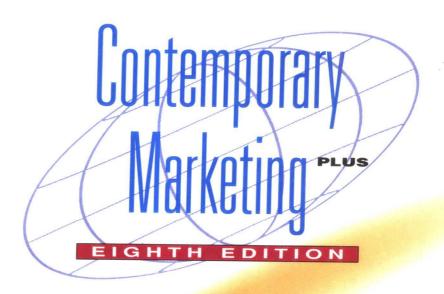
Contemporary Warketing

EIGHTH EDITION

BOONE KURTZ



LOUIS E. BOONE

Ernest G. Cleverdon Chair of Business and Management and Chair, Department of Marketing and Transportation, University of South Alabama

DAVID L. KURTZ

The R. A. and Vivian Young Chair of Business Administration and Head, Department of Marketing and Transportation,
University of Arkansas

THE DRYDEN PRESS

Harcourt Brace College Publishers

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Photo Editor Compositor Text Type

Cover Image

Lyn Keeney Hastert

R. Paul Stewart Amy Schmidt

Brian Salisbury

Erin Gregg

Lisé Johnson Sam Stubblefield

Annie Todd

Diane Southworth Elizabeth Widdicombe

David W. Talley

Leoni McVey

Louise Karkoutli

Cindy Robinson GTS Graphics

10/12 Times Roman

ge Ben Britt

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Address for Editorial Correspondence

The Dryden Press, 301 Commerce Street, Suite 3700, Fort Worth, TX 76102

Address for Orders

The Dryden Press, 6277 Sea Harbor Drive, Orlando, FL 32887 1-800-782-4479, or 1-800-433-0001 (in Florida)

ISBN: 0-03-097601-4

Library of Congress Catalog Card Number: 93-73973

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Printed in the United States of America

4 5 6 7 8 9 0 1 2 3 032 10 9 8 7 6 5 4 3 2 1

The Dryden Press

Harcourt Brace College Publishers

This book is printed on acid-free paper.

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PREFACE

As we count down the remaining months to the end of the 20th century and anticipate the dawning of a new era, we are gratified that our efforts to provide textbook value to our instructor colleagues and student customers have been successful. We also are honored that our market share figures indicate Contemporary Marketing is the most frequently used introductory marketing textbook in the United States.

The eighth edition of the book represents a continuation of our quality improvement efforts to provide users with the most current and thorough coverage of marketing concepts. A quick review of new marketing terms included in this edition will assure the most demanding instructor that this textbook is unparalleled with regard to completeness and currency. Contained in the new edition is complete coverage of such emerging issues as:

benchmarking
brand equity
customer satisfaction
environmental scanning
European Union
event marketing
everyday low pricing (EDLP)
green marketing
integrated marketing
communication (IMC)
interactive media
information superhighway

marketing decision support system (MDSS)

North American Free Trade
Agreement (NAFTA)
product positioning
relationship marketing
sales force automation
sponsorships
supply chain management
total quality management (TQM)
value pricing

Users of previous editions of the textbook will not be surprised by the comprehensiveness of this revision and the inclusion of so many current examples. After all, previous editions have represented many textbook firsts:

- The first marketing textbook written to the student rather than to the instructor, and written in a clear, concise style at a reading level designed to enhance student comprehension.
- The first marketing textbook based on marketing research and written the way instructors teach their courses.
- The first textbook to integrate computer applications into every chapter.
- The first textbook to use extensive pedagogy such as feature stories integrating marketing concepts with the most current business examples.
- The first textbook to introduce end-of-chapter video cases tied to professionally produced videos created for use as a case component.
- The first textbook to discuss services and international topics early in the textbook and to thoroughly integrate these important topics with numerous examples throughout.

The improvements to the new edition are so extensive and so far-reaching that even the title of the text has been modified to *Contemporary Marketing*. Plus The change reflects not simply a new edition, but a new approach to the marketing discipline.

Features of the Eighth Edition

Like its predecessors, the new edition provides both the professor and the student with state-of-the-art instructional materials. The instructional materials range from traditional lecture and testing supplements to interactive, multimedia presentation software and displays.

