

J. Paul Peter • James H. Donnelly, Jr.



6th Edition

Marketing Management

Knowledge and Skills

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To Gayla Donnelly
—Jim Donnelly

To Rose and Angie
—J. Paul Peter

Preface

Our goal in the first edition of *Marketing Management: Knowledge and Skills* was to develop and offer a complete student resource for marketing management education. Our goal remains the same for this, the sixth edition. However, the resources students and instructors need have changed and thus, this edition has changed. Our focus, however, remains the same. We seek to enhance students' *knowledge* of marketing management and to develop their *skills* in using this knowledge to develop and maintain successful marketing strategies.

■ Changes in This Edition

The basic structure of our text has been expanded in this edition and the following changes have been made:

1. The text chapters are an important part of our book. Accordingly, they have been completely updated and revised for this edition. Several chapter title changes from the previous edition reflect these revisions. Some specific content changes include new coverage of the crossfunctional aspects of strategic marketing planning, product management, and new product development and sales; an expanded discussion of the marketing research process and sources of marketing research information; expanded coverage of consumer decision making, vendor analysis, and organizational purchasing policies and procedures; additional discussion of geodemographic segmentation and product positioning; new discussions of integrated market communications, strategic partnerships, and strategic alliances; new coverage of wholesaling and store and nonstore retailing; and an entirely rewritten global marketing chapter with expanded coverage of global marketing research.
2. A new section in this edition provides eleven Internet exercises for those instructors wishing to add them to the skill development component of their course. These exercises were developed to relate specifically to the content of the text chapters. The exercises are all strategic in focus and allow students to relate the concepts in the text to the challenges of marketing on the Internet.
3. Finding relevant new cases is always a challenge. We have been fortunate to continue to locate truly outstanding new cases. Combining this and the previous edition, 39 new cases have been included, 14 of which are specific to this edition. Our emphasis continues to be on well-known companies, including both domestic and global companies, high-tech companies, consumer and organizational products, small and large businesses, products and services, and manufacturers and channel members.

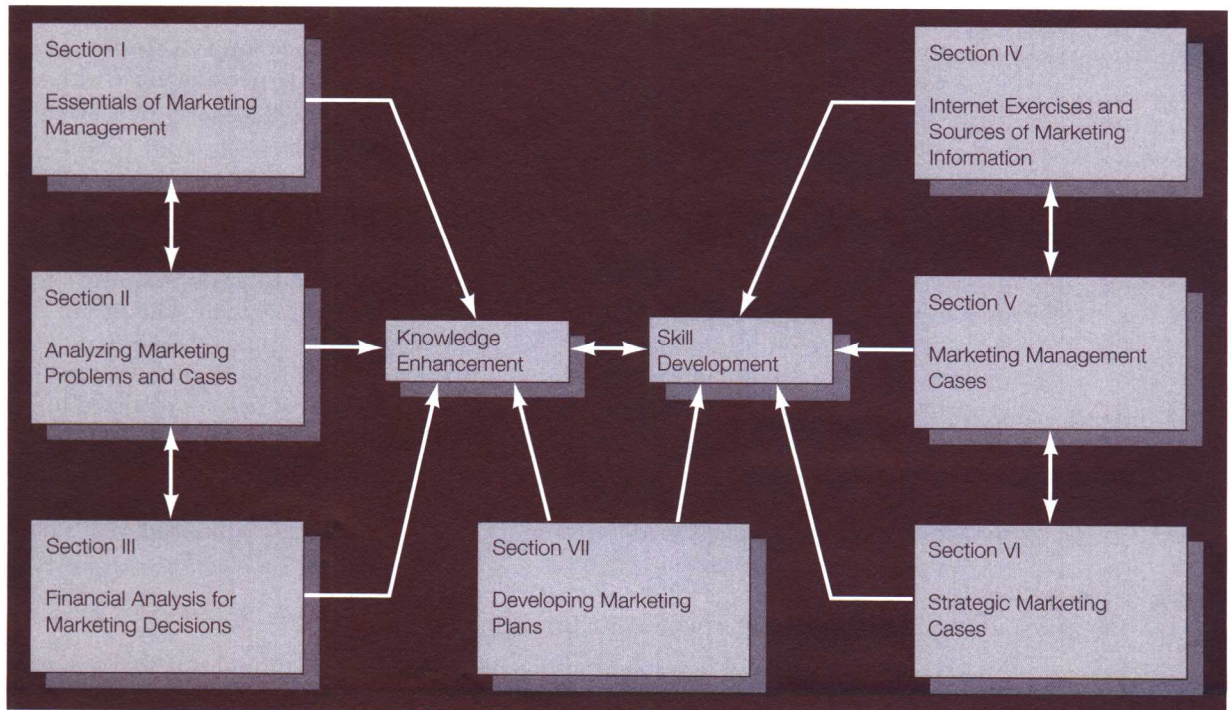
Some of the popular cases in the book can truly be considered "classics." But whether new or 10 years old, these "snapshots in time" enable students to analyze the situation within the time period the case was written and/or bring the situation up-to-date with their own research and analyses.

