

Exam

Name _____

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

- 1) Despite the data glut that marketing managers receive, they frequently complain that they lack _____ 1) _____
- A) enough information of the right kind
 - B) accurate information
 - C) reliable information
 - D) timely information
 - E) valid information
- 2) Which of the following statements is NOT true regarding information collected for marketers? 2) _____
- A) Many managers lack information of the *right* kind.
 - B) Managers have enough of the right information.
 - C) Many managers are burdened by data overload.
 - D) Most managers need *better* information.
 - E) Most managers do not need more information.
- 3) A marketing information system (MIS) consists of people and procedures to assess information needs, _____, and help decision makers analyze and use the information. 3) _____
- A) question the needed information
 - B) experiment to develop information
 - C) test market the information
 - D) critique the needed information
 - E) develop the needed information
- 4) A good MIS balances the information users would _____ against what they really _____ and what is _____. 4) _____
- A) need; can afford; useful
 - B) use; have to use; available
 - C) like; can afford; needed
 - D) need; like; feasible
 - E) like to have; need; feasible to offer
- 5) Marketers must weigh carefully the costs of additional information against the _____ resulting from it. 5) _____
- A) organization
 - B) benefits
 - C) creativity
 - D) cost
 - E) ethical issues

- 6) Four common sources of internal data include the accounting department, operations, the sales force, and the _____. 6) _____
A) competition
B) Web
C) stockholders
D) marketing department
E) owners
- 7) Marketing information from which type of database usually can be accessed more quickly and cheaply than other information sources? 7) _____
A) Dun & Bradstreet's
B) internal
C) Hoover's
D) LexisNexis
E) external
- 8) _____ is the systematic collection and analysis of publicly available information about consumers, competitors, and developments in the marketing environment. 8) _____
A) Marketing data
B) Customer intelligence
C) Competitive intelligence
D) Marketing intelligence
E) Sales management
- 9) Which of the following statements regarding marketing intelligence is true? 9) _____
A) All marketing intelligence is available for free.
B) Marketing intelligence relies upon publicly available information.
C) Marketing intelligence gathering is more focused on gaining insights into consumer activities than competitors' activities.
D) Marketing intelligence relies upon privately held information.
E) The advantage of using competitive intelligence is negligible.
- 10) Which of the following is NOT considered a source of marketing intelligence? 10) _____
A) activities of competitors
B) key customers
C) suppliers
D) causal research
E) resellers
- 11) Which of the following is NOT a potential source for marketing intelligence? 11) _____
A) talking with purchasing agents
B) purchasing competitors' products
C) monitoring competitors' sales
D) collecting primary data
E) looking through competitors' garbage

- 12) Through which of these sources of information is a competitor LEAST likely to reveal intelligence information? 12) _____
- A) press releases
 - B) annual reports
 - C) internal marketing conferences
 - D) trade show exhibits
 - E) Web pages
- 13) To combat marketing intelligence efforts by competitors, Unilever Corporation is now providing _____ to employees. 13) _____
- A) less information
 - B) privacy blocks
 - C) competitive intelligence training
 - D) protection
 - E) a code of ethics
- 14) Which of the following is an example of a free online database that a company could access in order to develop marketing intelligence? 14) _____
- A) ProQuest
 - B) Dialog
 - C) System for Electronic Document Analysis and Retrieval (SEDAR)
 - D) LexisNexis
 - E) Hoover's
- 15) _____ is the systematic design, collection, analysis, and reporting of data relevant to a specific marketing situation facing an organization. 15) _____
- A) The marketing information system
 - B) Marketing intelligence
 - C) Marketing research
 - D) Causal research
 - E) Competitive intelligence
- 16) What is the first step in the marketing research process? 16) _____
- A) developing a marketing information system
 - B) developing the research plan for collecting information
 - C) implementing the research plan
 - D) hiring an outside research specialist
 - E) defining the problem and research objectives
- 17) Which step in the four-step marketing research process has been left out of the following list: defining the problems and research objectives, implementing the research plan, and interpreting and reporting the findings? 17) _____
- A) choosing the research agency
 - B) developing the research plan
 - C) choosing the research method
 - D) developing the research budget
 - E) comparing and contrasting primary and secondary data

- 18) Causal research is used to _____. 18) _____
A) gather preliminary information that will help define problems
B) uncover information at the outset in an unstructured way
C) describe marketing problems or situations
D) test hypotheses about cause-and-effect relationships
E) quantify observations that produce insights unobtainable through other forms of research
- 19) Managers often start with _____ research and later follow with _____ research. 19) _____
A) exploratory; causal
B) causal; exploratory
C) descriptive; causal
D) descriptive; exploratory
E) causal; descriptive
- 20) Your colleague is confused about using the marketing research process, as he knows that something is wrong but is not sure of the specific causes to investigate. He seems to be having problems with _____, which is often the hardest step to take. 20) _____
A) obtaining marketing intelligence
B) determining a research approach
C) defining the problem and research objectives
D) selecting a research agency
E) developing the research plan
- 21) The objective of _____ research is to gather preliminary information that will help define the problem and suggest hypotheses. 21) _____
A) exploratory
B) descriptive
C) primary
D) secondary
E) causal
- 22) In the second step of the marketing research process, research objectives should be translated into specific _____. 22) _____
A) marketing goals
B) dollar amounts
C) information needs
D) information sources
E) research methods
- 23) Secondary data consists of information _____. 23) _____
A) that does not currently exist in an organized form
B) that already exists somewhere but is outdated
C) that researchers can only obtain through surveys and observation
D) used by competitors
E) that already exists but was collected for a different purpose

- 24) Information collected from online databases is an example of _____ data. 24) _____
A) observational
B) experimental
C) primary
D) secondary
E) ethnographic
- 25) Which form of data below can usually be obtained more quickly and at a lower cost than the others? 25) _____
A) survey research
B) observational research
C) secondary
D) primary
E) experimental research
- 26) Secondary data are _____. 26) _____
A) always necessary to support primary data
B) never purchased from outside suppliers
C) not always very usable
D) collected mostly via surveys
E) expensive to obtain
- 27) Your assistant wants to use secondary data exclusively for the current research project. You advise him that the use of secondary data has some potential problems. Which of the following is NOT one of them? 27) _____
A) It may not exist.
B) It may not be relevant.
C) It is generally more expensive to obtain than primary data.
D) It may not be impartial.
E) It may not be current.
- 28) For secondary data to be useful to marketers, it must be relevant, current, unbiased, and _____. 28) _____
A) collected before secondary data
B) accurate
C) inexpensive
D) complete
E) experimental
- 29) Which method could a marketing researcher use to obtain information that people are unwilling or unable to provide? 29) _____
A) survey
B) personal interviews
C) questionnaire
D) focus groups
E) observational

