oriented firm prioritizes decision making in a way that emphasizes technical superiority in the product, and marketing research may take a backseat.

REF: Marketing Research and Strategic Management Orientation NAT: BUSPROG: Analytic

12. The marketing concept emphasizes a cross-functional approach to long-term profitability.

ANS: T REF: Marketing Research and Strategic Management Orientation

NAT: BUSPROG: Analytic

13. Keeping customers is less important that getting customers.

ANS: F

Keeping customers is as important as getting customers.

REF: Marketing Research and Strategic Management Orientation NAT: BUSPROG: Analytic

14. A business with a stakeholder orientation has an internal focus.

ANS: F

A business with a stakeholder orientation has an external focus.

REF: Marketing Research and Strategic Management Orientation NAT: BUSPROG: Analytic

15. Online sentiment analysis determines the strength of a brand by continually searching for positive and negative mentions of the brand.

ANS: T REF: Marketing Research and Strategic Management Orientation

NAT: BUSPROG: Analytic

16. Marketing research can help prevent the commercialization of products that are not consumer-oriented.

ANS: T REF: Marketing Research and Strategic Management Orientation

NAT: BUSPROG: Analytic

17. A marketing researcher who reports on the age, gender, income, and education of consumers in a particular city is describing geo-demographic information.

ANS: T REF: Marketing Research and Strategic Management Orientation

NAT: BUSPROG: Analytic

18. Marketing metrics involve qualitative ways of monitoring and measuring marketing performance.

ANS: F

Marketing metrics refer to quantitative ways of monitoring and measuring marketing performance.

REF: Planning and Implementing a Marketing Mix NAT: BUSPROG: Analytic

19. Concept testing is a form of pricing research.

ANS: F

Concept testing is a form of product research.

REF: Planning and Implementing a Marketing Mix NAT: BUSPROG: Analytic

20. The most common forms of performance-monitoring research are sales performance and profit analyses.

ANS: F

Market-share analysis and sales analysis are the most common forms of performance-monitoring research.

REF: Planning and Implementing a Marketing Mix NAT: BUSPROG: Analytic

21. The determination of the need for marketing research centers on time constraints, the availability of data, the nature of the decision to be made, and the value of the research information in relation to costs.

ANS: T

REF: When Is Marketing Research Needed? NAT: BUSPROG: Analytic

22. Systematic research usually takes very little time to complete.

ANS: F

Systematic research usually takes time. The urgency with which managers want to make decisions often conflicts with the marketing researchers’ desire for rigor in following the scientific method.

REF: When Is Marketing Research Needed? NAT: BUSPROG: Analytic

23. Managers should ask if the payoff will be worth the investment when deciding whether or not to make a decision without research.

ANS: T

REF: When Is Marketing Research Needed? NAT: BUSPROG: Analytic

24. Managers should avoid conducting market research when the decision is of considerable strategic or tactical importance.

ANS: F

Managers should conduct market research if the decision is of considerable strategic or tactical importance.

REF: When Is Marketing Research Needed? NAT: BUSPROG: Analytic

25. Marketing research has become increasingly global as more firms take advantage of markets that have few geographic boundaries.

ANS: T

REF: Marketing Research in the Twenty-First Century NAT: BUSPROG: Analytic

**MULTIPLE CHOICE**

1. The application of the scientific method in searching for the truth about marketing phenomena is known as \_\_\_\_.

|  |  |  |
| --- | --- | --- |
| a. | profit validation |  |
| b. | business analysis |  |
| c. | marketing research |  |
| d. | scientific metrics |  |

ANS: C REF: What Is Marketing Research?

NAT: BUSPROG: Analytic

2. Which activity is LEAST important in the marketing research process?

|  |  |
| --- | --- |
| a. | searching for and collecting information |
| b. | developing theories |
| c. | analyzing data |
| d. | making results publicly available |

ANS: D REF: What Is Marketing Research?

