

致用,专业英语系列教材

市场营销专业英语

Professional English for Marketing

中南财经政法大学 沈 铖 曹莉丽 等编著







机械工业出版社 China Machine Press

致用·专业英语系

管理、营销调研、等售营销、服务营销、全球资訊和电子基础

市场营销专业英语

Professional English for Marketing

中南财经政法大学 沈 铖 曹莉丽 等编著



I. die II. Cat. - Cov.

机械工业出版社 China Machine Press 本书由 11 个专题组成: 市场营销、消费者行为、整合营销传播、当代广告、销售管理、品牌管理、营销调研、零售营销、服务营销、全球营销和电子营销,其中每个专题又由案例、正文、核心词汇和知识扩展等四个部分组成。

本书内容覆盖市场营销专业的主干专业课程,而不仅仅是市场营销一门课程,有利于全面掌握营销领域的专业英语知识;各专题内容安排新颖,所用参考资料直接来源于国外的经典教材和专著,既便于课堂讲授,也可用于学生自学。作为一门基础课教材,本书既反映了本学科的基本理论和基本概念、又反映了学科最新的学术成果和发展方向。

本书适合于营销类相关专业的本科高年级生、研究生及 MBA 学生的双语教学,对商务英语相关专业的学生,也是一本很好的参考教材。

版权所有,侵权必究 本书法律顾问 北京市展达律师事务所

图书在版编目 (CIP) 数据

市场营销专业英语/沈铖,曹莉丽等编著.-北京:机械工业出版社,2008.1 (致用·专业英语系列教材)

ISBN 978-7-111-22485-3

I. 市··· Ⅱ. ①沈··· ②曹··· Ⅲ. 市场营销学 - 英语 - 高等学校 - 教材 Ⅳ. H31

中国版本图书馆 CIP 数据核字 (2007) 第 154405 号

机械工业出版社(北京市西城区百万庄大街22号 邮政编码 100037)

责任编辑:李欣玮 版式设计:刘永青

三河市明辉印装有限公司印刷·新华书店北京发行所发行

2008年1月第1版第1次印刷

186mm×240mm·12.75 印张

定价: 25.00元

凡购本书,如有缺页、倒页、脱页,由本社发行部调换

本社购书热线: (010) 68326294

投稿热线: (010) 88379007

PROFESSIONAL ENGLISH FOR MARKETING



自 2001 年 8 月教育部《关于加强高等学校本科教学工作 提高教学质量的若干意见》的通知出台后,双语教学已经从一类重点院校和理工专业向外拓展。国内各种类型、各个级别的关于双语教学的研讨会更是风助火势,对双语教学的推广起到了极大的推动作用。

在这一背景下,"市场营销学"课程双语教学的发展也是方兴未艾,但双语教学的基础——教材的选用却存在着很多问题。当前,"市场营销学"的双语教材主要有三种类型:直接选用国外原版教材、选编原版教材部分章节、自编英语讲义等。这三种形式在实际应用中都有一些问题,如:国外原版教材篇幅太大,不适合国内教学要求与学时安排,且价格不菲,很难做到学生人手一册;选编原版教材部分章节又有不够系统、不够全面的问题;自编英语讲义则由于印刷条件所限,图文不够清晰,同时内容上也受到教师个人专长范围的限制。为解决这些问题,机械工业出版社华章公司请在高校长期从事"市场营销学"教学和科研的教师,编写了这本"市场营销学"的双语教材。

本教材的主编沈铖是国家级精品课程"市场营销学"的主讲人之一,在中南财经政法大学从事多年的"市场营销学"教学和科研;英语基础良好,曾赴加拿大作访问学者半年,主要考察市场营销的教学;拥有丰富的基础教学和双语教学经验,熟悉市场营销学领域的国际最新进展,于2001年率先在中南财经政法大学开设市场营销学的双语教学。她具有丰富的教材编写经验和良好的科学研究基础,科研成果突出,曾主编了教材《全球营销学》(2004年由武汉大学出版社出版),参编了《市场营销学》、《国际市场营销学》和《市场营销学(双语)》等4部教材;并参与了多部著作的写作,在重点专业核心期刊上公开发表学术论文近20篇。