4. A new resource has been added which presents an annotated bibliography of the major on-line databases used in marketing. This new resource replaces our previous "Secondary Data Sources" section. It is an up-to-date resource for students to use in the analysis of Internet exercises, cases, and the development of marketing plans. It is included in Section IV immediately following the Internet exercises.
5. Several of the cases include in-class exercises that provide the instructor with additional means of enhancing student learning, participation, analysis, and team building.
6. A number of the cases include video introductions and discussion questions to enhance student interest, thinking, and analysis.

■ Structure of the Book

We have experimented over many years with various teaching philosophies. The structure of this book evolved and continues to evolve from these experiments. Currently, our six-stage learning approach includes (1) learning basic marketing principles, (2) learning approaches and tools for performing marketing analyses, (3) analyzing Internet exercises, (4) analyzing marketing management cases, (5) analyzing strategic marketing cases, and (6) developing marketing plans.

Our six-stage learning approach is the focus of the seven book sections. Each section has as its objective both *knowledge enhancement* and *skill development*. The framework and structure of our book is presented in the following diagram, which will be used throughout the text to integrate various sections.



Stage 1: Learning Basic Marketing Principles

It is clearly necessary for students to learn and understand basic definitions, concepts, and marketing logic before they can apply them in the analysis of marketing problems or development of marketing plans. Section I of the book contains 13 chapters which present the essentials of marketing management. One problem we continually face in more advanced case-oriented courses is that most students have long ago discarded or sold their basic marketing texts. Consequently, when they are faced with case problems they have nothing to rely on but their memories. We believe this seriously detracts from the usefulness of case analysis. Thus, we include this section as a reference source for key marketing concepts. Our objective in this section is to focus on material that is relevant primarily for analyzing marketing problems and cases.

Stage 2: Learning Approaches and Tools for Problem Analysis

The second stage in our approach involves offering students basic tools and approaches for solving marketing problems. Section II, "Analyzing Marketing Problems and Cases" is a widely praised approach to analyzing, writing, and presenting case analyses. Section III, "Financial Analysis for Marketing Decisions," presents some important financial calculations that can be useful in evaluating the financial position of a firm and the financial impact of various marketing strategies. Section IV includes an annotated bibliography of some of the most widely used marketing databases. It will assist students in researching a particular industry or firm and can greatly improve the analysis of exercises and cases.

Stage 3: Analyzing Internet Exercises

As a way of introducing students to the challenges of case analysis, some instructors utilize Internet exercises. They find that these exercises are an especially useful way to integrate text material with case work. Accordingly, Section IV provides 11 such exercises that are new to this edition. Other instructors, especially those with more advanced marketing students, find their students are fully prepared to tackle case analyses. For these instructors, this section is optional.

Stage 4: Analyzing Marketing Management Cases

It has been our experience that few students have the confidence and experience necessary to analyze complex strategic marketing cases in their first exposure to this type of learning. We believe it is far better for them to apply their skills by analyzing cases for which traditional marketing principles can be applied somewhat directly before they attempt more challenging problems. Accordingly, Section V of the book has been expanded to include 33 marketing management cases, organized into six groups: market opportunity analysis, product strategy, promotion strategy, distribution strategy, pricing strategy, and social and ethical issues in marketing management. Within each group, cases are sequenced so that later cases contain more information and typically require higher levels of marketing management analysis skills than earlier ones.

Stage 5: Analyzing Strategic Marketing Cases

Once students have developed sufficient skills to provide thoughtful analyses of marketing management cases, they are prepared to tackle strategic marketing cases. These cases go beyond traditional marketing principles and focus on the role of

marketing in crossfunctional business or organization strategies. Section VI of our book contains 11 such cases. They are sequenced so that the latter cases contain more information and require higher skill levels to analyze them properly.

Stage 6: Developing Marketing Plans

The final stage in our approach involves the development of an original marketing plan. We believe that after a two-course sequence in marketing management, students should be able to do one thing very well and should know that they can do it well: Students should be able to construct a quality marketing plan for any product or service. Section VII provides a framework for developing such a plan. Instructors can consult the *Instructors Manual* which accompanies this book for alternative ways to incorporate this stage into their course.

We have found that this six-stage process is very flexible and can easily be adapted to student needs and instructor objectives. For example, if the course is the first learning experience in marketing, then emphasis could be placed on the first four stages. If students progress well through these stages, then marketing management cases can be assigned on an individual or group basis.

If the course is for students with one or more previous courses in marketing or is the capstone marketing management course, then major attention should shift to stages 2 through 6. In this instance, Section I becomes a resource for review and reference and the course focuses more on skill development.

Finally, the text can be used for a two-course sequence in marketing management. The first course can emphasize stages 1 through 4 and the second can concentrate on stages 5 and 6.

■ Acknowledgments

Our heartfelt thanks go to all of the case and exercise writers who contributed their work to help others better educate marketing students. Each of the contributors' names and affiliations appear in the Contents and at the point in the book where their contribution appears.

Many thanks to the users who responded to our survey. Your responses were valuable because they were used in planning this edition, and in making the hard choices involved in replacing cases, selecting new cases, and deciding on which of the "classic" cases remain. Again, thank you for your help.

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J. Paul Peter
James H. Donnelly, Jr.

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