**Chapter 1: The Role of Marketing Research in Management Decision Making**

**Multiple Choice**

1. Which of the following is not part of the definition of marketing research?

a. Planning for data collection

b. Collecting data

c. Analysis of data relevant to marketing decision

d. Deciding on how relevant the data is to the marketing decision

e. Communication to management

Answer: d

1. Marketing research can be viewed as playing three functional roles. Which of the following is not one of those roles?

a. Budgeting

b. Descriptive

c. Diagnostic

d. Predictive

Answer: a

1. What is the descriptive function of marketing research?

a. The gathering and presentation of statements of fact.

b. The planning, collection, and analysis of data relevant to marketing decision making and the communication of the insights to management.

c. The explanation of data or actions.

d. Specification of how to use descriptive and diagnostic research to predict the results of a planned marketing decision.

e. None of the above.

Answer: a

1. What is the diagnostic function of marketing research?

a. The gathering and presentation of statements of fact.

b. The planning, collection, and analysis of data relevant to marketing decision making and the communication of the insights to management.

c. The explanation of data or actions.

d. Specification of how to use descriptive and diagnostic research to predict the results of a planned marketing decision.

e. None of the above.

Answer: c

1. What is the predictive function of marketing research?

a. The gathering and presentation of statements of fact.

b. The planning, collection, and analysis of data relevant to marketing decision making and the communication of the insights to management.

c. The explanation of data or actions.

d. Specification of how to use descriptive and diagnostic research to predict the results of a planned marketing decision.

e. None of the above.

Answer: d

1. Ninety-seven percent of the advertisers using social media as an advertising platform claim that which of the following is the most used and useful media site.

a. LinkedIn

b. Twitter

c. Instagram

d. Tik Tok

e. Facebook

Answer: e

1. \_\_\_\_\_ are causing major changes in the way media are used and buying decisions are made.

a. Tablets

b. Portable computers

c. Smart televisions

d. Smartphones

e. Desktop computers

Answer: d

1. ESPN, the sports network, is now gathering data across five platforms. Which of the following is not one of those platforms?

a. Radio

b. Sports stadiums

c. Television

d. Computers

e. Smartphones

Answer: b

1. Marketing \_\_\_\_\_ is the discovery, interpretation, and communication of meaningful patterns in data.

a. research

b. passively

c. actively

d. analytics

e. measurement

Answer: d

1. \_\_\_\_\_ is the crucial first step in the marketing research process.

a. Developing a budget

b. Defining the target market

c. Correctly defining the problem

d. Developing an RFP

e. Developing a lasting brand

Answer: c

1. What is situation analysis?

a. Studying the decision-making environment within which the marketing research will take place.

b. Preliminary research conducted to increase the understanding of a concept, to clarify the exact nature of the problem to be solved, or to identify important variables to be studied.

c. Surveys using a limited number of respondents and often employing less rigorous sampling techniques than are employed in large, quantitative studies.

d. Discussions with knowledgeable individuals, both inside and outside the organization, who may provide insights into the problem.

e. Reviewing information from situations that are similar to the current one.

Answer: a

1. What is exploratory research?

a. Studying the decision-making environment within which the marketing research will take place.

b. Preliminary research conducted to increase the understanding of a concept, to clarify the exact nature of the problem to be solved, or to identify important variables to be studied.

c. Surveys using a limited number of respondents and often employing less rigorous sampling techniques than are employed in large, quantitative studies.

d. Discussions with knowledgeable individuals, both inside and outside the organization, who may provide insights into the problem.

e. Reviewing information from situations that are similar to the current one.

Answer: b

1. What are pilot studies?

a. Studying the decision-making environment within which the marketing research will take place.

b. Preliminary research conducted to increase the understanding of a concept, to clarify the exact nature of the problem to be solved, or to identify important variables to be studied.

c. Surveys using a limited number of respondents and often employing less rigorous sampling techniques than are employed in large, quantitative studies.

d. Discussions with knowledgeable individuals, both inside and outside the organization, who may provide insights into the problem.

e. Reviewing information from situations that are similar to the current one.

Answer: c

1. What are experience studies?

a. Studying the decision-making environment within which the marketing research will take place.

b. Preliminary research conducted to increase the understanding of a concept, to clarify the exact nature of the problem to be solved, or to identify important variables to be studied.

c. Surveys using a limited number of respondents and often employing less rigorous sampling techniques than are employed in large, quantitative studies.

d. Discussions with knowledgeable individuals, both inside and outside the organization, who may provide insights into the problem.

e. Reviewing information from situations that are similar to the current one.