本书的内容全面,涵盖了包括消费者行为学、整合营销传播、当代广告学、销售管理、品牌管理、营销调研、零售营销、服务营销、全球营销和电子营销等方面的内容。其中每个专题首先由一个案例引出;正文则系统地介绍了该主题;其后的核心词汇和知识扩展则便于学生更系统地掌握该主题内容。在这四个组成部分中,

案例和正文用英文写作,核心词汇和知识扩展用中文写作。

作为一门基础课教材,本书既反映了本学科的基本理论和基本概念,又反映了学科最新的学术成果和发展方向,适用于包括经管、理工、医农、师范等各专业中"市场营销学"这一基础课程的教学。

万后芬 中南财经政法大学教授、博导 国家精品课程《市场营销学》主持人

PROFESSIONAL ENGLISH FOR MARKETING



"国内市场国际化、国际市场国内化"这一趋势在中国越来越明显。我国经济正快速与国际市场接轨,正逐步融入全球经济,因而加入全球生产链和流通链是我国企业和贸易公司生存和发展的必然选择;同时国际企业也已大量进入国内市场。在这一经济背景下,从事市场营销的人员不仅要熟练掌握市场营销的基本理论、基本概念和基本方法,还要大力提高其市场营销专业英语水平,以应对全球化的挑战。

为此,我们编写了本书,它适用于普通高校研究生、本科生、大专等各层次市场营销专业英语的教学,也适用于其他市场营销课程的双语教学。此外,本书也适用于实践,如用于从事涉外经济的实践人员自学,以及用于准备各种英语面试包括硕士招生和求职等面试。

本书由 11 个专题组成: 市场营销、消费者行为、整合营销传播、当代广告、销售管理、品牌管理、营销调研、零售营销、服务营销、全球营销和电子营销。其中每个专题又由案例、正文、核心词汇和知识扩展等四个部分组成。

本书内容覆盖市场营销专业的主干专业课程,而不仅仅是市场营销这一门课程,有利于全面掌握营销领域的专业英语知识;各专题内容安排新颖,所用参考资料直接来源于国外的经典教材和专著,既便于课堂讲授也可用于学生自学;教材的主编沈铖是"市场营销学"国家精品课程的主讲人,曾在加拿大考察市场营销专业的教学半年,熟悉本专业的教学和科研。

本书由沈铖负责全书构思和第 1~5 章及每章除正文外其余内容的编写,曹莉丽负责第6~9章正文的编写,湖北荆楚理工学院的李罡负责第 10、11 章正文的编写。本书的编写得到了机械工业出版社华章公司的大力支持,该书策划夏伟协助策划了本教材的编写计划,并对写作的具体内容提出了许多建设性意见;本书在编写过程中,借鉴了许多国内外专家、学者的观点,参考了许多论文、专著和网站资料,在此一并向他们表示感谢。由于水平和时间的限制,本书难免有疏漏和错误之处,敬请同行及读者批评指正。

编者联系方式 E-mail: shencheng69@ yahoo. com. cn。



PROFESSIONAL ENGLISH FOR MARKETING

推荐序 前 言

Chap	ter		Marketing Management 言明官理	
正				
1.			teting Management Philosophies	
1.	2	Mark	tet Segmentation, Market Targeting and Positioning)
1.			tionship Marketing ····· 12	
			Core Words and Expressions	
知	识技	广展	More Knowledge · · · · 18	3
Chap	ter	2	Consumer Behavior 消费者行为	
案	例	Case	20)
Œ	文	Text	21	Į,
2.	1	The	Buyer Decision Process	L
2.			ors Influencing Consumer Behavior	
2.			els of Consumer Behavior 40	
			Core Words and Expressions	
知	识技	广展	More Knowledge ····· 44	1
Chap	ter	3	Integrated Marketing Communications 整合营销传播	
案	例	Case		5
正	文	Text	······ 47	7
3.	1	Wha	t is Integrated Marketing Communications	7
3.			icity and Public Relations 50	
3.	3	The	Practice and the Adoption Process for IMC 58	3

