

英语专业工商管理双语教学教材系列

MARKETING

市场营销

第11版

LOUIS BOONE

[美] 路易斯·布恩 著

DAVID KURTZ

[美] 戴维·库尔茨 著



人民邮电出版社
POSTS & TELECOM PRESS

Copyright © 2005 Pearson Education, Inc. All rights reserved.

MARKETING

市场营销

第 1 版

MARKETING
第 1 版

MARKETING
第 1 版

© 2005 Pearson Education, Inc.

英语专业工商管理双语教学教材系列

市场营销

第 11 版

[美] 路易斯·布恩 戴维·库尔茨 著

人民邮电出版社

北 京

图书在版编目 (CIP) 数据

市场营销 (第 11 版). 英文 / (美) 布恩 (Boone, L.)、(美) 库尔茨 (Kurtz, D.) 著;

—北京: 人民邮电出版社, 2007.1

(英语专业工商管理双语教学教材系列)

ISBN 978-7-115-14396-9

I. 市… II. ①布… ②库… III. 市场营销学—英语—高等学校: 技术学校—教材 IV. F713.50

中国版本图书馆 CIP 数据核字 (2006) 第 163522 号

Marketing, 11th Edition by *Louis Boone & David Kurtz*

ISBN 0-324-33587-3

First published by South-Western, a division of Thomson Learning, United States of America.

All Rights Reserved.

Reprinted for People's Republic of China by Thomson Asia Pte Ltd and PTPress under the authorization of Thomson Learning. No part of this book may be reproduced in any form without the express written permission of Thomson Learning and PTPress.

本书英文影印版由汤姆森学习出版集团授权人民邮电出版社独家出版发行。此版本仅限在中华人民共和国境内 (不包括中国香港、澳门特别行政区及中国台湾) 销售。未经授权的本书出口将被视为违反版权法的行为。未经出版者预先书面许可, 不得以任何方式复制或发行本书的任何部分。

北京市版权局著作权合同登记号 图字: 01-2006-6910

版权所有, 侵权必究。举报盗版有奖, 联系电话: (010) 64981059 E-mail: marketing@ncc-pub.com

市场营销 (第 11 版)

◆ 作 者 (美) 路易斯·布恩 戴维·库尔茨

策 划 刘 力 陆 瑜
责任编辑 王 蕾

◆ 人民邮电出版社出版发行 北京市崇文区夕照寺街 14 号 A 座
邮编 100061 电子函件 315@ptpress.com.cn
网址 <http://www.ptpress.com.cn>
电话 (编辑部) 010-64964059 (销售部) 010-64982639
北京圣瑞伦印刷厂印刷
新华书店经销

◆ 开本: 850 × 1094 1/16
印张: 8.75
字数: 208 千字 2007 年 1 月第 1 版 2007 年 1 月第 1 次印刷
ISBN 978-7-115-14396-9/F·776

定价: 25.00 元

本书如有印装质量问题, 请与本社联系 电话: (010) 64981059

丛书总序

进入 21 世纪, 全球化现象越来越普及, 国际间的经贸往来日益频繁、深入, 这对外语教学, 尤其是英语教学提出了新的要求。以往的英语专业方向以英语语言学、英语文学为主, 语言知识和交际技能局限于日常生活语言和语境。由于缺少专业知识, 即使语言能力较好的学生也不能胜任商务、金融等领域的对外交流工作, 社会急需既精通普通英语又掌握专业英语和专业知识的“复合型”人才。针对这一现象, 很多高校开设了商务英语类专业, 专业课程设置体现“英语+专业”的“复合型”人才培养规格。

虽然商务英语类专业近几年发展很快, 设置此专业的高校增多, 但就课程建设而言还存在很多问题。国内一些高校的商务英语类专业和开设商务类课程的英语专业的课程设置表明: 很多商务英语类课程在实践中一般采取专业课程教学模式、专业双语教学模式或专业英语教学模式。专业教学模式指英语专业聘请各专业院系教师讲授专业知识的教学模式, 授课语言是中文, 优点是教师专业知识扎实, 缺点是没有与英语专业很好结合。专业双语教学模式指使用英语教材采取双语授课的教学模式, 优点是“英语+专业”符合商务英语类专业的人才培养规格, 缺点是现有教材的专业知识内容过深, 英语专业的教师不能很好地把握专业知识, 教师感觉难教, 学生感到难学。专业英语教学模式指讲授特殊用途英语, 即“一般工作环境下使用英语的沟通技巧”, 如商务英语等。此类课程很具应用价值, 但教学重点偏重专业英语的知识和能力, 仍是语言技能类课程, 专业知识涉及较少, 不利于构建学生的专业知识体系。

