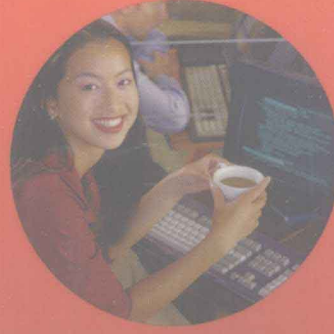
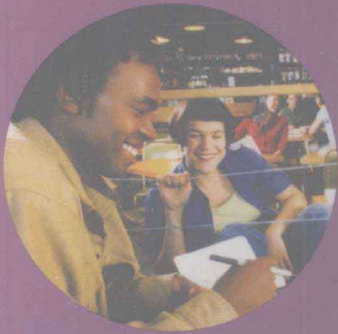


Essentials of

Marketing



Lamb, Hair, McDaniel

Fourth
Edition

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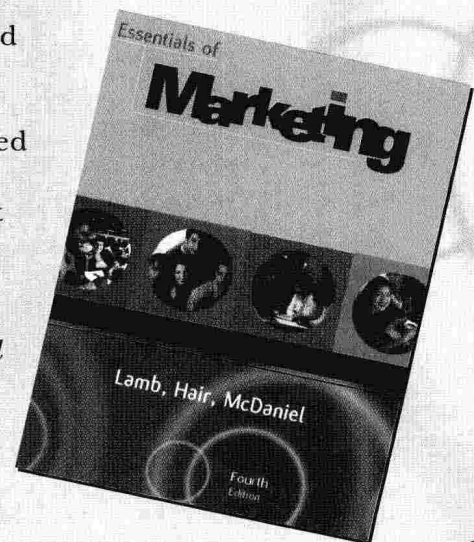
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ABOUT THIS EDITION

You are holding a textbook that has experienced a dramatic increase with each edition in the number of colleges and university student-users. We are very grateful to the hundreds of professors that have selected our text to give college students their first exposure to the dynamic world of marketing. We are honored that a vast majority of professors stay with our text edition after edition. Our research gives us an indication why this is true. *Students find Essentials of Marketing, by Lamb, Hair, and McDaniel, the most exciting, readable, and enjoyable text of their college career.*



OUTLINE

SO WHAT'S NEW . . .

- BRAND NEW CONTENT
- OPENING VIGNETTES
- GLOBAL PERSPECTIVE BOXES
- ETHICS IN MARKETING
- REVIEW-IT
- THINK ABOUT IT: ETHICS EXERCISE
- TRY IT: ENTREPRENEURSHIP CASE
- WATCH IT
- FLIP IT, CLICK IT, SPIN IT
- MARKETING MISCUES
- CRITICAL THINKING CASES

WHAT MAKES *ESSENTIALS OF MARKETING 4E* SO POPULAR WITH STUDENTS?

- WE GRAB THEIR ATTENTION
- IT'S EASY TO LEARN
- WE INTEGRATE TECHNOLOGY IN A MEANINGFUL WAY
 - XTRA!
 - FRESH INTERNET ACTIVITIES AND REAL-TIME EXAMPLES
 - TECHNOLOGY EXERCISES THAT REINFORCE THE CHAPTER CONCEPTS
 - NEW INTERNET MARKETING CHAPTER
 - WHO WANTS TO BE A MARKETER
- WE OFFER A ROBUST, COMPREHENSIVE WEB SITE

WHAT MAKES *ESSENTIALS OF MARKETING 4E* SO POPULAR WITH INSTRUCTORS?

- OUR INTEGRATED LEARNING SYSTEM
- OUR TEXT PEDAGOGY EXCITES AND REINFORCES LEARNING

INNOVATIVE AND VALUABLE INSTRUCTOR SUPPLEMENTS

- INSTRUCTOR RESOURCE CD-ROM
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- WEBTUTOR™ ADVANTAGE
- OTHER OUTSTANDING SUPPLEMENTS

INNOVATIVE AND VALUABLE STUDENT SUPPLEMENTS

- THE GRADEMAKER STUDY GUIDE AND WORKBOOK
- XTRA!
- VIDEO CD-ROM
- CADOTTE: EXPERIENCE MARKETING AT THE MARKETPLACE

If you are already familiar with *Essentials of Marketing*, you may be asking, “So what’s new?” The answer is quite a bit. In addition to the dozens of new examples in each chapter, we have added new content and revised and updated existing material throughout the book.

BRAND NEW CONTENT

PART 1 A new Chapter 2 (Ethics, Social Responsibility, and the Marketing Environment) has a new section on American values and new content on demographics, including material and an exhibit on women as principal economic decision makers. We have revised the section on older consumers and included a completely new section on multicultural marketing. Chapter 3 (Developing a Global Vision) has been greatly revised to reflect constant changes in the global marketplace. We have updated the section on the impact of globalization on trade and added new content on the U.S. Commercial Service which includes a new exhibit on how the service helps companies that want to go global. There is updated information on direct foreign investment, new sections on the Free Trade Agreement of the Americas (FTAA), the Association of South East Asian Nations (ASEAN), and the Asia-Pacific Economic Cooperation (APEC), plus a map that depicts the member countries of the trade agreements discussed in the chapter.

PART 2 Chapter 4 (Consumer Decision Making) has new material on trends in gender marketing, and Chapter 5 (Business Marketing) has a completely revised section on business marketing on the Internet. Chapter 6 (Segmenting and Targeting Markets) now includes updated information based on the 2000 census, plus a thoroughly revised section on bases for segmenting business markets.

PART 3 Part 3 begins with Chapter 8 (Product and Services Concepts), which has a new section on global brands. Chapter 9 (Developing and Managing Products) follows with new exhibits on the history of new product introductions and the diffusion process, plus a completely new section on on-line test marketing. Distribution concepts can be difficult, so we have revised Chapter 10 (Supply Chain Management) to give students an introduction to supply chain management that sticks to the basics. We have condensed the chapter in several areas to make it more readable.

PART 4 Chapter 12 (Marketing Communications and Personal Selling). Chapter 14 (Internet Marketing) is completely revised for every edition of *Essentials of Marketing* to reflect the constantly evolving world of Internet marketing and e-commerce. We have thoroughly revised the chapter, which now includes more information on security and privacy issues, the best ways to measure Internet marketing success, and how to apply Porter’s Five Industry Forces to on-line marketing efforts. Chapter 15 (Pricing Concepts) opens with more examples of elastic and inelastic demand, a thoroughly revised and expanded section on the impact of Internet and extranets on pricing, and a revised section on Internet auctions. Expanded discussions of choosing a pricing strategy, predatory pricing, and bundling and services follows. The chapter also has a new section on the implications of zero-percent financing and a revised section on value pricing, with a new section on dangers of pricing products too low.



It's after midnight and the dance clubs are pumping—music is pulsating, lights are flashing, people are dancing, and the bar is littered with little silver and blue cans. Yes, Red Bull is in the house—and has absolutely no intention of leaving the party.

Red Bull, exported from Austria, has created and dominated the energy drink category with marketing savvy, guerrilla tactics, and unusual distribution methods. Dietrich Mateschitz, the owner of Red Bull International, created the caffeine-charged beverage in 1987, based on a popular health tonic he discovered in Thailand. After spreading into neighboring countries including Hungary, Slovenia, Germany, and Switzerland, Red Bull charged into the U.S. market, virtually creating the energy drink market and taking it by the horns.

