

## **Chapter 1—The Role of Marketing Research**

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### **TRUE/FALSE**

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

ANS: T                      REF: p. 6

2. The primary task of marketing managers is to make effective decisions.

ANS: T                      REF: p. 6

3. A marketing researcher needs to be objective in order to provide accurate information.

ANS: T                      REF: p. 6

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

ANS: F                      REF: p. 6

5. Marketing research should serve as a substitute for managerial judgment, and not merely an aid to it.

ANS: F                      REF: p. 6

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

ANS: T                      REF: p. 6

7. Marketing research is restricted to for-profit organizations and should not be used by non-profit organizations.

ANS: F                      REF: p. 6

8. Marketing research cannot be conducted by organizations that are not businesses.

ANS: F                      REF: p. 7

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

ANS: F                      REF: p. 7

10. The scientific method used by researchers is essentially the same process in marketing as it is in physics.

ANS: T                      REF: p. 8

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

ANS: T                      REF: p. 9

12. Marketing research is a key tool for management to find out what customers want and how to satisfy their needs.
- ANS: T                      REF: p. 9
13. Keeping customers is less important than getting customers.
- ANS: F                      REF: p. 11
14. A company that attempts to apply the total quality management concept to its activities should evaluate its efforts through the eyes of its customers.
- ANS: T                      REF: p. 12
15. Proper implementation of the total quality management concept should include customers' perceptions of the company's performance relative to its competitors.
- ANS: T                      REF: p. 12
16. Customer satisfaction is a major goal of marketing within the organization.
- ANS: T                      REF: p. 9
17. The marketing concept and the ideas in total quality management are unrelated to one another.
- ANS: F                      REF: p. 12
18. When a marketing researcher describes the age, gender, income, and education of consumers in a particular city, this is known as geo-demographic information.
- ANS: T                      REF: p. 15
19. The most common forms of performance-monitoring research are an analysis of sales performance and an analysis of market-share performance.
- ANS: T                      REF: p. 19
20. The value of marketing research efforts will depend on whether the decision that needs to be made is tactical or strategic.
- ANS: T                      REF: p. 21

### **MULTIPLE CHOICE**

1. When the typical consumer in zip code 63119 is a senior citizen with several children over the age of 25, and who has a college degree and is retired, this is an example of what type of information?
- a. TQM
  - b. Performance-monitoring
  - c. Geo-demographic
  - d. The marketing concept
- ANS: C                      REF: p. 15

2. Information obtained from marketing research can be used to:
- a. evaluate marketing activities.
  - b. monitor marketing performance.
  - c. identify marketing opportunities.
  - d. all of the above.

ANS: D                      REF: p. 6

3. The systematic and objective process of generating information to improve marketing decisions is the essence of:
- a. marketing research.
  - b. relationship marketing.
  - c. basic research.
  - d. none of the above

ANS: A                      REF: p. 6

4. Which of the following is an important aspect of the marketing research process?
- a. Designing a method for data collection
  - b. Determining what information is needed to make a decision
  - c. Analyzing the results of a research study
  - d. All of the above

ANS: D                      REF: p. 6

5. Research that tries to verify a theory or to learn more about a marketing concept but which is not intended to solve a particular marketing problem is the essence of:
- a. performance-monitoring research.
  - b. basic research.
  - c. total quality management.
  - d. the scientific method.

ANS: B                      REF: p. 7

6. Which of the following is an important aspect of the marketing concept?
- a. A cross-functional perspective for the coordination of the organization's activities.
  - b. An emphasis on long-term profitability instead of dollar sales volume
  - c. A consumer orientation
  - d. All of the above

ANS: D                      REF: p. 9

7. According to the concept of cross-functional activities, which of the following can affect the organization's marketing efforts?
- a. The Research & Development department
  - b. The accounting department
  - c. The production department
  - d. All of the above

ANS: D                      REF: p. 9

8. Which of the following is an important step in developing a marketing strategy?
- a. Analyzing marketing performance
  - b. Evaluating opportunities for new product launches
  - c. Selecting target markets

d. All of the above

ANS: D REF: p. 14

9. Which aspect of the marketing mix is represented by the value that a consumer places on a good when this consumer purchases that good?
- a. Product
  - b. Place
  - c. Price
  - d. Promotion

ANS: C REF: p. 15

10. When Harley-Davidson determines that their typical motorcycle owner has a household income over \$50,000, is male, and is about 38 years old, what type of study is this?
- a. Market segmentation study
  - b. Relationship marketing study
  - c. Basic research study
  - d. Total quality management study

ANS: A REF: p. 14

11. 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. Pricing research
  - c. Promotion research
  - d. Product research

ANS: D REF: p. 15

12. 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. Pricing research
  - d. Distribution research

ANS: A REF: p. 15

13. When Chee-tos snack food conducted research in China to determine which flavors consumers would find appealing, this was an example of which type of research?
- a. Pricing research
  - b. Promotion research
  - c. Product research
  - d. Distribution research