核心词汇 Core Words and Expressions	52 52
	52
Chanter 4 Contemporary Advertising 当代广告	
Chapter 4 Contemporary Materialist 9 11 (7) 11	
案例 Case ······	54
正文 Text ······	
4. 1 Types of Advertising	56
4. 2 Advertising Planning	
4. 3 Criticisms of Advertising	
核心词汇 Core Words and Expressions ······	
知识扩展 More Knowledge ······	76
Chapter 5 Sales Force Management 销售管理	
案例 Case	78
正文 Text ······	79
5. 1 The Tasks of Sales Management	79
5. 2 Steps in the Selling Process ·····	
核心词汇 Core Words and Expressions	92
核心则化 Core words and Expressions	-
核心词汇 Core Words and Expressions 知识扩展 More Knowledge	
知识扩展 More Knowledge ······	92
知识扩展 More Knowledge	92 94
知识扩展 More Knowledge Chapter 6 Brand Management 品牌管理 案例 Case	92 94 95
知识扩展 More Knowledge Chapter 6 Brand Management 品牌管理 案例 Case 正文 Text	92 94 95
知识扩展 More Knowledge Chapter 6 Brand Management 品牌管理 案例 Case 正文 Text 6.1 What Is Brand	92 94 95 95
知识扩展 More Knowledge Chapter 6 Brand Management 品牌管理 案例 Case 正文 Text 6. 1 What Is Brand 6. 2 New Products and Brand Extension	92 94 95 95 99
知识扩展 More Knowledge Chapter 6 Brand Management 品牌管理 案例 Case 正文 Text 6.1 What Is Brand 6.2 New Products and Brand Extension 6.3 Advantages of Extensions	92 94 95 95 99 01
知识扩展 More Knowledge Chapter 6 Brand Management 品牌管理 案例 Case 正文 Text 6. 1 What Is Brand 6. 2 New Products and Brand Extension 6. 3 Advantages of Extensions 10 6. 4 Disadvantages of Brand Extensions	92 94 95 95 99 01 06
知识扩展 More Knowledge Chapter 6 Brand Management 品牌管理 案例 Case 正文 Text 6.1 What Is Brand 6.2 New Products and Brand Extension 6.3 Advantages of Extensions 6.4 Disadvantages of Brand Extensions 核心词汇 Core Words and Expressions	92 94 95 95 99 01 06
知识扩展 More Knowledge Chapter 6 Brand Management 品牌管理 案例 Case 正文 Text 6.1 What Is Brand 6.2 New Products and Brand Extension 6.3 Advantages of Extensions 6.4 Disadvantages of Brand Extensions 10 核心词汇 Core Words and Expressions 11 知识扩展 More Knowledge	92 94 95 95 99 01 06 10
知识扩展 More Knowledge Chapter 6 Brand Management 品牌管理 案例 Case 正文 Text 6.1 What Is Brand 6.2 New Products and Brand Extension 6.3 Advantages of Extensions 6.4 Disadvantages of Brand Extensions 6.4 Disadvantages of Brand Extensions 10 核心词汇 Core Words and Expressions 11 知识扩展 More Knowledge 11 Chapter 7 Marketing Research 营销调研	94 95 95 91 06 10
知识扩展 More Knowledge Chapter 6 Brand Management 品牌管理 案例 Case 正文 Text 6.1 What Is Brand 6.2 New Products and Brand Extension 6.3 Advantages of Extensions 6.4 Disadvantages of Brand Extensions 6.4 Disadvantages of Brand Extensions 10 核心词汇 Core Words and Expressions 11 知识扩展 More Knowledge 1 Chapter 7 Marketing Research 营销调研 案例 Case	92 94 95 95 99 01 06 10
知识扩展 More Knowledge Chapter 6 Brand Management 品牌管理 案例 Case 正文 Text 6.1 What Is Brand 6.2 New Products and Brand Extension 6.3 Advantages of Extensions 6.4 Disadvantages of Brand Extensions 10 核心词汇 Core Words and Expressions 11 知识扩展 More Knowledge 1 Chapter 7 Marketing Research 营销调研 案例 Case 1 正文 Text 1	94 95 95 99 01 06 10 13
知识扩展 More Knowledge Chapter 6 Brand Management 品牌管理 案例 Case 正文 Text 6.1 What Is Brand 6.2 New Products and Brand Extension 6.3 Advantages of Extensions 6.4 Disadvantages of Brand Extensions 核心词汇 Core Words and Expressions 知识扩展 More Knowledge Chapter 7 Marketing Research 营销调研 案例 Case 正文 Text 1.1 The Types of Marketing Research	94 95 95 99 01 06 10 13 13
知识扩展 More Knowledge Chapter 6 Brand Management 品牌管理 案例 Case 正文 Text 6.1 What Is Brand 6.2 New Products and Brand Extension 6.3 Advantages of Extensions 6.4 Disadvantages of Brand Extensions 10 核心词汇 Core Words and Expressions 11 知识扩展 More Knowledge 1 Chapter 7 Marketing Research 营销调研 案例 Case 1 正文 Text 1 7.1 The Types of Marketing Research 1 7.2 Focus Groups	92 94 95 95 99 01 06 10 13 13 17 21

