

Chapter 2: The Marketing Research Process

- 1) Knowing the 11 steps of the marketing research process benefits researchers by:
- A) allowing the researchers to design a better research project for their clients.
 - B) giving researchers a link to making financial and accounting decisions.
 - C) giving researchers a fast way of getting each client "out the door."
 - D) making it easy for clients and the researchers' own shareholders to "see" what is happening.
 - E) making it easier to bill the clients for work as it is completed.

Answer: A

Diff: 1 Type: MC Page Ref: 43

- 2) The 11 steps in the marketing research process presented in the textbook assumes:
- A) a three step process is too short.
 - B) that the research process examines secondary data and continues on to collect primary data.
 - C) each step must be taken in succession.
 - D) that regardless of the project's complexity or simplicity, researchers must follow the steps in the step-by-step process.
 - E) that one does not revisit any steps.

Answer: B

Diff: 1 Type: MC Page Ref: 42

- 3) Your textbook authors conceptualize the marketing research process as _____ steps?
- A) three
 - B) five
 - C) eight
 - D) ten
 - E) eleven

Answer: E

Diff: 1 Type: MC Page Ref: 41

- 4) The first step in the marketing research process is:
- A) defining the problem.
 - B) gathering the budget necessary to conduct the research.
 - C) establishing the need for marketing research.
 - D) getting approval from top management to do research.
 - E) finding an appropriate marketing firm to carry out the research project.

Answer: C

Diff: 2 Type: MC Page Ref: 41

- 5) Which of the following is NOT true regarding the steps in the marketing research process?
- A) Not all studies use all steps in the marketing research process.
 - B) There is nothing sacred about the number of steps in the research process as proposed by your authors.
 - C) The steps in the textbook are universally accepted and are adopted by the Canadian Marketing Association.
 - D) One of the steps in the marketing research process is defining the problem.
 - E) The last step in the marketing research process is preparing and presenting a final research report.

Answer: C

Diff: 2 Type: MC Page Ref: 42

- 6) A study is conducted in which the objective of the research can be achieved by looking solely at existing secondary data. In this case, which of the following best represents the situation?
- A) All 11 steps in the research process must be followed in order for the study to be a marketing research study.
 - B) In some cases, not all studies use all 11 steps in the marketing research process.
 - C) In some cases, the steps in the marketing research process are not followed in order.
 - D) This situation is better suited to following the 4 steps of the marketing research process.
 - E) When secondary data is used, the marketing research process is not necessary.

Answer: B

Diff: 2 Type: MC Page Ref: 42

- 7) In establishing the need for marketing research, which of the following would serve as a good decision rule for managers?
- A) Managers need to ensure that competitors are using marketing research. Therefore, a company considering marketing research would not be at a competitive disadvantage.
 - B) Managers need to determine the value to be derived from marketing research.
 - C) Managers need to determine the cost of conducting marketing research.
 - D) Managers need to weigh the value derived from the marketing research with the cost of obtaining the marketing research information.
 - E) Managers need to ensure that subordinates are in favour of conducting the marketing research.

Answer: D

Diff: 1 Type: MC Page Ref: 43

- 8) Fortunately for managers, most situations do not require conducting marketing research. Which of the following statements best supports this statement?
- A) Otherwise managers would be mired down in research instead of making timely decisions.
 - B) Marketing research takes managers away from more important issues.
 - C) Most managers are smart enough to make their own decisions.
 - D) Marketing research is always counterintuitive.
 - E) Most problems are financial in nature.

Answer: A

Diff: 2 Type: MC Page Ref: 43

- 9) Sometimes managers know that marketing research is not needed. In which of the following cases would marketing research NOT be needed?
- A) Competitors have introduced a successful new product and it is too late to respond.
 - B) Brand managers wish to assess the profitability of different items in the product line and this information is available from the internal reports system.
 - C) There have been significant changes in the demographic characteristics of the market since marketing research was last conducted.
 - D) A competitor has introduced a new innovative distribution system.
 - E) An internal analysis indicates that the company is losing distributors at an alarming rate.

Answer: B

Diff: 2 Type: MC Page Ref: 47

- 10) A bank spent several thousand dollars surveying customers to learn if customers were able to conduct transactions at the bank's ATMs. Their ATMs record, up to 4 decimal places, the times when the units are down. This situation illustrates the point that:
- A) ATM's are seldom unavailable.
 - B) ATMs are not dependable.
 - C) the better banks conduct marketing research.
 - D) marketing research should not be conducted when the information needed is already available.
 - E) marketing research should be used when the information needed is already available.