ANS: C REF: p. 15

14. Research that attempts to determine which critical attributes of the product consumers use to perceive the value of the product is an example of which type of research?
- a. Product research
  - b. Distribution research
  - c. Promotion research
  - d. Pricing research

ANS: D                      REF: p. 15

15. Trying to determine whether or not a quantity discount is a good idea to use with customers is an example of which type of research?
- a. Promotion research
  - b. Pricing research
  - c. Distribution research
  - d. Product research

ANS: B                      REF: p. 15

16. When Sears conducted research to determine which products it should offer to customers over the Internet, this was an example of which type of research?
- a. Distribution research
  - b. Promotion research
  - c. Pricing research
  - d. None of these

ANS: A                      REF: p. 16

17. When an organization is attempting to decide whether to add home delivery to its customer service options, this is an example of which type of research?
- a. Promotion research
  - b. Pricing research
  - c. Distribution research
  - d. Product research

ANS: C                      REF: p. 16

18. When McDonald's studies traffic patterns and population density patterns in order to select sites for future restaurants, this is an example of which type of research?
- a. Pricing research
  - b. Distribution research
  - c. Promotion research
  - d. Product research

ANS: B                      REF: p. 16

19. When Wal-Mart is attempting to decide where to locate its regional warehouses in order to minimize travel time from its warehouses to its stores, this is an example of which type of research?
- a. Product research
  - b. Pricing research
  - c. Distribution research
  - d. Promotion research

ANS: C                      REF: p. 16

20. When Procter & Gamble attempts to determine the effectiveness of mailing free samples of a new type of shampoo to residents in specific zip codes on unit sales performance, it is engaged in which type of research?
- a. Product research
  - b. Distribution research
  - c. Promotion research
  - d. Pricing research

ANS: C                      REF: p. 18

21. When AT&T discovered an 80 percent recognition of its logo with consumers who typically spend at least \$75 per month on long-distance and wireless services, this was an example of which type of research?
- Distribution research
  - Promotion research
  - Pricing research
  - Product research

ANS: B                      REF: p. 18

22. When Target stores monitors the sales activities of its retail stores in order to detect any indication of dollar sales changes, this is an example of which type of research?
- Relationship marketing research
  - Total quality management research
  - Basic research
  - Performance-monitoring research

ANS: D                      REF: p. 19

23. When a marketing manager decides not to do research because a decision needs to be made before the results of the study can be analyzed, this is an example of which aspect of the research process?
- Nature of the decision
  - Time constraints
  - Availability of the data
  - None of the above

ANS: B                      REF: p. 20

24. In terms of marketing research, the \_\_\_\_\_ important a decision is strategically to the organization, the \_\_\_\_\_ likely that research will be undertaken.
- less; more
  - more; more
  - more; less
  - none of the above

ANS: B                      REF: p. 21

25. When a marketing manager is trying to decide whether a new product launch decision should be postponed until some additional marketing research can be conducted, which of the following questions should this manager ask himself or herself?
- Is this use of research funds the best use of the available dollars for research?
  - Will the benefits outweigh the costs of the research?
  - Will the payoff from the research be worth the dollar expenditures for research?
  - All of the above

ANS: D                      REF: p. 21

## COMPLETION

1. When a marketing researcher observes which aisles in a supermarket a shopper goes down, this is an example of \_\_\_\_\_ evidence.

ANS: empirical

REF: p. 8

2. The systematic and objective process of generating information in order to make better marketing decisions is known as \_\_\_\_\_.

ANS: marketing research

REF: p. 6

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: p. 7

4. When an organization conducts research in order to make a decision about a real situation it faces in the marketplace, this is an example of \_\_\_\_\_ research.

ANS: applied

REF: p. 7

5. The systematic and objective procedures that are used to study marketing problems are known as the \_\_\_\_\_.

ANS: scientific method

REF: p. 8

6. A company that applies the marketing concept in its dealings with its customers is using a \_\_\_\_\_ orientation.

ANS: marketing

REF: p. 9

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

ANS: consumer

REF: p. 9

8. 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: p. 11

9. The idea that the organization should stress the continuous improvement of its products and services is central to the philosophy of \_\_\_\_\_.

ANS: total quality management

REF: p. 12

10. 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: p. 12

11. 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: p. 8

12. Measuring customer satisfaction is one way of determining the success of the organization's implementation of the \_\_\_\_\_ concept.

ANS: marketing

REF: p. 9

13. A study of the effectiveness of coupons mailed to residents in a particular zip code on unit sales is an example of \_\_\_\_\_ research.

ANS: promotion

REF: p. 18

14. The largest marketing research company in the world in terms of its annual revenues is \_\_\_\_\_.

ANS: A.C. Nielsen

REF: p. 23

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

REF: p. 23