Initially, Red Bull was the drink of choice for extreme athletes and all-night ravers, but the tauro-caffeine-based energy drink has gained a larger following and can now be found on supermarket shelves in almost every state. According to Red Bull's Web site at <http://www.redbull.com>, "taurine is a conditionally essential amino acid, which naturally occurs in the body. But in times of extreme physical exertion, the body no longer produces the required amounts and a relative deficiency results." Hence, a need is identified and Red Bull races to fill it.

In less than three years, Red Bull has spawned a hot new beverage category and boosted sales from a base of \$12 mil-

lion in 1999, according to Beverage Marketing Corporation. Now Coke, Amstar-Bosch, and Pepsi are looking to get a piece of the action, and some predict that sales of energy drinks in the United States could top \$500 million in the next few years.

But with 70 percent of the market share, Red Bull executives feel confident that they can continue leading the category by employing the same marketing techniques that put them on the map in the first place.

The company's consistent strategy has been to "open up" a market by securing unusual distribution channels. Red Bull initially began its U.S. charge in Santa Monica, California, by piggybacking with established distributors that deliver a number of brands. As the drink became more popular, Red Bull narrowed its distribution methods by contacting smaller distributors and ensuring that they sell only Red Bull. Otherwise, Red Bull sets up warehouses and hires college students to deliver its product. Results have been incredible—in a new market, Red Bull generally breaks even within the first three months and shows a profit after six.

Another tactic that Red Bull employs is hiring hip locals "who embody the spirit of Red Bull" in target areas around in a Red Bull logoed car, samples, and educate consumers about the product.

Sales teams also visit target accounts—trendy nightclubs &

Red Bull supplies the bar with a bar cooler and other POP (Point-of-Purchase) items. The sales teams also to get the drink into convenience stores near colleges, gyms, health-food stores and supermarkets.

While Red Bull relies heavily on sampling events at bars and nightclubs, native sports have proved to be a niche for the product. Red Bull underwrote a number of extreme sports competitions and sponsors about three dozen athletes like kayakist Ted Birman, who set a world record by paddling over a 98-waterfall. Another unique event Red sponsors is a DJ Academy. The test one, held in New York City and taught such mix masters as MJ Cole and Shadow Boy, was offered to sixty aspiring DJs from around the world.

Once established in a market, Red employs more traditional advertising: rent ads, posters in an unattended oil dumper and carry the tag "Red Bull Gives Wings." The ads run on late-night TV on popular alternative radio shows. How do marketers like Red Bull decide what type of advertising message should be conveyed to prospective consumers? How do marketers decide which media to use? How do public relations and publicity benefit a marketer?

CONNECT IT

As you finish reading this chapter, think back to the opening story about how Red Bull created and continues to dominate the energy drink category with marketing savvy, guerrilla tactics, and unusual distribution methods. To advertise its products, Red Bull's promotional team went through the same creative

steps as other marketers—from determining what appeal to use to choosing the appropriate executional style. Great effort was also expended in deciding which medium would best reach the desired target market. Public relations and publicity also played a significant role in the success Red Bull has achieved.

OPENING VIGNETTES

Each chapter begins with a new, current, real-world story about a marketing decision or situation facing a company. These vignettes have been carefully prepared to stimulate student interest in the topics to come in the chapter and can be used to begin class discussion. A special section before the chapter summary called **Connect It** answers the teaser questions posed in the opening vignette and helps illustrate how the chapter material relates to the real world of marketing. In the Fourth Edition, you'll read about companies like Soapworks, Coleman, *Maxim*, Red Bull, and Universal Studios.

GLOBAL PERSPECTIVE BOXES

GLOBAL PERSPECTIVES

Powering into Europe

Coca-Cola Company sees the fragmented and fast-growing European sports-drink market as an important opportunity, which is why the company is investing \$40 million to \$50 million to launch Powerade in Europe. It is Coke's biggest marketing push in Europe in six years. "There is an open field in Europe. It's not like the United States," says Keith Parody, director of strategic marketing for Coca-Cola West Europe.

Sports drinks command an even higher premium in Europe than in the United States, where the market is well established. A 500-milliliter bottle of a sports drink costs between 90 pence and £1 (\$1.31-\$1.45) in Britain, for example, compared with about 75 pence for the same size bottle of Coke or Pepsi.

Moreover, Coke believes Europeans aged 13 to 29, the target market for Powerade, increasingly are making sports a bigger part of their lives. Coke says its new Powerade drink increases endurance

during exercise by combining the benefits of a sports drink with the energy boost of drinks such as Red Bull, made by a closely held Austrian company. The formula in Europe is the same as in the new vitamin-B-enhanced U.S. Powerade, but the taste is slightly different because of certain European regulations on ingredients, Mr. Parody says. The look is the same as in the United States, with a futuristic letter "P" logo.

As in the United States, Coke is marketing Powerade to the likes of surfers and skateboarders. Posters to be placed in gyms across Europe as part of the advertising campaign for Powerade will allude to "extreme sports" challenges, for example. But the company hopes the drink will eventually transcend its original use, and that European youths will begin drinking sports beverages more generally, as youths do in the United States.

"We want to grow the market in Europe to the point where you'll use it whenever you need en-

durance, beyond sports occasions," Mr. Parody says.

Powerade will be launched in Britain, Ireland, France, Germany, Spain, Sweden, Turkey, Italy, Poland, Hungary, and Greece. The drink, which will be sold in citrus, orange, and vivid-blueberry flavor, will be distributed first through vending machines in gyms, sports centers, and soccer stadiums before moving to convenience stores and supermarkets.

Advertising for the drink will span billboards, television commercials, sponsorships with sports figures, the Internet, and direct mail. Most of the advertising will be directed at a male audience, as the sports-drink market is generally skewed more toward men in Europe.²⁶

Describe Coke's target market strategy for Powerade in Europe. Explain the marketing mix that the company plans to employ.

Today most businesses compete not only locally and nationally, but globally as well. Companies that have never given a thought to exporting now face competition from abroad. Thinking globally should be a part of every manager's tactical and strategic planning. Accordingly, we address this topic in detail early in Chapter 3. We have also integrated numerous global examples within the body of the text and identified them with the icon shown in the margin.

Global marketing is fully integrated throughout the book, cases, and videos, as well. Our **Global Perspectives** boxes, which appear in

most chapters, provide expanded global examples of the marketing issues facing companies in countries from Asia to Africa to Europe. Each box concludes with thought-provoking questions carefully prepared to stimulate class discussion. You'll read about the Chinese supply chain, marketing beverages in developing nations, and exporting marketing savvy, among others.



ETHICS IN MARKETING

In this edition we continue our emphasis on ethics. The *Ethics in Marketing* boxes, complete with questions focusing on ethical decision making, have been revised in each chapter. This feature offers provocative examples of how ethics comes into play in many marketing decisions. Is it ethical to target teens at school? What about using sex as an advertising appeal? Or conducting racial profiling at retail stores? Students will consider these and many other hotly debated ethical questions.