Answer: D

Diff: 2 Type: MC Page Ref: 47

- 11) Under which of the following conditions will marketing research likely have greater value to management?
- A) when the research helps clarify problems or opportunities
 - B) when the research identifies changes that are occurring in the marketplace among consumers and/or competitors

- C) when the research clearly identifies the best alternatives to pursue
- D) when the research helps a company's brand establish a competitive advantage
- E) all of the above

Answer: E

Diff: 2 Type: MC Page Ref: 50

- 12) Which of the following statements is true regarding the marketing research step, "defining the problem"?
- A) Defining the problem is the third most important step in the research process.
 - B) Defining the problem is the most important step in the marketing research process.
 - C) Defining the problem should be undertaken only after the project has been approved by top management.
 - D) Defining the problem should be undertaken only after a sufficient number of firms have been gathered to conduct the marketing research project.
 - E) Defining the problem is an easy second step in the marketing research process.

Answer: B

Diff: 1 Type: MC Page Ref: 50

- 13) Problems stem from which two primary sources?
- A) gaps between what is supposed to happen and what did happen, and gaps between what is supposed to happen and what happened in the past
 - B) gaps between what is supposed to happen and what did happen, and gaps between what did happen and what could have happened
 - C) gaps between what is happening now and what happened prior to the present
 - D) gaps between what management desires and what stockholders desire
 - E) gaps between what present consumers desire and what potential consumers desire

Answer: B

Diff: 2 Type: MC Page Ref: 51-52

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

Answer: C

Diff: 1 Type: MC Page Ref: 43

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

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

Answer: A

Diff: 1 Type: MC Page Ref: 44

16) Which of the following would be true regarding exploratory research?

- A) Exploratory research is highly structured.
- B) Exploratory research is very formal.
- C) Exploratory research determines causality.
- D) Exploratory research answers who, what, where, when, how and why questions.
- E) Exploratory research is both casual and informal.

Answer: E

Diff: 1 Type: MC Page Ref: 44

17) Which of the following is true regarding causal research?

- A) Causal research is the questions of who, what, where, when, and how.
- B) Causal research isolates what factor(s) cause an event.
- C) Causal research is informal and unstructured.
- D) Causal research describes marketing phenomena.
- E) Causal research is the seventh step in the marketing research process.

Answer: B

Diff: 2 Type: MC Page Ref: 44

18) Which of the following is true regarding primary information?

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

Answer: E

Diff: 1 Type: MC Page Ref: 45

- 19) Secondary data should always be sought out first to assist managers in making a decision. What supports this statement?
- A) The most popular method of collecting data around the world is "paper" (and pencil) surveys.
 - B) Secondary information is much cheaper and faster than performing primary research.
 - C) Primary information only offers qualitative data.
 - D) Secondary information is always more specific to the problem at hand.
 - E) Primary information is done through telephone surveys which, in general, people hate responding to.

Answer: B

Diff: 2 Type: MC Page Ref: 45

- 20) Which of the following determines how representative a sample is of a population?
- A) the sample plan
 - B) the size of the sample
 - C) the sampling company from which the sample is acquired
 - D) the size of the sample relative to the size of the population
 - E) how varied the population is

Answer: A

Diff: 2 Type: MC Page Ref: 46

- 21) Which of the following is true regarding the size of the sample?
- A) You should strive to have a sample that is at least 50 percent of the size of the population.
 - B) There is no such thing as having a sample that is too large.
 - C) Sample size is more important than the sample plan.
 - D) Only samples with large sample sizes may be considered representative samples.
 - E) The size of the sample determines how accurately the sample results reflect values in the population.

Answer: E

Diff: 2 Type: MC Page Ref: 46

- 22) Errors in collecting data may be attributed to:
- A) field workers but not respondents.
 - B) respondents but not field workers.
 - C) field workers and respondents.
 - D) neither field workers or respondents.
 - E) Ultimately it is the manager's responsibility for any errors that occur.

Answer: C

Diff: 2 Type: MC Page Ref: 47

23) The objective of data analysis is to use tools to interpret the information collected so that:

- A) a report can be prepared.
- B) the research is justified.
- C) the research objectives can be met.
- D) the questionnaire can be created.
- E) the sample plan can be determined.

