

## CHAPTER 3

# Marketing research and information systems

### SHORT ANSWER

1. What is the purpose of marketing research?  
*AACSB Outcomes: Analytical; Communication*  
*DF: E LO: 1 Topic Heading: The importance of marketing research*  
*Type: KN*
2. Briefly discuss the marketing research process.  
*AACSB Outcomes: Analytical; Communication*  
*DF: E LO: 2 Topic Heading: The marketing research process*  
*Type: KN*
3. Why is defining the problem the most important step in marketing research?  
*AACSB Outcomes: Communication*  
*DF: E LO: 2 Topic Heading: The marketing research process*  
*Type: KN*
4. Explain the conditions that would favour an exploratory study over an experimental study.  
*AACSB Outcomes: Communication*  
*DF: M LO: 2 Topic Heading: Types of research*  
*Type: KN*
5. Compare reliability and validity. Why are they important considerations in marketing research?  
*AACSB Outcomes: Analytical; Communication*  
*DF: M LO: 2 Topic Heading: Research reliability and validity*  
*Type: KN*
6. Why would a personal interview be favoured over a mail or telephone survey?  
*AACSB Outcomes: Analytical; Communication*  
*DF: M LO: 3 Topic Heading: Survey methods*  
*Type: KN*
7. Why is it essential that a questionnaire be carefully designed and prepared? What problems can arise when a survey has not been well thought out?  
*AACSB Outcomes: Communication*  
*DF: M LO: 3 Topic Heading: Questionnaire construction*  
*Type: KN*
8. Compare the advantages and disadvantages of the four ways to collect a sample.  
*AACSB Outcomes: Analytical; Communication*  
*DF: M LO: 3 Topic Heading: Survey methods*  
*Type: KN*
9. Discuss the role of the marketing information system in helping marketing managers make better decisions.  
*AACSB Outcomes: Communication*  
*DF: E LO: 4 Topic Heading: Marketing information systems*  
*Type: KN*

10. How can companies use information technology as a competitive advantage?  
*AACSB Outcomes: Communication; Technology*  
*DF: M LO: 4 Topic Heading: Databases*  
*Type: KN*
11. Why is ethics an important consideration in marketing research?  
*AACSB Outcomes: Communication; Ethics*  
*DF: M LO: 5 Topic Heading: The importance of ethical marketing research*  
*Type: KN*
12. How does marketing research differ when conducted internationally?  
*AACSB Outcomes: Communication*  
*DF: M LO: 5 Topic Heading: International issues in marketing research*  
*Type: KN*

## **MULTIPLE CHOICE**

13. Marketing research is *best* defined as:  
A) the framework for the day-to-day management and structuring of information gathered by marketers.  
B) a continuous gathering of data for an organisation to make marketing decisions.  
C) the systematic design, collection, interpretation and reporting of information to help marketers solve specific marketing problems or take advantage of market opportunities.  
D) the collecting of data from secondary sources and internal documents.  
E) an intuitive process for making decisions based on personal knowledge and experience.  
*Ans: C AACSB Outcomes: Communication*  
*DF: E LO: 1 Topic Heading: The importance of marketing research*  
*Type: KN*
14. Marketing research is a process designed to gather information:  
A) exclusively about a company's customers.  
B) from the company's database.  
C) not currently available to decision makers.  
D) about the needs and desires of employers.  
E) concerning the interpretation of the company's sales goals.  
*Ans: C AACSB Outcomes: Communication*  
*DF: E LO: 1 Topic Heading: The importance of marketing research*  
*Type: KN*
15. The use of marketing research is:  
A) limited strictly to large corporations.  
B) limited to for-profit businesses of all sizes.  
C) controlled by the federal government.  
D) widespread throughout businesses and non-profit organisations.  
E) carefully monitored by each state's trade agencies.  
*Ans: D AACSB Outcomes: Communication; Research*  
*DF: M LO: 1 Topic Heading: The importance of marketing research*  
*Type: KN*
16. The real value of marketing research to the organisation can *best* be measured by:  
A) its immediate impact on profits.  
B) the amount of time spent on the research.  
C) how much it costs.  
D) improvements in the ability to make decisions.  
E) the increase in sales volume or market share.  
*Ans: D AACSB Outcomes: Communication*  
*DF: E LO: 1 Topic Heading: The importance of marketing research*

Type: KN

17. The first step in the marketing research process is:

- A) defining the issue or problem.
- B) designing the research project.
- C) collecting data.
- D) interpreting research findings.
- E) reporting research findings.

Ans: A AACSB Outcomes: Communication

DF: E LO: 2 Topic Heading: The marketing research process

Type: KN

18. Beck is puzzled by the recent decrease in sales at one of the Auto Barn locations for which she is the regional manager. She knows the best way to approach this problem and obtain accurate information is to use:

- A) the marketing research process.
- B) the opinions of store managers.
- C) company sales data.
- D) hypothesis testing.
- E) stratified sampling of customers.

Ans: A AACSB: Communication, Research

DF: M LO: 2 Topic Heading: The marketing research process

Type: AP

19. David was given the task of conducting a research project for his firm and proceeds with the following steps. He asks questions to determine the research topic, conducts a telephone survey, writes a report describing the survey results and gives that report to his boss. Which step of the marketing research process has David omitted?

- A) Collecting data
- B) Defining and locating problems
- C) Interpreting research
- D) Designing the research project
- E) Reporting research findings

Ans: C AACSB Outcomes: Communication

DF: M LO: 2 Topic Heading: The marketing research process

Type: AP

20. Problem location and definition is the first step towards finding a solution to a marketing problem or launching a research study. The first sign of a problem:

- A) involves an informed guess or assumption about a certain set of circumstances.
- B) is usually accompanied by a cost-benefit analysis.
- C) most often comes in the form of customer complaints.
- D) is often mentioned in secondary data reports, such as trade journals.
- E) is typically a departure from some normal function, such as a failure to attain objectives.

Ans: E AACSB Outcomes: Communication

DF: D LO: 2 Topic Heading: Determine the scope for marketing research

Type: KN

21. Decreasing sales, increasing expenses or decreasing profits:

- A) are to be expected during the marketing research process.
- B) are examples of symptoms that point to larger problems.
- C) usually have no effect on the marketing research process.
- D) are important considerations in designing the research project.
- E) should be carefully considered before collecting data.

Ans: B AACSB Outcomes: Analytical; Communication

DF: M LO: 2 Topic Heading: Determine the scope for marketing research

Type: CH

22. An informed guess or assumption about a certain problem or set of circumstances is known as:

A) a description of the situation.  
B) good research design.  
C) a hypothesis.  
D) a reliable guess.  
E) managerial intuition.

Ans: C AACSB Outcomes: Communication

DF: E LO: 2 Topic Heading: Types of research

Type: KN

23. Pointing out any deficiencies and the possible reasons for them should be done in the \_\_\_\_\_ step of the marketing research process.