LectureActive Presentation Software and Integrated Analog Media System

Contemporary Marketing^{Plus} offers another first: LectureActive Presentation Software. LectureActive allows instructors to enhance their lectures with video clips, animation sequences, and still images by frame-by-frame accessing of laser disk material. On-screen note cards can be attached to specific frames to customize an image for the instructor. The practical use of media technology will enrich instructors' presentations and make students' learning experiences interesting and effective. The package consists of LectureActive Presentation Software and six laser disks containing:

- 20 new chapter-specific video segments in their entirety
- 250 transparencies
- · All tables, figures, and graphics from the textbook
- Interactive discussion questions developed especially for video-supported lectures
- An additional collection of advertisements for lecture use in different chapters throughout the book

New Video Cases

New video cases appear at the end of each chapter. Each written case is enhanced by a 15–18 minute video created specifically for use by professors using Contemporary Marketing^{Plus} in their classes. The new videos were created, produced, and/or carefully edited by marketing professors working with the Center for Instructional Technology in Marketing (CITM) at Central Michigan University under the direction of Professors Bruce H. Allen and J. Holton Wilson. The videos were produced in response to consumer demand for high-quality, pedagogically integrated video cases. Included in the video case package is a balance of large- and medium-sized firms, service providers, and marketers of tangible goods. The video cases include:

Chapter 1: Toronto Blue Jays Chapter 11: GM/Cadillac Chapter 2: Samsonite Chapter 12: Florida Power Corporation Chapter 3: AT&T Superhighway Chapter 13: L.L. Bean Chapter 4: Whirlpool Corp. Chapter 14: Kmart Chapter 5: White Flower Farm Chapter 15: Dow Chemical Chapter 6: The Walker Group Chapter 16: Cherry Capital Airport and GTE Chapter 17: W.B. Doner Chapter 7: Upjohn's Rogaine Chapter 18: 3M Health Care Chapter 8: Delfield Company Chapter 19: Alamo Rent-A-Car Chapter 9: Marriott Corp. Chapter 20: Archway Cookies Chapter 10: Marvel Entertainment

Quality and Customer Satisfaction

Contemporary Marketing^{Plus} devotes an entire chapter to two of the most dynamic areas of marketing—quality and customer satisfaction. Early cover-

age of these topics helps students understand quality and customer service concerns and the overall impact of customer focus on marketing programs in relation to today's competitive environment. Coverage includes statistical quality control, application of TQM to the marketing mix, employee empowerment, and the analysis of internal company procedures and processes in terms of external competitiveness.

Expanded Coverage of Relationship Marketing

Chapter 5, Marketing Planning and Forecasting, emphasizes today's competitive environment surrounding customer relationships. Because relationship marketing and customer value have become an essential part of marketing in the 1990s, the concept also is integrated in later chapters on product and promotional strategies, particularly in the services and the sales and promotions chapters.

Major Revision of the Marketing Research Chapter

Chapter 6, Marketing Research and Marketing Information Systems, has been completely revised. Marketing decision support systems (MDSS) are discussed in depth as well as are other contemporary research concepts. New material includes coverage of international research sources, such as Citibank's Global Report, and a new section on technology and marketing research.

New Focus on Diversity and Ethics

Numerous new examples emphasizing the increasingly important role of ethics in the business environment appear in the Focus on Ethics boxes. A new series of boxes titled Diversity in the Marketplace highlight topics such as product design for the physically challenged, the pricing of African-American art, one Japanese entrepreneur's used-car business conducted on a computer network, and many more.

New Resources and Examples

In addition to Chapter 4, Global Dimensions of Marketing, the global orientation of Contemporary Marketing Plus is evident in every chapter. International examples are integrated throughout the text, and a separate international index appears at the end of the book. All of the opening vignettes, boxes, end-of-chapter video cases, and advertising examples are entirely new. At the request of many adopters who require alternate case assignments, 20 additional cases appear at the end of the book.

An Integrated Approach to Careers

Instructor and student concerns about careers have been addressed in a unique fashion in this edition. In addition to descriptions of popular marketing careers in the careers appendix, written by Professor Sheryl Gatto of the University of Virginia, two new career components are included in *Contemporary Marketing*. Plus The first, Marketing Career Tracks Software, includes resumé and self-assessment tools for each student. Eric Sandberg, of the DeVry Institute in Atlanta, designed this software and created special marketing data sets by extensively interviewing marketing executives.

The final component of the marketing careers materials features a blend of the software and the video cases. Each of the videos concludes with a special section called video career profile, which provides more information about the key marketing executives who appeared in the preceding case study. The marketing managers discuss their career paths, marketing successes, required managerial skills, the role of marketing as they see it, and they also provide personal advice to students embarking upon marketing careers. The video career profiles are coordinated with a special module contained in the Marketing Career Tracks Software. Instructions for use are contained in the textbook at the end of the careers appendix.