Answer: C

Diff: 2 Type: MC Page Ref: 47

24) Preparation and presentation of the final research report is very important because:

- A) until this happens the research will not be paid.
- B) it is the tenth step.
- C) it will tell the client the one course of action that will address the objective.
- D) it can now be part of the client's secondary research for next time.
- E) it is often the client's only record of the research project.

Answer: E

Diff: 3 Type: MC Page Ref: 47

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

- A) 2 percent
- B) 3 percent
- C) 5 percent
- D) 10 percent
- E) There is not standard on "validation."

Answer: D

Diff: 3 Type: MC Page Ref: 47

26) The statistical analysis software provided with this textbook is called:

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

Answer: A

Diff: 1 Type: MC Page Ref: 47

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

- A) collecting payment from the client

- B) follow-up discussions with the client
- C) preparing and presenting the final research report
- D) presenting the final report
- E) conducting an exit interview with the all of those who participated in the research project

Answer: C

Diff: 1 Type: MC Page Ref: 47

28) Rogers wireless introduced a new low-priced data package and the number of new customers soared. These new customers are coming from current Telus and Bell subscribers. Should Telus or Bell conduct marketing research to help them with this problem?

- A) Marketing research should not be conducted because the timing is wrong.
- B) Marketing research should be conducted to determine why customers are leaving.
- C) Marketing research should be conducted to determine why the new Rogers plan is preferred.
- D) Marketing research should be conducted because the profitability of Telus and Bell is affected.
- E) Marketing research should not be conducted because they can consult their marketing information systems.

Answer: A

Diff: 3 Type: MC Page Ref: 47

29) Carolyn Wolf is considering conducting a significant amount of marketing research to determine how to wrap boxes of products that she sends to their quarterly trade show. Carolyn's boss suggests that she should not conduct the research because:

- A) competitors have not conducted such research.
- B) the value of the research will likely outweigh its cost.
- C) the cost of this research will likely outweigh its value.
- D) the CEO of the company has not asked for the research.
- E) the marketing manager is not favourable toward research.

Answer: C

Diff: 2 Type: MC Page Ref: 48

30) The marketing director for a local car dealership receives the customer satisfaction scores for the past month and notices that they are below objectives and are significantly lower than they have been in the last two years. This means that there is a gap between:

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

E) what happened in the past and what could have happened in the past.

Answer: B

Diff: 2 Type: MC Page Ref: 43

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

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

Answer: B

Diff: 2 Type: MC Page Ref: 52

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

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

Answer: C

Diff: 3 Type: MC Page Ref: 63

33) The branch manager of a local Bank of Montreal branch is interested in knowing how his perceive his bank on certain dimensions such as friendliness of employees, convenience of locations, availability of loans, and interest rates. The branch manager needs:

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

Answer: B

Diff: 2 Type: MC Page Ref: 44

- 34) Melissa Tudor has just acquired the Yellow Pages as a new client. The Yellow Pages wants to know how much of an increase in customers' awareness will be achieved by having ads that use colour instead of black and white. That way they know how to sell the benefits of using colour to their business customers. In order to find the answer to this question, Melissa must conduct:
- A) exploratory research
 - B) descriptive research
 - C) causal research
 - D) longitudinal research
 - E) cross sectional research

Answer: C

Diff: 2 Type: MC Page Ref: 44

- 35) Golf Digest decides they wish to survey a representative number from a list of all the golfers who have purchased \$100 or more in golf equipment through retail golf shops in the last year. They obtain a list of these golfers. This list is called the:
- A) population.
 - B) sample plan.
 - C) sample.
 - D) sample frame.
 - E) data.

Answer: D

Diff: 3 Type: MC Page Ref: 46

- 36) Which of the following statements does NOT apply to “symptoms”?
- A) Symptoms are changes in the level of some key monitor that measures the achievement of an objective.
 - B) The role of symptoms is to alert management to a problem.
 - C) Symptoms may be negative but still bring about opportunities.
 - D) Another term for symptoms is problems.
 - E) Symptoms are not problems.

Answer: D

Diff: 3 Type: MC Page Ref: 53

- 37) Which of the following elements is not commonly found in a request for proposal or an invitation to bid?
- A) The findings
 - B) The evaluation criteria
 - C) The introduction
 - D) The deliverables
 - E) The deadline

Answer: A

Diff: 1 Type: MC Page Ref: 55-56

- 38) A marketing research proposal contains all of the following elements except for a:
- A) detailed breakdown of the research methodology.
 - B) statement of the problem.
 - C) list of expenses incurred.
 - D) specification of the research objectives.
 - E) timetable.