A) interpreting research findings  
B) collecting data  
C) defining the issue or problem  
D) reporting the research findings  
E) designing the research project

Ans: D AACSB Outcomes: Communication

DF: E LO: 2 Topic Heading: The marketing research process

Type: KN

24. An overall plan for obtaining the information needed to address a research problem or issue is called the:

A) research design.  
B) problem recognition.  
C) hypothesis.  
D) data collection method.  
E) sampling procedure.

Ans: A AACSB Outcomes: Analytical; Communication

DF: E LO: 2 Topic Heading: The marketing research process

Type: KN

25. If Officeworks executives believe that most of the firm's sales are to businesses rather than consumers and that women are more likely to be making purchasing decisions, this would be a(n) \_\_\_\_\_ that Officeworks could test through marketing research.

A) description  
B) hypothesis  
C) explanation  
D) sample  
E) experiment

Ans: B AACSB Outcomes: Analytical; Communication

DF: M LO: 2 Topic Heading: Types of research

Type: AP

26. Students from a marketing research class are involved in a project about the level of sleep, exercise and stress that individuals experience. They have decided to collect data from three different student areas on campus. When they analyse their data, they find the responses are very similar across the three areas. The students feel comfortable they have achieved which of the following with regard to their data?

A) Reliability  
B) Causal relationships  
C) Validity  
D) Sampling accuracy  
E) Measurability

Ans: A AACSB Outcomes: Reflective thinking

DF: M LO: 3 Topic Heading: Analyse the data

Type: KN

27. \_\_\_\_\_ that are either accepted or rejected become the primary conclusions of a marketing research study.

A) Descriptions  
B) Issues  
C) Primary data  
D) Samples  
E) Hypotheses

Ans: E

AACSB Outcomes: Communication

DF: E

LO: 2

Topic Heading: Types of research

Type: KN

28. When more information is needed about a problem and the tentative hypothesis needs to be made more specific, marketers usually conduct \_\_\_\_\_ research.

A) descriptive  
B) experimental  
C) exploratory  
D) analytical statistical  
E) syndicated

Ans: C

AACSB Outcomes: Analytical; Communication

DF: D

LO: 2

Topic Heading: Types of research

Type: KN

29. Maybelline believes that sales of one of its lipstick lines have fallen because of the introduction of a new lipstick line, but it wants to make this tentative hypothesis more specific before proceeding. Maybelline should conduct:

A) experimental research.  
B) hypothesis testing.  
C) exploratory research.  
D) conclusive research.  
E) descriptive research.

Ans: C

AACSB Outcomes: Analytical

DF: M

LO: 2

Topic Heading: Types of research

Type: AP

30. Data compiled both inside and outside an organisation for some purpose other than the current investigation is called \_\_\_\_\_ research.

A) primary  
B) secondary  
C) exploratory  
D) conclusive  
E) hypothetical

Ans: B

AACSB Outcomes: Communication

DF: M

LO: 3

Topic Heading: Types of data

Type: KN

31. Research that is conducted to clarify the characteristics of certain phenomena and solve a particular problem is called \_\_\_\_\_ research.

A) primary  
B) experimental  
C) descriptive  
D) secondary  
E) exploratory

Ans: C

AACSB Outcomes: Communication

DF: E

LO: 3

Topic Heading: Types of data

Type: KN

32. ASOS executives want to target an older crowd to increase the firm's market share, so they survey men and women ages 40 to 60 about how often and for what type of activities they wear casual clothing. This is an example of:

A) reliability testing.  
B) exploratory research.  
C) probability sampling.  
D) descriptive research.  
E) experimental research.

Ans: D AACSB Outcomes: Analytical; Communication

DF: E LO: 3 Topic Heading: Types of data

Type: AP

33. Research that allows marketers to make causal inferences about relationships is called:

A) variable research.  
B) relationality.  
C) exploratory research.  
D) linkage research.  
E) experimental research.

Ans: E AACSB Outcomes: Communication

DF: M LO: 3 Topic Heading: Types of data

Type: KN

34. Suppose that marketers at Woolworths are trying to determine whether distributing free samples of Cuddly fabric softener was the reason for a sales increase in a particular store. The type of research conducted to answer this question is \_\_\_\_\_ research.

A) exploratory  
B) descriptive  
C) experimental  
D) informal  
E) qualitative

Ans: C AACSB Outcomes: Analytical

DF: D LO: 2 Topic Heading: Types of research

Type: AP

35. If Pizza Hut wants to determine the impact of different promotional offers on pizza unit sales, it needs to conduct:

A) exploratory research.  
B) hypothesis development.  
C) survey research.  
D) stratified sampling.  
E) experimental research.

Ans: E AACSB Outcomes: Analytical

DF: D LO: 2 Topic Heading: Types of research

Type: AP

36. When marketing researchers try to manipulate an independent variable and measure the resulting changes in a dependent variable, they are engaging in:

A) surveys.  
B) secondary data gathering.  
C) interviews.  
D) observation.  
E) experimentation.

Ans: E AACSB Outcomes: Analytical; Communication

DF: M LO: 2 Topic Heading: Types of research

Type: KN

37. A study that is valid and reliable:
- A) is called a marketing research study.
  - B) measures what it is supposed to measure and produces almost identical results every time.
  - C) is expensive to implement and complete.
  - D) measures subtle differences in the population being studied.
  - E) is difficult to produce without expert researchers.
- Ans: B                      AACSB Outcomes: Communication  
DF: M                      LO: 2                      Topic Heading: Research reliability and validity  
Type: KN
38. Designing research procedures that produce reliable marketing data means that:
- A) others using the same procedure will get almost identical data.
  - B) the procedure must give results that support the hypothesis.
  - C) the procedure must not give results that contradict other research studies.
  - D) sampling must be done in a completely random manner.
- Ans: A                      AACSB Outcomes: Communication  
DF: E                      LO: 2                      Topic Heading: Types of research  
Type: KN
39. Marketing researchers at Millward Brown repeated a particular experiment several times and discovered that the results produced each time were nearly identical. This phenomenon would indicate that the results were:
- A) reliable.
  - B) valid.
  - C) unusable.
  - D) predictable.
  - E) compatible.
- Ans: A                      AACSB Outcomes: Analytical  
DF: E                      LO: 2                      Topic Heading: Research reliability and validity  
Type: AP
40. A valid study:
- A) portrays the population being studied.
  - B) results in a causal relationship between the independent and dependent variables.
  - C) uses random sampling.
  - D) verifies expected results.
  - E) measures what it is supposed to measure.
- Ans: E                      AACSB Outcomes: Communication  
DF: M                      LO: 2                      Topic Heading: Research reliability and validity  
Type: KN
41. A firm has conducted market research and found that customer satisfaction with its product is quite high. Nonetheless, repurchase behaviour is very low. The research design evidently has a problem with:
- A) secondary data.
  - B) reliability.
  - C) validity.
  - D) reporting findings.
  - E) generalisability.
- Ans: C                      AACSB Outcomes: Communication  
DF: M                      LO: 2                      Topic Heading: Research reliability and validity  
Type: KN

42. If Village Cinemas conducted a study with questions designed to measure participants' attitudes towards going to the cinema, as opposed to watching movies on DVD or Blu-Ray, the firm's concern with this issue would relate to the research technique's:

A) validity.  
B) dependability.  
C) ability.  
D) reliability.  
E) capacity.