Complete Integration of Text and Ancillaries

Contemporary Marketing^{Plus} provides one of the most completely integrated textbook packages on the market today. The focus on the integration of the book with the various components of the teaching package makes this edition the most comprehensive text option to use and the most fulfilling for students to experience.

Instructional Resource Package

Instructor's Resource Manual

The two volumes contain the following sections for each chapter:

- · Changes from the previous edition
- · Annotated learning goals
- · Key terms
- · Lecture outlines with transparency integration notes
- · Lecture illustration files
- · Answers to review questions
- · Answers to discussion questions
- · Answers to Focus on Ethics boxes
- · Answers to Diversity in the Marketplace boxes
- · Answers to video case questions
- · Answers to alternate case questions
- Solutions to computer applications
- · Guest speaker suggestions

A total of 100 potential term paper topics is also included in the *Instructor's Resource Manual*. In addition, the volumes contain suggested class schedules, additional information on guest speakers, instructions on using the marketing videos, the *Media Instructor's Manual*, and the *Boone & Kurtz Marketing Disk*.

Media Instructor's Manual

In order to coordinate the entire media package with easy to use guidelines, the *Media Instructor's Manual* has been entirely rewritten. The manual provides instructors with three potential tools enabling them to:

- 1. Incorporate the videos and transparencies into lectures
- 2. Integrate the Contemporary Marketing^{Plus} Laser Disk materials with class-room instruction
- 3. Implement a full, LectureActive classroom presentation

Marketing Disk

The Boone & Kurtz Marketing Disk contains complete programs for the computer applications problems in the text and the Study Guide. It is available free to adopters for use with any IBM compatible computer. The problems have been revised to reflect changes in the new edition.

Test Banks

Two completely new test banks now provide more than 3,500 questions to select from—more than any other introductory marketing test bank. Available in both printed and computerized formats, each chapter includes application and knowledge-based multiple choice, true/false, and essay questions, as well as two minicases. The minicases, which are followed by related multiple-choice questions, present problems that require more thorough analysis and synthesis of information than do typical multiple-choice questions. Students also can be tested on their knowledge of the Diversity in the Marketplace and Ethics box material. Each question is keyed to specific text page numbers and level of difficulty. Test Bank A was prepared by Professors Jonas Falik and Benjamin Wieder of Queensborough Community College after extensive reviewing. Test Bank B takes a more conceptual approach and is the collaboration of instructors from all over the United States.

A computerized version of the printed test bank is available for use with IBM compatible PCs and Macintosh computers. It allows professors to preview test questions, edit questions, add their own questions, and print scramble forms of tests and answer keys. The IBM PC version is compatible with floppy and hard disk systems. RequesTestTM is also available to instructors. This service allows instructors to order test masters by question and criteria via a toll-free telephone line, thereby making test planning quicker and easier than ever before. Test masters will be mailed or faxed to you within 48 hours.

Study Guide

The Study Guide is a learning supplement designed to enhance students' understanding and to provide them with additional practice in applying concepts presented in Contemporary Marketing. Plus Each chapter includes a brief outline, experiential exercises, a self-quiz, cases, short-answer questions, and computer problems. Also included are crossword puzzles at the end of each chapter, a marketing plan exercise, and three term projects. Study Guide solutions now appear at the end of the Study Guide, not in the Instructor's Resource Manual. The Study Guide was prepared by Professor Thomas S. O'Connor of the University of New Orleans.

Marketing Simulation Game

MICROSIM, an innovative marketing simulation game written by Professor Steven Schnaars of Baruch College, is available for use with Contemporary Marketing. Plus The game asks students to assume the role of a marketing manager for a microwave oven company and to manipulate fundamental marketing variables in order to maximize profits. It is designed for use with IBM compatible PCs. Ask your Dryden sales representative about other suitable simulations.

Marketing Career Software

A special marketing version of Dryden's popular Marketing Career Tracks Software includes resumé and self-assessment tools as well as modules that enhance

the video career profiles. The DOS software is available for IBM compatibles in 3.5 and 5.25 inch disks.

Video Series

The new Contemporary Marketing Plus video series was created, produced, filmed, and/or edited by the Center for Instructional Technology (CITM) at Central Michigan University in partnership with successful, well-known companies. Marketing professors guided the scripting and production of these videos. The real-life video cases show students how professional marketers actually meet the challenges of the marketplace. The 20 videos, in half-inch VHS format, are available to adopters at no cost.

In addition to the Contemporary Marketing Plus videos, Marketing Business Concerns Quarterly Videos are available to adopters four times a year. These CBS videos present timely clips that highlight current marketing issues.