Answer: C

Diff: 3 Type: MC Page Ref: 65

- 39) Each research objective must be all of the following except:
- A) Precise
 - B) Detailed
 - C) Clear
 - D) Operational
 - E) Budgeted

Answer: E

Diff: 1 Type: MC Page Ref: 66

- 40) A problem statement, the first step in a research proposal, typically identifies four factors. Which factor below is not one of the four?
- A) The company, division, or principals involved
 - B) The symptoms
 - C) The probable causes of these symptoms
 - D) The anticipated uses of the research information provided
 - E) The cost of implementing the recommended solution

Answer: E

Diff: 1 Type: MC Page Ref: 66

- 41) The purpose of an action standard is to:
- A) define what action will be taken by the researcher to address the problem statement.
 - B) provide focus for the client in deciding whether or not to conduct marketing research.
 - C) operationalize a construct.
 - D) define what action will be taken given the results of the research findings.
 - E) measure the progress through a marketing research study.

Answer: D

Diff: 3 Type: MC Page Ref: 63

42) Which of the following statements about the approach that marketing researchers use to define the problem and establish research objectives is true?

- A) There is a step-by-step approach starting with recognizing symptoms, then problem definition, and finally research objectives.
- B) The process is called market opportunity analysis.
- C) Defining problems accurately is more science than art.
- D) The step in defining the problem is the same whether the gap represents an actual problem or an opportunity.
- E) There is no step-by-step approach used by marketing researchers.

Answer: E

Diff: 3 Type: MC Page Ref: 56

43) A situation analysis:

- A) is a form of preliminary research undertaken to gather background information and gather data pertinent to the problem area.
- B) is a form of research conducted by managers looking for opportunities.
- C) is a form of research conducted by managers to alert them on symptoms.
- D) is conducted by a manager prior to involving a marketing researcher.
- E) is a form of causal research.

Answer: A

Diff: 3 Type: MC Page Ref: 54

44) When is marketing research needed?

- A) When information is already available
- B) When products are at the end of the product life cycle
- C) When funds are available
- D) When the costs outweigh the benefits
- E) When the benefits outweigh the costs

Answer: E

Diff: 1 Type: MC Page Ref: 47-49

45) Which of the following statements regarding errors in data collection is incorrect?

- A) Data collection errors can be attributed to field workers.
- B) Data collection errors are only dealt with post data collection.
- C) Data collection errors can be unintentional.
- D) Data collection errors can be attributed to respondents.
- E) Data collection errors can be intentional.

Answer: B

Diff: 3 Type: MC Page Ref: 47

46) Primary data can be acquired through a variety of methods. Which of the following methods does NOT apply to primary data collection?

- A) Online panels
- B) Face-to-face interviews
- C) Syndicated data review
- D) Focus groups
- E) Observation

Answer: C

Diff: 2 Type: MC Page Ref: 45

47) Knowledge of the steps in the marketing research process serves marketing researchers by enabling them to design better research projects for their clients.

- A) True
- B) False

Answer: True

Diff: 1 Type: TF Page Ref: 43

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

- A) True
- B) False

Answer: True

Diff: 1 Type: TF Page Ref: 41

49) The 11-step process that the textbook presents is the universally accepted process supported by the Canadian Marketing Association.

- A) True
- B) False

Answer: False

Diff: 2 Type: TF Page Ref: 42

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

- A) True
- B) False

Answer: False

Diff: 1 Type: TF Page Ref: 42

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

- A) True
- B) False

Answer: True

Diff: 2 Type: TF Page Ref: 42

52) There is no universally accepted, step-by-step approach used by marketing researchers to define the problem and establish research objectives.

- A) True
- B) False

Answer: True

Diff: 2 Type: TF Page Ref: 56

53) A client must not only look at the cost of conducting marketing research, but also the cost of implementing the research recommendation, when establishing the need for marketing research.

- A) True
- B) False

Answer: True

Diff: 3 Type: TF Page Ref: 48

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

- A) True
- B) False

Answer: False

Diff: 3 Type: TF Page Ref: 48

55) While costs of doing research are difficult to estimate, the value research provides is easily calculated.