- 30) Ethnographic research _____. 30) _____
A) is gathered where people live and work
B) provides secondary data
C) is most popular in the service sector
D) provides data to marketers when observation is impossible
E) comes from traditional focus groups
- 31) Survey research, though used to obtain many kinds of information in a variety of situations, is best suited for gathering _____ information. 31) _____
A) creative
B) exploratory
C) causal
D) interpersonal
E) descriptive
- 32) Fredia Pellerano has just discovered the major advantage of survey research. She reports to her supervisor that the major advantage is its _____. 32) _____
A) ease and speed to complete
B) interactive design
C) simplicity
D) duplicability
E) flexibility
- 33) Survey research is least likely to be conducted through which of the following? 33) _____
A) observation
B) the telephone
C) the Web
D) in person
E) the mail
- 34) Experimental research is best suited for gathering _____ information. 34) _____
A) preferential
B) interactive
C) exploratory
D) descriptive
E) causal
- 35) Observational research is best suited for gathering _____ information. 35) _____
A) exploratory
B) causal
C) descriptive
D) interactive
E) preferential
- 36) Which of the following is true of ethnographic research? 36) _____
A) It is conducted within traditional focus groups.
B) It provides greater insight into customer behaviour than interviews do.
C) It is most popular in the service sector.
D) It provides researchers with secondary data.
E) It is a research option when observation is not possible.

- 37) ABC Company has decided to use mail questionnaires to collect data. Management recognizes this method has all the following advantages EXCEPT which one? 37) _____
- A) can collect large amounts of information
 - B) has an average response rate
 - C) low cost per respondent
 - D) no interviewer to bias respondents' answers
 - E) may encourage more honest answers
- 38) Which of the following contact methods has the poorest response rate? 38) _____
- A) telephone
 - B) online
 - C) personal
 - D) individual
 - E) mail
- 39) Which of the following has the highest rating for speed of data collection and compilation? 39) _____
- A) Internet surveys
 - B) personal interviews
 - C) open-ended questionnaires
 - D) mail surveys
 - E) ethnographic research
- 40) Which of the following is NOT a disadvantage of telephone interviews? 40) _____
- A) Under time pressures, some interviewers might cheat.
 - B) Potential respondents may refuse to participate.
 - C) Interviewer bias is introduced.
 - D) Interviewers can explain some questions and probe more deeply on others.
 - E) They are more expensive to conduct than mail questionnaires.
- 41) Which of the following contact methods is generally the LEAST flexible? 41) _____
- A) mail
 - B) Internet surveys
 - C) telephone
 - D) online panels
 - E) personal
- 42) Which form of marketing research is flexible, allows for explanation of difficult questions, and lends itself to showing products and advertisements? 42) _____
- A) telephone surveys
 - B) observational research
 - C) individual interviewing
 - D) Internet surveys
 - E) ethnographic research
- 43) A consumer is most likely to be paid a small fee for participating in which of the following? 43) _____
- A) an observational interview
 - B) a focus group interview
 - C) an Internet survey
 - D) a mail-in survey
 - E) a telephone interview

- 44) Focus group interviewing has become one of the major marketing research tools for getting insight into consumer thoughts and feelings. However, if the sample size is too small, it is likely to be difficult to _____. 44) _____
- A) find enough secondary data to support the findings
 - B) generalize from the results
 - C) encourage honest responses to questions
 - D) orchestrate cooperation among participants
 - E) find a representative sample
- 45) Which of the following is a disadvantage of online focus groups? 45) _____
- A) The Internet format can restrict respondents' expressiveness.
 - B) Participants must be in a central location.
 - C) The cost of online focus groups is greater than that of most other qualitative research methods.
 - D) Results take longer to tabulate and analyze.
 - E) The format of focus groups can be varied.
- 46) Which of the following is NOT an advantage of Web-based research? 46) _____
- A) almost instantaneous results
 - B) speed
 - C) control over who respondents are
 - D) ease of administration
 - E) low costs
- 47) Del Monte has created an _____ called "I Love My Dog"; this online community allows company-selected dog enthusiasts to complete product-related polls, chat with product developers, and provide feedback about specific products. 47) _____
- A) online social network
 - B) online experiment
 - C) immersion group
 - D) Internet survey
 - E) expert panel
- 48) Marketing researchers usually draw conclusions about large groups of consumers by studying a small _____ of the total consumer population. 48) _____
- A) target group
 - B) group
 - C) sample
 - D) population
 - E) audience
- 49) You generally need to ask three questions when developing a sampling plan. Which of the following questions is part of that process? 49) _____
- A) How should we contact the sample (sampling approach)?
 - B) How much should we pay the participants (sampling costing)?
 - C) How should participants be chosen (sampling procedure)?
 - D) Why should respondents be selected (sampling justification)?
 - E) Who should be left out of the sample (sampling exclusion)?