知识扩展 More Knowledge ·····	134
Chapter 8 Retail Marketing 零售营销	
案例 Case ————————————————————————————————————	137 137 140 147
Chapter 9 Marketing of Services 服务营销	
案例 Case 正文 Text 9. 1 The Uniqueness of Service 9. 2 How Consumers Purchase Services 9. 3 Managing the Marketing of Services 核心词汇 Core Words and Expressions 知识扩展 More Knowledge	151 154 156 159
Chapter 10 Global Marketing 全球营销	
案例 Case 正文 Text 10. 1 The Scope of Global Marketing 10. 2 Emergence of a Borderless Economic World 10. 3 Cross-Culture Analysis in a Global Economy 核心词汇 Core Words and Expressions 知识扩展 More Knowledge	162 162 166 169 175
Chapter 11 E- Marketing 电子营销	
案例 Case 正文 Text 11.1 The Emergence of E-Marketing 11.2 E-Marketing Environment 11.3 E-Marketing in Emerging Economies 核心词汇 Core Words and Expressions 知识扩展 More Knowledge	178 178 182 189 194
参考文献	196

Ansario e principio estilipe de medicas obserba se vidas directoras de 1865

Marketing Management

营销管理



The Wharton School

Kalandara diga dengan sa singgan banggan dalah sa sa alam panggan sa panggan sa sa

Business Week ranked the Wharton MBA program first in the United States for the third time. This rating can be traced to the entrepreneurial marketing thinking and positioning insight of Professor Jerry Wind, a colleague in the Marketing Department of the Wharton School. Jerry headed the faculty-student-alumni-administration committee that developed the new Wharton curriculum in the early 1990s. When the faculty adopted the innovative new curriculum, Jerry was the person who did most of the public relations interviews following the approval.

In every interview Jerry repeated four key phrases over and over. Wharton will train managers who are global, cross-functional, good leaders, and leveraged by technology. These benefits were designed into the new curriculum because the school's research showed them to be very valuable to Wharton's various constituencies and not perceived as delivered by the other premier business schools. All of the other Wharton administrators who spoke to the press took their cue from Jerry and also emphasized those four attributes over and over. Because these all were fairly new concepts for business schools to adopt and because Wharton was the first major business school to overhaul its curriculum, all the major business media

Professional English for Marketing

picked up the story and gave it emphasis. Most of the target segments that Wharton wanted to influence changed their perception of Wharton's position because of this media blitz.

There was a perceptual vacuum on most of those attributes that Wharton was able to fill. Once a perception has been lodged in someone's mind, it is not easily changed. Thus, in the competition among business schools, it has been very difficult for a major business school to capture from Wharton the public's perception of distinctiveness on any of those four dimensions.

There was a lot more to the new curriculum than the four phrases that were emphasized. However, because Jerry is a positioning expert, he knew that the target markets would be able to perceive only a limited number of differentiating attributes. The market research done by Jerry's committee helped them to decide the four most important new differentiating attributes to stress. If the school had tried to publicize all of the new attributes of the new curriculum, the message would have been diluted and the school would not have been able to reach its preeminent perceptual position with its target markets.

Again for perspective, 53 percent of the Inc. 500 CEOs did many positioning studies, but only 26 percent of the non-Inc. 500 did them. One of the reasons behind the Inc. 500 success could be their positioning.

正文 Text

大学。打

1. 1 Marketing Management Philosophies

We define marketing management as the analysis, planning, implementation, and control of programs designed to create, build, and maintain beneficial exchanges with target buyers for the purpose of achieving organizational objectives.

Since we describe marketing management as carrying out tasks to achieve desired exchanges with target markets, what philosophy should guide these marketing efforts? What weight should be given to the interests of the organization, customers, and society? These interests conflict quite often.

There are five alternative concepts under which organizations conduct their marketing activities: the production, the product, the selling, the marketing, and the societal marketing concepts.