NAT: BUSPROG: Analytic

3. The two types of marketing research based on the specificity of purpose are \_\_\_\_.

|  |  |
| --- | --- |
| a. | basic and applied |
| b. | scientific and non-scientific |
| c. | cross-sectional and qualitative |
| d. | quantitative and secondary |

ANS: A REF: Applied and Basic Marketing Research

NAT: BUSPROG: Analytic

4. Which type of marketing research is conducted to address a specific marketing decision for a specific firm or organization?

|  |  |
| --- | --- |
| a. | basic |
| b. | qualitative |
| c. | quantitative |
| d. | applied |

ANS: D REF: Applied and Basic Marketing Research

NAT: BUSPROG: Analytic

5. Which type of research attempts to verify a theory or to learn more about a marketing concept, but is not intended to solve a particular marketing problem?

|  |  |
| --- | --- |
| a. | performance-monitoring research |
| b. | basic research |
| c. | total quality management |
| d. | scientific method |

ANS: B REF: Applied and Basic Marketing Research

NAT: BUSPROG: Analytic

6. Which approach focuses on using knowledge and evidence to reach objective conclusions about the real world?

|  |  |
| --- | --- |
| a. | qualitative method |
| b. | integrated analysis |
| c. | scientific method |
| d. | production analysis |

ANS: C REF: Applied and Basic Marketing Research

NAT: BUSPROG: Analytic

7. A firm focusing more on how to provide value to customers than on the physical product or production process is embracing a(n) \_\_\_\_ orientation.

|  |  |
| --- | --- |
| a. | marketing |
| b. | quality |
| c. | external |
| d. | value |

ANS: A REF: Marketing Research and Strategic Management Orientation

NAT: BUSPROG: Analytic

8. An important aspect of the marketing concept is a(n) \_\_\_\_.

|  |  |
| --- | --- |
| a. | single-functional perspective |
| b. | emphasis on short-term profitability |
| c. | consumer orientation |
| d. | producer chain |

ANS: C REF: Marketing Research and Strategic Management Orientation

NAT: BUSPROG: Analytic

9. Marketers of snack foods who consider the nutritional value that parents desire as well as the fun and experience that children want are demonstrating a(n) \_\_\_\_.

|  |  |
| --- | --- |
| a. | emphasis on short-term profits |
| b. | cross-functional perspective |
| c. | customer orientation |
| d. | product orientation |

ANS: C REF: Marketing Research and Strategic Management Orientation

NAT: BUSPROG: Analytic

10. Which step comes last in developing a marketing strategy?

|  |  |
| --- | --- |
| a. | analyzing firm performance |
| b. | identifying and evaluating market opportunities |
| c. | selecting target markets |
| d. | planning and implementing a marketing mix |

ANS: A REF: Marketing Research and Strategic Management Orientation

NAT: BUSPROG: Analytic

11. Which step comes first in developing a marketing strategy?

|  |  |
| --- | --- |
| a. | analyzing firm performance |
| b. | identifying and evaluating market opportunities |
| c. | selecting target markets |
| d. | planning and implementing a marketing mix |

ANS: B REF: Marketing Research and Strategic Management Orientation

NAT: BUSPROG: Analytic

12. The typical consumer in zip code 63119 is a senior citizen with several children over the age of 25, has a college degree, and is retired. What type of information has been provided in this example?

|  |  |
| --- | --- |
| a. | TQM |
| b. | performance-monitoring |
| c. | geo-demographic |
| d. | the marketing concept |

ANS: C REF: Marketing Research and Strategic Management Orientation

NAT: BUSPROG: Analytic

13. All of the following are a type of product research EXCEPT \_\_\_\_.

|  |  |
| --- | --- |
| a. | concept testing |
| b. | product testing |
| c. | brand-name evaluation |
| d. | pricing analysis |

ANS: D REF: Planning and Implementing a Marketing Mix

NAT: BUSPROG: Analytic

14. Asking target market members to compare the performance of a prototype of a possible new product to the performance of a competitor's product is an example of which type of research?

|  |  |
| --- | --- |
| a. | distribution research |
| b. | copy testing |
| c. | promotion research |
| d. | product testing |

ANS: D REF: Planning and Implementing a Marketing Mix

NAT: BUSPROG: Analytic

15. Asking consumers what they think about a possible brand name for a new product is an example of which type of research?

|  |  |
| --- | --- |
| a. | product research |
| b. | promotion research |
| c. | product testing |
| d. | concept testing |