- 50) What is a major drawback of probability sampling? 50) _____
A) It can be time consuming.
B) Everyone has an equal chance of selection.
C) Marketers must rely on the judgment of the researcher in respondent selection.
D) The most difficult population from which to obtain information is chosen.
E) The sampling error cannot be measured.
- 51) What are the two main types of research instruments used to collect primary data? 51) _____
A) personal interviews and online marketing research
B) online panels and experiments
C) questionnaires and mechanical devices
D) surveys and samples
E) focus groups and online databases
- 52) The most common research instrument used is the _____. 52) _____
A) questionnaire
B) mechanical device
C) live interviewer
D) people meter
E) focus group
- 53) In marketing research, the _____ phase is generally the most expensive and most subject to error. 53) _____
A) data collection
B) planning
C) exploratory research
D) interpreting the findings
E) reporting the findings
- 54) AMF Research Group must guard against problems during the implementation phase of marketing research for its clients. Which of the following is NOT a problem that should be anticipated during this phase? 54) _____
A) interpreting and reporting the findings
B) respondents who give biased answers
C) interviewers who make mistakes
D) interviewers who take shortcuts
E) contacting respondents
- 55) Typically, customer information is buried deep in separate databases, plans, and records of many different company functions and departments. To overcome such problems, which of the following should you try? 55) _____
A) more sophisticated hardware
B) decreased marketing intelligence
C) customer satisfaction management
D) a marketing information system
E) customer relationship management

- 56) Which of the following is true about customer relationship management (CRM)? 56) _____
- A) Its aim is to increase the efficiency of each customer touchpoint.
 - B) Its aim is to maximize customer loyalty.
 - C) It relies on information produced through primary research.
 - D) Most companies who first implemented CRM have greatly benefited from the results.
 - E) Its aim is to maximize profit margins.
- 57) What is the purpose of a data warehouse? 57) _____
- A) to analyze data
 - B) to organize internal and external data by relevance
 - C) to gather and integrate information a company already has
 - D) to identify and discard outdated data
 - E) to interpret data
- 58) In CRM, findings about customers discovered through _____ techniques often lead to marketing opportunities. 58) _____
- A) value network
 - B) data mining
 - C) customer strategy
 - D) customer loyalty management
 - E) data warehousing
- 59) What source of marketing information provides those within the company ready access to research information, stored reports, shared work documents, contact information for employees and other stakeholders, and more? 59) _____
- A) an intranet
 - B) the Internet
 - C) an extranet
 - D) marketing research
 - E) marketing intelligence
- 60) Marketing information is only valuable when it is used to _____. 60) _____
- A) simplify management's job
 - B) identify a target market
 - C) please shareholders
 - D) make better marketing decisions
 - E) increase efficiencies in the supply chain
- 61) When managers use small convenience samples such as asking customers what they think or inviting a small group out to lunch to get reactions, they are using _____. 61) _____
- A) direct marketing
 - B) marketing intelligence
 - C) observation
 - D) informal surveys
 - E) experiments

- 62) With a minimal effort, small organizations can obtain _____ data. 62) _____
 A) experimental
 B) secondary
 C) primary
 D) observational
 E) touch point
- 63) You have been asked to locate secondary data for your small organization's research needs. Which of the following is NOT a source for this type of research? 63) _____
 A) online surveys
 B) competitors' web sites
 C) Statistics Canada
 D) the local chamber of commerce
 E) the Conference Board of Canada
- 64) The availability of which of the following is most problematic in international marketing research? 64) _____
 A) primary data
 B) research specialists
 C) intelligence limitations
 D) secondary data
 E) consumers willing to answer survey questions
- 65) Because of the scarcity of good secondary data, international researchers often must collect their own primary data. An initial problem with this collection is developing good _____. 65) _____
 A) samples
 B) customer relationships with nationals
 C) analytical models
 D) research firms
 E) relations with channel members
- 66) Most data collection in Mexico is done _____. 66) _____
 A) through focus groups
 B) door-to-door
 C) by telephone
 D) online
 E) via mail
- 67) Cultural differences, especially those involving language, can add to research costs in foreign markets and can increase the _____. 67) _____
 A) likelihood of using a smaller sample
 B) reliance on primary data
 C) foreign trade
 D) response rate
 E) risk of error
- 68) Which of the following is most true about conducting international marketing research? 68) _____
 A) It is on the decrease due to high costs.
 B) Despite the costs of international research, the costs of not doing it are higher.
 C) There is a lack of qualified research personnel.
 D) Interpretations of quality are consistent among different countries.
 E) Cultural differences are not great enough to skew results.

- 69) Choose the statement that is NOT a typical consumer concern about intrusion on consumer privacy. 69) _____
- A) Marketers use personal information to manipulate our buying.
 - B) Marketers make too many products and services available, creating unnecessary consumer wants.
 - C) Protecting personal information is increasingly important.
 - D) Sophisticated researchers probe our deepest feelings.
 - E) Marketers build huge databases full of personal information.
- 70) Behavioural targeting, the practice of _____, is being used by more and more companies. 70) _____
- A) observing and interacting with consumers in their natural environments
 - B) tracking customers' activities and rewarding customer loyalty
 - C) managing customer relationships
 - D) mining and analyzing data from data warehouses
 - E) tracking consumers' online movements and using this information to target ads to them
- 71) Consumers are most likely to provide research information when researchers provide _____. 71) _____
- A) prizes
 - B) coupons
 - C) rebates
 - D) value for the exchange
 - E) social network membership
- 72) The best approach for researchers to take to guard consumer privacy includes all of the following EXCEPT: 72) _____
- A) Ask only for the information needed.
 - B) Avoid sharing information without the customer's permission.
 - C) Use information responsibly to provide value.
 - D) Fully explain to the respondents how the information will be used.
 - E) Sell the information only when it is financially worthwhile.
- 73) Many major companies have created the position of _____ to address concerns about the privacy of customers. 73) _____
- A) chief behavioural analyst
 - B) data warehouse manager
 - C) ethics manager
 - D) chief privacy officer
 - E) chief customer loyalty manager
- 74) Google and Yahoo! routinely post ads, related to a user's keyword searches, alongside the searches. This practice is called _____. 74) _____
- A) using "cookies"
 - B) data mining
 - C) cobranding
 - D) contextual targeting
 - E) consumer tracking