Ans: A

AACSB Outcomes: Analytical

DF: M

LO: 2

Topic Heading: Research reliability and validity

Type: AP

43. Primary data are *best* described as the:

A) first batch of data collected for a specific study.  
B) data that are necessary for a correct decision.  
C) data that are observed, recorded or collected directly from subjects.  
D) data that are compiled for some purpose other than the study in question.  
E) data that are collected inside and outside an organisation for some purpose other than the current investigation.

Ans: C

AACSB Outcomes: Communication

DF: M

LO: 3

Topic Heading: Types of data

Type: KN

44. If Myer wants to learn about consumers' attitudes towards online purchases and conducts a study to acquire this information, this study would collect \_\_\_\_\_ data.

A) causal  
B) experimental  
C) primary  
D) laboratory  
E) secondary

Ans: C

AACSB Outcomes: Analytical

DF: E

LO: 3

Topic Heading: Types of data

Type: AP

45. Marketers often begin the data collection phase of a research project by gathering secondary data. This type of information may come from both \_\_\_\_\_ sources.

A) government and business  
B) internal and external  
C) formal and informal  
D) collected and distributed

Ans: B

AACSB Outcomes: Communication

DF: E

LO: 3

Topic Heading: Types of data

Type: KN

46. When marketing researchers consider sampling techniques, they are preparing to collect \_\_\_\_\_ data.

A) census  
B) statistical  
C) internal secondary  
D) external secondary  
E) primary

Ans: E

AACSB Outcomes: Communication

DF: E

LO: 3

Topic Heading: Methods of collecting primary data

Type: KN



47. If Philip Webb seeks information about trends in housing starts around the country and uses the Bureau of Statistics reports to get this information, it is using \_\_\_\_\_ data.
- A) causal
  - B) exploratory
  - C) primary
  - D) laboratory
  - E) secondary

*Ans: E AACSB Outcomes: Analytical; Communication*  
*DF: E LO: 3 Topic Heading: Types of data*  
*Type: AP*

48. When working as a summer intern for a local retail store, Jennifer Meachem was sent to the library to look for data on population forecasts for the Gold Coast. The population information she found would be considered:
- A) primary data.
  - B) secondary data.
  - C) information data from syndicated research services.
  - D) second-hand data.

*Ans: B AACSB Outcomes: Communication*  
*DF: E LO: 3 Topic Heading: Types of data*  
*Type: AP*

49. Information from the Australian census is collected every five years. It is commonly used as \_\_\_\_\_ by a variety of government departments, agencies and companies.
- A) external secondary data
  - B) laboratory data
  - C) primary data
  - D) internal secondary data
  - E) hypotheses

*Ans: A AACSB Outcomes: Communication*  
*DF: M LO: 3 Topic Heading: Types of data*  
*Type: AP*

50. Subscription services from firms such as the Nielsen Corporation provide marketing researchers with a good source of \_\_\_\_\_ data.
- A) census
  - B) statistical
  - C) internal secondary
  - D) external secondary
  - E) primary

*Ans: D AACSB Outcomes: Communication*  
*DF: M LO: 3 Topic Heading: Sources of secondary data*  
*Type: KN*

51. Secondary data *cannot* be obtained from:
- A) trade journals.
  - B) the government.
  - C) international sources.
  - D) surveys.
  - E) computerised literature retrieval databases.

*Ans: D AACSB Outcomes: Communication*  
*DF: E LO: 3 Topic Heading: Sources of secondary data*  
*Type: KN*

52. Kathleen is the new marketing manager for the lingerie division at David Jones. For next season's planning, she needs access to data about recent purchasing patterns in the whole industry. Which type of data could be used in this situation?

A) Sampling data  
B) Secondary data  
C) Quote data  
D) Primary data  
E) Survey data

*Ans: B*

*AACSB Outcomes: Communication*

*DF: M*

*LO: 3*

*Topic Heading: Sources of secondary data*

*Type: KN*

53. One overlooked internal source of secondary marketing information discussed in the text is:

A) sales receipts.  
B) accounting records.  
C) interviews with salespeople.  
D) quality control data.  
E) consumer surveys.

*Ans: B*

*AACSB Outcomes: Communication*

*DF: D*

*LO: 3*

*Topic Heading: Sources of secondary data*

*Type: KN*

54. The objective of sampling in marketing research is to:

A) elicit responses from as many people as possible.  
B) control independent variables that might influence research results.  
C) select representative units from a total population.  
D) ensure that measures in the study are reliable.  
E) provide data that can be used to test the hypotheses being investigated.

*Ans: C*

*AACSB Outcomes: Communication*

*DF: E*

*LO: 3*

*Topic Heading: Methods of collecting primary data*

*Type: KN*

55. Prue Street is running for council in her electoral region. She is interested in knowing voters' intended choices. All the registered voters in her district would constitute the study's:

A) data.  
B) dependent variable.  
C) population.  
D) independent variable.  
E) sample.

*Ans: C*

*AACSB Outcomes: Analytical*

*DF: M*

*LO: 3*

*Topic Heading: Methods of collecting primary data*

*Type: AP*

56. The two basic types of sampling that marketing researchers use are:

A) random and non-random.  
B) probability and non-probability.  
C) stratified and quota.  
D) planned and spontaneous.

*Ans: B*

*AACSB Outcomes: Analytical*

*DF: E*

*LO: 3*

*Topic Heading: Methods of collecting primary data*

*Type: AP*

57. If you were to choose a sample with which to study the market for preschool toys in Melbourne, the population would logically be defined as all:
- A) children in Melbourne.
  - B) families in Melbourne that have or are expecting preschool children.
  - C) people in Melbourne.
  - D) preschools in Melbourne.
  - E) preschool children in Melbourne.

*Ans: B*

*AACSB Outcomes: Analytical*

*DF: D*

*LO: 3*

*Topic Heading: Methods of collecting primary data*

*Type: AP*

58. In marketing research, a sample is best described as:
- A) a small group that is a part of a larger group.
  - B) all the elements, units or individuals of interest to researchers for a specific study.
  - C) a limited number of units chosen to represent the characteristics of a total population.
  - D) a group that shares a common attribute within a population.