- A) True
- B) False

Answer: False

Diff: 2 Type: TF Page Ref: 48

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

- A) True
- B) False

Answer: True

Diff: 2 Type: TF Page Ref: 48

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

- A) True
- B) False

Answer: True

Diff: 2 Type: TF Page Ref: 50

58) If the wrong problem is defined, everything that follows in the research process is wrong.

- A) True
- B) False

Answer: True

Diff: 2 Type: TF Page Ref: 50

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

- A) True
- B) False

Answer: False

Diff: 3 Type: TF Page Ref: 51

60) Information gaps are the basis for establishing research objectives.

- A) True
- B) False

Answer: True

Diff: 2 Type: TF Page Ref: 63

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

- A) True
- B) False

Answer: False

Diff: 2 Type: TF Page Ref: 44

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

- A) True
- B) False

Answer: False

Diff: 2 Type: TF Page Ref: 44

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

- A) True

B) False

Answer: True

Diff: 2 Type: TF Page Ref: 44

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

A) True

B) False

Answer: True

Diff: 2 Type: TF Page Ref: 45

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

A) True

B) False

Answer: True

Diff: 1 Type: TF Page Ref: 45

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

A) True

B) False

Answer: False

Diff: 2 Type: TF Page Ref: 45

67) A sample frame is a list of the sample elements chosen for the study.

A) True

B) False

Answer: False

Diff: 2 Type: TF Page Ref: 46

68) The primary advantage of conducting online research is cost.

A) True

B) False

Answer: False

Diff: 3 Type: TF Page Ref: 50

69) For managers to recognize a problem, they must be knowledgeable of objectives and actual performance.

- A) True
- B) False

Answer: True

Diff: 1 Type: TF Page Ref: 52

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

- A) True
- B) False

Answer: False

Diff: 3 Type: TF Page Ref: 46

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

- A) True
- B) False

Answer: False

Diff: 3 Type: TF Page Ref: 46

72) Primary data can be collected through quantitative methods that examine statistically representative samples.

- A) True
- B) False

Answer: True

Diff: 2 Type: TF Page Ref: 45

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

- A) True
- B) False

Answer: False

Diff: 3 Type: TF Page Ref: 47

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

- A) True
- B) False

Answer: False

Diff: 3 Type: TF Page Ref: 47

75) The importance of the final research report cannot be overstated because it is the report that is often the client's only record of the research project.

- A) True
- B) False

Answer: True

Diff: 1 Type: TF Page Ref: 47

76) Symptoms are changes in the level of some key monitor that measures the achievement of an objective.

- A) True
- B) False

Answer: True

Diff: 2 Type: TF Page Ref: 53

77) In general, the more specific the problem, the harder the marketing researcher's task.

- A) True
- B) False

Answer: False

Diff: 2 Type: TF Page Ref: 53

78) Researchers must resist the temptation to 'go along' with the first problem definition suggested by the client.

- A) True
- B) False

Answer: True

Diff: 1 Type: TF Page Ref: 54

79) Managers historically have been generalists; and researchers have been technical specialists. This difference aids the communication process.

- A) True
- B) False

Answer: False

Diff: 1 Type: TF Page Ref: 55

80) Invitations to bid and requests for proposals are sensitive issues in terms of appropriate ethical behaviour.

- A) True
- B) False

Answer: True

Diff: 3 Type: TF Page Ref: 56

81) It is important to determine all possible causes of a symptom to correctly identify the real cause and ensure proper problem definition.

- A) True
- B) False

Answer: True

Diff: 2 Type: TF Page Ref: 58

82) The role a hypothesis plays in defining a problem is that it is a statement taken as the best estimate of the truth for the purposes of argument.

- A) True
- B) False

Answer: False

Diff: 3 Type: TF Page Ref: 62

83) An action standard is the predesignation of some quantity of a measured attribute that must be achieved in order for a predetermined action to take place.

- A) True
- B) False

Answer: True

Diff: 2 Type: TF Page Ref: 63

84) A research objection must be precise, detailed, clear, and operational.

- A) True
- B) False

Answer: True

Diff: 1 Type: TF Page Ref: 66

85) When a marketer defines brand loyalty as someone who buys their brand 4 out of every 5 times the product is purchased, the marketer is indicating a symptom.

- A) True
- B) False

Answer: False

Diff: 3 Type: TF Page Ref: 66