

Marketing Research, 6e (Burns/Bush)

Chapter 2 The Marketing Research Process

1) Colleen Moore-Mezler, President of Moore Research Services, stated the importance of viewing marketing research as a step-by-step process. Which of the following best reflects Ms. Moore's reasoning?

- A) Since each customer's situation is so different, the step-by-step approach gives us a stabilizing framework which allows us to better sort out the client's situation
- B) Since each customer's situation is so similar, the step-by-step approach gives us a link to making financial and accounting decisions
- C) Since each customer's situation is so straight forward, the step-by-step approach gives us a fast way of getting each client "out the door"
- D) A step-by-step process is easy for clients and our own shareholders to "see" what we are doing
- E) Ms. Moore does not value a step-by-step process at all. Rather, she believes marketing research is holistic

Answer: A

Diff: 3 Page Ref: 23

AACSB: Reflective Thinking Skills

Objective: LO1

2) The value in characterizing research projects in terms of successive steps is best reflected in which statement?

- A) The steps give researchers a step-by-step approach to conducting ALL research projects
- B) The steps give researchers and nonresearchers an overview of the research process which serves as a "road map" for planning
- C) The steps identify the process to be taken in research projects in a lock-step process
- D) Regardless of the project's complexity or simplicity, researchers can just follow the steps in the step-by-step process
- E) Marketing research cannot be thought of as a step-by-step process; rather, it is more holistic in nature

Answer: B

Diff: 1 Page Ref: 24

Topic: General Concept

AACSB: Reflective Thinking Skills

Objective: LO1

3) Your textbook authors conceptualize the marketing research process as _____ steps?

- A) four
- B) five
- C) eight
- D) ten
- E) eleven

Answer: E

Diff: 1 Page Ref: 24

Topic: General Concept

Objective: LO1

4) The first step in the marketing research process is:

- A) defining the problem
- B) gathering the budget necessary to conduct the research
- C) establishing the need for marketing research
- D) getting approval from top management to do research
- E) finding an appropriate marketing firm to carry out the research project

Answer: C

Diff: 1 Page Ref: 24

Topic: General Concept

Objective: LO1

5) Which of the following is NOT true regarding the steps in the marketing research process?

- A) Not all studies use all steps in the marketing research process.
- B) There is nothing sacred about the number of steps in the research process as proposed by your authors.
- C) The steps in the marketing research process presented by your authors are universally accepted and are adopted by the American Marketing Association.
- D) One of the steps in the marketing research process is defining the problem
- E) The last step in the marketing research process is preparing and presenting the final research report

Answer: C

Diff: 2 Page Ref: 25

Topic: General Concept

Objective: LO2

6) A study is conducted in which the objective of the research can be achieved by looking at existing secondary data. In this case, which of the following best represents the situation?

- A) All 11 steps in the research process must be followed in order for the study to be a marketing research study.
- B) In some cases, not all studies use all 11 steps in the marketing research process.
- C) In some cases, the steps in the marketing research process are not followed in order.
- D) This situation is better suited to following the 20 steps of the marketing research process.
- E) When secondary data is used, marketing research is not in use.

Answer: B

Diff: 2 Page Ref: 25

Objective: LO2

7) In establishing the need for marketing research, which of the following would serve as a good decision rule for managers?

- A) ensuring that competitors are using marketing research. Therefore, a company considering marketing research would not be at a competitive disadvantage
- B) determining the value to be derived from marketing research
- C) determining the cost of conducting marketing research
- D) weighing the value derived from the marketing research with the cost of obtaining the marketing research information
- E) ensuring that subordinates are in favor of conducting the marketing research

Answer: D

Diff: 2 Page Ref: 25

Topic: General Concept

Objective: LO3

8) Some top executives never use marketing research. In other firms, only certain types of marketing research studies are carried out, i.e. focus groups. Which of the following would you say these situations best represent?

- A) how company policy dictates the use of marketing research
- B) the application of marketing research globally
- C) the use and misuse of marketing research
- D) counterintuitive marketing research
- E) sub-intuitive marketing research

Answer: A

Diff: 2 Page Ref: 26

AACSB: Reflective Thinking Skills

Objective: LO3

9) Sometimes managers know that marketing research is not needed. In which of the following cases would marketing research NOT be needed?

- A) Competitors have introduced a successful new product and it is too late to respond.
- B) Brand managers wish to assess the profitability of different items in the product line and this information is available from the internal reports system.
- C) There have been significant changes in the demographic characteristics of the market since marketing research was last conducted.
- D) A competitor has introduced a new innovative distribution system.
- E) An internal analysis indicates that the company is losing distributors at an alarming rate.

