

MARKETING

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MARKETING

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Preface

Marketing is a unique blend of individuals and organizations, needs and wants, science and art, conscious decisions and blind chance. Together, these elements are the ingredients of today's important, dynamic discipline that we call marketing.

In *Marketing* we have sought to capture the vitality of marketing for you, the reader. We have also tried to organize the field of marketing to make it not only exciting but also relevant and understandable. Some key features in the development of *Marketing* designed to achieve these goals include:

- Involving you in the role of the marketing decision maker. To the furthest extent possible, we have tried to move you out of the role of bystander or observer and to involve you in interpreting marketing data and making marketing decisions—actually becoming a part of marketing.
- Introducing you to contemporary people and organizations that made both brilliant and disastrous marketing decisions. Often these situations involve an entire organization, but where possible you will meet the actual men and women involved in marketing decisions. These extended examples appear both within the text and in boxes entitled Marketing Action Memos and describe how marketing principles have been applied to actual decisions.
- Building on the research foundation that underlies marketing. In recent years much research effort has sought to discover why consumers behave as they do and how organizations can respond to their needs and wants. Marketing Research Reports in the book relate some of these research findings to important issues facing marketing managers.
- Reinforcing the major concepts introduced in each chapter. Contemporary learning theory stresses the need to reinforce important concepts to ensure

the reader both understands them and can apply them in appropriate situations. Throughout each chapter Concept Check boxes highlight key principles, and end-of-chapter problem and application questions and end-of-book cases ask you to apply them. Learning objectives at the start of each chapter and the key terms and summary at the close provide further reinforcement.

We believe these features are a giant stride toward capturing on paper the dynamic nature of marketing.

Marketing is divided into six main parts. Part One, Initiating the Marketing Process, looks first at what marketing is and how it identifies and satisfies consumer needs (Chapter 1). Then Chapter 2 provides an overview of the strategic marketing process in an organization—planning, implementation, and control—which provides a structure for the text. Chapter 3 analyzes the five major environmental factors in our changing marketing environment.

Part Two, Understanding Buyers and Markets, describes first how ultimate consumers reach buying decisions (Chapter 4). Next, because of their important differences from ultimate consumers, industrial and organizational buyers and how they make purchase decisions are covered in Chapter 5.

In Part Three, Targeting Marketing Opportunities, the marketing research function is divided into two important parts: collecting (Chapter 6) and using (Chapter 7) marketing information. The process of segmenting and targeting markets and forecasting sales appears in Chapter 8.

Part Four, Satisfying Marketing Opportunities, covers the four *P*'s—the marketing mix elements. Unlike most competitive textbooks, the product element is divided into the natural chronological sequence of first developing new products (Chapter 9) and then managing the existing products (Chapter 10). Pricing is covered in terms of underlying pricing analysis (Chapter 11), followed by actual price setting (Chapter 12) and the related Appendix A, Financial Aspects of Marketing. Three chapters address place (distribution) aspects of marketing: Marketing Channels and Wholesaling (Chapter 13), Physical Distribution (Chapter 14), and Retailing (Chapter 15). Retailing is a separate chapter because of its importance and interest as a career for many of today's students. Promotion is also covered in three chapters. Chapter 16 discusses marketing communications in general and presents an in-depth treatment of sales promotion, an activity that often exceeds advertising in the promotional budgets of many firms but receives minimal coverage in many current textbooks. Advertising (Chapter 17) and Personal Selling and Sales Management (Chapter 18) complete the coverage of promotional activities.

Part Five, Managing the Marketing Process, expands on Chapter 2 to show how the four marketing mix elements are blended to plan (Chapter 19) and implement and control (Chapter 20) marketing programs. Because these topics can become very abstract, both chapters close with an example of how Yoplait Yogurt's marketing program was planned, implemented, and controlled.

Part Six, Expanding Marketing Settings, devotes separate chapters to two marketing topics of increasing importance in today's world: International Marketing (Chapter 21) and Marketing of Services (Chapter 22). The part closes with Appendix B: Career Planning in Marketing, which discusses the marketing jobs themselves and how to get them. A detailed glossary, cases from actual organi-

zations, and three indexes (brand, product, and firm; author; and subject) complete the book.

As we observe in Chapter 1, we genuinely hope that somewhere in *Marketing* the reader will discover not only the challenge and excitement of marketing, but possibly a career as well.

Supplements

As with the text itself, producing supplements of extraordinary quality and utility was, from the onset, a primary objective of the authors and publisher. Too often, emphasis and investment in these key components are based on quantity, not utility. All supplements accompanying this text that are to be used with students, from the test items to the study guide, have been reviewed by many of the same instructors who critiqued various drafts of the text. Additionally, much attention has been given throughout to providing elements and features in these supplements that were requested by both inexperienced and experienced instructors. As a result, each component contains several features not offered with any other marketing text.

Instructor's Manual

- Conversion notes. Each chapter of this manual begins with a section labeled "What's Different and Why." This unique feature provides you with a detailed set of notes that describe where our coverage and terminology differ from those of six leading texts.
- Learning objectives. These are reproduced as they appear at the beginning of each chapter in the text.
- Key terms and concepts. These are reproduced as they appear at the end of each chapter in the text.
- Transparencies. A listing of the appropriate acetate transparencies that accompany the text are provided. The suggested spot for use of each of these is then designated within the lecture notes.
- Lecture notes. A detailed outline of each chapter is provided. To facilitate instructor use in the classroom, these are printed in oversized type.