REVIEW IT

In order to make our **Integrated Learning System** even more effective, we have distributed the end-of-chapter discussion and writing questions within the chapter summary in a **Review It** section. Questions are numbered according to the learning objective to which they correspond. For example, the summary point for learning objective 5 in Chapter 13 has four related questions. They are numbered 5.1, 5.2, 5.3, and 5.4. This reorganization helps students identify questions pertinent to the learning objective they are studying, allowing each chapter to function as a series of modules that can be read over multiple study sessions.

THINK ABOUT IT

In today's business environment, ethics are extremely important. In recent years, there have been numerous scandals and trials that stem from a lack of ethical judgment. In 2002, over 150 companies revised their earnings forecasts, signaling that perhaps their accounting methods were questionable. And who can forget the scandals linked to Adelphia, Tyco, ImClone, WorldCom, and of course Enron and Arthur Andersen?

Although some might say that these occurrences are the work of a few bad apples spoiling the bunch, it is clear that ethical decision making plays a very important role in a company's success and prosperity. **Think About It** is a new ethics exercise appearing in every chapter. A brief scenario presents students with a situation in which the right thing to do may or may not be crystal clear. To help students make appropriate ethical decisions, we always refer students back to the AMA's Code of Ethics, found on-line at <http://www.marketingpower.com>. This gives students a resource for the exercise and also helps reinforce the ethical standards that marketers should uphold.

ETHICS IN MARKETING

It's hard to resist a large group of consumers that is always looking for the Next Big Thing and is a guaranteed captive audience seven to eight hours a day, five days a week, four months of the year. While advertising to kids under eighteen is tricky enough, reaching them at school takes market-ers even further into an ethical gray area.

Marketing Research Unlimited, marketing research firm based in Northbrook, Illinois, estimates that U.S. teens, ages twelve to nineteen, spent a total of about \$155 billion in 2006. While no statistic exists for the total amount spent by corporations each year on school marketing programs.

Analysis of Communication in Education (ACE), a nonprofit academic group dedicated to tracking marketing in U.S. schools, reports that the last decade has seen a 300 percent increase in the number of stores on the subject published or broadcast in the U.S. media.

Despite the increased media attention, in-school marketing programs are nearly invisible to marketers—because of the money that goes to the school store and beyond what local communities and state and federal governments provide. For example, programs to help students with special needs

Lesson Plans

often lack sufficient funds, and the money from marketing agreements can be a boost to districts seeking to fill this void.

Soft drink vending machines in schools are among the most common, and the most controversial, type of in-school marketing agreement. The machines may generate hundreds of thousands of dollars a year in extra revenue for the schools that have them, but they have in the past increased concerns of parents and others about the mix of marketing and education. For example, in 1998 a Georgia high school senior wrote a Pope-sponsored letter on the school-designated "Coke Day."

The result was a day's suspension—and nationwide publicity, including a number of editorial pieces by corporate America's investment in the classroom. The principal ultimately withdrew the suspension and cleared his (the student's) record.

More recently, the machines have been targeted because of the lack of nutritional value in carbonated drinks. One thing that soft drink marketers have done to address these concerns has been to make some a variety of beverages, such as fruit juice and water, are available in school vending machines. However, the move does not make many nationwide happy. They note that many juice drinks

found in vending machines are high in calories, low in nutrition, and not much healthier for kids than soft drinks.

Another education-based program is Pizza Hut's Book It. This program is positioned as a teacher's aid and awards certificates to students in elementary schools who complete reading assignments. "We are not marketing to kids, but providing a literacy curriculum to teachers," says Patty Sullivan, director of public relations for Pizza Hut. Since the Book It program's creation in 1996, Pizza Hut has given away \$178 million in books to schoolchildren. The program has also probably generated additional revenue for the company, assuming that family and friends accompanying the awardee make additional purchases. Meanwhile, the program has received much of the criticism that has been leveled at other in-school marketing programs. Indeed, the U.S. Department of Education has granted

several Certificates of Recognition, citing it as a model educational partnership between a corporation and schools.

Is in-school marketing ethical? Do you think that there is a difference between types of in-school marketing? For example, vending machines versus the Book It program? Explain your answer.



REVIEW IT

5 Discuss the role of public relations in the promotional mix. Public relations is a vital part of a firm's promotional mix. A company fosters good publicity to enhance its image and promote its products. Popular public relations tools include new-product publicity, product placement, consumer education, event sponsorship, issue sponsorship, and Internet Web sites. An equally important aspect of public relations is managing unfavorable publicity in a way that is least damaging to a firm's image.

5.1 How can advertising and publicity work together? Give an example.

5.2 As the new public relations director for a sportswear company, you have been asked to set public relations objectives for a new line of athletic shoes to be introduced to the teen market. Draft a memo outlining the objectives you propose for the shoe's introduction and your reasons for them.

5.3 Reports have just surfaced that your company, a fast-food chain, sold contaminated food products that have made several people seriously ill. As your company's public relations manager, devise a plan to handle the crisis.

5.4 The Ford/Firestone tire recall of 2000 was one of the biggest public relations nightmares of recent memory. How well did the companies handle the situation? Use InfoTrac (<http://www.infotrac-college.com>) to run a keyword search on "Ford public relations." Read a selection of the articles, and then write an analysis of CEO Jacques Nasser's performance in the face of this crisis. What did he do well? What could he have done better? Evaluate his solution to the problem. Has Ford recovered from the recall? What about Firestone?



THINK ABOUT IT

Ethics Exercise

People feel better when they think that they are getting a great bargain when they shop. Knowing this, some retailers mark up items above the traditional retail price and then offer a 60 percent discount. If they had simply discounted the normal retail price by 20 percent, the resulting "sale price" would have been the same. One retailer says that he is just making shoppers happy that they got a great deal when he inflates the retail price before discounting.

Questions

1. What do you think?
2. Does the AMA Code of Ethics address this issue? Go to <http://www.marketingpower.com> and review the code. Then, write a brief paragraph summarizing what the AMA Code of Ethics contains that relates to retail pricing.

TRY IT: ENTREPRENEURSHIP CASE

TRY IT

Entrepreneurship Case Cool and How to Find It: Look-Look

You can't always believe what you hear, particularly in the fast-moving world of youth trends. That is, unless you listen to Sharon Lee and DeeDee Gordon, founders of Look-Look, the most accurate information resource on the global youth culture. The pair founded the company in 1999, determined to find whatever makes the cultural spider-sense tingle—music, shoes, clothes, games, makeup, food, and technology. Lee and Gordon took Look-Look on-line in 2000, and the company has quickly risen to be the paragon of trend forecasting in the youth market. How?

When Sharon Lee needs to know what's cool, she taps into a network of experts the CIA would envy. It's a Web-linked weave of nearly ten-thousand volunteers, and part-timers, aged fourteen to thirty, recruited over several years at clubs and hangouts around the country, from New York to Los Angeles and points in between, to report on their world.