Answer: d

1. What case analysis?

a. Studying the decision-making environment within which the marketing research will take place.

b. Preliminary research conducted to increase the understanding of a concept, to clarify the exact nature of the problem to be solved, or to identify important variables to be studied.

c. Surveys using a limited number of respondents and often employing less rigorous sampling techniques than are employed in large, quantitative studies.

d. Discussions with knowledgeable individuals, both inside and outside the organization, who may provide insights into the problem.

e. Reviewing information from situations that are similar to the current one.

Answer: e

1. The end of exploratory study comes when…

a. the budget is expended.

b. time has run out.

c. researchers are convinced that they have found the major dimensions of the problem.

d. the survey has been written.

e. All of the above

Answer: c

1. A \_\_\_\_\_ is a phenomenon that occurs because of the existence of something else.

a. problem

b. symptom

c. issue

d. marketing problem

e. iceberg principle

Answer: b

1. Focusing on the symptoms and not the true problem is often referred to as the \_\_\_\_\_.

a. blinders problem

b. focus problem

c. symptomatic principle

d. golden principle

e. iceberg principle

Answer: e

1. A statement specifying the type of information needed by the decision maker to help solve the management decision problem and how that information can be obtained efficiently and effectively.

a. Marketing research problem

b. Request for proposal

c. Marketing research objective

d. Marketing problem

e. Management decision problem

Answer: a

1. A goal statement, defining the specific information needed to solve the marketing research problem.

a. Marketing research problem

b. Request for proposal

c. Marketing research objective

d. Marketing problem

e. Management decision problem

Answer: c

1. A statement specifying the type of managerial action required to solve the problem.

a. Marketing research problem

b. Request for proposal

c. Marketing research objective

d. Marketing problem

e. Management decision problem

Answer: e

1. The culmination of the problem definition process is a statement of the research \_\_\_\_\_.

a. hypothesis

b. budget

c. plan

d. objectives

e. testing plan

Answer: d

1. A \_\_\_\_\_ is an assumption or theory guess that a researcher or manager makes about some characteristic of the population being investigated.

a. objective

b. hypothesis

c. guess

d. plan

e. statement

Answer: b

1. Hypotheses are often stated in a \_\_\_\_\_ format.

a. null

b. alternative

c. statistical

d. speculative

e. global

Answer: a

1. The marketing research process is an eight-step process. Which of the following is the first step?

a. Identification of the problem and statement of the research objectives

b. Choice of method of research

c. Acquiring the data

d. Selection of the sampling procedure

e. Creation of the research design

Answer: a

1. The marketing research process is an eight-step process. Which of the following takes place after the identification of the problem and statement of the research objectives step?

a. Collection of the data

b. Choice of method of research

c. Acquiring the data

d. Selection of the sampling procedure

e. Creation of the research design

Answer: e

1. The marketing research process is an eight-step process. Which of the following takes place after the creation of the research design step?

a. Collection of the data

b. Choice of method of research

c. Acquiring the data

d. Selection of the sampling procedure

e. Analysis of the data

Answer: b

1. The marketing research process is an eight-step process. Which of the following takes place after the choice of method of research step?

a. Collection of the data

b. Presentation of the report

c. Acquiring the data

d. Selection of the sampling procedure

e. Analysis of the data

Answer: d

1. The marketing research process is an eight-step process. Which of the following takes place after the selection of the sampling procedure step?

a. Collection of the data

b. Presentation of the report

c. Acquiring the data

d. Follow-up

e. Analysis of the data

Answer: c

1. The marketing research process is an eight-step process. Which of the following takes place after the collection of the data step?

a. Billing the client

b. Presentation of the report

c. Acquiring the data

d. Follow-up

e. Analysis of the data

Answer: e

1. The marketing research process is an eight-step process. Which of the following takes place after the analysis of the data step?

a. Billing the client

b. Presentation of the report

c. Survey design

d. Follow-up

e. Analysis of the data

Answer: b

1. There are three basic research methods. Which of the following is not one of them?

a. Survey

b. Secondary

c. Observation

d. Experiment

Answer: b

1. Research in which an interviewer usually interacts with respondents to obtain facts, opinions, and attitudes.

a. Secondary research

b. Survey research

c. Observation research

d. Experimental research

e. None of the above

Answer: b

1. Typically, descriptive research that monitors respondents’ actions without direct interaction.

a. Secondary research

b. Survey research

c. Observation research

d. Experimental research

e. None of the above

Answer: c

1. Research to measure causality, in which the researcher changes one or more independent variables and observes the effect of the changes on the dependent variable.