*Ans: C*

*AACSB Outcomes: Communication*

*DF: E*

*LO: 3*

*Topic Heading: Methods of collecting primary data*

*Type: KN*

59. In what type of sampling does every element have a known chance of being selected for study?
- A) Quota
  - B) Stratified
  - C) Random
  - D) Non-probability
  - E) Probability

*Ans: E*

*AACSB Outcomes: Communication*

*DF: M*

*LO: 3*

*Topic Heading: Methods of collecting primary data*

*Type: KN*

60. Which sampling design gives every member of the population an equal chance of appearing in the sample?
- A) Non-probability
  - B) Random
  - C) Quota
  - D) Stratified
  - E) Poll

*Ans: B*

*AACSB Outcomes: Communication*

*DF: D*

*LO: 3*

*Topic Heading: Methods of collecting primary data*

*Type: KN*

61. In which of the following sampling designs do all members of a population have an equal chance of being selected?
- A) Stratified
  - B) Non-probability
  - C) Quota
  - D) Random
  - E) Judgement

*Ans: D*

*AACSB Outcomes: Communication*

*DF: E*

*LO: 3*

*Topic Heading: Methods of collecting primary data*

*Type: KN*

62. When a population is divided into distinct groups based on some particular characteristic and a probability sample is taken from each group, this exemplifies \_\_\_\_\_ sampling.

A) area  
B) quota  
C) stratified  
D) cluster  
E) simple random

Ans: C AACSB Outcomes: Communication

DF: M LO: 3 Topic Heading: Methods of collecting primary data

Type: KN

63. Assume that Colourista, a hair salon, is interested in studying the pricing expectations of its customers. If the study calls for a selection of a hundred people at random from three age groups, \_\_\_\_\_ sampling is being used.

A) random  
B) stratified  
C) quota  
D) area  
E) experimental

Ans: B AACSB Outcomes: Analytical

DF: D LO: 3 Topic Heading: Methods of collecting primary data

Type: AP

64. Which of the following is a probability sampling technique that is used to reduce some of the error that can occur with random sampling?

A) Quota  
B) Stratified  
C) Non-probability  
D) Cluster  
E) Snowball

Ans: B AACSB Outcomes: Communication

DF: M LO: 3 Topic Heading: Methods of collecting primary data

Type: KN

65. In what type of sampling design is the final choice of respondents left up to the interviewer?

A) Stratified  
B) Random  
C) Cluster  
D) Area  
E) Quota

Ans: E AACSB Outcomes: Communication

DF: E LO: 3 Topic Heading: Methods of collecting primary data

Type: KN

66. The National Marketing Research Company is concerned about using surveys to conduct a marketing research project because:

A) response rates are declining.  
B) primary data are so much cheaper and easier to gather.  
C) survey data collection is highly inaccurate.  
D) survey data do not provide in-depth responses.  
E) the survey method has been replaced by the Internet.

Ans: A AACSB Outcomes: Analytical; Communication

DF: E LO: 3 Topic Heading: Methods of collecting primary data

Type: AP

67. Which of the following is the *least* flexible survey method?

- A) Telephone surveys
- B) Focus group interviews
- C) Personal interview surveys
- D) Mail surveys
- E) Observation

*Ans: D AACSB Outcomes: Analytical; Communication*

*DF: D LO: 3 Topic Heading: Methods of collecting primary data*

*Type: CH*

68. Peter Demos, director of marketing at Holcomb, Inc., calls in Andrea Mandas, the firm's marketing research director. Peter wants a study done to assess the company's image relative to a new competitor, Levitt Labs. He has a flexible time schedule, has very little money to devote to the research and feels that a relatively low response rate will not be a major problem. Andrea will probably recommend using a \_\_\_\_\_ survey.

- A) mail
- B) telephone
- C) random
- D) personal interview
- E) population

*Ans: A AACSB Outcomes: Analytical; Communication*

*DF: D LO: 3 Topic Heading: Methods of collecting primary data*

*Type: AP*

69. Compared to a telephone or personal survey, the major disadvantage of a mail survey is:

- A) having to offer premiums.
- B) the failure of respondents to return the questionnaire.
- C) the elimination of interview bias.
- D) the lack of open-ended questions.
- E) the cost.

*Ans: B AACSB Outcomes: Communication*

*DF: E LO: 3 Topic Heading: Methods of collecting primary data*

*Type: KN*

70. The manager of an IGA is interested in asking consumers what they think about the store's new layout and expanded produce selection. If the manager would like to obtain a high response rate and have the study conducted as quickly as possible, which data collection method would you recommend?

- A) Mail survey
- B) Direct observation of consumers in the store
- C) Telephone survey
- D) Focus group interview
- E) Shopping-centre intercept interview

*Ans: C AACSB Outcomes: Analytical; Communication*

*DF: D LO: 3 Topic Heading: Methods of collecting primary data*

*Type: AP*

71. Although telephone surveys can be conducted very quickly, a major limitation is:

- A) the ability to gain rapport with respondents.
- B) the difficulty in asking probing questions.
- C) that few companies prefer this survey method.
- D) that only a small portion of the population likes to participate in telephone surveys.
- E) the expense compared to in-home interviews.

*Ans: D AACSB Outcomes: Communication*

*DF: E LO: 3 Topic Heading: Methods of collecting primary data*

*Type: KN*

72. Which of the following survey methods has the potential to offer a quick response at a lower cost than traditional mail and telephone surveys?
- A) Total population surveys
  - B) In-home (door-to-door) interviews
  - C) Focus group interviews
  - D) Personal interview surveys
  - E) Online surveys
- Ans: E AACSB Outcomes: Communication; Technology*  
*DF: E LO: 3 Topic Heading: Methods of collecting primary data*  
*Type: KN*
73. Which of the following basic survey methods is the *least* expensive method if there is an adequate response rate?
- A) Mail surveys
  - B) Online surveys
  - C) Telephone surveys
  - D) Personal interview surveys
  - E) Focus groups
- Ans: B AACSB Outcomes: Communication; Technology*  
*DF: E LO: 3 Topic Heading: Methods of collecting primary data*  
*Type: KN*
74. Marketing researchers typically favour \_\_\_\_\_ because they are extremely flexible.
- A) mail surveys
  - B) direct observation
  - C) experiments
  - D) personal interviews
  - E) telephone surveys
- Ans: D AACSB Outcomes: Communication*  
*DF: E LO: 3 Topic Heading: Methods of collecting primary data*  
*Type: KN*
75. If marketing researchers are interested in observing group interactions during an informal, unstructured and open-ended data collection process, they should use:
- A) observation.
  - B) a focus group interview.
  - C) an on-site computer interview.
  - D) a shopping-centre intercept interview.
  - E) a telephone survey.
- Ans: B AACSB Outcomes: Communication*  
*DF: M LO: 3 Topic Heading: Methods of collecting primary data*  
*Type: KN*
76. Often, market researchers use \_\_\_\_\_, which do not always require the use of a structured questionnaire.
- A) mail surveys
  - B) online surveys
  - C) telephone surveys
  - D) personal interview surveys
  - E) focus groups
- Ans: E AACSB Outcomes: Communication*  
*DF: E LO: 3 Topic Heading: Methods of collecting primary data*  
*Type: KN*

77. An item on the University Book Store's survey asks respondents to tell the store, in their own words, what they like least about textbook shopping. This item would be an example of a(n) \_\_\_\_\_ question.
- A) open-ended
  - B) dichotomous
  - C) forced-sum-choice
  - D) multiple-choice
  - E) limited-choice

Ans: A AACSB Outcomes: Analytical; Communication

DF: E LO: 3 Topic Heading: Methods of collecting primary data

Type: AP

78. Marketers of Jolt Cola implemented a telephone survey to determine the effectiveness of a recent advertising campaign. One of the questions the interviewer asked was, 'Have you ever heard of a cola with twice the caffeine of regular colas?' This is an example of a(n) \_\_\_\_\_ question.
- A) open-ended
  - B) dichotomous
  - C) multiple-choice
  - D) imperative
  - E) declarative

Ans: B AACSB Outcomes: Analytical; Communication

DF: D LO: 3 Topic Heading: Methods of collecting primary data

Type: AP

79. City Chic, a retail clothing store chain, wants to use observation methods to gather information about shopping behaviour. Which of the following should City Chic know about observation methods of data collection?
- A) Observation uses secondary sources of data.
  - B) Observation depends on shopping-centre interviews.
  - C) Observation can indicate what is being done, but not why.
  - D) Observation focuses on open-ended questions.
  - E) Observation works best for telephone surveys.