Look-Look's multilevel database is populated with thousands of prescreened recruits who log on to answer surveys and polls, register opinions, and communicate for points that can lead to cash, digital cameras, and other techie toys. Some of the recruits, armed with digital cameras, can photograph their world, then upload the pictures, send e-mail reports, and use Look-Look's Intranet message boards. The young field agents might snap anything from a rave to their bedroom walls. Look-Look relies on "early adopters" and "influencers" to provide the layers of information that traditional research only skims. Look-Look is a cool seeker, paid by major marketers to get the first bead on what's next on the horizon. With a cool seeker's expertise, even the most staid company can be on the razor's edge: Look-Look ferreted out the then-uncharted popularity of under-a-dollar stores, fold-up scooters, and over-the-shoulder bags.

Cornerstone Promotion, a Look-Look rival, was behind Microsoft's successful launch of the Xbox video-gaming system. "Seventy kids got units," said Cornerstone's president.



Entrepreneurship, whether in the newest dot com or in America's largest corporations, is what fueled the greatest period of expansion in American history. Nine chapters have new entrepreneurship cases highlighting the challenges facing entrepreneurs in the 21st century. Try It cases focus on a wide variety of companies, like Look-Look (a marketing research company specializing in cool spotting), Identix (maker of optical identification systems based on a person's biological features, such as eye patterns or fingerprints), Global Lightwave (an Israeli optics company), IslanderISP (an Internet service provider started by high-school students on Seattle's exclusive Mercer Island suburb), and Noodé (a skin care

company and product line for Generations X and Y).

But we also recognize that entrepreneurial activities take place across the Fortune 500, so we profile industry giants like W. W. Grainger, which offers over 600,000 maintenance, repair, and operating items, and Valvoline. Both have used a highly entrepreneurial approach in various parts of their business. Your students will find these cases an exciting and challenging aspect of each chapter. But our coverage of small business issues doesn't stop there.

Many students will either work for a small business or strike out on their own to form an organization. For this reason, we continue to include **Apply It: Application for Entrepreneurs** at the end of each chapter. Try It cases apply general marketing concepts to the world of start-ups and small business. The **Apply It** exercises are scenarios that require students to apply the material in the chapter to a small business marketing situation. In addition, small business examples throughout each chapter are identified by the icon in the margin.



WATCH IT



Video is a valuable teaching tool, so this edition has a completely new video package that combines short, medium, and long segments. Watch It gives students a brief description of segments relating to that chapter. For instance, in Chapter 8 (Product and Services Concepts), the short segments are ads for Kenmore, Chrysler, Radio Shack, and AOL with WebMD; the medium segment is about organic labeling; and the long segment is about Fluker Cricket Farms in Baton Rouge, Louisiana. Students are prepared for video viewing in or out of class by reading the Watch It at the end of the chapter.

the software that allowed users to make full use of the better quality maps available at Topzone.com. To work within the new product development business model, Maps à la Carte sold almost 20 percent of the company to Navteq, a Canadian mapping company, in June 2000 for approximately \$1 million. Navteq is a wireless navigation technology company specializing in the development and manufacture of personal navigation devices. Along with this 20 percent acquisition, the companies will work together to further develop topographic mapping systems for the outdoor recreation market.

As entrepreneurs, McNierney and Everett developed and introduced a product that satisfied a need of outdoor enthusiasts and others. With a major investment by Navteq, the two most focus upon extending the product concept into new markets and/or product extensions. With the fast pace of change and development in Internet-related offerings and a slew of potential competitors, McNierney and Everett have to move quickly.

QUESTIONS

1. What type of product does Topzone.com offer?
2. Should Maps à la Carte consider a branding strategy?
3. Should Maps à la Carte combine with Navteq in a cobranding strategy? What would be the benefits of cobranding?

WATCH IT

VIDEO

The *Essentials of Marketing* PowerPoint CD-ROM has four ads in the Chapter 8 slide presentation. The concepts of homogeneous shopping products, product line, cobranding, private brands, and warranty are illustrated in ads for AOL/Health, Kenmore, Chrysler, and Radio Shack. While watching the ads, write about the concepts you see in each ad.

VIDEO

What makes a product organic, and what does hypoallergenic actually mean? The first CNN clip for Chapter 8 addresses products and issues relating to standardizing the organic claim. A second CNN clip shows how Marvel Comics and others have extended their comic book brands like Superman, Spiderman, and the Hulk to the big screen, effectively transforming their products into services.

VIDEO

To give you insight into Chapter 8, *Small Business School* will take you to Fluker Cricket Farms in Baton Rouge, Louisiana. Richard Fluker started the business when he couldn't find bait before going fishing. Now his product line includes gourmet snacks! Watch the segment and see how real businesspeople are working with the concepts of product line, line, and mix.

TRY IT

Flip to Chapter 8 in your *Gratemaker Study Guide* for more review opportunities, including the pretest, vocabulary review, Internet activities, study test questions, and a marketing application based on product concepts. Can you describe the branding? Do you know the difference between product lines, items, and mixes? If you're not quite sure, then you need to review with your *Gratemaker*.

Still Shaky? Here's a Tip

Pick up a recent copy of the *Wall Street Journal* at a newsstand or library and read several articles in the Marketplace section (section B). What product issues are facing the companies you read about? Make two lists, one of marketing concepts you read about and one of product topics.

FLIP IT AND CLICK IT

Because we offer a comprehensive set of learning resources, students may not know what is available to help them study. The Fourth Edition adds two brief new sections at the end of each chapter to help students identify the study aids that are right for them. **Flip It** describes learning opportunities in the Grademaker Study Guide and Workbook. **Click It** reminds students of the many resources at their disposal at <http://lamb.swlearning.com>, and lists the materials for review on Xtra!

CLICK IT!

- Do your dedicated Power Point CD-ROM, you will link various ads that illustrate consumer behavior.** Also from Business Minutes, find brief pieces on examples of how marketers deal with the terrorist attacks of September 11. Add from McDonald's and Charles Schwab illustrate other jobs working in the consumer buying process.
- Check out the description of driving consumer behavior for the early 2000s, while the media were reporting on the decline. Consumers were still spending as they had in previous months because they still had personally through sales. Do it in preparation to study the more important factor in driving consumer behavior? What is the DMU due to the new environment? The DMU tips the Chapter 11, the next section will discuss consumer behavior concepts.**
- Go to Chapter 4 in your Grademaker Study Guide for more review opportunities.** In the past, secondary sources have been essential. Study tips, questions, and answer keys are available. Do you know the major factors that influence a consumer's buying behavior? What are the major factors that influence a consumer's buying behavior? What are the major factors that influence a consumer's buying behavior? What are the major factors that influence a consumer's buying behavior?
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MARKETING MISCUES

Mistakes can have tough consequences, but they also offer a great lesson. This is especially true in marketing. At the end of each part you will find new cases that describe good and bad ideas that couldn't make it in the rough and tumble marketplace. Often amusing and always interesting, these cases about Kmart, Metricom, Jeremy's Microbatch Ice Cream, and Duracell will help your students avoid the same mistakes made by these well-known companies.

MARKETING MISCUES

Kmart's Blue Lights Are in the Red, and There's Nothing Special about It

Is there anything special about Kmart anymore? Do consumers know what Kmart and its brands stand for? Does Kmart have an image in the retail marketplace? Answers to these questions were crucial to Kmart's long-term survival as the company entered into Chapter 11 bankruptcy proceedings in early 2002. Kmart's case was the largest retail bankruptcy filing in U.S. history, as well as the sixth-largest bankruptcy case in U.S. history.