a. Secondary research

b. Survey research

c. Observation research

d. Experimental research

e. None of the above

Answer:

1. A subset of a population where every element in the population has a known nonzero chance of being selected.

a. Design sample

b. Experimental sample

c. Research sample

d. Probability sample

e. Nonprobability sample

Answer: d

1. A subset of a population in which the chances of selection for the various elements in the population are unknown.

a. Design sample

b. Experimental sample

c. Research sample

d. Probability sample

e. Nonprobability sample

Answer: e

1. An internal document used by large organizations that describes a potential research project, its benefits to the organization, and estimated costs; it must be formally approved before a research project can begin.

a. Request for proposal

b. Research request

c. Request for bid

d. Bid release

Answer: b

1. With regards to the sections of a formal research proposal, what section does the following describe? The decision maker should state the events that led to a need for a decision.

a. Origin

b. Information

c. Use

d. Target groups and subgroups

e. Logistics

Answer: a

1. With regards to the sections of a formal research proposal, what section does the following describe? The decision maker should list the questions that she or he needs to have answered to take action.

a. Origin

b. Information

c. Use

d. Target groups and subgroups

e. Logistics

Answer: b

1. With regards to the sections of a formal research proposal, what section does the following describe? This section should explain how each piece of information will help to help make the actual decision.

a. Origin

b. Information

c. Use

d. Target groups and subgroups

e. Logistics

Answer: c

1. With regards to the sections of a formal research proposal, what section does the following describe? By describing those from whom information must be gathered to address the research problem, this section will help the researcher design the sample procedure for the research project.

a. Origin

b. Information

c. Use

d. Target groups and subgroups

e. Logistics

Answer: d

1. With regards to the sections of a formal research proposal, what section does the following describe? Approximations of the amount of money available and the amount of time left before results are needed.

a. Origin

b. Information

c. Use

d. Target groups and subgroups

e. Logistics

Answer: e

1. A solicitation sent to marketing research suppliers inviting them to submit a formal proposal, including a bid.

a. Request for bid

b. Request to submit

c. Request for proposal

d. Research bid

e. Research proposal

Answer: c

1. \_\_\_\_\_ is the accumulation and analysis of massive quantities of information that is especially, but not exclusively, related to human behavior and interactions.

a. Internet research

b. Marketing analytics

c. Supervised learning

d. Big data

e. Unsupervised learning

Answer: d

1. \_\_\_\_\_ is where the researcher follows the process defining the problem, specifying the research method and so forth.

a. Internet research

b. Marketing analytics

c. Supervised learning

d. Big data

e. Unsupervised learning

Answer: c

1. \_\_\_\_\_ lets an algorithm examine the data and try to make sense of it by extracting features and patterns on its own.

a. Machine learning

b. Marketing analytics

c. Supervised learning

d. Big data

e. Unsupervised learning

Answer: e

1. \_\_\_\_\_ is when there are clearly defined data types that are found in numeric fields

a. Numeric data

b. Nonnumeric data

c. Alphanumeric data

d. Structured data

e. Unstructured data

Answer: d

1. \_\_\_\_\_ does not have a predefined data model or is not organized in a predefined manner.

a. Numeric data

b. Nonnumeric data

c. Alphanumeric data

d. Structured data

e. Unstructured data

Answer: e

**True/False**

1. Marketing research plays one key role in the marketing system, it provides decision makers with data on the effectiveness of the current marketing mix and offers insights into necessary changes.

Answer: False

1. The descriptive function of marketing research includes gathering and presenting statements of fact.

Answer: True

1. The second role of research is the diagnostic function, wherein the researcher determines what is “wrong” with a product and/or service.

Answer: False

1. The reporting function of marketing research is where specification of how to use descriptive and diagnostic research to predict the results of a planned marketing decision are made.