1. 1. 1 The Production, Product and Selling Concepts

1. The Production Concept

The production concept is one of the oldest concepts in business. It holds the philosophy that consumers will favor those products that are widely available and low in cost. Managers of production-

比为试读,需要完整PDF请访问: www.ertongbook.com

oriented organizations concentrate on achieving high production efficiently and wide distribution.

The production concept is still a useful philosophy in two types of situations. The first situation occurs when the demand for a product exceeds the supply, as in many developing countries. Here consumers are more interested in obtaining the product than in its fine points, and suppliers will concentrate on finding ways to increase production. The second situation occurs when the product's cost is too high and improved productivity is needed to bring it down. Texas Instruments (TI) provides an example. TI is one of the leading U. S. exponents of the "get-out-production, cut-the-price" philosophy that Henry Ford pioneered in the early 1900s to expand the automobile market. TI puts all its efforts in building production volume and improving technology in order to bring down costs. It uses its lower costs to cut prices and expand the market size and strives to achieve the dominant position in its markets.

However, companies operated under the production philosophy often run a major risk of focusing too narrowly on their own operations. For example, when TI used this strategy in the digital watch market, it failed. Although TI's watches were priced low, customers did not find them very attractive. TI lost sight of something else besides low prices that its customers wanted — namely, affordable, attractive digital watches. Furthermore, the production concept is open to charges of impersonality and poor service quality.

2. The Product Concept

Another major concept guiding sellers, the product concept, holds that consumers will favor products that offer the most quality, performance, and innovative features. Managers of product-oriented organizations focus their energy on making superior products and improving them over time.

Product- oriented companies often design products without customer input. They trust that their engineers will know how to design or improve the product. Very often they will not even examine competitors' products. A General Motors executive said years ago: "how can the public know what kind of car they want until they see what is available?" GM's designers and engineers would develop plans for a new car. Then manufacturing would make it. Then the finance department would price it. Finally, marketing and sales would try to sell it. No wonder the car required such a hard sell! Fortunately, GM is today asking customers what they value in a car and bringing marketing people in at the very beginning stages of car design.

The product concept can lead to "marketing myopia". Railroad management thought that users wanted trains rather than transportation and overlooked the growing challenge of airlines, buses, trucks, and automobiles. Some manufacturers believe that building a better mousetrap will lead people to beat a path to its door. But they are often rudely shocked. Buyers may well be looking for a better solution to the mouse problem, but not necessarily for a better mousetrap. The

solution might be a chemical spray, an exterminating service, or something else that works better than a mousetrap. Furthermore, a better mousetrap will not sell unless the manufacturer designs, packages, and prices it attractively; places it in convenient distribution channels; brings it to the attention of people who need it; and convinces buyers that it is a better product than those of competitors.

3. The Selling Concept

The selling concept is another common approach. Many organizations follow the selling concept, which holds that consumers will not buy enough of the organization's products unless it undertakes a large-scale selling and promotion effort. This concept is typically practiced with unsought goods — those that consumers do not normally think of buying, such as encyclopedias or insurance. These industries must be good at tracking down prospective buyers and selling them products with benefits.

Most firms practice the selling concept when they have overcapacity. Their aim is to sell what they make rather than make what the market wants. In modern industrial economies, productive capacity has been built up to such a high point that most markets are buyer markets and sellers have to stramble bard for customers. Prospects are bombarded with television commercials, newspaper ads, direct mails, and sales calls. At every turn, someone is trying to sell something. As a result, the public often identifies marketing with hard selling and advertising.

Therefore, people are surprised when they are told that selling is not the most important part of marketing. Selling is only the tip of the marketing iceberg. Peter Drucker, one of the leading management theorists, puts it this way: "There will always, one can assume, be need for some selling. But the aim of marketing is to make selling superfluous. The aim of marketing is to know and understand the customer so well that the product or service fits him or her and sells itself. Ideally, marketing should result in a customer who is ready to buy. All that should be needed then is to make the product or service available."

Indeed, marketing based on hard selling carries high risks. It assumes that customers who are coaxed into buying the product will like it. Or, if they don't like it, they will possibly forget the disappointment and buy it again. These are usually poor assumptions to make about buyers. Most studies show that dissatisfied customers do not buy again. Worse yet, a dissatisfied customer may tell ten others about his or her bad experiences, while the average satisfied customer tells three others about good buying experiences; bad news travels faster.