- 75) To address concerns about the misuse of research study findings, several highly regarded marketing associations have developed _____. 75) _____
- A) customer relationship management guidelines
 - B) behavioural targeting "Do Not Track" lists
 - C) chief privacy officer job descriptions
 - D) bans against using "cookies"
 - E) codes of research ethics
- 76) Diana Dion is currently researching data sources from within her company to make marketing decisions. Diana is making use of _____ databases. 76) _____
- A) external
 - B) online
 - C) internal
 - D) public
 - E) search service
- 77) Your marketing department is attempting to improve strategic decision making, track competitors' actions, and provide early warning of opportunities and threats. To achieve this goal, which of the following would be the best for your department to use? 77) _____
- A) internal databases
 - B) external databases only
 - C) company reports only
 - D) the Internet
 - E) marketing intelligence
- 78) Patti Lovelace is making a presentation to the owners of her company. She is trying to convince them to conduct some current marketing research. Which of the following would she be LEAST likely to emphasize as a benefit or selling point of marketing research? 78) _____
- A) measuring the effectiveness of distribution and promotion activities
 - B) measuring the effectiveness of pricing and accounting
 - C) understanding customer satisfaction and purchase behaviour
 - D) understanding customer motivation
 - E) assessing market potential and market share
- 79) You want to observe how often consumers listen to music throughout their day and what different audio devices they use. You are also interested in how consumers store and access their own music collections. You should conduct _____ research. 79) _____
- A) causal
 - B) survey
 - C) exploratory
 - D) secondary
 - E) experimental
- 80) You are about to test hypotheses about decreasing sales in certain markets and their causes. You are involved in what type of research? 80) _____
- A) exploratory
 - B) focus group
 - C) descriptive
 - D) causal
 - E) ethnographic

- 81) Which type of research would be best suited for identifying which demographic groups prefer diet soft drinks and why they have this preference? 81) _____
- A) experimental
 - B) exploratory
 - C) descriptive
 - D) causal
 - E) secondary
- 82) Wal-Mart sends a trained observer to watch and interact with customers as they shop in a Wal-Mart store. This is an example of _____. 82) _____
- A) descriptive research
 - B) survey research
 - C) experimental research
 - D) ethnographic research
 - E) secondary research
- 83) When ZIBA designers looking for ideas on how to craft a shower-cleaning tool spent 10 days in people's homes, watching consumers wash shower stalls, they were conducting _____ research. 83) _____
- A) ethnographic
 - B) survey
 - C) secondary
 - D) personal
 - E) experimental
- 84) Harvey's came out with a new hamburger and released it in two different cities with two different price points. Marketers at Harvey's then analyzed the sales results at the two different price points. This information was used to help them set a nationwide price for the new offering. This is an example of _____. 84) _____
- A) behavioural research
 - B) experimental research
 - C) survey research
 - D) observational research
 - E) qualitative research
- 85) Juanita Petino operates a dress shop in a suburban mall. Her research budget is very small, so she utilizes low-cost or no-cost methods to gather research data. One method that works very well for her is to change the themes in her local newspaper and radio advertising and watch the result. Juanita is using _____ to gather data for marketing decisions. 85) _____
- A) logic-directed research
 - B) experiments
 - C) guess work
 - D) informal surveys
 - E) secondary sources

- 86) Maryann Rose is conducting research to determine consumers' personal grooming habits. Because of the personal nature of the survey questions about this topic, Maryann wants to select the contact method that is most likely to encourage respondents to answer honestly. Which contact method should Maryann select? 86) _____
- A) mail questionnaires
 - B) individual interviews
 - C) focus group interviews
 - D) telephone interviews
 - E) online panels
- 87) Tasoula Jeannopoulos has a limited budget for the market research she needs to conduct; however, the sample size for her research is quite large. Which of the following methods of contact would provide Tasoula with the most cost-effective way to reach a large sample of potential customers? 87) _____
- A) Internet surveys
 - B) mail surveys
 - C) focus group interviews
 - D) personal interviews
 - E) telephone surveys
- 88) You want to find out whether Americans between 21 and 40 years of age tend to vote Democratic and whether Americans between 41 and 70 tend to vote Republican. You will most likely use a _____ to collect your data. 88) _____
- A) cluster sample
 - B) convenience sample
 - C) stratified random sample
 - D) simple random sample
 - E) mechanical device
- 89) You have decided to use only open-end questions on your survey. Which of the following questions would NOT be found on your survey? 89) _____
- A) What is your best childhood memory?
 - B) How many cars does your family own?
 - C) What are the most important qualities in a friend?
 - D) Where did you spend your last vacation?
 - E) Why is voting important to you?
- 90) Which of the following is good advice about creating research questionnaires for Mark Hammel, research specialist at *New Wave Data*, to follow? 90) _____
- A) Ask difficult questions in the beginning to "weed out" uninterested respondents.
 - B) Use impressive vocabulary to convey the importance of the questionnaire.
 - C) Ask personal questions in the middle of the instrument.
 - D) Questions do not have to be arranged in any given order.
 - E) Use care in the wording and ordering of questions.
- 91) You have decided to use only closed-end questions on your survey. Which of the following questions would NOT be found on your survey? 91) _____
- A) What is your gender?
 - B) Do you work full-time or part-time?
 - C) Do you like chocolate?
 - D) In which month do you plant your garden?
 - E) What do you like about your teacher?

- 92) Loft Industries sells roof trusses to contractors and builders and would like to conduct research to determine how customers assess customer service. Which of the following research instruments would be best for this firm? 92) _____
- A) BlueEyes technology
 - B) checkout scanners
 - C) questionnaires
 - D) eye cameras
 - E) people meters
- 93) Tommy Baker is in charge of CRM for American Pie Nostalgia. As a result of his successful efforts in this area, his firm will likely enjoy all of the following EXCEPT _____. 93) _____
- A) providing higher levels of customer services
 - B) cross-selling products to high-value customers
 - C) understanding the competition better
 - D) creating offers tailored to specific customer requirements
 - E) developing deeper customer relationships
- 94) Michael Quinones is a customer service agent for a national car rental business. He has access to the company's intranet, which provides performance reports, shared work documents, contact information, and detailed information about customers. Which of the following is this access most likely to enable Michael to do during interactions with customers? 94) _____
- A) analyze primary data
 - B) reward customer loyalty with an upgrade or discount
 - C) share information with value-network partners
 - D) use data mining techniques
 - E) evaluate marketing intelligence
- 95) Marialba Hooper is conducting marketing research for a company that is investigating the possibility of entering multiple international markets. As Marialba plans her research in 30 different countries, upon which of the following is she LEAST likely to rely? 95) _____
- A) translators
 - B) personal interviews
 - C) the same process domestic researchers use
 - D) primary data collected for the purpose of her research
 - E) free secondary data
- 96) Malaya Ramirez is organizing marketing research in Central American countries for a large American corporation that is interested in expanding its market. The survey Malaya is using was written in English and then translated into Spanish for use by Spanish-speaking respondents. Which of the following should Malaya do before administering this questionnaire to a sample of the market? 96) _____
- A) have the questionnaire translated back into English to check for accuracy
 - B) determine which type of research instrument to use
 - C) make sure that the survey includes both open-end and closed-end questions
 - D) decide whether to focus on primary or secondary data
 - E) determine whether to focus on descriptive or causal objectives

TRUE/FALSE. Write 'T' if the statement is true and 'F' if the statement is false.