Answer: False

1. The ability to retain customers is based on cost and location.

Answer: False

1. Marketing research has been around for about 50 years.

Answer: False

1. Reactive management waits for change to have a major impact on the firm before deciding to take action.

Answer: True

1. Focus groups are rarely in-depth.

Answer: False

1. Focus groups tend to be fairly limited in the topics for which they can be used.

Answer: False

1. A MROC can help researchers better understand the nature of the research problem from a customer’s perspective.

Answer: True

1. In marketing research, ensuring that the true problem has been defined is fairly easy.

Answer: False

1. Research objectives must be as specific and unambiguous as possible.

Answer: True

1. A hypothesis tends to be predictive in nature.

Answer: True

1. Marketing research studies, outside of academia, rarely formally state hypotheses.

Answer: True

1. Survey research is designed to measure causality.

Answer: False

1. Observation research is designed to measure causality.

Answer: False

1. Experimental research is designed to measure causality.

Answer: True

1. A sample is a subset from a larger population.

Answer: True

1. Samples are larger than populations.

Answer: False

1. Most survey-based data are collected on the Internet or on mobile devices.

Answer: True

**Essay Questions**

1. Describe a project that will help a firm assess who are its best customers. Be sure to mention which marketing research functional role is operational in this project.

Answer: Marketing research would be meeting its descriptive functional role, in determining who a firm’s best customers are. Marketing research would establish a database system of classifying the customers purchasing its clients’ products or services. It would also collect information classify its clients customers in some meaningful way (i.e. size, demographics, etc.).

1. Define and illustrate the predictive function of marketing research.

Answer: The predictive function of marketing research specifies how to use diagnostic and descriptive information to predict the results of a planned marketing decision. An example would be a descriptive study that says females are the primary users of a particular service, which would be the descriptive function. Further, the diagnostic function indicates that females prefer certain service features and are not concerned with the other features. Given that information, marketing research can forecast the demand for a product that will more specifically meet the demands of its most important constituency, females.

1. Explain how marketing research can help a company retain its customers and turn them into brand loyal customers.

Answer: A discussion of customer satisfaction research and the marketing concept would be expected for this question.

1. Discuss how marketing research helps facilitate proactive management.

Answer: Students should discuss the difference between proactive and reactive management. They should further explain how by having thorough knowledge of factors that have an impact on the target market and the marketing mix, management can be proactive rather than reactive. The benefits of proactive management could also be discussed.

1. What are the steps to the problem definition process?
   1. Recognize the problem or opportunity
   2. Find out why the information is being sought
   3. Understand the decision-making environment
   4. Use the symptoms to help clarify the problem
   5. Translate the management problem into a marketing research problem
   6. Determine whether the information already exists
   7. Determine whether the question really can be answered
   8. State the research objectives
2. What is a marketing research online community?

A marketing research online community (MROC) is an online private community that people of interest to a company, such as customers and potential customers, agree to participate in topics of interest to marketing researchers over an extended time period. These groups are also called an “insights community”. Researchers can gather information about a problem or opportunity in real time through participants’ spontaneous contributions.

1. Describe the steps to the marketing research process.
   1. Identification of the problem and statement of the research objectives
   2. Creation of the research design
   3. Choice of method of research
   4. Selection of the sampling procedure
   5. Acquisition of the data
   6. Analysis of the data
   7. Presentation of the report
   8. Follow-up
2. What is the difference between a probability and nonprobability sample?

Both are subsets of the population. With a probability sample, every element in the population has a known nonzero chance of being selected. However, with a nonprobability sample, the chances of selection for the various elements in the population are unknown.

1. Describe the sections of a formal research request.
   1. **Action**. The decision maker should describe the action to be taken on the basis of the research.
   2. **Origin**. The decision maker should state the events that led to a need for a decision.
   3. **Information**. The decision maker should list the questions that she or he needs to have answered to take action.
   4. **Use**. This section should explain how each piece of information will be used to help make the actual decision.
   5. **Target groups and subgroups**. By describing those from whom information must be gathered to address the research problem, this section will help the researcher design the sample procedure for the research project.
   6. **Logistics**. Time and budget constraints always affect the research technique chosen for a project.
   7. **Comments**. Any other comments relevant to the research project must be stated so that, once again, the researcher can fully understand the nature of the problem.
2. List the elements contained in most proposals.
   1. Title page
   2. Statement of the research objectives
   3. Study design
   4. Areas of questioning
   5. Data analysis
   6. Personnel involved
   7. Specifications and assumptions
   8. Services
   9. Cost
   10. Timing
3. What are the characteristics desirable for a marketing researcher?

Answer: The textbook lists the following ten items.

* 1. Maintains client confidentiality.
  2. Is honest.
  3. Is punctual.
  4. Is flexible.
  5. Delivers against project specifications.
  6. Provides high-quality output.
  7. Is responsive to the client’s needs.
  8. Has high-quality control standards.
  9. Is customer-oriented in interactions with client.
  10. Keeps the client informed throughout a project.