Brief summaries of all Marketing Action Memos and Marketing Research Reports are included.

Answers to the Concept Checks are provided.

- Supplementary Marketing Action Memos and Marketing Research Reports. These are included and provide the instructor with excellent course-enrichment material.
- Answers to End-of-Chapter Problems and Applications. Detailed answers to every question and problem are provided.
- Transparency masters. Every table, chart, or graph within the text that has not been provided in acetate form is reproduced as an $8\frac{1}{2} \times 11$ transparency master. This combination of acetates and masters gives each instructor total flexibility of emphasis and ensures that difficult-to-teach material is supported.
- Case notes. An extensive set of notes is provided for those instructors who elect to use any or all of the case studies found at the end of the text.

Transparency Acetates

A set of 100 overhead transparency acetates in both two and four colors is available free to adopters. Approximately half of these have been developed from outside the text. The remaining acetates were carefully selected from topical areas of the text that are traditionally difficult to teach such as pricing and forecasting.

Test Bank

Our Test Bank has been reviewed and class tested to ensure clarity, accuracy, and an appropriate range and level of difficulty. It contains more than 2000 questions, categorized by chapter, by subject area within the chapter, and by level of difficulty. A major feature, unique to this test bank, is that in addition to the correct answers, you are provided with the page reference within the text where the answer appears and a *rationale to support that answer*.

Questbank

All test questions appearing in the printed Test Bank are reproduced in a computerized test-generation system, Questbank, for use with the Apple II/IIe or IBM PC and compatibles. Questbank provides the following features:

1. It enables you to add or delete individual test items.
2. You may edit individual questions.
3. Using the shuffle option, you may generate several versions of the same examination.
4. Thorough documentation is provided to facilitate use.
5. A toll-free service number is included.

Videotape Case Studies

A unique series of contemporary marketing programs is available to adopters on a videotape cassette. Instructors may assign a published case to students, discuss the case in class, and then show the videotape for students to see what decisions were made by key marketing personnel and the products, promotional campaigns, and distribution strategies that resulted. Each videotape showing an organization's marketing program is approximately 12 minutes in length. Subjects range from the conception and launching of new products to strategies used in nonprofit marketing.

Study Guide

The Study Guide that is available with our text represents what we believe is a very important improvement over existing competition. Coauthored by an educational consultant, it uses a positive approach to study that enables the student to learn and apply marketing instead of simply memorizing facts for an examination. Four types of exercises are used to accomplish this goal: (1) matching of terms and definitions, (2) matching of concepts and examples, (3) recognizing and identifying exercises, and (4) chapter recall. True or false and multiple-choice questions are deliberately omitted to avoid presenting the students with false information that might be confused with the facts you want them to learn.

Acknowledgments

As with any launch of a major new product, writing and publishing a timely marketing textbook and its supplements are far beyond the capacity of a single author or even a team of three authors. We would like to thank the dozens of people who have helped in this effort.

We believe this is the most carefully researched and reviewed first edition of a marketing textbook ever written. In this process, the authors have benefited from over 1000 pages of comments from reviewers and dozens of pages from students who used a photocopied draft of the textbook in their classroom. Although we have attempted to be responsive to their useful suggestions to improve the book, sometimes their ideas conflict and we have been forced to rely on what our teaching instincts tell us would be best. However, the process of evaluating each suggestion has added immeasurably to the structure, content, and quality of the book.

An initial focus group with Dale Achabal of the University of Santa Clara, Robert Ross of Wichita State University, Stephen Miller of St. Louis University, Sam Fullerton of Eastern Michigan University, Patrick Dunne of Texas Tech University, Jack Lindgren of the University of Virginia, and James Grimm of Illinois State University provided us with general insights about factors important to marketing instructors to give us direction for our initial writing efforts. Another group discussion was held halfway through the writing process. Members of this group included William G. Browne of Oregon State University, Lowell E. Crow of Western Michigan University, Richard Leventhal of Metropolitan State College, Ron Michaels of the University of Kansas, and Donald F. Mulvihill of Virginia Commonwealth University. This enabled us to discover which portions of the material we had written seemed to work and which didn't. Although listening to users and consumers is often a painful experience, we and the book have profited greatly from their constructive ideas.

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We were also fortunate to be able to call on the special expertise of individuals who wrote parts of the text and supplements. James C. Cross of Arizona State University wrote Chapter 14 on Physical Distribution, Jane Franke of Intellisense, Inc., wrote Chapter 21 on International Marketing, and Alan J. Dubinsky of the University of Minnesota and Steven W. Hartley of the University of Denver coauthored Appendix B on Career Planning in Marketing and the Test Bank. Jeanne Buckeye of Saint Thomas College helped us fine-tune the glossary, and educational consultant Erica Michaels, assisted by Ron Michaels of the University of Kansas, wrote the Study Guide and coauthored the Test Bank.

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We thank all these people for their contributions and hope that together we have provided our readers with an educationally vital and immensely readable book.

Eric N. Berkowitz

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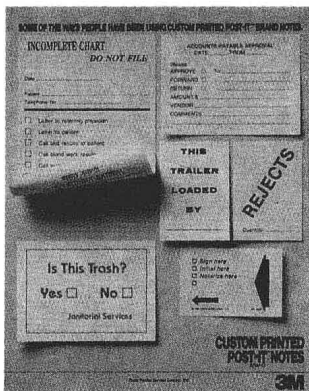
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