More than a hundred years ago, Sebastian Kresge opened his first five-and-dime store in Michigan. This store was the first of what would come to be known as the S. S. Kresge Company. The company's business philosophy was to offer products that consumers needed at prices they could afford. In doing so, management expected that customers would keep returning. The company thought it had found the key to customer loyalty.

Unfortunately for Kresge, another retailing guru would soon enter the picture. In 1962, when Kresge launched the Kmart concept, Sam Walton was setting in motion the debut of Wal-Mart. Kmart never expected that the retailing showdown with Wal-Mart would ultimately result in Kmart's appearance in bankruptcy court. For forty years, it battled Wal-Mart, and in the end, Kmart had lost. What went wrong?

According to market analysts, Kmart made a series of strategic and tactical blunders. Strategically, Kmart failed to differentiate itself as a retailer. It

concerns such as poor customer service, long check-out lines, inconsistent pricing, dingy stores, empty shelves, and old merchandise as issues that led to Kmart's downfall.

Some would say that this downfall should not have come as a surprise to Kmart management, employees, and customers. Kmart appeared to have focused solely on its competition and what they were doing rather than focusing on its customers and what they wanted. In the end, Kmart could not differentiate itself from Wal-Mart because it could not price below it. Nor could Kmart sway Target customers because it appeared unable to provide the in-store experience that made customers feel like they purchased discounted clothing.

At the time of its bankruptcy filing, Kmart was the third largest retailer in the United States, with 2,100 stores across the United States and Puerto Rico. While Kmart was filing Chapter 11, Wal-Mart boasted sales of \$200 billion, with growth rates of 15 to 20 percent, and Target's 1,065 stores posted record sales revenue of \$37 billion. With competition like this, these were doubt as to whether Kmart could rectify its past strategic mistakes and differentiate itself in the retail marketplace. Could Kmart devise a unique and compelling strategy that would leave the company's fractured image behind? Or, should Kmart's blue lights be turned off forever?

Questions

1. Is this an example of poor strategy formulation or poor strategy implementation?

CRITICAL THINKING CASES

Making smart decisions is at the heart of successful marketing. **Critical Thinking Cases** at the end of each part put your students in the role of decision maker. They will evaluate the marketing plans of well known organizations like Hewlett-Packard, Square Two Golf, Segway, and iTunes.

CRITICAL THINKING CASES

Apple Rides into the Music Sales

Based in Cupertino, California, Apple has been at the forefront in innovative computer design. The company brings the computer revolution in the 1970s with the Apple II and then reimagined the personal computer market in the 1980s with the Macintosh. Now, in the twenty-first century, Apple is emerging as a leading innovator in the music industry with its iTunes music store.

Like most Apple product launches, iTunes was rolled out in spectacular fashion. Taking its stage at San Francisco's Moscone Center to the sound of David Byrne's "Changes," Apple CEO Steve Jobs announced the iTunes music store, along with improvements to the company's iTunes software and personal music player. Apple has managed to fashion a near-perfect retail outlet on the Web, clearly taking cues from Amazon and, more subtly, from Starbucks, Crate & Barrel, and a few other vanguard retailers. A multimillion dollar television advertising campaign followed the iTunes store launch. Chai-Day created ads that featured unknowns working in songs while listening to their iPods with the tag line, "Your favorite songs. 99 cents."

iTunes does what Napster and Kazaa were unable to do: legally distribute music electronically. After numerous meetings with over 150 music label executives, Jobs assembled a database of around 250,000 songs from all five major record labels, including some artists who had previously resisted on-line distribution, such as Eminem, U2, and the Eagles. Music lovers can easily search iTunes' broad catalog of songs and then listen to a thirty-second clip before deciding whether to buy the track. On average, people listen to about ten sample clips before buying a track. After making a selection for an individual, a customer can download single—entire albums—at the price of 99 cents per track with no subscription fee, and the cover art is included. Once downloaded, the AAC file format song is locally stored in the iTunes library on the user's Macintosh computer. Purchased tracks are managed in property of the customer. They are shared among as many as three other computers, transferred onto an iPod, or burned to CD. The only restriction in that each playlist can be burned no more than ten times.

Initially, only users of Apple's Mac OS X operating system could shop at the store. Even with the small (some would say minuscule) market, iTunes sold over 5 million songs in its first eight weeks, and over 80 percent of the songs in the database were purchased at least once. Surprisingly, 45 percent of all songs are purchased as part of an album, not as single tracks. The initial success of iTunes signals the likelihood of a bloodlet in the real money—the much bigger Microsoft-driven PC market. As existing and upstart competitors begin to capitalize on Apple's success, a floodgate could open for new sales, as thousands of previously unavailable songs go on-line legally.

Despite the healthy start, industry analysts are concerned about the 99-cent price. Major labels are charging Apple approximately 70 cents per download, so burning it at a lower price is not a viable option. Considering the other costs associated with the sale, Apple is making only cents on the dollar from iTunes.

Questions

1. Will iTunes change the way major record labels promote their music? How?
2. How does the supply and demand relationship work in Apple's iTunes model?
3. What is Apple's pricing strategy with iTunes? How can it fine-tune its base price of 99 cents per song?

WE GRAB THEIR ATTENTION

We have done extensive research to provide a comprehensive, up-to-the-minute introduction to the field of marketing. Because we weave hundreds of real-world examples into our discussions, our text is called lively and interesting. You should know that this never means superficial or shallow. The latest concepts are covered in detail in a lucid manner with numerous illustrations. For example, in Chapter 2 on the marketing environment, you'll read this passage.

In recent years there have been explosive population increases among African Americans, Hispanics, and Asians, with those groups now accounting for 79 million out of 281 million Americans. Collectively, they represent an estimated \$1 trillion in annual spending power. Hispanics are the fastest growing segment of the population. The diversity of the U.S. population is projected to stabilize around 2023, as the birthrate of minorities levels off.

Is this straightforward information that students need to know? Absolutely. Does that mean that students find this and the other concepts and research-based facts presented in their book very compelling, let alone interesting? Maybe, maybe not. But what we do is combine this information with examples of how real companies are using that information to their benefit (or not using them, to their detriment). The passage below is also in Chapter 2, and it shows how Procter & Gamble, one of the largest global consumer products companies, is using demographic statistics (like those above) in its Multicultural Market Development Organization.

Procter & Gamble has created a new "Multicultural Market Development Organization" to reach minority markets. Now, every six months, the firm sends out 4.5 million copies of its promotional magazine "Avanzando con tu Familia," or "Getting Ahead with your family." That's one copy for every two Hispanic households. Marketers have reworked the Spanish slogan for Cover Girl makeup, and product developers are creating new Secret deodorant scent names that they hope will appeal to Hispanic consumers. In addition, P&G's new line of Pampers diapers with a "cloth-like backside" come in boxes written in both English and Spanish.

This is just one example of how we have illustrated the principles and concepts in this book with literally hundreds of fresh, new examples.

IT'S EASY TO LEARN

Since the First Edition, one of the hallmarks of *Essentials of Marketing* has been its **Integrated Learning System**. Many of today's students are not only students—many work, commute, and some even have families of their own. This can make it hard to read a chapter in a single sitting. In fact, it can take anywhere from two to five sittings to completely read through a chapter once. With all the starting and stopping of studying, it can be hard to retain the chapter concepts.

