

Marketing Management, 4e (Winer/Dhar)

Chapter 3 Marketing Research

1) Which of the following best links the consumer and the marketer through information that can be used to identify marketing opportunities and problems?

- A) viral marketing
- B) mission statement
- C) marketing research
- D) stealth marketing

Answer: C

Diff: 1 Page Ref: 60

2) Which of the following is most likely to be a part of the mission of a market research department?

- A) gather, analyze, and interpret information
- B) develop training programs for sales personnel
- C) create an advertisement campaign
- D) evaluate past sales promotion programs

Answer: A

Diff: 1 Page Ref: 60

3) Which of the following is a major function of marketing research?

- A) develop the budget for a promotional program
- B) scan for opportunities and threats
- C) develop a marketing strategy
- D) conduct industrial espionage

Answer: B

Diff: 1 Page Ref: 60

4) Marketing research is most commonly used to:

- A) develop a training program for the marketing manager.
- B) create job descriptions for various roles in the marketing department.
- C) determine the key responsibility areas for the marketing manager.
- D) refine new product concepts.

Answer: D

Diff: 1 Page Ref: 61

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

- A) defining the problem.
- B) collecting information to solve the problem.
- C) designing a questionnaire.
- D) collecting data.

Answer: A

Diff: 1 Page Ref: 61

6) Which of the following information sources already existed and were not developed for the particular problem at hand?

- A) primary
- B) secondary
- C) quantitative
- D) qualitative

Answer: B

Diff: 1 Page Ref: 62

7) Information sources that are generated for the particular problem being studied are best described as:

- A) primary sources.
- B) secondary sources.
- C) quantitative sources.
- D) qualitative sources.

Answer: A

Diff: 1 Page Ref: 62

8) Which of the following is an advantage of primary data collection?

- A) Data can be collected quickly to meet the manager's needs.
- B) Data is tailored to the manager's needs.
- C) It is one of the most inexpensive data collection methods .
- D) Data is more accurate because it has already been analyzed for some other research problem.

Answer: B

Diff: 1 Page Ref: 63

9) Which of the following statements is true regarding secondary data sources?

- A) Data collection from secondary sources is time consuming.
- B) It is usually less expensive than primary data.
- C) The data gathered is tailored to the manager's needs.
- D) Secondary data sources are usually consulted after exhausting primary sources.

Answer: B

Diff: 1 Page Ref: 63

10) Which of the following is an example of an internal source of secondary data?

- A) a trade publication
- B) a past marketing plan
- C) a trade association
- D) an academic publication

Answer: B

Diff: 1 Page Ref: 63

11) Which of the following is an external secondary data source?

- A) marketing plans used previously
- B) call reports submitted by salespeople
- C) past transaction information from the accounting department
- D) trade publications

Answer: D

Diff: 1 Page Ref: 64

12) Which of the following best describes a research methodology that usually involves a small group of participants taken from the population, produces information that does not lead directly to a decision but is valuable as input for further research?

- A) qualitative research
- B) descriptive research
- C) scientific research
- D) quantitative research

Answer: A

Diff: 2 Page Ref: 67

13) Which type of research typically involves statistically analyzing data in order to provide descriptive results to explicitly test a hypothesis?

- A) clinical research
- B) quantitative research
- C) phenomenological research
- D) qualitative research

Answer: B

Diff: 2 Page Ref: 68

14) Which of the following is a type of qualitative research?

- A) phenomenological research
- B) descriptive research
- C) scientific research
- D) behavioral research

Answer: A

Diff: 1 Page Ref: 68

15) Which of the following types of qualitative research generates hypothesis for further research, often quantitative?

- A) phenomenological research
- B) exploratory research
- C) clinical research
- D) behavioral research

Answer: B

Diff: 1 Page Ref: 68

16) Which of the following types of qualitative research explores the reasoning behind customer purchase behavior?

- A) phenomenological research
- B) exploratory research
- C) clinical research
- D) behavioral research

Answer: C

Diff: 1 Page Ref: 68

17) Which of the following types of qualitative research elicits information related to how customers use products in everyday life?

- A) phenomenological research
- B) exploratory research
- C) clinical research
- D) scientific research

Answer: A

Diff: 1 Page Ref: 68

18) _____ techniques including in-depth interviews and other techniques such as metaphors are mostly used in clinical research.

- A) Descriptive
- B) Exploratory
- C) Phenomenological
- D) Psychoanalytic

Answer: D

Diff: 1 Page Ref: 68

19) Which of the following statements is true regarding a focus group?

- A) It is a quantitative research method.
- B) The most popular use of focus groups is for scientific research.
- C) It usually involves a professional moderator.
- D) The results obtained can be safely generalized.