- 97) Most marketers today believe they still lack a sufficient quantity of research data to make high-quality decisions. 97) _____

- 98) The real value of marketing research and information lies not in quantity but in the customer insights provided. 98) _____
- 99) An effective MIS assesses information needs, develops needed information, and helps decision makers use the information. 99) _____
- 100) Today, marketing managers view marketing information not only as an input for making internal decisions but also as an input for external partners. 100) _____
- 101) Too much marketing information can be as harmful as too little. 101) _____
- 102) Internal databases usually can be accessed more quickly and cheaply than other information sources. 102) _____
- 103) When you glean information from your company's accounting and sales records stored in the company's computer system, you are developing an internal database. 103) _____
- 104) You have just extracted sales and cost data used by the accounting department for preparing financial statements. Most likely, this information is complete and in useable form to build an internal marketing database. 104) _____
- 105) It is important to note that data becomes outdated quickly, so keeping the database current requires a major effort. 105) _____
- 106) Your manager asked you to go through three of your competitors' garbage bins to gather marketing intelligence from their discarded paperwork. One of them caught you in the act and has summoned you to court. The judge will most likely rule this to be an illegal activity and fine you and your company. 106) _____
- 107) Good sources of marketing intelligence information include competitors' annual reports, business publications, trade show exhibits, press releases, advertisements, and Web pages. 107) _____
- 108) After conducting formal marketing research for your department, you make an oral presentation with notes to management. You are following the normal order of marketing research steps. 108) _____
- 109) Once the research problems and objectives have been defined, researchers must determine the exact information needed and present it to management. 109) _____
- 110) Primary data consist of information that already exists somewhere, having been collected for another purpose. 110) _____
- 111) IMS Health, an external information source, provides detailed analysis of consumer patterns in 400 product categories in selected markets. 111) _____
- 112) Marketing researchers can conduct their own searches of secondary data sources today by using commercial online databases. 112) _____
- 113) Because secondary data provide good starting points and often help to define problems and research objectives, most companies do not also need to collect primary data. 113) _____

- 114) Just about anything can be observed, especially feelings, attitudes and motives, or private behaviour. 114) _____
- 115) The most important issue facing online researchers is the lack of a broad cross section of consumers who have access to the Internet. 115) _____
- 116) Focus groups use no interviewer to bias the answers, may produce more honest answers, and can be used to collect large amounts of data at a low cost per respondent. 116) _____
- 117) An estimated one-quarter to one-third of all research will be conducted online by 2010. 117) _____
- 118) Ideally, a sample should be representative so that the researcher can make accurate estimates of the thoughts and behaviours of the larger population. 118) _____
- 119) A researcher who wants to calculate confidence limits for sampling error would use nonprobability samples. 119) _____
- 120) Online social networks such as the "I Love My Dog" community, organized by Del Monte, offer marketers much broader and deeper information than can be obtained from traditional focus groups. 120) _____
- 121) Samples of less than one percent of a population cannot provide good reliability. 121) _____
- 122) Open-ended survey questions are particularly useful in exploratory research. 122) _____
- 123) Interpretation of market research data should be the responsibility of the researchers, not the marketing managers. 123) _____
- 124) You have just identified the "touch points" of the 400 best customers in your database. At this point, you want to manage detailed information about each of them to maximize customer loyalty. You should use customer relationship management (CRM). 124) _____
- 125) The ability to reach respondents is a major concern in international marketing research. 125) _____
- 126) Increasing consumer resentment has become a major problem for the marketing research industry, leading to lower survey response rates in recent years. 126) _____
- 127) Research studies can be powerful persuasion tools; but companies seldom use study results as claims in their advertising and promotion. 127) _____

ESSAY. Write your answer in the space provided or on a separate sheet of paper.

- 128) Discuss the makeup and functions of a marketing information system (MIS).
- 129) Marketers can obtain needed information from internal data, marketing intelligence, and marketing research. Explain some common sources for each of these.
- 130) Describe the basic marketing research process.

- 131) Briefly compare the three different types of research approaches for gathering primary data.
- 132) Provide the advantages/benefits of each of the contact methods.
- 133) Describe the three decisions a researcher must make when designing a sample.
- 134) Compare and contrast closed-end questions and open-end questions for gathering data.
- 135) How can a company overcome the problem of gathering internal data for research purposes when the data is usually scattered widely across the organization?
- 136) Discuss several ways in which smaller organizations can use marketing research techniques at little or no expense.
- 137) Explain the common problems that international marketing researchers encounter.
- 138) Many consumers have positive feelings about marketing research and believe that it serves a useful purpose. Others strongly resent or even mistrust marketing research. What are their concerns?

SHORT ANSWER. Write the word or phrase that best completes each statement or answers the question.