Full-Color Overhead Transparencies

This innovative component consists of 250 full-color transparency acetates that are also available as 35mm slides and are included on the Contemporary Marketing Plus Laser Disk. Each transparency is comprised of a striking graphic illustration or advertisement that enhances the presentation in the book. All of the transparencies are described in detail in accompanying transparency notes. The eighth edition fully integrates the transparencies with the text via a unique numbering system. Graphic artwork is numbered in reference to the chapters; that is, Transparency 3.4 is the fourth transparency in Chapter 3. The advertisements, however, are numbered sequentially throughout; for example, advertisement 56 simply refers to the 56th advertisement transparency in the package. This numbering system for the advertisements allows them to be used in multiple places throughout the textbook. The chapter outline in the Instructor's Resource Manual includes references to each transparency and notes on where they might be used.

Laser Disk and LectureActive Presentation Software

The Contemporary Marketing^{Plus} Laser Disk set includes the 20 new videos listed earlier, the 250 transparencies, all of the figures from the book, interactive questions, and an additional set of advertisements for class use. Lecture-Active Presentation Software gives the instructor the ability to preprogram lectures using the Contemporary Marketing laser disks. The program also allows the instructor to modify video captions and labels on the screen and to add information on note cards.

Acknowledgments

The authors gratefully acknowledge the following colleagues who reviewed all or part of the manuscript in previous editions:

Keith AbsherRichard F. BeltraminiHoward B. CoxDub AshtonRobert BielskiMichael R. CzinkotaWayne BascomRobert CollinsKathy DarutyRichard D. BechererElizabeth Cooper-MartinGordon Di PaoloTom BeckerDeborah L. CowlesJeffrey T. Doutt

William H. Ronald Edwin A. Laube Sid Dudley Bert Rosenbloom Francis J. Leary, Jr. Phillip E. Egdorf Carol Rowey Paul Londrigan John W. Ernest Ronald S. Rubin Lynn J. Loudenback Gary T. Ford Ralph M. Gaedeke David L. Loudon Rafael Santos **Dorothy Maass** Bruce Seaton G. P. Gallo Howard Seigelman James C. Makens Don Gibson Jack Seitz James Gould Lou Mansfield James McCormick Steven L. Shapiro **Donald Granbois** Paul E. Green Carl McDaniel F. Kelly Shuptrine William Green James McHugh A. Edward Spitz Faye McIntyre William Staples Blaine Greenfield David Steenstra John D. Milewicz Matthew Gross Robert E. Stevens Robert F. Gwinner Robert D. Miller G. Knude Swenson John H. Hallaq J. Dale Molander John F. Monoky Clint B. Tankersley Cary Hawthorn Hoyt Hayes James R. Moore **Ruth Taylor** Debbora Heflin-Bullock Colin Neuhaus Vern Terpstra Robert T. Newcomb Howard A. Thompson Sanford B. Helman Nathan Himelstein Jacqueline Z. Nicholson John E. Timmerman Robert D. Hisrich Robert O'Keefe Rex Toh Dennis H. Tootelian Ray S. House Sukgoo Pak Michael D. Hutt Dennis D. Pappas Fred Trawick Constantine Petrides Toni Valdez Don L. James Dinoo T. Vanier David Johnson Barbara Piasta Dennis D. Pitta Gayle D. Wasson Eugene M. Johnson Fred Weinthal James C. Johnson Barbara Pletcher Susan B. Wessels Harold H. Kassarjian Carolyn E. Predmore Robert J. Williams Bernard Katz Arthur E. Prell Stephen K. Keiser Bill Ouain Nicholas C. Williamson James H. Kennedy Gary Edward Reiman Cecilia Wittmayer Charles Keuthan Arnold M. Rieger Julian Yudelson Maryon King C. Richard Roberts Robert J. Zimmer Donald L. Knight Patrick J. Robinson Philip Kotler William C. Rodgers

The eighth edition and its ancillaries were no exception when it came to benefiting from quality reviewers' comments. The authors are extremely grateful for the insightful comments of the following people:

Kerri L. Acheson, Moorhead State University Zafar U. Ahmed, Minot State University M. Wayne Alexander, Moorhead State University Linda Anglin, Mankato State University Paul Arsenault, Stockton State College Tom F. Badgett, Angelo State University Joe K. Ballenger, Stephen F. Austin University Carol C. Bienstock, Virginia Polytechnic Institute Roger D. Blackwell, Ohio State University Jocelyn C. Bojack, University of Central Florida Michele D. Bunn, SUNY—Buffalo Les Carlson, Clemson University John E. Crawford, David Lipscomb University Gilberto De Los Santos, University of Texas-Pan American Carol W. DeMoranville, Virginia Polytechnic Institute Fran DePaul, Westmoreland County Community College John G. Doering, Minot State University