Answer: C

Diff: 1 Page Ref: 68

20) The most popular use of focus groups is for _____ research, a basic understanding of how customers use the product or service in question.

- A) exploratory
- B) clinical
- C) phenomenological
- D) descriptive

Answer: C

Diff: 1 Page Ref: 69

21) The most common misuse of focus groups is attempting to use them to:

- A) generate research hypothesis for further study.
- B) brainstorm for new product ideas.
- C) draw general conclusions.
- D) carry out concept testing.

Answer: C

Diff: 1 Page Ref: 69

22) Which of the following is specifically related only to the Zaltman metaphor elicitation technique (ZMET) focus groups?

- A) It involves a professional moderator.
- B) It involves usage of images to describe feelings.
- C) It can be conducted using videoconferencing.
- D) It is a quantitative research method.

Answer: B

Diff: 2 Page Ref: 70

23) Measuring the dilation of a person's pupil to measure attention to an advertisement is a technique used in:

- A) informal research.
- B) clinical research.
- C) descriptive research.
- D) observational research.

Answer: D

Diff: 1 Page Ref: 70

24) Which of the following involves an in-depth study of consumer consumption through interviews and observing behavior, and requires people with a variety of skills beyond marketing research, including anthropology?

- A) exploratory research
- B) clinical research
- C) ethnographic research
- D) behavioral research

Answer: C

Diff: 2 Page Ref: 71

25) A major portion of many research budgets is devoted to _____ research, performed by administering questionnaires to people.

- A) focus group
- B) survey
- C) interview
- D) simulation

Answer: B

Diff: 2 Page Ref: 72

26) Which –of the following are the two possible responses to a questionnaire?

- A) open-ended and segmented
- B) open-ended and fixed
- C) fixed and segmented
- D) close-ended and fixed

Answer: B

Diff: 1 Page Ref: 72

27) Which of the following best describes the entire population of the target group?

- A) sample
- B) universe
- C) market
- D) cohort

Answer: B

Diff: 1 Page Ref: 72

28) If you are marketing a computer software product used in local area networks, which of the following would best describe the population or universe of the study?

- A) network managers
- B) board of directors
- C) marketing managers
- D) finance managers

Answer: A

Diff: 1 Page Ref: 72

29) Which of the following statements is true regarding a convenience sample?

- A) It is time consuming and is usually selected due to scientific reasons.
- B) It is also known as random sample.
- C) Some members of the population have a zero probability of being chosen.
- D) In convenience sampling, the customers can self-select to return a survey.

Answer: C

Diff: 2 Page Ref: 72

30) Which of the following is the most expensive method of collecting data?

- A) personal interviews
- B) telephone interviews
- C) mail survey
- D) focus group

Answer: A

Diff: 1 Page Ref: 73

31) Which of the following methods is characterized by low levels of control in the data collection process?

- A) personal interviews
- B) telephone interviews
- C) mail surveys
- D) focus group

Answer: C

Diff: 1 Page Ref: 73

32) Which of the following states that the people who did not respond to a study may feel differently about the issue being surveyed than those who did?

- A) interviewer bias
- B) nonresponse bias
- C) central tendency error
- D) tolerance bias

Answer: B

Diff: 1 Page Ref: 73

33) Personal interactions with survey respondents could lead to answers that would not be given otherwise. This gives rise to the potential for:

- A) nonresponse bias.
- B) tolerance bias.
- C) focus bias.
- D) interviewer bias.

Answer: D

Diff: 1 Page Ref: 73

34) Which of the following approaches to collecting data is the most flexible?

- A) personal interviews
- B) telephone interviews
- C) mail
- D) Internet

Answer: A

Diff: 1 Page Ref: 73

35) Which of the following is a serious problem with survey research when people who choose to respond to the survey may be significantly different from those who do not?

- A) response bias
- B) nonresponse bias
- C) opt-out bias
- D) interviewer bias

Answer: B

Diff: 1 Page Ref: 73

36) Which of the following methods of collecting data has the highest response rate?

- A) personal interviews
- B) telephone interviews
- C) mail
- D) Internet

Answer: A

Diff: 1 Page Ref: 73

37) Which of the following is the least expensive method of collecting data?

- A) personal interviews
- B) telephone interviews
- C) mail survey
- D) focus group

Answer: C

Diff: 1 Page Ref: 74

38) Which of the following refers to surveys that are taken at fixed time intervals in order to monitor advertising awareness, product usage, or strategy-related measures such as product positioning over time?