- 139) Briefly explain the following statement: "Too much information can be as harmful as too little." 139) _____
- 140) Explain how the Hudson's Bay Company was able to use its internal database to make better marketing decisions. 140) _____
- 141) What are some ways that companies can collect competitive intelligence? 141) _____
- 142) When do marketers need marketing research? 142) _____
- 143) Explain why exploratory research, descriptive research, or causal research would be the best method for determining whether shoppers in the prairie provinces are more sensitive to a price increase for laundry soap than shoppers in the maritime provinces are. 143) _____
- 144) Why is it important for the statement of the problem and the research objectives to guide the entire research process? 144) _____
- 145) The research plan should be presented in a written proposal. What should that proposal contain? 145) _____
- 146) Even when secondary data can be found, the information might not be very usable. How should a researcher evaluate secondary data? 146) _____
- 147) What are some of the disadvantages of using telephone interviewing as a survey contact method? 147) _____

- 148) Many researchers are tinkering with focus group design. How and why did Schick Canada modify the typical focus group format when creating the "Slow Sip" sessions. 148) _____
- 149) Why is the Internet especially well suited to *quantitative* research—conducting marketing surveys and collecting data? 149) _____
- 150) What Canadian legislation has been put in place to deal with issues of consumer privacy online? 150) _____
- 151) You are trying to determine whether retired people drink more coffee at McDonald's during lunch than they do during dinner. Why is observation research NOT effective in this scenario? 151) _____
- 152) Why would survey research be a better approach than observation research when attempting to assess customer satisfaction? 152) _____
- 153) Air Canada must design a questionnaire for an exploratory research study. What guidelines for drafting a questionnaire should they consider? 153) _____
- 154) A researcher is collecting data from travelers in an airport. The interviewers have been asked to identify passengers who appear to be travelling on business and to conduct as many interviews as they can within a four-hour time block. Is this probability or non-probability sampling and what specific sampling methodology would make the most sense for this situation? 154) _____
- 155) Explain why it's important for both the researcher and the marketing manager to interpret the findings of market research. 155) _____
- 156) Bell Canada, the largest provider of telecommunications services in Canada, was recently recognized for excellence in CRM marketing optimization. How does Bell use CRM to understand customers better? 156) _____
- 157) Why is it difficult to obtain relevant and reliable secondary data when conducting international marketing research? 157) _____
- 158) Why has consumer resentment toward marketing research been growing? 158) _____
- 159) Since its inception nearly 20 years ago, MacLean's annual university ranking has been fraught with controversy over the methods used. What are some of the ways that research findings can be misused? 159) _____

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

Refer to the scenario below to answer the following questions.

Jason West, owner of A-1 Cleaning, began his enterprise in 2001. Jason's primary focus had been on office cleaning for large corporations. But in recent months Jason has seen a decline in demand for office cleaning. Surprisingly, the competitive environment appears relatively stable with no new competitors. However, Jason understands that office cleaning is a high-frequency service that is usually performed daily; therefore, competitors must be doing something to attract his customers. Building a competitive advantage seems to be the only option to offset competition. But as Jason pondered his dilemma, he realized that he needed to better understand how customers assess service quality and what they are looking for in a superior cleaning service, prior to building his competitive advantage.

Jason developed a research plan. First, he gathered competitor information—primarily through pamphlets and Web sites—but also from a few phone calls—to find out exactly what competitors offer in their cleaning packages. In addition, Jason obtained from the area Chamber of Commerce an updated list of local corporations to which he would send a short survey.

Though the list of corporations contained 141 local company names, Jason chose to survey 75 of them. To better understand customer service expectations between both small and large corporations, Jason divided his surveys into two categories. The survey questions were designed to extract specific data from respondents with regard to service quality expectations in correlation to service frequency and price.

Jason awaited the results. Though his primary focus had been on large corporations, he was flexible and would aim his efforts differently if needed.

- 160) In this scenario, which of the following is an example of primary data? 160) _____
- A) the list of local corporations from the Chamber of Commerce
 - B) competitor information gleaned from pamphlets
 - C) competitors' Web sites
 - D) the names of the 75 companies that received surveys
 - E) responses to the 75 surveys
- 161) Jason wanted to better understand how his customers assess service quality. This is an example of a _____ 161) _____
- A) marketing research problem
 - B) research objective
 - C) research approach
 - D) research plan
 - E) research method
- 162) In this scenario, which of the following are examples of marketing intelligence? 162) _____
- A) responses to the surveys Jason sent
 - B) focus group conclusions
 - C) data mining
 - D) competitors' pamphlets
 - E) online social network comments
- 163) Jason's research plan should be presented in a written proposal which should contain all of the following except 163) _____
- A) the research objectives.
 - B) the way the results will help management decision making.
 - C) existing competitive information.
 - D) research costs.
 - E) the information to be obtained.

- 164) Of the 141 companies on the list, Jason chose to survey only 75 of them. Jason sent surveys to small companies and large companies. If Jason selected survey recipients randomly from the groups of small companies and large companies, he was using a _____. 164) _____
- A) quota sample
 - B) stratified random sample
 - C) simple random sample
 - D) judgment sample
 - E) convenience sample
- 165) Jason had to consider the many contact methods available with which to administer his survey. Which contact method would offer the best control over interviewer effects? 165) _____
- A) in person
 - B) online
 - C) phone
 - D) mail
 - E) focus group
- 166) Jason may be able to learn more about why A-1 Cleaning has seen a decline in demand for office cleaning by sending trained observers to watch and interact with his potential customers in their "natural habitat." This type of research is called 166) _____
- A) focus group.
 - B) secondary.
 - C) experimental.
 - D) ethnographic.
 - E) mechanical.
- 167) A-1 Cleaning could use the Web as a survey medium by including a questionnaire on its website and offering incentives for completing it. This is _____ research. 167) _____
- A) online
 - B) observational
 - C) ethnographic
 - D) secondary
 - E) experimental
- 168) If Jason wants to be sure that respondents can answer questions in their own words, his questionnaire should feature which type of questions? 168) _____
- A) personal
 - B) open-ended
 - C) quantitative
 - D) factual
 - E) closed-ended
- 169) Jason could capture information at every possible customer touchpoint. What strategy could Jason use to manage detailed information about individual customers and carefully manage customer touchpoints to maximize customer loyalty? 169) _____
- A) online databases
 - B) ethnographics
 - C) mechanical research
 - D) customer relationship management
 - E) marketing intelligence networks

Answer Key

Testname: UNTITLED5

- 1) A
- 2) B
- 3) E
- 4) E
- 5) B
- 6) D
- 7) B
- 8) D
- 9) B
- 10) D
- 11) D
- 12) C
- 13) C
- 14) C
- 15) C
- 16) E
- 17) B
- 18) D
- 19) A
- 20) C
- 21) A
- 22) C
- 23) E
- 24) D
- 25) C
- 26) C
- 27) C
- 28) B
- 29) E
- 30) A
- 31) E
- 32) E
- 33) A
- 34) E
- 35) A
- 36) B
- 37) B
- 38) E
- 39) A
- 40) D
- 41) A
- 42) C
- 43) B
- 44) B
- 45) A
- 46) C
- 47) A
- 48) C
- 49) C
- 50) A

