

Chapter 01: The Role of Marketing Research

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

- a. True
- b. False

ANSWER: True

2. Marketing research involves more than conducting surveys.

- a. True
- b. False

ANSWER: True

3. Marketing research is the nerve center for the organization always receiving, processing and distributing information.

- a. True
- b. False

ANSWER: True

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

- a. True
- b. False

ANSWER: True

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

- a. True
- b. False

ANSWER: False

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

- a. True
- b. False

ANSWER: False

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

- a. True
- b. False

ANSWER: True

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

- a. True
- b. False

ANSWER: False

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

- a. True
- b. False

ANSWER: True

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

- a. True
- b. False

ANSWER: False

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

- a. True
- b. False

ANSWER: False

12. A marketing orientation emphasizes customer orientation, long-term profitability and a cross functional perspective.

- a. True
- b. False

ANSWER: True

13. Effective marketers concentrate on the short-term relationship with their customers

- a. True
- b. False

ANSWER: False

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

- a. True
- b. False

ANSWER: False

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

- a. True
- b. False

ANSWER: True

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

- a. True
- b. False

ANSWER: True

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

- a. True
- b. False

ANSWER: True

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

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- a. True
- b. False

ANSWER: False

19. Concept testing is a form of pricing research.

- a. True
- b. False

ANSWER: False

20. Integrated marketing communication means send coordinated varying messages.

- a. True
- b. False

ANSWER: False

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.

- a. True
- b. False

ANSWER: True

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

- a. True
- b. False

ANSWER: False

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

- a. True
- b. False

ANSWER: False

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

- a. True
- b. False

ANSWER: True

25. Our smart devices serve as a means of communication that can involve marketing research data.

- a. True
- b. False

ANSWER: True

26. The application of the scientific method in searching for the truth about marketing phenomena is known as ____.

- a. profit validation

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- b. business analysis
- c. marketing research
- d. scientific metrics

ANSWER:

c

27. Which is a key question in understanding how a firm provides value to its customers?

- a. How long have we been in business?
- b. Who are our top executives?
- c. What do we think of our customers?
- d. How does our brand touch consumers?

ANSWER:

d

28. 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

ANSWER:

a

29. 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

ANSWER:

d

30. All marketing research involves the use of the _____?

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

ANSWER:

d

31. 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

ANSWER:

c

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

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

ANSWER:

a

33. An important aspect of the marketing concept is a(n) ____.

- a. single-functional perspective
- b. emphasis on long-term profitability
- c. production orientation
- d. producer chain

ANSWER:

b

34. 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

ANSWER:

c

35. 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

ANSWER:

a

36. 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

ANSWER:

b

37. 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

ANSWER:

c

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38. Which is the final step 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

ANSWER: a

39. 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

ANSWER: d

40. 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

ANSWER: a

41. 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

ANSWER: c

42. 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

ANSWER: c

43. 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

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- d. pricing research

ANSWER:

d

44. 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

ANSWER:

a

45. 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

ANSWER:

a

46. 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

ANSWER:

c

47. 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

ANSWER:

b

48. 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

ANSWER:

c

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

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

ANSWER:

d

50. 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

ANSWER:

c

51. 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

ANSWER:

b

52. 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

ANSWER:

d

53. 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

ANSWER:

b

54. 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

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ANSWER: b

55. 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 ?

- a. The number of consumers affected.
- b. The profitability of the firm.
- c. The value of the research information in relation to costs
- d. The commitment of the employees.

ANSWER: c

56. The application of the scientific method in searching for truth about marketing phenomena is known as _____.

ANSWER: marketing research

57. _____ marketing is a term used to capture all the various electronic, communicative technologies through which marketing enterprises work.

ANSWER: Digital

58. The two types of marketing research based on the specificity of its purpose are called _____ and _____.

ANSWER: basic, applied
applied, basic

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

ANSWER: basic

60. Organizations conducting research in order to make a decision about a real situation faced in the marketplace are conducting _____ research.

ANSWER: applied

61. 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.

ANSWER: stakeholder

62. 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.

ANSWER: product

63. Using data indicating the total positive or negative mentions of a brand on the internet to assess and understand the strength of the brand is called _____.

ANSWER: online sentiment analysis

64. 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 _____.

ANSWER: relationship marketing

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65. A company that employs a total quality strategy must evaluate itself through the eyes of the _____.
ANSWER: customer

66. 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 _____.
ANSWER: total quality management

67. Information describing the demographic profile of consumers in a particular geographic region is known as _____.
ANSWER: geo-demographics

68. The term _____ refers to research that regularly provides feedback for evaluation and control of marketing activities
ANSWER: performance-monitoring research

69. 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.
ANSWER: integrated marketing mix

70. 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.
ANSWER: cross-validates
cross validates

71. Compare and contrast basic and applied marketing research. Illustrate with an example of each.
ANSWER: **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.

72. Define the scientific method and list the steps involved in implementing it.
ANSWER: 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.

73. 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.
ANSWER: 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,

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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 than short-term profits or sales volume, and (3) adopt a cross-functional perspective.

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

ANSWER: 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 use of the available funds.

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

ANSWER: 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.

76. Explain how marketing research fits into the business process particularly with the rise of digital technologies

ANSWER: Marketing research programs digital technologies to collect information and that information feeds back into marketing research as consumers use various devices and applications. When a consumer creates a product review and shares it on Facebook, that review has the potential to become data in a marketing research project. Marketing strategy helps shape research questions and the resulting research enables the design of the marketing mix. All of these activities feed directly or indirectly into consumption value. And, to the extent that marketing enables value creation, other stakeholders realize value as well. Marketing research serves as the nerve center for the socially engaged marketing firm.