Ans: C AACSB Outcomes: Analytical; Communication

DF: E LO: 3 Topic Heading: Methods of collecting primary data

Type: AP

80. When market researcher use ethnographic techniques, they are engaging in:
- A) mail surveys.
  - B) personal interview surveys.
  - C) observation.
  - D) experimentation.
  - E) focus groups.

Ans: C AACSB Outcomes: Communication

DF: E LO: 3 Topic Heading: Methods of collecting primary data

Type: KN

81. Cameras and counting machines are used *most* often in:
- A) surveys.
  - B) secondary data gathering.
  - C) field settings.
  - D) observation.
  - E) experimentation.

Ans: D AACSB Outcomes: Communication

DF: E LO: 3 Topic Heading: Methods of collecting primary data

Type: KN

82. If Earth Choice laundry liquid managers want to know what percentage of customers examines product labels before making a product selection in the supermarket, it can *best* gain this information through:
- A) focus groups.
  - B) mail surveys.
  - C) personal interviews.
  - D) observation.
  - E) shopping-centre intercepts.

*Ans: D AACSB Outcomes: Analytical; Communication*

*DF: E LO: 3 Topic Heading: Methods of collecting primary data*

*Type: AP*

83. In the process of conducting marketing research, marketers should allow for:
- A) periodic review of data during the collection period.
  - B) continual evaluation of the data during the entire collection period.
  - C) no data review during collection and wait for later interpretation of research findings.
  - D) descriptive research to solve general problems.
  - E) statistical analysis during the collection period.

*Ans: B AACSB Outcomes: Communication*

*DF: M LO: 3 Topic Heading: Analyse the data*

*Type: KN*

84. Which step in the marketing research process involves the use of data analysis and statistical techniques to help draw conclusions?

- A) Locating and defining problems or research issues
- B) Developing hypotheses
- C) Collecting data
- D) Interpreting research findings
- E) Reporting research findings

*Ans: D AACSB Outcomes: Communication*

*DF: E LO: 3 Topic Heading: Analyse the data*

*Type: KN*

85. According to the text, \_\_\_\_\_ interpretation focuses on what is typical or what deviates from the average.

- A) statistical
- B) descriptive
- C) exploratory
- D) secondary
- E) primary

*Ans: A AACSB Outcomes: Communication*

*DF: E LO: 3 Topic Heading: Analyse the data*

*Type: KN*

86. The final step in the marketing research process is:

- A) interpreting research findings.
- B) making sure the marketing research was conducted in an ethical manner.
- C) putting the results into a written document that is technical and written in formal language.
- D) reporting the research findings.
- E) deciding what the next research project should investigate.

*Ans: D AACSB Outcomes: Communication*

*DF: E LO: 3 Topic Heading: Transform the analysis results into insights*

*Type: KN*



87. Corporate executives often prefer marketing research findings to be put into a report:
- A) full of statistical analysis with details on methods employed by the researchers.
  - B) examining the ethical implications of implementing results from the research report.
  - C) that exposes no deficiencies or limitations of the research process.
  - D) that is clear, short and simply expressed.
  - E) expressing the views and beliefs of top management about the research problem.
- Ans: D AACSB Outcomes: Communication*  
*DF: E LO: 3 Topic Heading: Transform the analysis results into insights*  
*Type: KN*
88. In reporting marketing research findings, the researcher should:
- A) provide explanations in language that can be understood by those using the report to make decisions.
  - B) write the report in an extremely technical and statistical style.
  - C) fit the problem to a favoured statistical technique.
  - D) not acknowledge any limitations associated with the study.
  - E) give management the answers it wants.
- Ans: A AACSB Outcomes: Communication*  
*DF: E LO: 3 Topic Heading: Transform the analysis results into insights*  
*Type: KN*
89. A framework for gathering and managing information from sources both inside and outside an organisation is referred to as:
- A) marketing research agencies.
  - B) a marketing information system.
  - C) the marketing mix.
  - D) a marketing research system.
  - E) a secondary data system.
- Ans: B AACSB Outcomes: Communication*  
*DF: E LO: 4 Topic Heading: Marketing information systems*  
*Type: KN*
90. Which of the following characterises a marketing information system (MIS)?
- A) An MIS is an orderly gathering of information, such as sales reports and accounting data, that is not supplied through routine reporting systems.
  - B) An MIS provides a continuous flow of information about such things as distribution costs, prices, sales and advertising expenses.
  - C) An MIS is conducted on a special-project basis when needed.
  - D) An MIS involves internal information collection about employees and customers.
- Ans: B AACSB Outcomes: Analytical; Communication*  
*DF: D LO: 4 Topic Heading: Marketing information systems*  
*Type: CH*
91. The main focus of a marketing information system is on:
- A) the coordination of external information sources.
  - B) classifying data into the proper information categories.
  - C) data storage and retrieval.
  - D) the accurate maintenance of inventory levels.
  - E) gathering information on competitive activity.
- Ans: C AACSB Outcomes: Communication*  
*DF: D LO: 4 Topic Heading: Marketing information systems*  
*Type: KN*

92. Carpet Court sells all types of floor coverings. It keeps information on all of its customers, which can be accessed on the company's computer system. This collection of information is called a:
- A) marketing information system.
  - B) database.
  - C) management information system.
  - D) single-source data.
  - E) marketing decisions support system.

Ans: B

AACSB Outcomes: Communication

DF: D

LO: 4

Topic Heading: Marketing information systems

Type: AP

93. Ron Bart, owner of Bart's Appliance Centre, feels that his organisation has access to a great deal of information generated both inside and outside the firm, but much of this information is currently going to waste. Apparently, Bart needs to develop a:

- A) marketing research focus.
- B) marketing knowledge bank.
- C) marketing information system.
- D) marketing strategy.
- E) data-gathering system.

Ans: C

AACSB Outcomes: Analytical; Communication

DF: D

LO: 4

Topic Heading: Marketing information systems

Type: AP

94. A(n) \_\_\_\_\_ is a collection of information arranged for easy access and retrieval.

- A) database
- B) marketing information system
- C) marketing decision support system
- D) online information service

Ans: A

AACSB Outcomes: Communication

DF: E

LO: 4

Topic Heading: Marketing information systems

Type: KN

95. Information provided by a single firm on household demographics, consumer purchases, television viewing behaviour, and responses to promotions is called \_\_\_\_\_ data.