ANS: A REF: Planning and Implementing a Marketing Mix

NAT: BUSPROG: Analytic

16. A producer of trail mix conducts research in China to determine which flavors consumers are likely to find appealing. Which type of research is being performed?

|  |  |
| --- | --- |
| a. | pricing research |
| b. | promotion research |
| c. | product research |
| d. | distribution research |

ANS: C REF: Planning and Implementing a Marketing Mix

NAT: BUSPROG: Analytic

17. Which aspect of the marketing mix is represented by the value that a consumer places on a good when the consumer purchases that good?

|  |  |
| --- | --- |
| a. | product |
| b. | place |
| c. | price |
| d. | promotion |

ANS: C REF: Planning and Implementing a Marketing Mix

NAT: BUSPROG: Analytic

18. Which type of research attempts to determine the critical attributes of the product that consumers use to perceive the value of the product?

|  |  |
| --- | --- |
| a. | product research |
| b. | distribution research |
| c. | promotion research |
| d. | pricing research |

ANS: D REF: Planning and Implementing a Marketing Mix

NAT: BUSPROG: Analytic

19. A network of interdependent institutions that perform the logistics necessary for consumption to occur is called a(n) \_\_\_\_.

|  |  |
| --- | --- |
| a. | marketing channel |
| b. | distribution network |
| c. | supply channel |
| d. | distribution linkage |

ANS: A REF: Planning and Implementing a Marketing Mix

NAT: BUSPROG: Analytic

20. Suppose a major department store conducts research to determine which products it should offer to customers over the Internet. This store is involved in which type of research?

|  |  |
| --- | --- |
| a. | distribution research |
| b. | promotion research |
| c. | pricing research |
| d. | product research |

ANS: A REF: Planning and Implementing a Marketing Mix

NAT: BUSPROG: Analytic

21. An organization is attempting to decide whether to add home delivery to its customer service options. Which type of research would be most effective?

|  |  |
| --- | --- |
| a. | promotion research |
| b. | pricing research |
| c. | distribution research |
| d. | product research |

ANS: C REF: Planning and Implementing a Marketing Mix

NAT: BUSPROG: Analytic

22. A fast food chain studies traffic patterns and population density patterns in order to select sites for future restaurants. Which type of research is being performed?

|  |  |
| --- | --- |
| a. | pricing research |
| b. | distribution research |
| c. | promotion research |
| d. | product research |

ANS: B REF: Planning and Implementing a Marketing Mix

NAT: BUSPROG: Analytic

23. The management of a superstore chain is attempting to decide where to locate its regional warehouses in order to minimize travel time from its warehouses to its local sites. Which type of research would be most effective?

|  |  |
| --- | --- |
| a. | product research |
| b. | pricing research |
| c. | distribution research |
| d. | promotion research |

ANS: C REF: Planning and Implementing a Marketing Mix

NAT: BUSPROG: Analytic

24. Which communication function of a firm is responsible for informing and persuading buyers?

|  |  |
| --- | --- |
| a. | marketing |
| b. | research |
| c. | distribution |
| d. | promotion |

ANS: D REF: Planning and Implementing a Marketing Mix

NAT: BUSPROG: Analytic

25. A hair salon company is attempting to determine the effectiveness of mailing free samples of a new type of shampoo to residents in specific zip codes based on unit sales performance. Which type of research is being used?

|  |  |
| --- | --- |
| a. | product research |
| b. | distribution research |
| c. | promotion research |
| d. | pricing research |

ANS: C REF: Planning and Implementing a Marketing Mix

NAT: BUSPROG: Analytic

26. AT&T has discovered an 80 percent recognition of its logo with consumers who typically spend at least $75 per month on long-distance and wireless services. Which type of research was likely used to find this information?

|  |  |
| --- | --- |
| a. | distribution research |
| b. | promotion research |
| c. | pricing research |
| d. | product research |

ANS: B REF: Planning and Implementing a Marketing Mix

NAT: BUSPROG: Analytic

27. The Target department store records the sales activities of its retail outlets in order to detect any changes in dollar sales. Which type of research is being used?

|  |  |
| --- | --- |
| a. | relationship marketing research |
| b. | total quality management research |
| c. | basic accounting research |
| d. | performance-monitoring research |

ANS: D REF: Planning and Implementing a Marketing Mix

NAT: BUSPROG: Analytic

28. A marketing manager decides not to engage in research because a decision must be made before the results of the study can be analyzed. Which factor is the determinant of the need for marketing research in this case?

|  |  |
| --- | --- |
| a. | nature of the decision |
| b. | time constraints |
| c. | availability of the data |
| d. | cost considerations |

ANS: B REF: When Is Marketing Research Needed?