Answer: B

Diff: 2 Page Ref: 27

Topic: General Concept

AACSB: Reflective Thinking Skills

Objective: LO3

10) A bank spent several thousand dollars to learn how customers were satisfied with the readiness of the bank's ATMs. ATMs record, up to 4 decimal places, the time they are down. This situation illustrates the point that:

- A) ATM's are seldom not working
- B) ATMs are not dependable
- C) the better banks conduct marketing research
- D) marketing research should not be conducted when the information needed is already available
- E) marketing research should be used when the information needed is already available

Answer: D

Diff: 2 Page Ref: 28

AACSB: Reflective Thinking Skills

Objective: LO3

11) Under which of the following conditions will marketing research likely have greater value to management?

- A) when the research helps clarify problems or opportunities
- B) when the research identifies changes that are occurring in the marketplace among consumers and/or competitors
- C) when the research clearly identifies the best alternatives to pursue
- D) when the research helps a company's brand establish a competitive advantage
- E) all of the above

Answer: E

Diff: 2 Page Ref: 29

Topic: General Concept

Objective: LO3

12) Which of the following statements is true regarding the marketing research step, "defining the problem"?

- A) Defining the problem is the third most important step in the research process.
- B) Defining the problem is the most important step in the marketing research process.
- C) Defining the problem should be undertaken only after the project has been approved by top management.
- D) Defining the problem should be undertaken only after a sufficient number of firms have been gathered to conduct the marketing research project.
- E) Defining the problem is the eighth step in the marketing research process.

Answer: B

Diff: 1 Page Ref: 29

Topic: General Concept

Objective: LO4

13) Problems stem from which two primary sources?

- A) gaps between what is supposed to happen and what did happen, and gaps between what is supposed to happen and what happened in the past
- B) gaps between what is supposed to happen and what did happen, and gaps between what did happen and what could have happened
- C) gaps between what is happening now and what happened prior to the present
- D) gaps between what management desires and what stockholders desire
- E) gaps between what present consumers desire and what potential consumers desire

Answer: B

Diff: 3 Page Ref: 30

Topic: General Concept

Objective: LO4

14) Which of the following is true regarding research objectives?

- A) Research objectives, when achieved, will provide sufficient earnings to obtain a reasonable return on investment.
- B) Research objectives, when obtained, will ensure the viability of the marketing research department.
- C) Research objectives, when achieved, provide the information necessary to solve the problem.
- D) Research objectives are seldom achieved but should be stated as goals to be sought.
- E) Research objectives should never be put in writing until the fourth step of the marketing research process.

Answer: C

Diff: 2 Page Ref: 30

Topic: General Concept

Objective: LO5

15) Which of the following is true regarding research design?

- A) There are three categories of research design.
- B) There are four categories of research design.
- C) There are five categories of research design.
- D) There are eight categories of research design.
- E) Research design may not be categorized.

Answer: A

Diff: 3 Page Ref: 31

Topic: General Concept

Objective: LO5

- 16) Which of the following would be true regarding exploratory research?
- A) Exploratory research is highly structured.
 - B) Exploratory research is very formal.
 - C) Exploratory research determines causality.
 - D) Exploratory research answers who, what, where, when, and how questions.
 - E) Exploratory research is both unstructured and informal.

Answer: E

Diff: 1 Page Ref: 31

Topic: General Concept

Objective: LO5

- 17) Which of the following is true regarding causal research?
- A) Causal research is the questions of who, what, where, when, and how.
 - B) Causal research isolates causes and effects.
 - C) Causal research is informal and unstructured.
 - D) Causal research describes marketing phenomena.
 - E) Causal research is the seventh step in the marketing research process.

Answer: B

Diff: 2 Page Ref: 31

Topic: General Concept

Objective: LO5

- 18) Which of the following is true regarding primary information?
- A) Primary information is information gathered on school children in the primary grades, first through fifth.
 - B) Primary information refers to information that is collected in the early, or primary, stages of the marketing research process.
 - C) Primary information is information that has already been collected for some other purpose.
 - D) Primary information is one of 12 different types of information sources.
 - E) Primary information is information collected specifically for the problem at hand.

Answer: E

Diff: 1 Page Ref: 31

Topic: General Concept

Objective: LO5

- 19) Which of the following best represents the findings of the 2007 Confrimit survey, measuring the different ways marketing research firms access data?
- A) The most popular method of collecting data around the world is "paper" (and pencil) surveys.
 - B) CAPI is the most widely used method of accessing data in Europe and the U.S.
 - C) Web-based surveying is the most popular, but there are variations in the use of data access in different parts of the world.
 - D) Hidden cameras represent a significant method for acquiring data in marketing research.
 - E) Mail is the dominant method of accessing data around the world.