1. 1. 2 The Marketing Concept and Societal Marketing Concept

1. The Marketing Concept

The marketing concept, whose central tenets crystallized in the mid-1950s, is a business

philosophy that challenges the above three concepts. It holds that achieving organizational goals depends on integrating marketing activities toward determining and satisfying the needs and wants of target markets more effectively and efficiently than competitors do. Under this concept, companies produce what consumers want, thereby satisfying consumers and making profits.

The marketing concept has been stated in many colorful ways, such as "You're the boss" (United Airlines); "We're not satisfied until you are" (General Electric); and "To do all in our power to pack the customer's dollar full of value, quality, and satisfaction" (JC Penney).

Professor Theodore Levitt of Harvard drew a perceptive contrast between the selling concept and the marketing concept.

"Selling focuses on the needs of the seller; marketing on the needs of the buyer. Selling is preoccupied with the seller's need to convert his product into cash; marketing with the idea of satisfying the needs of the customer by means of the product and the whole cluster of things associated with creating, delivering and finally consuming it."

The differences between the two concepts can also be illustrated in Table 1-1. The selling concept takes an inside-out perspective. It starts with the factory, focuses on the company's existing/products, and calls for heavy selling and promotion to obtain profitable sales. In contrast, the marketing concept takes an outside-in perspective. It starts with a well-defined market, focuses on customer needs, integrates all the activities that will affect customers, and makes profits by creating long-term customer relationships based on customer value and satisfaction.

Concept	Starting point	Focus	Means	Ends
Selling	Factory	Products	Selling and promo-	Profits through sales
			ting	volume
36.1	Target market	Customer needs	Integrated market-	Profits through customer
Marketing			ing	satisfaction

Table 1-1 The Selling and Marketing Concepts Contrasted

Sources: Philip Kotler, Gary Armstrong, "Marketing", Prentice Hall, 1996.

Four Pillars for Marketing Concept

The marketing concept rests on four pillars which will be discussed below: target market, customer needs, integrated marketing, and profitability.

Target market No company can operate in every market and satisfy every need. Nor can it always do a good job within one broad market. Even Microsoft cannot offer the best solution for every information processing need. Companies can do best when they define their target market(s) carefully and prepare a tailored marketing program. One example of successful target marketing came about after the 1990 census which focused marketers' attention on minority groups' increas-

ing buying power. Estee Lauder, Maybelline, and some other cosmetic giants have begun to target African-Americans with special product lines designed for darker skin tones. Prescriptives, a subsidiary of Estee Lauder, launched its "All Skins" line offering 115 different shades of foundation in the fall of 1992. The senior executive of creative marketing at Prescriptives credits "All Skins" for a 45% increase in Prescriptives' sales since the new line was launched. Sales of Maybelline's Shades of You, another line of cosmetics for African-American women, reached \$15 million in its first 10 months on the market.

Customer needs Although marketing is about meeting needs profitably, understanding customer needs and wants is not always a simple task. Some customers have needs of which they are not fully conscious. Or they cannot articulate these needs. Or they use words that require some interpretation. For example, what does it mean when a customer asks for an "inexpensive" car? The marketer must probe it further and distinguish among five kinds of needs:

- Stated needs (the customer wants an inexpensive car)
- Real needs (the customer wants a car whose operating cost, not its initial price, is low)
- Unstated needs (the customer expects good service from the dealer)
- Delight needs (the customer wants to buy a car and receives a complimentary U. S. road atlas)
- Secret needs (the customer wants to be seen by others as a value-oriented savvy consumer)

Responding only to the customer's stated needs may shortchange the customer. Consider a customer who enters a hardware store and asks for a sealant to seal windows to frames. This customer is stating a solution, not a need. The need is to affix glass to a wooden frame. The hardware store salesperson might suggest a better solution than a sealant, namely using a tape. The tape has the additional advantage of zero curing time. In this case, the salesperson has aimed to meet the customer's real need, not the stated need.

Customer-oriented thinking requires the company to define customer needs from the customer's point of view. Every buying decision involves trade-offs, and management cannot know what these are without researching customers. Thus a car buyer would like a safe, attractive, reliable high-performance car that costs less than \$10,000. Since all these features cannot be combined in one car, the car designers must make hard choices based on knowing customer trade-offs.

In general, a company can respond to customers' requests by giving customers what they want, or what they need, or what they really need. The key to professional marketing is to understand their customers' real needs and meet them better than any competitor can.