- A) single-source
- B) census
- C) consumer demographic
- D) multi-point
- E) single-point

Ans: A

AACSB Outcomes: Communication

DF: M

LO: 4

Topic Heading: Marketing information systems

Type: KN

96. Behaviour Scan, a research company, provides information on household demographics, television viewing habits and purchases tracked with Hotline cards. This is:

- A) a marketing information system.
- B) a business software database.
- C) online information.
- D) single-source data.

Ans: D

AACSB Outcomes: Communication; Technology

DF: D

LO: 4

Topic Heading: Marketing information systems

Type: AP

97. Computer software that aids marketing managers in decision making by helping them anticipate the effect of certain decisions is known as a:
- A) database.
  - B) marketing research system.
  - C) marketing information system.
  - D) marketing decision support system.
  - E) single-source system.

Ans: D AACSB Outcomes: Communication

DF: E LO: 4 Topic Heading: Marketing decision support systems

Type: KN

98. Marketing information systems and market research have changed rapidly because customers and companies around the world have been linked by:
- A) computers.
  - B) an interactive network.
  - C) electronic online services.
  - D) evolving telecommunications.

Ans: D AACSB Outcomes: Communication

DF: M LO: 4 Topic Heading: Marketing information systems

Type: KN

99. Which of the following is *not* a guideline for questionnaire construction that supports ethical marketing research?

- A) Allow the interviewer to introduce himself or herself by name.
- B) Indicate that this is a marketing research project.
- C) Explain that no sales will be involved.
- D) State the likely duration of the interview.
- E) Keep the name of the research company confidential.

Ans: E AACSB Outcomes: Communication; Ethics

DF: M LO: 5 Topic Heading: The importance of ethical marketing research

Type: CH

100. Which of the following statements about conducting marketing research internationally is *false*?
- A) The marketing research process may need to be modified to allow for regional differences.
  - B) A detailed search for and analysis of secondary data can help researchers gain a greater understanding of a particular marketing environment and pinpoint issues that must be considered when gathering primary research data.
  - C) Primary data gathering may have a greater chance of success if a firm employs local researchers who better understand how to approach potential respondents and can do so in their own language.
  - D) Specific differences among countries can have a profound influence in data gathering.
  - E) Specific differences among countries have no effect on data gathering or the marketing research process.

Ans: E AACSB Outcomes: Analytical; Communication

DF: M LO: 5 Topic Heading: International issues in marketing research

Type: CH

### Narrbegin: Pilgrim Cereals

Use the following to answer questions 101–4:

Because of the development of optical scanners and cable television, marketing researchers can now test the effectiveness of advertising more precisely. Volunteers in a minimum of six cities are offered food discounts in return for allowing marketing research firms to monitor grocery purchases and send trial commercials to their homes through cable television.

The research subjects shop only at stores equipped with UPC scanners, and their purchases are identified by a special card. Respondents are also told that some of the commercials they see on cable television may differ from those seen by their neighbours. Buying patterns are then compared. For example, Pilgrim Cereals tested a Crunchy Wheat promotion using this system. Half of the 5000 participating homes in one city saw a commercial announcing the promotion; the other half saw a commercial that did not mention the promotion. Pilgrim used scanner data to evaluate the promotion's success before offering the commercials nationwide.

**Narrend**

101. Pilgrim Cereals' testing of the Crunchy Wheat promotion is an example of:

- A) the collection of secondary data.
- B) information feedback.
- C) an exploratory study.
- D) an experimental study.
- E) defining and locating problems.

*Ans: D AACSB Outcomes: Analytical; Reflective thinking*

*DF: E LO: 2 Topic Heading: Methods of collecting primary data*

*Type: AP*

**NAR: Pilgrim Cereals**

102. Suppose that when selecting the 5000 homes to participate in scanner studies in one city, the research firm first divided the city's population into upper-, middle- and lower-class families, and then took a probability sample within each group. This would be a(n) \_\_\_\_\_ sample.

- A) random
- B) stratified
- C) area
- D) quota
- E) population

*Ans: B AACSB Outcomes: Analytical; Reflective thinking*

*DF: M LO: 3 Topic Heading: Methods of collecting primary data*

*Type: AP*

**NAR: Pilgrim Cereals**

103. The 5000 households that allowed their group purchases to be scanned are a:

- A) focus group.
- B) quota.
- C) sample.
- D) target market.
- E) population.

*Ans: C AACSB Outcomes: Analytical; Reflective thinking*

*DF: E LO: 3 Topic Heading: Methods of collecting primary data*

*Type: AP*

**NAR: Pilgrim Cereals**

104. When the researchers compared the average sales of Crunchy Wheat for the group that saw the promotion with those for the group that did not see the promotion, in which stage of the marketing research process were they?

- A) Defining and locating problems
- B) Reporting research findings
- C) Developing hypotheses
- D) Collecting data
- E) Interpreting research findings

*Ans: E AACSB Outcomes: Analytical; Reflective thinking*

*DF: E LO: 2 Topic Heading: Transform the analysis results into insights*

*Type: AP*

**NAR: Pilgrim Cereals**

**Narrbegin: Jack Watson**

Use the following to answer questions 105–9:

Jack Watson, an MBA student at the University of Tasmania in Hobart, recently purchased a small ice-cream and frozen yoghurt business close to campus to help pay his way through the program. Even though Hobart has cold winters, ice-cream and frozen yoghurt generally sell well year-round. After two months of operation, it became clear why the previous owners had sold the business: even though it seemed to be ideally located, sales were extremely disappointing.

**Narrend**

105. Jack wants to apply some of the things he learned in his MBA marketing research class to his business. The first thing he should do is:

- A) develop a questionnaire.
- B) identify a sample frame.
- C) define the problem to be researched.
- D) conduct store exit interviews.
- E) collect secondary data.

*Ans: C AACSB Outcomes: Analytical; Reflective thinking*

*DF: E LO: 2 Topic Heading: The marketing research process*

*Type: AP*

**NAR: Jack Watson**

106. Jack developed a research design to aid his investigation. This design included a questionnaire that attempted to measure 'ice-cream taste preference'. However, Jack's professor said that the questionnaire measured not 'ice-cream taste preference' but something else. The professor was questioning the research design's:

- A) reliability.
- B) significance.
- C) truthfulness.
- D) corroboration.
- E) validity.

*Ans: E AACSB Outcomes: Analytical; Reflective thinking*

*DF: M LO: 2 Topic Heading: Research reliability and validity*

*Type: AP*

**NAR: Jack Watson**

107. Jack went to the university library and collected everything he could find on the ice-cream and frozen yoghurt industries. Which type of data did he collect?