Answer Key

Testname: UNTITLED5

- 51) C
- 52) A
- 53) A
- 54) A
- 55) E
- 56) B
- 57) C
- 58) B
- 59) A
- 60) D
- 61) D
- 62) B
- 63) A
- 64) D
- 65) A
- 66) B
- 67) E
- 68) B
- 69) B
- 70) E
- 71) D
- 72) E
- 73) D
- 74) D
- 75) E
- 76) C
- 77) E
- 78) B
- 79) C
- 80) D
- 81) C
- 82) D
- 83) A
- 84) B
- 85) B
- 86) A
- 87) A
- 88) C
- 89) B
- 90) E
- 91) E
- 92) C
- 93) C
- 94) B
- 95) E
- 96) A
- 97) FALSE
- 98) TRUE
- 99) TRUE
- 100) TRUE

Answer Key

Testname: UNTITLED5

- 101) TRUE
- 102) TRUE
- 103) TRUE
- 104) FALSE
- 105) TRUE
- 106) FALSE
- 107) TRUE
- 108) FALSE
- 109) FALSE
- 110) FALSE
- 111) FALSE
- 112) TRUE
- 113) FALSE
- 114) FALSE
- 115) FALSE
- 116) FALSE
- 117) TRUE
- 118) TRUE
- 119) FALSE
- 120) TRUE
- 121) FALSE
- 122) TRUE
- 123) FALSE
- 124) TRUE
- 125) TRUE
- 126) TRUE
- 127) FALSE
- 128) A typical MIS consists of people, equipment, and procedures to gather, sort, analyze, evaluate, and distribute needed, timely, and accurate information to marketing decision makers. First, it interacts with information users to assess information needs. Next, it develops needed information from internal company databases, marketing intelligence activities, and marketing research. Finally, it helps users to analyze and use the information to develop customer insights, make marketing decisions, and manage customer relationships.
- 129) Internal databases are built upon records of consumer and market information data sources within the company network. For example, the accounting department provides records of sales, costs, and cash flows; operations reports on production-related issues; sales and marketing provide data on resellers, competitors, buyer behaviour, and the industry; and marketing provides information on customer transactions, demographics, and buying behaviour. Internal data are cheaper sources that are easy to access. Marketing intelligence is a collection and analysis of publicly available data about consumers, competitors, and developments in the industry. It can come from quizzing employees, studying competitors' ads and annual reports, analyzing competitors' products, monitoring Internet buzz, and researching the Internet. In addition to internal data and marketing intelligence, marketers often need formal studies of specific situations. To address this need, they conduct marketing research to collect, analyze, and report secondary and primary data to better form decisions.
- 130) The marketing research process involves four steps: defining the problem and research objectives, developing the plan, implementing the plan, and interpreting and reporting the findings. Managers must know what is wrong in defining the problem. Research objectives may be reached through exploratory, descriptive, or causal research. Next, the information needed and a plan for gathering and presenting is made. Then, secondary and primary data must be collected to compile and analyze. Finally, the important information must be presented to management for decision making.

Answer Key

Testname: UNTITLED5

- 131) The three research approaches for gathering primary data are observations, surveys, and experiments. Observational research involves watching relevant people, actions, and situations, usually to glean customer insights that can't be obtained through direct questions and answers. Observations can reveal information that people are unwilling or unable to provide in surveys or experiments. Survey research is very flexible, as it can be used to obtain many different kinds of information in many different situations. Mail, telephone, and online surveys have relatively low costs in comparison to observational research. Surveys are also better suited than observations for gathering descriptive information. Experimental research is best suited for gathering causal information.
- 132) Mail questionnaires can be used to collect large amounts of information at a low cost per respondent. Respondents may give more honest answers to more questions by mail than to an unknown interviewer in person or on the phone. Also, no interviewer is involved to bias the answers. Telephone interviewing is one of the best methods for gathering information quickly, and it provides great flexibility. Interviewers can explain difficult questions, skip questions, or probe on other questions. Rates of response tend to be higher than through the mail. Personal and group interviews are flexible and allow interviewers to guide respondents and explore issues as they evolve. Visual aids can be used, products can be demonstrated, and reactions and behaviours can be observed. Online methods allow the interviewee to be more honest, the costs are greatly reduced, the response rate is higher, and reports come back faster.
- 133) First, the researcher must determine who is to be surveyed. Next, a researcher must determine the sample size by deciding how many people need to be surveyed. Third, the sampling procedure should be chosen to know how the respondents should be chosen.
- 134) Closed-end questions, which include all possible answers, make it easier for respondents to choose among relevant answers. Examples include multiple-choice questions and scale questions. These types of questions are easier for the researcher to interpret and tabulate. Open-end questions allow respondents to answer in their own words and as such do not limit their choices. Open-ended questions are more difficult to interpret and tabulate, but they are particularly useful in exploratory research.
- 135) Many companies are using customer relationship management (CRM). CRM offers the benefits of managing detailed information about individual customers and carefully managing customer "touch points" in order to maximize customer loyalty. By using sophisticated software and analytical tools, information about customers can be integrated from all sources and analyzed in depth, and the results can be applied to build stronger customer relationships. CRM integrates everything that a company's sales, service, and marketing teams know about individual customers to provide a 360-degree view of the customer relationship. CRM involves creating a data warehouse that can be mined for useful insights about customers.
- 136) Small organizations can use the same marketing research process as larger firms, as well as many of the same methods, such as secondary data collection, observation, surveys, and experiments. There are many sources of free secondary data on the Web, and small firms also have access to special help collecting data from chambers of commerce, government agencies, and other organizations. Managers of small organizations can use observation and conversations with their customers to collect data. Informal surveys with small convenience samples are another tool that smaller organizations can use. As with larger firms, smaller organizations must conduct research systematically for the results to be valid and useful.
- 137) International researchers deal with less homogeneous markets in and among countries. The markets often vary greatly in their levels of economic development, cultures and customers, and buying patterns. Good secondary data are difficult to find in many foreign markets. More time and expense is involved in gathering primary data. In addition, choosing representative samples and finding methods of contacting participants can be a formidable task. Cultural and language differences can present obstacles in interpreting the data and drawing realistic conclusions. Consumers' attitudes in other countries may hinder the process of collection.
- 138) They worry that marketers are building huge databases full of personal information about customers. Or they fear that researchers might use sophisticated techniques to probe our deepest feelings, peek over our shoulders as we shop, or eavesdrop on our conversations and then use this knowledge to manipulate our buying.
- 139) Too much information may prohibit marketers from clearly applying the data/information to their objectives; excess information may also lead marketers to lose sight of their objectives.