商务方向是我国英语专业教学改革和发展的主要专业方向, 社会对商务方向的英语人才需求较多, 商务英语类专业的课程建设和教材建设成为关注焦点。市场调查表明: 目前市场上可供选择的商务类

英语专业教材种类不多, 很多课程没有合适的教材。虽然, 近年来国内许多出版社引进了诸多工商管理类教材, 但是大多数引进的原版专业教材多为工商管理专业用书, 部头较大, 不适合第二语言学习者学习。

教材建设是丰富应用英语课程, 培养具有应用能力的“复合型”英语人才的关键。为解决商务英语课程建设中的教材问题, 丰富教材种类, 调节教材难度, 人民邮电出版社从美国高校商务类课程中精选了一套经典教材, 并根据难度和教学需要摘编组合, 出版了适合我国专业双语教学的教材。

本系列教材主要有以下几个特点: (1) 教材种类丰富。本系列教材首批推出 7 本商务知识双语教材, 组成“英语专业工商管理双语教学教材系列”, 包括《管理》(Jeff Madura 著)、《运营管理与创新》(David Needle 著)、《市场营销》(Louis Boone & David Kurtz 著)、《会计与财务管理》(Jeff Madura 著)、《人力资源管理》(Jeff Madura 著)、《商业伦理与社会责任》(Jeff Madura 著) 以及《创办新企业》(Jeff Madura 著), 国内同类题材教材较少。(2) 版本较新。本系列教材选摘自国外最新教材, 内容涵盖了相应学科的最新理念和最新的真实案例。(3) 内容规范、简洁, 语言难易得当, 适合双语教学。本系列教材简要地概述了各职能领域最重要的基本概念、基本原理和主要理论, 在每本书后加入了这门学科的相关重要术语, 并对术语的词头进行了中文释义。

对于商务英语类专业的双语教学来说, 该系列丛书内容详略得当, 语言准确流畅, 是一套值得信赖的英语专业工商管理双语教学的系列教材。希望此系列教材能够丰富商务英语类专业的课程设置, 满足广大师生的需求, 同时也希望我国商务英语教育蓬勃发展!

英语专业工商管理双语教学教材系列

总策划: 刘 力 陆 瑜

编委会

主 编: 严 明 黑龙江大学外语教学研究部主任教授 全国四、六级考试委员会委员
教育部大学外语教学指导委员会委员

副主编: (按姓氏笔画排序)

王立非 对外经济贸易大学英语学院 院长 教授

刘法公 浙江工商大学外国语学院 院长 教授

陈 洁 上海对外贸易学院外语学院 院长 副教授

宫恒刚 东北财经大学国际商务外语学院 院长 教授

编 委: (按姓氏笔画排序)

丁 怡 广州大学外语学院商务英语系 副主任 副教授

丁崇文 对外经济贸易大学英语学院商务英语系 主任 副教授

方笑君 兰州商学院商务英语系 主任 教授

王关富 对外经济贸易大学英语学院 副院长 教授

王庄严 哈尔滨师范大学恒星学院商学系 主任

田海龙 天津商学院外语学院 院长 教授

刘白玉 山东工商学院外国语学院商务英语系 主任 副教授

吕世生 南开大学外国语学院翻译系 主任 教授

佟敏强 黑龙江大学应用英语系 主任 高级经济师

吴英娜 中南财经政法大学外国语学院英语系商务英语教研室 主任

李生禄 大连海事大学外国语学院 院长 教授

杨 蒙 广东商学院外国语学院 书记 副教授

陈 娟 贵州大学外国语学院商务英语系 主任 副教授

修月祯 北京第二外国语学院英语教学部 主任 教授

翁凤翔 上海海事大学外语学院 副教授

郭桂杭 广东外语外贸大学国际商务英语学院 副院长

郭笑文 北京外国语大学国际商学院 副院长 教授

鲍 文 浙江台州职业技术学院外语系 主任 副教授

臧玉福 南京晓庄学院外国语学院商务英语教研室 主任

Contents

目 录

Chapter 1 Customer-Driven Marketing 6

Chapter Overview 8

What Is Marketing? 8

How Marketing Creates Utility 9

Evolution of the Marketing Concept 10

Emergence of the Marketing Concept 10 |

Delivering Added Value through Customer Satisfaction and Quality 11 |

Customer Satisfaction and Feedback 13

Expanding Marketing's Traditional Boundaries 13

Not-for-Profit Marketing 14 | Nontraditional Marketing 15

Developing a Marketing Strategy 17

Selecting a Target Market 18 | Developing a Marketing Mix 18 |

Developing a Marketing Mix for International Markets 19

Marketing Research for Improved Marketing Decisions 20

Obtaining Marketing Research Data 21 |

Applying Marketing Research Data 22 |

Computer-Based Marketing Research Systems 23 | Data Mining 23

Market Segmentation 24

How Market Segmentation Works 24 | Segmenting Consumer Markets 25 | Segmenting Business Markets 29