Our unique **Integrated Learning System** breaks each chapter into modules organized around the learning objectives, which are placed in the margin throughout the chapter. Students know exactly where a learning objective begins and where it ends. And in the Fourth Edition, we have separated the review questions at the end of each chapter and placed them after the appropriate summary point. Students can answer the questions that relate to the material they have just read. Likewise, the **Grademaker Study Guide and Workbook** is organized by learning objective, with different types of review questions for each objective. Students can divide the material in each chapter into manageable chunks, read it, review it, and practice it—without losing it!

WE INTEGRATE TECHNOLOGY IN A MEANINGFUL WAY

From the beginning, we have integrated new technologies into our **Integrated Learning System** in a meaningful way. The Fourth Edition continues this tradition by adding new and exciting content to our technology materials. We have also enhanced and refined popular media supplements to bring concepts alive in the classroom.

XTRA!

Our new Xtra! is like no other. We have included extra content modules on competitive intelligence and multicultural marketing. In a brand new video feature, each chapter has an "Ask the Author" segment in which one of the authors responds to frequently asked questions about the marketing topics discussed in the given chapter. For Xtra!, we have revised the **Marketing Planning Worksheets** to make them easier to use, plus we have created **new exhibit worksheets** for the tables and diagrams in the text. Students can print out the worksheets, and following the instructions on the sheet, fill in the diagram or table. They can then check their recall of important topics using the actual text exhibit. Other self-assessment tools include a quiz for each chapter that contains questions similar to what they will see on exams and in the **Grademake Study Guide and Workbook**. And lastly, Xtra! features a copy of the **PowerPoint™** presentation.



FRESH INTERNET ACTIVITIES AND REAL-TIME EXAMPLES



Despite the technology bust of 2000, the Internet is here to stay and continues to be a powerful resource for teaching and learning. Each chapter of *Essentials of Marketing* contains numerous examples of the Internet's role in marketing, designated throughout the text by the icon in the margin. In addition, we regularly offer opportunities for students to use the Internet to further their study of chapter content. **On Line** activities with URLs appear in the margins throughout each chapter and are tied to either organizations mentioned in the text or the concepts being discussed. For example, in Chapter 4, students will read about how gender marketing is influencing the video game industry, which is beginning to develop new games based on popular female characters like Barbie and Nancy Drew aimed at capturing female customers. The On Line activity below allows students to explore this trend in greater detail.

Because each activity calls for student effort and feedback, you can use these mini-exercises as additional assignments or quizzing opportunities. We have kept the best exercises from the Third Edition and added ninety new ones. Knowing how fast the Internet changes, we have made a concerted effort to create exercises and direct students to sites that have staying power and that will not become obsolete by the end of the semester.

Links to all URLs in the book are located on the text's Internet site at <http://lamb.swlearning.com>.

GameGirlz

What kind of games are available at the Game-Girlz Web site? How do the games "for" girls differ from the games "for" boys at GameSpot?

<http://www.gamegirlz.com>



<http://www.gamespot.com>

On Line



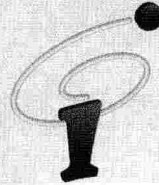
TECHNOLOGY EXERCISES THAT REINFORCE THE CHAPTER CONCEPTS


Nearly every chapter has multiple technology assignments in the **Review It** section. Questions that contain a technology component are identified with the on-line icon. For example, after reviewing the factors that affect the promotional mix in Chapter 12, students are sent to the Web for the following activities:

- 7.2  Choose two companies, one a consumer-products company and the other an on-line retailer. Conduct some research on these two companies in terms of their promotional practices by observation (such as looking in magazines, the newspaper, television, Web site, etc.) and searching at your campus library. You may also use InfoTrac (<http://www.infotrac-college.com>) to locate any articles written on the promotional activities of the companies you select. Describe some of the types of promotions that these companies have engaged in during the last year—for example, ran television ads, sponsored an event, held a sweepstakes, or expanded sales force. To the best of your abilities, determine the objective of each promotion in relation to the AIDA model. For example, the objective of a magazine ad might be to gain attention or to create interest, while the objective of a coupon might be to stimulate the action of purchase. Also note if the companies' promotions are integrated or not.
- 7.3  Visit <http://www.teenresearch.com>. What research can this company offer about the size and growth of the teen market, the buying power of teenagers, and their buying habits? Why might these statistics be important to a company targeting teenagers in terms of marketing communications and promotion strategy?

In addition to the numerous Internet assignments throughout the book, we continue to offer students access to the InfoTrac database maintained by the Gale Research Group. InfoTrac contains over 14 million articles from over 3,800 sources dating back to 1980. Students can use InfoTrac to connect with the real world of marketing through refereed academic journals, business and popular magazines and newspapers, and a vast array of government publications.

With so many articles and publications at the students' disposal, they could get lost in research. So we have created guided exercises to help them develop their research and critical reading skills. For instance, in Chapter 15, after students review the government regulations that affect pricing, they can do the following exercise:



- 8.1  What kind of factors can push a respectable firm to enter a price-fixing arrangement with a competitor? Using InfoTrac (<http://www.infotrac-college.com>), read about the price-fixing scandals that rocked the art auction industry or the Hollywood movie studios and Blockbuster Video during 2001 and 2002. If there are more current scandals, read a selection of articles on a particular industry. Then compile a list of business practices and pricing issues that are present in the reports of each scandal. Is each scandal unique, or are there overlapping characteristics? What conclusion can you draw about price fixing from the articles you read? How does the federal government deal with price fixing?

InfoTrac exercises like this one can be found throughout the text to either guide an original research project or provide structured reading exercise.

NEW INTERNET MARKETING CHAPTER

E-commerce changes at the speed of light. We completely rewrite Chapter 14, Internet Marketing, with each edition to keep pace with the dynamic world of e-commerce. The latest marketing innovations, technology shifts, and dot com successes and failures are covered like no other text. We don't neglect the traditional companies but explain how many of these firms are morphing to "bricks and clicks." Our Internet Marketing chapter is located at the text's Web site at <http://lamb.swlearning.com> and contains all of the features of our print chapters with the added bonus of direct links to company examples and sources of information.

WHO WANTS TO BE A MARKETER

When we debuted **Who Wants to Be a Marketer?** with the Third Edition, we did not anticipate how popular it would become. Developed by John Drea of Western Illinois University, this exciting supplement to the Fourth Edition of *Essentials of Marketing* by Lamb, Hair, and McDaniel is an in-class, computer-based game. **Who Wants to Be a Marketer?** is a fun and exciting way to review terminology and concepts with students. This easy-to-use game only requires Microsoft PowerPoint™ and a method to display the screen to the entire class (such as a data projector). **Who Wants to Be a Marketer?** has two rounds of fifty original questions per each chapter, for a total of 1,500 questions! **Who Wants to Be a Marketer?** is only available for adopters of *Essentials of Marketing* by Lamb, Hair, and McDaniel.