Some marketers draw a distinction between responsive marketing and creative marketing. A responsive marketer finds a stated need and fills it. A creative marketer discovers and produces solutions that customers did not ask for but to which they enthusiastically respond. The Sony Cor-

poration is a good example of a company that goes beyond "customer-led" marketing. Sony is a marketing-driving firm, not just a market-driven firm. Akio Morita, Sony's founder, proclaims that he doesn't serve markets; he creates markets.

Why is it very important to satisfy the target customer? Because a company's sales each period come from two groups: new customers and repeat customers. It is estimated that attracting a new customer can cost five times as much as pleasing an existing customer. And it might cost sixteen times as much to bring the new customer to the same level of profitability as the lost customer. Customer retention is thus more important than customer attraction. The key to customer retention is customer satisfaction. A highly satisfied customer stays loyal longer, offers product/service ideas to the company, talks favorably about the company and its products, buys more as the company introduces new products and upgrades existing products, and costs less to serve than new customers because transactions are routinized.

Some companies think that they are getting a measure of customer satisfaction by tallying the number and types of customer complains they receive each period. But in fact, 95% of dissatisfied customers don't complain; many may just stop buying. The best thing a company can do is to make it easy for the customers to complain. Suggestion forms found in hotel room and company "hot lines" such as those run by Procter & Gamble and General Electric serve this purpose. These companies hope that customers will call them with suggestions, inquiries, and even complaints. 3M claims that over two thirds of its product-improvement ideas come from its customer complains.

Integrated marketing When all the company's departments work together to serve the customer's interests, the result is integrated marketing. Unfortunately, not all employees are trained and motivated to work for the customers. An engineer complained that the salespeople were "always protecting the customer and not thinking of the company's interest"! He went on to blast customers for "asking for too much".

Integrated marketing takes place on two levels. First, the various marketing functions must work together, such as advertising, sales force, product management, and marketing research. Too often the sales force is mad at the product managers for setting "too high a price" or "too high a volume target"; or the advertising director and a brand manager cannot agree on an advertising campaign. All these functions must be coordinated from the customer's point of view. Second, marketing must be well coordinated with other company departments. Marketing does not work when it is merely a department; it works only when all employees appreciate their impact on customer satisfaction. As David Packard of Hewlett Packard put it: "Marketing is too important to be left to the marketing department!"

To foster teamwork among all departments, the company carries out internal marketing as

0

well as external marketing. External marketing is marketing directed at people outside the company. Internal marketing is the task of successfully hiring, training, and motivating able employees who want to serve the customers well. In fact, internal marketing must precede external marketing. It makes no sense to promise excellent service before the company's staff is ready to do.

Many managers who believe that the customer is the key to profitability consider the traditional organization chart in Figure 1-1a — a pyramid with the president at the top, management in the middle, and front-line people (sales and service people, telephone operators, receptionists) and customers at the bottom — to be obsolete. Master marketing companies know better; they invert the chart, as shown in Figure 1-1b. At the top of the organization are the customers. Next in importance are the front-line people who meet, serve, and satisfy the customers. Under them are the middle managers, whose job is to support the front-line people so they can serve the customers well. Finally, at the base is top management, whose job is to support the middle managers. We have added customers along the sides of Figure 1-1b to indicate that all the company's managers are personally involved in knowing, meeting, and serving customers.

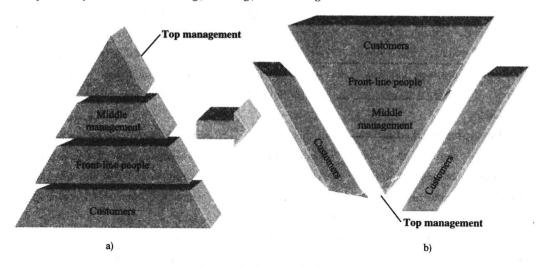


Figure 1-1 Integrated Marketing

Profitability The ultimate purpose of the marketing concept is to help organizations achieve their goals. In private firms, the major goal is profit; in nonprofit and public organizations, it is surviving and attracting enough funds to perform their work. In for-profit organizations, the key is not to aim for profits as such but to achieve them as a byproduct of doing the job well. A company makes money by satisfying customer needs better than its competitors do.

3. The Societal Marketing Concept

The societal marketing concept is the newest of the five marketing management philosophies.