Sandra M. Ferriter, Harford Community College Dale Fodness, University of Texas-San Antonio Michael Fowler, Brookdale Community College Sam Fullerton, Eastern Michigan University Nimish Gandhi, Bradley University Sheryl A. Gatto, University of Virginia David W. Glascoff, East Carolina University Robert Georgen, Trident Tech College Raymond M. Haas, University of Virginia E. Paul Hayes, Coastal Carolina Community College John (Jack) J. Heinsius, Modesto Junior College George Housewright, Tarleton State University Gregory P. Iwaniuk, Lake Michigan College Michelle Keller, Radford University J. Steven Kelly, De Paul University Randall S. Kingsbury, Augustana College Linda S. Koffel, Houston Community College Terrence Kroeten, Concordia College Martha Laham, Diablo Valley College L. Keith Larimore, Radford University Mary Lou Lockerby, College of DuPage H. Lee Meadow, Northern Illinois University William E. (Gene) Merkle, Bob Jones University Laura M. Milner, University of Alaska-Fairbanks Harry J. Moak, Macomb Community College Thomas M. Moran, Prairie View A&M University Susan Logan Nelson, University of North Dakota Colin F. Neuhaus, Eastern Michigan University Eric Panitz, University of Detroit—Mercy Thomas C. Reading, IVY Tech College Barbara Rosenthal, Miami-Dade Community College-Wolfson Dennis W. Schneider, Fresno City College Larry J. Schuetz, Linn-Benton Community College Carol S. Soroos, North Carolina State University Miriam B. Stamps, University of South Florida Bruce Stern, Portland State University Kermit Swanson, Rasmussen Business School Cathy Owens Swift, Georgia Southern University Donald L. Temple, Fresno City College Ann Marie Thompson, Western Michigan University Richard Lee Utecht, University of Texas-San Antonio Rajiv Vaidyanathan, University of Minnesota—Duluth John J. Whithey, Indiana University at South Bend Van R. Wood, Texas Tech University

Special thanks also go to our research associates Jeanne Harris, Jeanne Lowe, Darlene Piecuch, and Jamie Gunsaulis.

Last, but not least, we thank our good friends at The Dryden Press: Amy Schmidt, project editor, whose unfailing attention to detail polished this book to a bright sheen; Brian Salisbury, senior art director, who crafted a brilliant teaching tool; and Erin Gregg, senior production manager, who never let the schedule slip. We are also grateful to Lyn Keeney Hastert, executive editor, R. Paul Stewart, developmental editor, and Lisé Johnson, senior marketing manager. Additionally, Cindy Robinson's fine free-lance photo research and Louise Karkoutli's industrious free-lance permissions work aided our work greatly.

Louis E. Boone David L. Kurtz

ABOUT THE AUTHORS

LOUIS E. BOONE (Ph.D.) holds the Ernest G. Cleverdon Chair of Business and Management and is Chair of the Department of Marketing and Transportation at the University of South Alabama. He formerly chaired the Division of Management and Marketing at the University of Tulsa and has taught marketing in Australia, Greece, and the United Kingdom.

Dr. Boone is a prolific researcher and writer. In addition to authoring numerous marketing and business texts and computer simulation games, he is author of Quotable Business, published by Random House. His current research focuses on event and sports marketing. Dr. Boone's research has been published in such journals as the Journal of Marketing, Journal of Business Strategy, Journal of Retailing, Business Horizons, Journal of Business Research, Journal of Business of the University of Chicago, Journal of Personal Selling & Sales Management, Journal of Marketing Education, Business, and Health Marketing Quarterly. He has served as president of the Southwestern Marketing Association and vice president of the Southern Marketing Association.

DAVID L. KURTZ (Ph.D.) heads the Department of Marketing and Transportation at the University of Arkansas, where he holds the R. A. and Vivian Young Chair of Business Administration. Dr. Kurtz has also taught at Seattle University, Eastern Michigan University, Davis & Elkins College, and Australia's Monash University.

Dr. Kurtz has authored or coauthored 26 books and more than 90 articles, cases, and papers. He has been the editor of two academic journals. Dr. Kurtz has served as president of the Western Marketing Educators Association and vice president of the Academy of Marketing Science and the Southwestern Marketing Association. He is also the co-chair of the 1995 World Marketing Congress in Melbourne, Australia.

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