NAT: BUSPROG: Analytic

29. In terms of marketing research, the \_\_\_\_ a decision is strategically to the organization, the \_\_\_\_ likely that research will be undertaken.

|  |  |
| --- | --- |
| a. | less risky; less |
| b. | more important; more |
| c. | more important; less |
| d. | less risky; more |

ANS: B REF: When Is Marketing Research Needed?

NAT: BUSPROG: Analytic

30. A marketing manager is attempting to decide whether a new product launch decision should be postponed until some additional marketing research can be conducted. Which question should this manager ask himself or herself?

|  |  |
| --- | --- |
| a. | Is the proposed research expenditure minimal? |
| b. | Will the information gained by marketing research be interesting? |
| c. | Will the payoff from the research be worth the dollar expenditures for research? |
| d. | Is the information useful to customers? |

ANS: C REF: When Is Marketing Research Needed?

NAT: BUSPROG: Analytic

**COMPLETION**

1. The application of the scientific method in searching for truth about marketing phenomena is known as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

ANS: marketing research

REF: What is Marketing Research? NAT: BUSPROG: Analytic

2. The two types of marketing research based on the specificity of its purpose are called \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

ANS:

basic, applied

applied, basic

REF: Applied and Basic Marketing Research NAT: BUSPROG: Analytic

3. Research that attempts to verify a theory but which is not intended to solve any specific business problem is known as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ research.

ANS: basic

REF: Applied and Basic Marketing Research NAT: BUSPROG: Analytic

4. Organizations conducting research in order to make a decision about a real situation faced in the marketplace are conducting \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ research.

ANS: applied

REF: Applied and Basic Marketing Research NAT: BUSPROG: Analytic

5. A business with a(n) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ orientation recognizes that multiple parties are affected by firm decisions and selects market segments with a concern for its public persona.

ANS: stakeholder

REF: Marketing Research and Strategic Management Orientation NAT: BUSPROG: Analytic

6. When a company focuses all of its efforts aimed at consumers based on its technical superiority in product design and features, this company is said to be \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_-oriented.

ANS: product

REF: Marketing Research and Strategic Management Orientation NAT: BUSPROG: Analytic

7. A company that applies the marketing concept in its dealings with its customers is using a(n) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ orientation.

ANS: marketing

REF: Marketing Research and Strategic Management Orientation NAT: BUSPROG: Analytic

8. According to the marketing concept, the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is the central focus of the activities of the organization.

ANS: customer

REF: Marketing Research and Strategic Management Orientation NAT: BUSPROG: Analytic

9. One of the goals of marketing is to establish a long-term relationship with customers so that they continue to purchase the organization's products in the future. This is known as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

ANS: relationship marketing

REF: Marketing Research and Strategic Management Orientation NAT: BUSPROG: Analytic

10. A company that employs a total quality strategy must evaluate itself through the eyes of the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

ANS: customer

REF: Marketing Research and Strategic Management Orientation NAT: BUSPROG: Analytic

11. The idea that continuous improvement of the organization's services to customers is the job of everyone who works in the organization is an important aspect of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

ANS: total quality management

REF: Marketing Research and Strategic Management Orientation NAT: BUSPROG: Analytic

12. Information describing the demographic profile of consumers in a particular geographic region is known as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

ANS: geo-demographics

REF: Marketing Research and Strategic Management Orientation NAT: BUSPROG: Analytic

13. The term \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is sometimes used to refer to a channel of distribution.

ANS: supply chain

REF: Planning and Implementing a Marketing Mix NAT: BUSPROG: Analytic

14. From a research standpoint, the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ means that research studies often investigate effects of various combinations of marketing elements on important outcomes such as sales and image.