- A) Primary
- B) Secondary
- C) Descriptive
- D) Exploratory
- E) Mixed

*Ans: B AACSB Outcomes: Analytical; Reflective thinking*

*DF: M LO: 3 Topic Heading: Sources of secondary data*

*Type: AP*

**NAR: Jack Watson**

108. Besides administering the questionnaire, Jack observed people who came into his store and made notes about their appearance and behaviour. Which type of data did he collect?

A) Indirect  
B) Mechanical  
C) Secondary  
D) Primary  
E) Direct

*Ans: D*

*AACSB Outcomes: Analytical; Reflective thinking*

*DF: D*

*LO: 3*

*Topic Heading: Methods of collecting primary data*

*Type: AP*

**NAR: Jack Watson**

109. Before administering the questionnaire, Jack spoke to other ice-cream retailers and learned that, although young families make up a small percentage of the city's population, they purchase large amounts of ice-cream. In light of this, Jack decided to include a minimum of 25 per cent young families in his sample. The final choice of respondents was left up to the interviewers. This sampling method is known as \_\_\_\_\_ sampling.

A) quota  
B) stratified  
C) random  
D) representative  
E) area

*Ans: A*

*AACSB Outcomes: Analytical; Reflective thinking*

*DF: D*

*LO: 3*

*Topic Heading: Methods of collecting primary data*

*Type: AP*

**NAR: Jack Watson**

### **TRUE OR FALSE**

110. T F As technology becomes more popular, clearer laws will be needed to allow marketers to gather information without abusing consumer privacy.

*Ans: True*

*AACSB Outcomes: Communication; Reflective thinking*

*DF: E*

*LO: 1*

*Topic Heading: The importance of marketing research*

*Type: KN*

111. T F Marketing research is a systematic and orderly gathering of information supplied through the routine reporting system within an organisation.

*Ans: False*

*AACSB Outcomes: Communication*

*DF: M*

*LO: 2*

*Topic Heading: The marketing research process*

*Type: KN*

112. T F Marketing research is the systematic design, collection and interpretation of marketing-related data. It also reports on the insights gained from the data in order to help marketers solve specific marketing problems or take advantage of marketing opportunities.

*Ans: True*

*AACSB Outcomes: Communication*

*DF: E*

*LO: 1*

*Topic Heading: The importance of marketing research*

*Type: KN*

113. T F The purpose of marketing research is to inform an organisation about customers' needs and desires, marketing opportunities for particular goods and services, and changing attitudes and purchase patterns of customers.

*Ans: True*

*AACSB Outcomes: Communication*

*DF: E*

*LO: 2*

*Topic Heading: The marketing research process*

*Type: KN*

114. T F The first sign of a marketing problem is usually a departure from some normal function, such as a failure to attain objectives.  
*Ans: True AACSB Outcomes: Communication*  
*DF: E LO: 2 Topic Heading: Determine the scope for marketing research*  
*Type: KN*
115. T F The key to locating and defining issues or problems is always to probe beneath any superficial symptoms.  
*Ans: True AACSB Outcomes: Communication*  
*DF: E LO: 2 Topic Heading: Determine the scope for marketing research*  
*Type: KN*
116. T F Marketing research can be used to test a hypothesis.  
*Ans: True AACSB Outcomes: Communication*  
*DF: E LO: 2 Topic Heading: Types of research*  
*Type: KN*
117. T F A hypothesis is a fact about the problem or topic under investigation.  
*Ans: False AACSB Outcomes: Communication*  
*DF: M LO: 2 Topic Heading: Types of research*  
*Type: KN*
118. T F The hypothesis being tested determines the general data-gathering approach to use.  
*Ans: True AACSB Outcomes: Communication*  
*DF: E LO: 2 Topic Heading: Types of research*  
*Type: KN*
119. T F Exploratory research is concerned with identifying the characteristics of markets or categorising market activities.  
*Ans: False AACSB Outcomes: Communication*  
*DF: M LO: 2 Topic Heading: Types of research*  
*Type: KN*
120. T F Descriptive research is conducted to clarify the characteristics of certain phenomena and thus solve a particular problem.  
*Ans: True AACSB Outcomes: Communication*  
*DF: M LO: 2 Topic Heading: Types of research*  
*Type: KN*
121. T F Exploratory research can be used to better understand the characteristics of certain phenomena to solve a particular problem.  
*Ans: False AACSB Outcomes: Communication*  
*DF: E LO: 2 Topic Heading: Types of research*  
*Type: KN*
122. T F Experimental research is used to make tentative hypotheses more specific.  
*Ans: False AACSB Outcomes: Communication*  
*DF: M LO: 2 Topic Heading: Types of research*  
*Type: KN*
123. T F Conclusive research is used when marketers need more information about a problem or want to make a tentative hypothesis more specific.  
*Ans: False AACSB Outcomes: Communication*  
*DF: E LO: 2 Topic Heading: Types of research*  
*Type: KN*

124. T F A research technique is said to be reliable if it produces almost identical results in successive repeated trials.  
*Ans: True AACSB Outcomes: Communication*  
*DF: E LO: 2 Topic Heading: Research reliability and validity*  
*Type: KN*
125. T F If a research method measures what it is supposed to measure, it is said to be reliable.  
*Ans: False AACSB Outcomes: Communication*  
*DF: M LO: 2 Topic Heading: Research reliability and validity*  
*Type: KN*
126. T F The opportunity to obtain data via the Internet has resulted in more than half of all marketing research coming from secondary sources.  
*Ans: True AACSB Outcomes: Communication; Technology*  
*DF: M LO: 3 Topic Heading: Sources of secondary data*  
*Type: KN*
127. T F Secondary data are data collected from inside an organisation; primary data are collected from outside an organisation.  
*Ans: False AACSB Outcomes: Communication*  
*DF: E LO: 3 Topic Heading: Types of data*  
*Type: KN*
128. T F One of the most overlooked sources of secondary data is an organisation's own accounting records.  
*Ans: True AACSB Outcomes: Communication*  
*DF: E LO: 3 Topic Heading: Sources of secondary data*  
*Type: KN*
129. T F Survey and observation are considered secondary data collection techniques.  
*Ans: False AACSB Outcomes: Communication*  
*DF: M LO: 3 Topic Heading: Methods of collecting primary data*  
*Type: KN*
130. T F Data regarding attitudes towards a particular product are collected. To test a hypothesis, the data are used and then stored. If these data are used again in a future research study, they will be considered primary data.  
*Ans: False AACSB Outcomes: Communication*  
*DF: M LO: 3 Topic Heading: Types of data*  
*Type: KN*
131. T F In marketing research, sampling is the process of selecting representative units (a sample) from a total population and using the sample's characteristics to predict the characteristics of the total population.  
*Ans: True AACSB Outcomes: Communication*  
*DF: D LO: 3 Topic Heading: Methods of collecting primary data*  
*Type: KN*
132. T F In probability sampling, there is no way to calculate the likelihood that a specific element of the population being studied will be chosen.  
*Ans: False AACSB Outcomes: Communication*  
*DF: M LO: 3 Topic Heading: Methods of collecting primary data*  
*Type: KN*
133. T F Stratified sampling may reduce some of the error that could occur in a simple random sample.  
*Ans: True AACSB Outcomes: Communication*  
*DF: E LO: 3 Topic Heading: Methods of collecting primary data*