Answer: B

Diff: 3 Page Ref: 323

Topic: General Concept

Objective: LO5

20) Which of the following determines how representative a sample is of a population?

- A) the sample plan
- B) the size of the sample
- C) the sampling company from which the sample is acquired
- D) the size of the sample relative to the size of the population
- E) how varied the population is

Answer: A

Diff: 3 Page Ref: 34

Topic: General Concept

Objective: LO5

21) Which of the following is true regarding the size of the sample?

- A) You should strive to have a sample that is at least 50 percent of the size of the population.
- B) There is no such thing as having a sample that is too large.
- C) Sample size is more important than the sample plan.
- D) Only samples with large sample sizes may be considered representative samples.
- E) A sample size that is too large wastes research dollars; the sample size should be just large enough to give the researcher accurate results without wasting money.

Answer: E

Diff: 3 Page Ref: 34

Topic: General Concept

Objective: LO5

22) Consider the following problems. "The wrong sample elements are interviewed, subjects refuse to participate, subjects are not at home when the interviewer calls, subjects who are interviewed intentionally give out the wrong information, and interviewers cheat." These are all examples of:

- A) field worker errors
- B) sampling errors
- C) nonsampling errors
- D) errors committed by non-certified marketing researchers
- E) subject errors

Answer: C

Diff: 3 Page Ref: 35

Topic: General Concept

AACSB: Reflective Thinking Skills

Objective: LO5

23) Which of the following is true regarding nonsampling errors?

- A) The extent of nonsampling error may be determined and predicted through nonsampling error formulas.
- B) All of the causes of nonsampling error are known in each individual research project.
- C) It is important to know the possible causes of nonsampling error so that appropriate steps may be taken to limit their occurrence.
- D) Nonsampling errors may be reduced to 10 percent through "validation."
- E) There is no such thing as nonsampling error.

Answer: C

Diff: 3 Page Ref: 35

Topic: General Concept

Objective: LO5

24) Which of the following is an industry standard on "validation"?

- A) 2 percent
- B) 3 percent
- C) 4 percent
- D) 5 percent
- E) 10 percent

Answer: E

Diff: 3 Page Ref: 35

Topic: General Concept

Objective: LO5

25) Which of the following involves entering data in computer files, inspecting the data for errors, and running tabulations and various statistical tests?

- A) data analysis
- B) data entry
- C) data cleaning
- D) data tabulation
- E) statistical inference testing

Answer: A

Diff: 1 Page Ref: 35

Topic: General Concept

Objective: LO5

26) The statistical analysis software you are using in this course is called:

- A) XL Data Analyst
- B) SPSS
- C) STATS
- D) MICROSTIX
- E) There is no statistical software associated with marketing research.

Answer: B

Diff: 1 Page Ref: 36

Topic: General Concept

Objective: LO5

27) Which is the last step in the marketing research process?

- A) collecting payment from the client
- B) follow up discussions with the client
- C) presenting the final research report
- D) notifying the employees that the project has been terminated
- E) conducting an exit interview with the all of those who participated in the research project

Answer: C

Diff: 1 Page Ref: 36

Topic: General Concept

Objective: LO5

28) A knowledge of the steps in the marketing research process serves marketing researchers like a "road map," enabling them to better plan research projects.

Answer: TRUE

Diff: 1 Page Ref: 24

Objective: LO1

29) The authors conceptualize the marketing research process as 11 steps.

Answer: TRUE

Diff: 1 Page Ref: 24

Objective: LO1

30) The 11-step process that your author presents is a universally accepted way of categorizing the marketing research process into a step-by-step format.

Answer: FALSE

Diff: 2 Page Ref: 25

Objective: LO2

31) All marketing research projects follow all 11 steps in the marketing research process

Answer: FALSE

Diff: 1 Page Ref: 25

Objective: LO2

32) Most research projects do not follow an orderly step-by-step process.

Answer: TRUE

Diff: 2 Page Ref: 25

Objective: LO2

33) Company policy dictates whether or not marketing research will be used, as well as the types and frequencies of studies, if used.

Answer: TRUE

Diff: 1 Page Ref: 26

Objective: LO3

34) Some have suggested that marketing research is used in two broad ways: to gather information about markets, and research that is directed at helping top-level management with strategic planning.

Answer: TRUE

Diff: 3 Page Ref: 26

Objective: LO3

35) Although there may be valid reasons not to conduct marketing research, timing is not among those reasons; it is never too late to conduct marketing research.