WE OFFER A ROBUST, COMPREHENSIVE WEB SITE

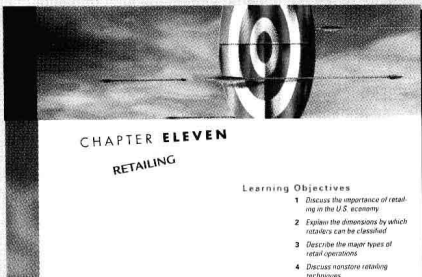
Lamb, Hair, and McDaniel's Web site contains a wide array of supplementary products for instructors to use to enhance their course material and presentations, and for guiding students down the path to a clear understanding of the concepts presented within the text. It also offers Web pages dedicated to students' needs and geared toward helping them succeed. The instructor's site includes: the entire Test Bank, the entire Instructor Manual, "Great Ideas in Teaching Marketing," the entire PowerPoint™ presentation with hyperlinks in viewable and printable formats, case updates for all the end-of-chapter and end-of-part cases (one update per case per semester), and "Who Wants to Be a Marketer?" The abundant student materials include:

- ② The **Interactive Study Center** contains materials for every chapter of *Essentials of Marketing, 4e*: crossword puzzles of marketing terminology; Internet Applications which contain **On Line** margin activities plus **Use It** and **Review It** items from the text that have an Internet component; and interactive quizzes with a self-assessment for each chapter.
- ② A downloadable set of **PowerPoint™** slides and the order form for the **Grademaker Study Guide** and **Workbook**, plus an abridged sample chapter from the study guide can be found on the **Student Resources** page.
- ② **Chapter 14** on **Internet Marketing**.
- ② The **Marketing Plan Project** features a new small business every semester. Students can read the case and develop a marketing plan for a real company struggling with various marketing issues. In conjunction with questions keyed to every chapter, instructors can use the **Marketing Plan Project** as a comprehensive case. Without the questions, the case provides the basis for a student project, which can be submitted at its completion to the profiled company via the publisher as part of the **Marketing Plan Project Contest**. Guidelines and contest rules appear on the **Marketing Plan Project** page at <http://lamb.swlearning.com>.
- ② To help students get started in the field of marketing, the Lamb, Hair, and McDaniel Web site features **Your Marketing Career**. This valuable tool presents information on a variety of marketing careers and includes helpful advice and a multitude of resources for starting a marketing career. A self-assessment tool, career listings with compensation ranges, a features-advantages-benefits model to help students determine job fit, a list of resources for job prospecting, information on how to write a résumé, and a pre-interview checklist are only some of the many career materials available at **Your Marketing Career**.
- ② **Career Exersites** are unique Internet activities designed to help students use the Web as a career research tool. Developed specifically for each chapter, the exersites give students resources for researching a marketing career in a field related to the chapter content. For example, the exersite for Chapter 7 (Decision Support Systems and Marketing Research) lists useful Web sites for exploring a career in marketing research with an activity to help build career skills.
- ② **Net News** allows students to read marketing news without having to cull through the plethora of business periodicals to find it. Each article consists of current news relating to the chapter topics. Discussion questions follow the article to help students apply what they know to the situation presented.



WHAT MAKES ESSENTIALS OF MARKETING SO POPULAR WITH INSTRUCTORS?

OUR INTEGRATED LEARNING SYSTEM™






Nonstore Retailing

The retailing methods discussed so far have been at the origin in-store methods, in which consumers must physically shop at stores. In contrast, **nonstore retailing** is shopping without visiting a store. Because consumers demand convenience, nonstore retailing is currently growing faster than in-store retailing. The major forms of nonstore retailing are automatic vending, direct retailing, direct marketing, and electronic retailing.

4

Discuss nonstore retailing techniques.
nonstore retailing
Shopping without visiting a store.

4 Discuss nonstore retailing techniques. Nonstore retailing, which is shopping outside a store setting, has three major categories. Automatic vending uses machines to offer products for sale. In direct retailing, the sales transaction occurs in a home setting, typically through door-to-door sales or party plan selling. Direct marketing refers to the techniques used to get consumers to buy from their homes or place of business. Those techniques include direct mail, catalogs and mail order, telemarketing, and electronic retailing, such as home shopping channels and on-line retailing using the Internet.

- 4.1  Go to the Gift Shop at on-line wine retailer Wine.com's Web site at <http://www.wine.com/>. How does this site help shoppers select gifts?
- 4.2  How much does the most powerful computer with the fastest modem, most memory, largest monitor, biggest hard drive, and all the available peripherals cost at <http://www.dell.com/>? Then visit a store like Best Buy or Circuit City and price a comparable computer. How can you explain any price differences between the two retail operations? Explain any differences in features that you encountered. What conclusions can you draw from your research?
- 4.3  Why should retailers market their printed catalogs on-line? Look at Web site <http://www.catalogsite.com>.

All of our new and exciting content is anchored by the cornerstone of our text, our fully **Integrated Learning System**. The text and all major supplements are organized around the learning objectives that appear at the beginning of each chapter, so *Essentials of Marketing 4e* is both easy to teach from and to learn.

A numbered icon like the one shown in the margin identifies each objective in each chapter and appears next to its related material throughout the text, Instructor's Manual, Test Bank, and Study Guide. In other words, every learning objective links the text, Study Guide, Test Bank, and all components of the Instructor's Manual.

Chapter learning objectives are the linchpin of the **Integrated Learning System**. They provide a structure for your lesson plans— everything you need to assure complete coverage of each objective icon. Do you want to stress more on learning objective 4, Chapter 11, "Discuss nonstore retailing techniques?" No problem. Go to the Instructor's Manual, objective 4, Chapter 11, and you'll find supplemental material. Do you want to emphasize the same objective on an exam? In every chapter in the Test Bank, questions

are organized by type and level of difficulty. Now you can test on objective 4 by type of question and degree of difficulty. This value-driven system for you, the instructor, delivers what it promises—full integration.

The integrated system also delivers value for students as they prepare for exams. The learning objective icons identify all the material in the text and Study Guide that relate

to each specific learning objective. Students can easily check their grasp of each objective by reading the text sections, reviewing the corresponding summary section, answering the Study Guide questions for that objective, and returning to the appropriate text sections for further review when they have difficulty with any of the questions. Students can quickly identify all material relating to an objective by simply looking for the learning objective icon. And every chapter still concludes with a detailed study tip to help students master marketing concepts.

Still Shaky? Here's a Tip.

Studying for comprehensive exams doesn't have to be a chore. Form a study group. Photocopy the *Marketing 7e* glossary and cut it into strips, one term per strip. Put all strips into a large bowl. Divide into teams and draw out one strip at a time. Quiz the opposing team and then read the correct answer. You can do the same with the summary sections at the end of each chapter. You can tabulate points, but you'll all win!

OUR TEXT PEDAGOGY EXCITES AND REINFORCES LEARNING

Pedagogical features are meant to reinforce learning, but that doesn't mean that they have to be boring. We have created teaching tools within the text itself that will excite student interest as well as teach.

⊗ **Cross-Functional Connections:** No marketer is an island. Marketing professionals work with every functional area of the company. The **Cross-Functional Connections** that open every part explore the give and take between marketing and all other business functions. Solutions to the topical questions are provided at the end of each part so that students can test their understanding of how marketing is integrated with the other functions of business.