- A) awareness studies
- B) tracking studies
- C) time studies
- D) marketing potential studies

Answer: B

Diff: 1 Page Ref: 74

39) A(n) _____ is a set of customers who are enlisted to give responses to questions or to provide data repeatedly over a period of time.

- A) control group
- B) tracking study
- C) experiment
- D) panel

Answer: D

Diff: 1 Page Ref: 74

40) Which of the following statements explains a panel dropout?

- A) Panel members may not remain on the panel.
- B) Being on a panel may change a member's behavior.
- C) Panel members may not be representative of the underlying population.
- D) Attitudes and preferences of the panel members may change over the time.

Answer: A

Diff: 1 Page Ref: 74

41) Which of the following best describes the main benefit of a panel?

- A) the ability to select a new random sample at each measurement period
- B) the ability to observe changes in behavior caused by changes in marketing variables or other factors
- C) the ability to design a focus group study using the customers in the panel as a sample
- D) the ability to generate new product ideas by brainstorming

Answer: B

Diff: 1 Page Ref: 74

42) Conventional surveys and focus groups are called _____ because they provide a slice of life at one point in time.

- A) segmentation studies
- B) tracking studies
- C) time-series data
- D) cross-sectional data

Answer: D

Diff: 1 Page Ref: 74

43) Which of the following is the most important problem associated with a panel?

- A) panel dropout
- B) under representation of the underlying population
- C) panel conditioning
- D) changes in the attitudes and preferences of the panel members

Answer: A

Diff: 1 Page Ref: 74

44) Panel conditioning refers to a problem where:

- A) panel members do not remain on the panel.
- B) panel members do not represent the underlying population.
- C) being on a panel changes a member's behavior.
- D) attitudes and preferences of the panel members change over the time.

Answer: C

Diff: 2 Page Ref: 74

45) In a marketing experiment, a marketing variable which is of central interest is called a(n) _____ because different levels or values of the variable are controlled by the researcher.

- A) manipulation
- B) external factor
- C) internal variable
- D) control factor

Answer: A

Diff: 1 Page Ref: 75

46) Which of the following best describes the degree to which experimental results can be generalized to the real world or, more generally, to the target population?

- A) internal validity
- B) interpolation
- C) flexibility
- D) external validity

Answer: D

Diff: 1 Page Ref: 75

47) A scanner panel is related to the purchase of:

- A) computer hardware.
- B) groceries.
- C) electronic products.
- D) financial services.

Answer: B

Diff: 1 Page Ref: 75

48) Which of the following best describes the degree to which experimental results are actually caused by the experimental manipulation?

- A) internal validity
- B) flexibility
- C) response rate
- D) external validity

Answer: A

Diff: 1 Page Ref: 75

49) Which of the following statements is true of a laboratory experiment?

- A) It takes place in a realistic environment.
- B) It has low internal validity.
- C) The experimenter cannot control the environment easily.
- D) It has low external validity.

Answer: D

Diff: 1 Page Ref: 76

50) Which of the following statements is true regarding a field experiment?

- A) It takes place in an artificial environment.
- B) It has low external validity.
- C) It has low internal validity.
- D) The experimenter can control the environment easily.

Answer: C

Diff: 1 Page Ref: 76

51) The maximum sales of a product category reasonably attainable under a given set of conditions within a specified period of time is known as:

- A) market potential.
- B) market forecast.
- C) sales forecast.
- D) market attractiveness.

Answer: A

Diff: 1 Page Ref: 77

52) The amount of sales of a product category expected to be achieved under a set of conditions within a specified period of time is known as:

- A) market expansion.
- B) sales forecast.
- C) market potential.
- D) sales development.

Answer: B

Diff: 1 Page Ref: 77

53) A term used by economists for "all else remaining equal" is:

- A) caveat emptor.
- B) ceteris paribus.
- C) carpe dieum.
- D) capex infiniti.

Answer: B

Diff: 2 Page Ref: 77

54) The amount of sales of a brand expected to be achieved under a set of conditions within a specified period of time is known as:

- A) sales forecast.
- B) market development.
- C) sales potential.
- D) market expansion.

Answer: A

Diff: 1 Page Ref: 77

55) Which of the following is one of the three steps in the general approach for estimating market potential?

- A) Determine the improvements needed in the existing product.
- B) Determine the marketing budget allocated to the product category being evaluated.
- C) Estimate the potential purchasing or usage rates.
- D) Determine the profitability of the product category being evaluated.

Answer: C

Diff: 1 Page Ref: 78

56) The estimate of market potential is best described as:

- A) the number of current customers times the awareness ratio.
- B) the number of current customers times the potential buying rate.
- C) the number of potential customers times the potential buying rate.
- D) the number of potential customers multiplied by the current buying rate.