Answer Key

Testname: UNTITLED5

- 140) When the Hudson's Bay Co. and Zellers merged their loyalty programs, they created one of the most comprehensive and potentially far-reaching customer databases in Canada. The database contains information on more than 8.5 million members. The data is so detailed that by matching the stock keeping unit number (the SKU number) with the purchase information, the database managers and the marketers who depend on it can determine not only what size the child is, but also make an informed guess about the sex and age of the purchasers' children. And the information goes far beyond kids' clothes. The stores carry a massive array of merchandise that is purchased by the 85 percent of the Canadian population who come through their doors every year.
- 141) Much competitor intelligence can be collected from people inside the company—executives, engineers and scientists, purchasing agents, and the sales force. The company can also obtain important intelligence information from suppliers, resellers, and key customers. Or it can get good information by observing competitors and monitoring their published information. It can buy and analyze competitors' products, monitor their sales, check for new patents, and examine various types of physical evidence.
- 142) Marketing research becomes important when marketing intelligence cannot provide the detailed information needed for a specific situation.
- 143) Causal research would be most important because it investigates cause-and-effect relationships; causal research would allow the researcher to test a hypothesis about price sensitivity and compare the differences in the two geographic regions.
- 144) The specific nature of the problem and the research objectives determine which type of research, contact methods, sampling plans, and instruments should be used; without a focus of a specific problem and objectives, the marketing research process would not result in relevant data.
- 145) The proposal should cover the management problems addressed and the research objectives, the information to be obtained, and the way the results will help management decision making. The proposal should also include research costs.
- 146) The researcher should evaluate whether the data are relevant, current, unbiased, and accurately presented.
- 147) The cost per respondent with telephone interviewing is higher than with mail questionnaires. Also, people may not want to discuss personal questions with an interviewer. The method introduces interviewer bias—the way interviewers talk, how they ask questions, and other differences may affect respondents' answers. Different interviewers may interpret and record responses differently, and under time pressures some interviewers might even cheat by recording answers without asking questions. Finally, in this age of do-not-call lists and promotion-harassed consumers, potential survey respondents are increasingly hanging up on telephone interviewers rather than talking with them.
- 148) To help consumers relax and to elicit more authentic responses, some researchers use settings that are more comfortable and more relevant to the products being researched. To get a better understanding of how women shave their legs, Schick Canada's "Slow Sip" sessions were designed to be like a simple get-together with girlfriends. Participants gathered round at a local cafe to sip coffee or tea and munch on snacks together. The structure was loose, and the congenial setting helped the women to open up and share personal shaving and moisturizing stories on a subject that might have been sensitive in a more formal setting. The Slow Sip sessions produced a number of new customer insights.
- 149) Eighty-five percent of Canadians now have access to the Web, making it a fertile channel for reaching a broad cross-section of consumers. As response rates for traditional survey approaches decline and costs increase, the Web is quickly replacing mail and the telephone as the dominant data collection methodology.
- 150) Canada's *Personal Information Protection and Electronic Documents Act* and the *Electronic Commerce Protection Act* are designed to protect consumer privacy and personal security.
- 151) It is difficult to determine, just by looking, whether people are retired.
- 152) Survey research is more effective than observation in measuring customer satisfaction because observations of smiling customers or armloads of merchandise, for example, do not necessarily indicate customer satisfaction.

Answer Key

Testname: UNTITLED5

- 153) Open-end questions are especially useful in exploratory research, when the researcher is trying to find out *what* people think but not measuring *how many* people think in a certain way. Air Canada's researchers should also use care in the *wording* and *ordering* of questions. They should use simple, direct, unbiased wording. Questions should be arranged in a logical order. The first question should create interest if possible, and difficult or personal questions should be asked last so that respondents do not become defensive.
- 154) This scenario represents non-probability sampling because not every member of the population has a known and equal chance of selection. The specific type of non-probability sampling is judgment sample. The researcher uses his or her judgment to select population members who are good prospects for accurate information.
- 155) Both a marketing manager and a researcher bring important points of view to the task: a marketing manager is an expert in the problem and the decisions that must be made, but also may be biased about the results; a researcher is an expert in statistics. Because findings can be interpreted in many ways, discussions between a researcher and marketing manager will lead to the most appropriate interpretation for the given situation.
- 156) Fielding tens of thousands of customer calls each year, Bell's CRM system automatically analyzes historical, personal and contextual data to provide customized offers based on previous interactions, which helps the company improve the customer experience, increase revenue, and reduce customer turnover. It identifies when customers are most receptive to its marketing initiatives and enables the company to up-sell its services. By using CRM to understand customers better, companies can provide higher levels of customer service and develop deeper customer relationships.
- 157) Unlike Canada and the United States, many countries have no or almost no research services; in addition, most international research services operate in only a handful of countries.
- 158) More individuals are wary of invasion of privacy and want to protect personal information; many also simply resent the intrusion of marketing research and dislike surveys that are too long or too personal.
- 159) Research studies can be powerful persuasion tools; companies often use study results as claims in their advertising and promotion. Today, however, many research studies appear to be little more than vehicles for pitching the sponsor's products. Few advertisers openly rig their research designs or blatantly misrepresent the findings; most abuses tend to be subtle "stretches." The choice of wording in a survey can greatly affect the conclusions reached. MacLean's has been criticized for how handled missing or outdated information when generating a ranking, and for oversimplified and arbitrary methodology.
- 160) E
- 161) B
- 162) D
- 163) C
- 164) B
- 165) D
- 166) D
- 167) A
- 168) B
- 169) D