- ⊙ **Opening Vignettes, Revisited at Chapter Conclusions:** Each chapter begins with a new, current, real-world story about a marketing decision or situation facing a company. A special section before the **Review It** chapter summary called **Connect It** answers the teaser questions posed in the opening vignette and helps illustrate how the chapter material relates to the real world of marketing.
- ⊙ **Use It:** Students are often heard to comment, “Yes, I can use this information when I graduate and get into my career, but what take-away value can I get right now?” **Use It** addresses this concern by covering a topic related to the chapter that the student can put to work today. For example, in Chapter 3 (Developing a Global Vision), **Use It** tells students how to find a job overseas and also offers tips on changing money abroad.
- ⊙ **Define It:** Key terms appear in boldface in the text, with definitions in the margins, making it easy for students to check their understanding of key definitions. A complete alphabetical list of key terms appears at the end of each chapter as a study checklist called **Define It**, with page citations for easy reference.
- ⊙ **Review It:** Each chapter ends with **Review It**, a summary that distills the main points of the chapter. Chapter summaries are organized around the learning objectives so that students can use them as a quick check of their understanding of chapter concepts. Discussion questions and activities are under the learning objective to which they pertain.
- ⊙ **Writing Questions:** To help students improve their writing skills, we have included writing exercises with the **Review It** questions at the end of each chapter. These exercises are marked with the icon shown here. The writing questions are designed to be brief so that students can accomplish writing assignments in a short time and grading time is minimized.
- ⊙ **End of Chapter Team Activities:** The ability to work collaboratively is key to success in today’s business world. End-of-chapter team activities, identified by the icon shown here, give students opportunities to learn to work together by engaging in consensus building and problem solving.
- ⊙ **Apply It—Application for Entrepreneurs:** These short scenarios prompt students to apply marketing concepts to small business and entrepreneurial settings. Each scenario ends with provocative questions to aid student analysis and comprehension.
- ⊙ **Think About It—Ethics Exercise:** Short ethical dilemmas help students practice doing the right thing. Questions following each scenario prompt students to make an ethical decision and refer them to the AMA Code of Ethics.
- ⊙ **Try It—Entrepreneurship Case:** All chapters contain **Try It**, an entrepreneurship case with questions to help work through problems facing real small business companies today.



All components of our comprehensive support package have been developed to help you prepare lectures and tests as quickly and easily as possible. We provide a wealth of information and activities beyond the text to supplement your lectures, as well as teaching aids in a variety of formats to fit your own teaching style.

INSTRUCTOR RESOURCE CD-ROM

Managing your classroom resources is now easier than ever. The new Instructor Resource CD-ROM contains all key instructor supplements—Instructor's Manual, Test Bank, and PowerPoint™.

POWERPOINT™ CD-ROM

To take full advantage of the new features of the *Essentials of Marketing 4e* PowerPoint™ presentation, you'll want to use the customizable PowerPoint™ CD-ROM. Many of the hundreds of full-color images provided with *Essentials of Marketing 4e*, contain valuable teaching notes to help guide you through your lecture. In addition, hyperlinks to the **On Line** activities in the chapter margins are embedded in each chapter of slides so that you can maximize your use of these activities during class time, and short thirty-second television ads from recent Super Bowl broadcasts are embedded in the slide presentation and only viewable through the PowerPoint™ CD-ROM. All you need is Windows to run the PowerPoint™ viewer and an LCD panel for classroom display.

TRIPLE OPTION VIDEO PACKAGE

The video package to accompany *Essentials of Marketing 4e* is the most comprehensive in our history. We provide you with three options for video use: Each chapter has a combination of thirty-second clips (short) embedded in the instructor's PowerPoint™ CD-ROM presentation, two- to four-minute clips (medium) for classroom viewing, and a ten- to fifteen-minute clip (long) for both classroom viewing and home viewing via the new video CD-ROM. There are fifty-two short clips, seventeen medium clips, and thirteen long segments.



The short clips consist of television ads that were originally broadcast during the Super Bowl games. The medium clips have been pulled from CNN's news footage archives and show how marketing principles operate in the world of big business. And the long clips are excerpted footage from various episodes of the thirty-minute **Small Business School (SBS)** program broadcast nationwide on PBS.



Each chapter has a designated **SBS** segment as the lead segment for that chapter, but because the **SBS** programs cover all aspects of business, **SBS** segments raise more issues than just those presented in the assigned chapter. For example, the lead segment for Chapter 1 is on Wahoo's Fish Taco, a uniquely Californian restaurant, but the content in the Wahoo's Fish Taco segment also relates to material in Chapter 4 (Consumer Decision Making), Chapter 6 (Segmenting and Targeting Markets), Chapter 11 (Retailing), and Chapter 13 (Advertising, Sales Promotion, and Public Relations). The rich **SBS** videos will help reinforce learning by showing people who are doing marketing every day—and not according to thematic units. The multifaceted **SBS** videos give you maximum flexibility in how you use the videos, and combined with the short and medium option videos, the possibilities are endless!

A VALUE-BASED INSTRUCTOR'S MANUAL LIKE NO OTHER, THE CORE OF OUR INTEGRATED LEARNING SYSTEM™

Our Instructor's Manual is the core of our **Integrated Learning System**. For the Fourth Edition of *Essentials of Marketing*, we have made our popular Instructor's Manual even more valuable for new and experienced instructors alike. Here is a list of the new features that will reduce class preparation time:

- ⊗ Suggested syllabi for twelve- and sixteen-week terms.
- ⊗ A pedagogy grid for each chapter briefly laying out 1) all the options the professor has in the chapter and 2) what key points in the chapter each feature addresses. The features included on the grid are the opening vignette, the boxed features, **Use It, Apply It, Try It**, and each video option.
- ⊗ Three suggested lesson plans for each chapter: a lecture lesson plan, a small-group-work lesson plan, and a video lesson plan.

We have retained the proven features like the detailed chapter outline, lists of support material, supplemental articles, additional class activities, and solutions for all **Review It, Apply It, and Try It** and part cases in the book. Our manual is truly "one-stop shopping" for instructors teaching any size of marketing course.

COMPREHENSIVE TEST BANK AND WINDOWS TESTING SOFTWARE

To complete the **Integrated Learning System**, our enhanced Test Bank is organized around the learning objectives. It is available in print and new Windows software formats (ExamView testing software).

With ExamView, you can choose to prepare tests that cover all learning objectives or emphasize those you feel are most important. This updated Test Bank is one of the most comprehensive on the market, with over 3,000 true/false, multiple-choice, scenario, and essay questions. Our testing database, combined with the ease of ExamView, takes the pain out of exam preparation.

WEB TUTOR™ ADVANTAGE

WebTutor™ Advantage puts you ahead of the game in providing on-line course management for instructors and on-line learning for students. It contains all of the interactive study guide components that you could ever want and many valuable technology-oriented additions you never thought you'd get! **WebTutor™ Advantage** also contains e-lectures—this valuable student resource combines the robust PowerPoint™ presentation with narration. **WebTutor™ Advantage** also contains the Small Business School digitized videos and pedagogy, "Ask the Authors" video segments, and the "Who Wants to Be a Marketer?" game.

WebTUTOR™ Advantage