Answer: FALSE

Diff: 3 Page Ref: 27

Objective: LO3

36) Many times companies conduct marketing research when the information gathered is already available in the company. One reason for this situation is that departments in companies often act as "silos," not sharing information with other departments.

Answer: TRUE

Diff: 2 Page Ref: 28

Objective: LO3

37) Managers should always consider the cost of research and the value they expect they receive from conducting the research.

Answer: TRUE

Diff: 2 Page Ref: 28

Objective: LO3

38) Research is likely to have greater value when the information will help a company establish its brand with a competitive advantage.

Answer: TRUE

Diff: 1 Page Ref: 29

Objective: LO3

39) Problems may vary considerably from being specific and narrowly focused to being general and not narrowly focused.

Answer: TRUE

Diff: 1 Page Ref: 29

Objective: LO4

40) When we have a gap between what *did* happen and *could* have happened, we normally refer to the gap as an opportunity.

Answer: TRUE

Diff: 3 Page Ref: 30

Objective: LO4

41) A good way of setting research objectives is to ask, "What information is needed in order to solve the problem?"

Answer: TRUE

Diff: 2 Page Ref: 30

Objective: LO5

42) There are three types of research design categories, which are referred to as research designs: exploratory research, descriptive research, and causal research.

Answer: TRUE

Diff: 2 Page Ref: 31

Objective: LO5

43) Exploratory research is often used when a great deal of information is already known about the problem at hand.

Answer: FALSE

Diff: 2 Page Ref: 31

Objective: LO5

44) The type of research study that describes such things as: consumer's attitudes, intentions, and behaviors, or the number of competitors and their strategies is referred to as descriptive research.

Answer: TRUE

Diff: 2 Page Ref: 31

Objective: LO5

45) Causal research, undertaken to help recognize causes and effects, is carried out through experiments.

Answer: TRUE

Diff: 2 Page Ref: 31

Objective: LO5

46) Secondary information is information that has already been collected for some other purpose.

Answer: TRUE

Diff: 1 Page Ref: 31

Objective: LO5

47) Secondary information refers to information collected by research companies and made available to clients who may sell the information again on the "secondary" market.

Answer: FALSE

Diff: 1 Page Ref: 31

Objective: LO5

48) A prospective car wash franchiser wants to know how car owners in Austin, TX would respond to a new promotional message she has just created. She would need to collect secondary data.

Answer: FALSE

Diff: 1 Page Ref: 31

AACSB: Reflective Thinking Skills

Objective: LO5

49) CATI stands for Computerized Association of Terrestrial Intelligence.

Answer: FALSE

Diff: 3 Page Ref: 32

Objective: LO5

50) A questionnaire's implicit appearance is very deceptive, and care must be taken to design a questionnaire that avoids both ambiguous and misleading questions.

Answer: TRUE

Diff: 1 Page Ref: 34

Objective: LO5

51) The sample plan determines the accuracy of survey results.

Answer: FALSE

Diff: 3 Page Ref: 34

Objective: LO5

52) The size of the sample determines the representativeness of the survey results.

Answer: FALSE

Diff: 3 Page Ref: 34

Objective: LO5

53) When a potential respondent in a survey provides falsehoods, this would be classified as a nonsampling error.

Answer: TRUE

Diff: 2 Page Ref: 35

AACSB: Ethical Understanding and Reasoning Abilities and Reasoning Abilities

Objective: LO5

54) In the marketing research industry, *validation* refers to the process of recontacting ALL respondents in a marketing research study to determine if they indeed took part in the study.

Answer: FALSE

Diff: 3 Page Ref: 35

AACSB: Ethical Understanding and Reasoning Abilities and Reasoning Abilities

Objective: LO5

55) Data analysis is a process by which the raw data are checked to verify if they have been correctly input from the data collection form to the computer software program.

Answer: FALSE

Diff: 3 Page Ref: 35

Objective: LO5

56) The importance of the final research report cannot be overstated because it is the report, or its presentation, that properly communicates the study results to the client.