Answer: C

Diff: 1 Page Ref: 78

57) Assume that a particular city in a country accounts for 10 percent of its population. Assume next that that city accounts for 6 percent of the sales of a product. What is the Category Development Index (CDI) of the product?

- A) 20
- B) 50
- C) 60
- D) 80

Answer: C

Diff: 1 Page Ref: 79

58) Which of the following indicates that the category is selling better than the brand?

- A) low CDI and low BDI
- B) low CDI and high BDI
- C) high BDI and high CDI
- D) high CDI and low BDI

Answer: D

Diff: 1 Page Ref: 80

59) Which of the following involves forecasting alternative outcomes based on different assumptions about different marketing variables?

- A) naïve extrapolation
- B) linear extrapolation
- C) scenario planning
- D) regression analysis

Answer: C

Diff: 1 Page Ref: 81

60) Which judgmental method takes the most current sales and adds a judgmentally determined x percent, where x is the estimated percentage change in sales?

- A) Linear extrapolation
- B) Naïve extrapolation
- C) Exponential smoothing
- D) Moving averages

Answer: B

Diff: 1 Page Ref: 81

61) In the _____ of forecasting, the marketing manager might simply rely on his or her own opinion to predict sales, based on experience and other qualitative knowledge gained from reading trade publications and talking to industry representatives at trade shows.

- A) executive opinion method
- B) sales force method
- C) delphi method
- D) moving averages method

Answer: A

Diff: 1 Page Ref: 82

62) Which of the following methods of forecasting sales is implemented by forming a jury of experts from a diverse population?

- A) executive opinion method
- B) sales force method
- C) delphi method
- D) moving averages method

Answer: C

Diff: 1 Page Ref: 82

63) Which of the following is a time series method of sales forecasting?

- A) naïve extrapolation
- B) executive opinion
- C) Delphi method
- D) exponential smoothing

Answer: D

Diff: 1 Page Ref: 83

64) Market testing is an example of this type of sales forecasting method.

- A) judgement method
- B) time-series method
- C) counting method
- D) causal method

Answer: C

Diff: 1 Page Ref: 83

65) Which of the following methods of sales forecasting uses the averages of historical sales figures to make a forecast?

- A) econometric models
- B) leading average
- C) linear extrapolation
- D) moving average

Answer: D

Diff: 1 Page Ref: 83

66) Regression analysis is an example of a:

- A) counting method.
- B) causal method.
- C) time-series method.
- D) judgment method.

Answer: B

Diff: 1 Page Ref: 84

67) Which of the following forecasting methods uses certain macroeconomics variables to forecast changes in the economy, based on the fact that changes in these variables occur before changes in the economy?

- A) correlation analysis
- B) exponential smoothing
- C) leading indicators
- D) regression analysis

Answer: C

Diff: 1 Page Ref: 84

68) Which of the following methods of sales forecasting is most likely to be used to predict the economic performance of a country?

- A) executive opinion
- B) Delphi method
- C) econometric models
- D) moving average

Answer: C

Diff: 1 Page Ref: 84

69) Which of the following is a causal method of sales forecasting?

- A) correlation
- B) moving average
- C) Delphi method
- D) executive opinion

Answer: A

Diff: 1 Page Ref: 84

70) Which of the following is a generalization of the time-series extrapolation model that includes independent variables other than time?

- A) regression analysis
- B) leading indicators
- C) exponential smoothing
- D) econometric models

Answer: A

Diff: 1 Page Ref: 84

71) One of the major functions of marketing research is monitoring current marketing programs.

Answer: TRUE

Diff: 1 Page Ref: 60

72) The first step of a market research program is to establish the problem to be addressed.

Answer: TRUE

Diff: 1 Page Ref: 62

73) Primary information sources are those that already exist.

Answer: FALSE

Diff: 1 Page Ref: 62

74) Marketing managers almost always consult primary sources before embarking on secondary data collection.

Answer: FALSE

Diff: 1 Page Ref: 62

75) Past marketing plans are good sources of internal secondary information.

Answer: TRUE

Diff: 1 Page Ref: 63

76) Transaction information stored in accounting records is a good secondary source of research information.

Answer: TRUE

Diff: 1 Page Ref: 64

77) A major problem marketing managers face with internal sources of information is getting it in a useful format.

Answer: TRUE

Diff: 1 Page Ref: 64

78) Exploratory research is generally used to understand how customers use products in everyday life.

Answer: FALSE

Diff: 1 Page Ref: 68

79) Clinical research is generally used to generate hypotheses for further research, often quantitative.