ANS: integrated marketing mix

REF: Planning and Implementing a Marketing Mix NAT: BUSPROG: Analytic

15. When empirical evidence from two different cultures suggests that people in one culture act in ways that are similar to people in a different culture, we say that this fact \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ the hypothesis that the two cultures are similar to one another.

ANS:

cross-validates

cross validates

REF: Marketing Research in the 21st Century NAT: BUSPROG: Analytic

**ESSAY**

1. Compare and contrast basic and applied marketing research. Illustrate with an example of each.

ANS:

**Applied marketing research** is conducted to address a specific marketing decision for a specific firm or organization. It is relatively specific, and an example might Wendy’s fast food restaurant trying to determine if its new veggie burger will be successful.

**Basic marketing research** is conducted without a specific decision in mind, and it usually does not address the needs of a specific organization. It attempts to expand the limits of marketing knowledge in general, and as such is not aimed at solving a particular pragmatic problem. For example, a marketing researcher might study the effects of music on consumption in a restaurant setting.

REF: Applied and Basic Marketing Research

NAT: BUSPROG: Analytic| BUSPROG: Communication

2. Define the scientific method and list the steps involved in implementing it.

ANS:

The **scientific method** is the way researchers go about using knowledge and evidence to reach objective conclusions about the real world. In the scientific method, there are multiple routes to developing ideas, such as through prior knowledge or observation. When the ideas can be stated in researchable terms, we reach the hypothesis stage. The next step involves testing the hypothesis against empirical evidence (facts from observation or experimentation). The results either support a hypothesis or do not support a hypothesis. From these results, new knowledge is acquired.

REF: Applied and Basic Marketing Research

NAT: BUSPROG: Analytic | BUSPROG: Communication

3. Describe the differences among a product-oriented firm, a production-oriented firm, and a marketing-oriented firm and explain the role that marketing research plays in each.

ANS:

A **product-oriented** firm prioritizes decision making in a way that emphasizes technical superiority in the product. A **production-oriented** firm prioritizes efficiency and effectiveness of the production processes in making decisions. In both of these orientations, marketing research may take a backseat. In contrast, marketing research is a primary tool enabling implementation of a marketing orientation. A **marketing-oriented** firm must: (1) be customer-oriented, (2) emphasize long-run profitability rather then short-term profits or sales volume, and (3) adopt a cross-functional perspective.

REF: Applied and Basic Marketing Research

NAT: BUSPROG: Analytic | BUSPROG: Communication

4. Discuss the factors that influence whether or not marketing research is needed.

ANS:

The determination of the need for marketing research centers on:

**Time constraints** – systematic research takes time, and sometimes the urgency of a situation precludes the use of research.

**Availability of data** – when managers lack adequate information, data need to be collected from an appropriate source in a timely fashion.

**Nature of the decision** – in general, the more strategically or tactically important the decision, the more likely it is that research will be conducted.

**Benefits versus costs** – when deciding whether to make a decision without research or to postpone the decision in order to conduct research requires examining whether the payoff or rate of return will be worth the investment, whether the information gained by marketing research will improve the quality of the marketing decision enough to warrant the expenditure, and whether the proposed research expenditure is the best us of the available funds.

REF: When Is Marketing Research Needed?

NAT: BUSPROG: Analytic | BUSPROG: Communication

5. Explain why marketing research, like all business activity, continues to change.

ANS:

Changes in communication technologies and the trend toward an ever more global marketplace have played a large role in many of these changes. With respect to communication technologies, virtually everyone is “connected” today and the speed with which information can be exchanged has increased tremendously. Changes in computer technology have also made for easier data collection and data analysis. Markets today have few, if any, geographic boundaries. Companies that conduct business in foreign countries must understand the nature of those particular markets and judge whether they require customized marketing strategies. The internationalization of research places greater demands on marketing researchers and heightens the need for research tools that allow us to cross-validate research results, which means that the empirical findings from one culture also exist and behave similarly in another culture.

REF: Marketing Research in the Twenty-First Century

NAT: BUSPROG: Analytic | BUSPROG: Communication