Type: KN

134. T F In quota sampling, all elements in a population have an equal chance of appearing in the sample.  
Ans: False AACSB Outcomes: Communication  
DF: E LO: 3 Topic Heading: Methods of collecting primary data  
Type: KN
135. T F The four fundamental survey methods used to obtain data in marketing research are telephone surveys, mail surveys, online surveys and personal interviews.  
Ans: True AACSB Outcomes: Communication  
DF: E LO: 3 Topic Heading: Methods of collecting primary data  
Type: KN
136. T F Results of a mail survey can be misleading if there is a high non-response rate.  
Ans: True AACSB Outcomes: Communication  
DF: E LO: 3 Topic Heading: Methods of collecting primary data  
Type: KN
137. T F Telephone surveys allow an interviewer to gain a rapport with respondents and to ask probing questions.  
Ans: True AACSB Outcomes: Communication  
DF: E LO: 3 Topic Heading: Methods of collecting primary data  
Type: KN
138. T F A telephone survey is a good example of a completely random sample for the entire population.  
Ans: False AACSB Outcomes: Communication  
DF: M LO: 3 Topic Heading: Methods of collecting primary data  
Type: KN
139. T F The potential advantages of traditional mail surveys are quick response and lower cost than online surveys.  
Ans: False AACSB Outcomes: Communication; Technology  
DF: E LO: 3 Topic Heading: Methods of collecting primary data  
Type: KN
140. T F The in-home (door-to-door) interview is an example of a focus group interview.  
Ans: False AACSB Outcomes: Communication  
DF: E LO: 3 Topic Heading: Methods of collecting primary data  
Type: KN
141. T F Focus group interviews are useful if the researcher is interested in observing group interaction.  
Ans: True AACSB Outcomes: Communication  
DF: E LO: 3 Topic Heading: Methods of collecting primary data  
Type: KN
142. T F Customer advisory boards are small groups of actual customers who serve as sounding boards for new product ideas and who offer insights into their feelings and attitudes towards a firm's products, promotion, pricing and other elements of marketing strategy.  
Ans: True AACSB Outcomes: Communication  
DF: M LO: 3 Topic Heading: Methods of collecting primary data  
Type: KN
143. T F One common mistake in questionnaire construction is developing the questionnaire before objectives have been established.  
Ans: True AACSB Outcomes: Communication  
DF: E LO: 3 Topic Heading: Methods of collecting primary data

Type: KN

144. T F Three types of objective questions that can be designed for questionnaires are closed questions, linkage questions and multiple-choice questions.  
Ans: False AACSB Outcomes: Communication  
DF: M LO: 3 Topic Heading: Methods of collecting primary data  
Type: KN
145. T F The observation method of research systematically examines and records secondary data information about the physical conditions, events and overt behaviour of respondents.  
Ans: False AACSB Outcomes: Communication  
DF: M LO: 3 Topic Heading: Methods of collecting primary data  
Type: KN
146. T F Observation may be used in combination with interviewing.  
Ans: True AACSB Outcomes: Communication  
DF: E LO: 3 Topic Heading: Methods of collecting primary data  
Type: KN
147. T F Marketing researchers should allow for continual evaluation of the data during the entire data collection period.  
Ans: True AACSB Outcomes: Communication  
DF: M LO: 3 Topic Heading: Analyse the data  
Type: KN
148. T F The first step in drawing conclusions from most research is to rank the data according to importance.  
Ans: False AACSB Outcomes: Communication  
DF: M LO: 3 Topic Heading: Analyse the data  
Type: KN
149. T F Statistical interpretation focuses on what is typical or what deviates from the average.  
Ans: True AACSB Outcomes: Communication  
DF: E LO: 3 Topic Heading: Analyse the data  
Type: KN
150. T F The final step in the marketing research process is to assess how ethical the data collection phase is.  
Ans: False AACSB Outcomes: Communication  
DF: E LO: 3 Topic Heading: Transform the analysis results into insights  
Type: KN
151. T F In general, corporate executives prefer research reports that are short, clear and simply expressed.  
Ans: True AACSB Outcomes: Communication  
DF: E LO: 2 Topic Heading: Transform the analysis results into insights  
Type: KN
152. T F A marketing information system provides an irregular and unstructured flow of information from internal sources within an organisation.  
Ans: False AACSB Outcomes: Communication  
DF: M LO: 4 Topic Heading: Marketing information systems  
Type: KN
153. T F In the MIS, the means of gathering data receive less attention than the procedures for expediting the flow of information.  
Ans: True AACSB Outcomes: Communication

DF: E                      LO: 4                      Topic Heading: Marketing information systems  
Type: KN

154. T F     The main difference between marketing research and an MIS is that the MIS is an information-gathering process for specific situations whereas marketing research provides continuous data input.

Ans: False                      AACSB Outcomes: Communication

DF: M                      LO: 4                      Topic Heading: Marketing information systems

Type: KN

155. T F     A database is a collection of information arranged for easy access and retrieval.

Ans: True                      AACSB Outcomes: Communication; Technology

DF: E                      LO: 4                      Topic Heading: Marketing information systems

Type: KN

156. T F     Marketers can only use databases developed by other firms.

Ans: False                      AACSB Outcomes: Communication

DF: E                      LO: 4                      Topic Heading: Marketing information systems

Type: KN

157. T F     A marketing decision support system aids marketing managers in decision making by helping them anticipate the effects of certain decisions.

Ans: True                      AACSB Outcomes: Communication; Technology

DF: M                      LO: 4                      Topic Heading: Marketing decision support systems

Type: KN

158. T F     The relationship between marketing research suppliers and marketing managers who make strategy decisions does not require ethical behaviour.

Ans: False                      AACSB Outcomes: Communication; Ethics; Research

DF: E                      LO: 5                      Topic Heading: The importance of ethical marketing research

Type: KN

159. T F     Unethical behaviour in the research process is not a major problem in the reporting of research findings.

Ans: False                      AACSB Outcomes: Communication; Ethics; Research

DF: E                      LO: 5                      Topic Heading: The importance of ethical marketing research

Type: KN

160. T F     When conducting marketing research in another country, researchers should begin by using focus groups and other survey methods to refine their understanding of customer needs and preferences.

Ans: False                      AACSB Outcomes: Communication; Research

DF: M                      LO: 5                      Topic Heading: International issues in marketing research

Type: KN

161. T F     Experts recommend a two-pronged approach to international marketing research, with the first prong involving field research – such as focus groups or surveys – to refine a firm's understanding of specific customer needs and preferences.

Ans: False                      AACSB Outcomes: Communication; Research

DF: M                      LO: 5                      Topic Heading: International issues in marketing research

Type: KN

162. T F     Secondary data can be helpful in building a general understanding of the market.

Ans: True                      AACSB Outcomes: Communication

DF: E                      LO: 5                      Topic Heading: International issues in marketing research

Type: KN