Answer: FALSE

Diff: 1 Page Ref: 68

80) The least widely used qualitative research method is the focus group.

Answer: FALSE

Diff: 1 Page Ref: 68

81) The focus group is the best known and most widely used quantitative research method.

Answer: FALSE

Diff: 1 Page Ref: 68

82) In virtual shopping, the consumer can use the simulation to view (on a screen) shelves stocked with any kind of product.

Answer: TRUE

Diff: 1 Page Ref: 71

83) In-depth study of consumer consumption through interviews and observing behavior is known as ethnographic research.

Answer: TRUE

Diff: 1 Page Ref: 71

84) In a sampling context, universe means the entire population of the target group.

Answer: TRUE

Diff: 1 Page Ref: 72

85) The most important problem associated with a panel is panel conditioning.

Answer: FALSE

Diff: 1 Page Ref: 74

86) Panel conditioning refers to a problem that the panel members may not remain on the panel throughout the required time period.

Answer: FALSE

Diff: 1 Page Ref: 74

87) A panel is a set of customers who are enlisted to give responses to questions or to provide data repeatedly over a period of time.

Answer: TRUE

Diff: 1 Page Ref: 75

88) The general types of market research data and the set of techniques used in global market research vary from country to country.

Answer: FALSE

Diff: 1 Page Ref: 76

89) "Potential" is defined as the amount of sales expected to be achieved under a set of conditions within a specified period of time.

Answer: FALSE

Diff: 1 Page Ref: 77

90) "Ceteris paribus" means "all else remaining equal."

Answer: TRUE

Diff: 1 Page Ref: 77

91) The sales force method of forecasting is an example of a time-series method of forecasting.

Answer: FALSE

Diff: 1 Page Ref: 81

92) The Delphi method of forecasting is implemented by forming a jury of experts from a diverse population.

Answer: TRUE

Diff: 1 Page Ref: 82

93) In the executive opinion method of forecasting, the marketing manager might simply rely on his or her own opinion to predict sales.

Answer: TRUE

Diff: 1 Page Ref: 82

94) Econometric models are large-scale, multiple-equation regression models that are frequently used in product forecasting.

Answer: FALSE

Diff: 1 Page Ref: 84

95) Regression analysis is a causal method of sales forecasting in which certain macroeconomics variables are used to forecast changes in an economy.

Answer: FALSE

Diff: 1 Page Ref: 84

96) List and briefly describe the three major functions of marketing research.

Answer:

- a. Scanning for opportunities and threats – a good research operation collects and analyzes information about customers, competitors, technology, global economic conditions, and other factors. It provides input to marketing managers that they can use to find new markets for existing products, uncover new market segments, and anticipate competitors' moves.
- b. Risk assessment of future programs – when considering alternative marketing strategies, the marketing manager should test them against different scenarios.
- c. Monitoring of current programs – marketing research plays a key role in monitoring the progress of the plan toward its objective.

Diff: 1 Page Ref: 60

97) Briefly describe the six steps in the marketing research process.

Answer:

- a. Problem definition – establish the problem to be addressed.
- b. Information needs – establish the kinds of information that are most appropriate for solving the problem.
- c. Type of study or research – determine the type of research to be performed from exploratory to descriptive to causal.
- d. Data collection – establish the specific data sources, including the sample of people or organizations studied.
- e. Data analysis and conclusions – analyze the data and draw conclusions that address the stated problem.
- f. Reporting – write the report and communicate the findings to the marketing organization and other relevant group.

Diff: 1 Page Ref: 62

98) List and briefly describe the three types of qualitative research.

Answer:

- a. Phenomenological – explores how customers use products in everyday life.
- b. Exploratory – generates hypotheses for further research, often quantitative.
- c. Clinical – explores the reasoning behind customer purchasing behavior.

Diff: 1 Page Ref: 68

99) Discuss briefly global considerations in market research.

Answer:

- a. Market research data and the set of techniques available do not vary by country.
- b. The quality of data collected by the relevant government may vary by country.
- c. The application of certain approaches will be determined by local technological capabilities.
- d. The application of certain approaches will be determined by cultural attitudes toward providing information.
- e. The application of certain approaches will be determined by local legal restrictions.

Diff: 1 Page Ref: 76

100) List and briefly describe the four different methods of forecasting available.

Answer:

- a. Judgment methods – relies on pure opinion to forecast sales.
- b. Counting methods – uses primary data collection methods to predict sales.
- c. Time-series methods – uses averages of historical sales figures to make a forecast.
- d. Association/causal methods – attempts to develop statistical models relating market factors to sales forecasts.

Diff: 1 Page Ref: 81