Answer: TRUE

Diff: 1 Page Ref: 36

Objective: LO5

57) Carol Rodgers is a brand manager for Hershey Candy Company. Mars, a competitor, has introduced a new flavored candy bar, and sales for the new bar have skyrocketed. Hershey is losing market share rapidly. Carol Rodgers is considering conducting marketing research. She should:

A) not conduct marketing research because the timing is wrong

B) conduct marketing research to determine why market share is going down

C) conduct marketing research to determine how the new Mars bar is preferred versus existing Hershey bars

D) conduct marketing research because the profitability of Hershey is being affected

E) not conduct marketing research, but instead consult her marketing information system

Answer: A

Diff: 3 Page Ref: 27

Topic: Application Questions

AACSB: Reflective Thinking Skills

Objective: LO3

58) Carolyn Wolf is considering conducting a significant amount of marketing research to determine how to wrap boxes of products that she sends to several trade shows during the year. Carolyn's boss suggests that she should not conduct the research because:

A) competitors have not conducted such research

B) the value of the research will likely outweigh its cost

C) the cost of this research will likely outweigh its value

D) the CEO of the company has not asked for the research

E) the marketing manager is not favorable toward research

Answer: C

Diff: 3 Page Ref: 28

Topic: Application Questions

AACSB: Reflective Thinking Skills

Objective: LO3

59) Jeff Williams is the marketing director for Acme Ford. Jeff receives the customer satisfaction scores for the month and notices that they are below objectives and are significantly lower than they have been in the last two years. This means that there is a gap between:

- A) what did happen and what could have happened
- B) what was supposed to happen and what did happen
- C) what already has happened and what will happen in the future
- D) what will happen in the future and what happened in the past
- E) what happened in the past and what could have happened in the past

Answer: B

Diff: 3 Page Ref: 30

Topic: Application Questions

AACSB: Reflective Thinking Skills

Objective: LO5

60) Myron Pitts works for Paramount Entertainment. He reads in a technical newsletter about a new three-dimensional process that produces lifelike three-dimensional images on LCD screens. Myron is considering conducting research because he recognizes this as a/an:

- A) problem
- B) opportunity
- C) competitive disadvantage
- D) way to increase return on investment
- E) way to increase shareholder wealth

Answer: B

Diff: 3 Page Ref: 30

Topic: Application Questions

AACSB: Reflective Thinking Skills

Objective: LO5

61) Diane Fisher of ABC Research determined that her client's problem was lack of knowledge about customer preferences for features on the company's products. Diane then determined that she should gather information on the level of preferences for the six different product features among customers in the company's trading area. Diane's decision to gather preference information for the product features is an example of her determining:

- A) a specific problem definition
- B) customer preferences through the marketing research process
- C) research objectives
- D) a research design
- E) if there is a problem or an opportunity

Answer: C

Diff: 3 Page Ref: 30

Topic: Application Questions

AACSB: Reflective Thinking Skills

Objective: LO5

62) Woodrow Cushing is president of the Bank of Texas. Woodrow is interested in knowing how consumers in the Dallas-Ft. Worth market perceive his bank on certain dimensions such as friendliness of employees, convenience of locations, availability of loans, and interest rates. Mr. Cushing needs:

- A) exploratory research
- B) descriptive research
- C) causal research
- D) an experiment
- E) basic bank research

Answer: B

Diff: 3 Page Ref: 31

Topic: Application Questions

AACSB: Reflective Thinking Skills

Objective: LO5

63) Melissa Tudor does consulting for the Yellow Pages. Her clients want to know how much of an increase in customers' awareness will be achieved by having ads that use color instead of black and white. In order to find the answer to this question, Melissa must conduct:

- A) exploratory research
- B) descriptive research
- C) causal research
- D) longitudinal research
- E) cross sectional research

Answer: C

Diff: 3 Page Ref: 31

Topic: Application Questions

AACSB: Reflective Thinking Skills

Objective: LO5

64) PING Golf Company decides they wish to survey all golfers who have purchased \$100 or more in golf equipment through retail golf shops in the last year. They obtain a list of these golfers, which totals approximately 8 million golfers. Their next decision is to determine how to draw golfers' names from this list in order to include them in the sample. By virtue of this decision, PING will be determining the:

- A) accuracy of the survey
- B) sample plan
- C) basis for data analysis for the survey
- D) sample frame
- E) sample error

Answer: B

Diff: 3 Page Ref: 34

Topic: Application Questions

AACSB: Reflective Thinking Skills

Objective: LO5

65) Jane Ellen Roberts is concerned about error in a survey that she is conducting for her company. Specifically, she is concerned about nonsampling errors but she realizes nonsampling errors:

- A) may be controlled through sample size formulas
- B) may be measured and, therefore, controlled
- C) can be measured only in percentage terms
- D) must be identified and appropriate steps must be taken to limit their occurrence
- E) may not be controlled and therefore should not be of concern to Ms. Roberts

Answer: D

Diff: 3 Page Ref: 35

Topic: Application Questions

AACSB: Reflective Thinking Skills

Objective: LO5