Buyer Behavior: Determining What Customers Want 30

Determinants of Consumer Behavior 31 |

Determinants of Business Buying Behavior 32 |

<i>Steps in the Consumer Behavior Process</i>	32
Creating, Maintaining, and Strengthening Marketing Relationships	33
<i>Benefits of Relationship Marketing</i>	34
<i>Tools for Nurturing Customer Relationships</i>	34
What's Ahead	36
<i>Summary of Learning Goals</i>	36
<i>Business Terms You Need to Know</i>	38
<i>Other Important Business Terms</i>	38
<i>Review Questions</i>	38
<i>Projects and Applications</i>	39
<i>Experiential Exercise</i>	39
<i>Nothing But Net</i>	40
Case 12.1 Marketing to Tweens	41

Chapter 2 Product and Distribution Strategies 42

Chapter Overview	44
Product Strategy	44
<i>Classifying Goods and Services</i>	44
<i>Marketing Strategy Implications</i>	46
<i>Product Lines and Product Mix</i>	46
Product Life Cycle	47
<i>Stages of the Product Life Cycle</i>	47
<i>Marketing Strategy Implications of the Product Life Cycle</i>	49
<i>Stages in New-Product Development</i>	50
Product Identification	51
<i>Selecting an Effective Brand Name</i>	51
<i>Brand Categories</i>	52
<i>Brand Loyalty and Brand Equity</i>	53
<i>Packages and Labels</i>	53
Distribution Strategy	55
<i>Distribution Channels</i>	55
Wholesaling	57
<i>Manufacturer-Owned Wholesaling Intermediaries</i>	57
<i>Independent Wholesaling Intermediaries</i>	57
<i>Retailer-Owned Cooperatives and Buying Offices</i>	58
Retailing	58
<i>Nonstore Retailers</i>	58
<i>Store Retailers</i>	59
<i>How Retailers Compete</i>	59
Distribution Channel Decisions and Physical Distribution	62
<i>Selecting Distribution Channels</i>	62
<i>Selecting Distribution Intensity</i>	64
<i>Logistics and Physical Distribution</i>	65

What's Ahead 66

Summary of Learning Goals 67 | *Business Terms You Need to Know* 68 | *Other Important Business Terms* 68 | *Review Questions* 68 |
Projects and Applications 69 | *Experiential Exercise* 69 |
Nothing But Net 70

Case 2.1 Hot Topic Succeeds by Attracting "Alternative" Teens 71

Chapter 3 Promotion and Pricing Strategies 72

Chapter Overview 74

Integrated Marketing Communications 74

The Promotional Mix 75

Objectives of Promotional Strategy 77 | *Promotional Planning* 79

Advertising 80

Types of Advertising 81 | *Advertising and the Product Life Cycle* 82 | *Advertising Media* 82

Sales Promotion 87

Consumer-Oriented Promotions 87 | *Trade-Oriented Promotions* 88

Personal Selling 89

Sales Tasks 89 | *The Sales Process* 90 | *Recent Trends in Personal Selling* 91

Public Relations 92

Publicity 93

Promotional Strategies 93

Selecting a Promotional Mix 93 | *Pushing and Pulling Strategies* 94

Ethics in Promotion 95

Puffery and Deception 95 | *Promotion to Children and Teens* 95 |
Promotion in Public Schools and on College Campuses 96

Price in the Marketing Mix 97

Profitability Objectives 97 | *Volume Objectives* 97 |
Pricing to Meet Competition 98 | *Prestige Objectives* 99

Pricing Strategies 99

Price Determination in Practice 99 | *Breakeven Analysis* 99 |
Alternative Pricing Strategies 100

Consumer Perceptions of Prices 102

Price-Quality Relationships 102 | *Odd Pricing* 103

What's Ahead 103

Summary of Learning Goals 103 | *Business Terms You Need to Know* 105 | *Other Important Business Terms* 105 | *Review Questions* 105 |
Projects and Applications 106 | *Experiential Exercise* 106 |
Nothing But Net 107

Case 3.1 Wow! It's Yao! 108

Glossary 109

Notes 128

Marketing



Chapter 1

Customer-Driven Marketing

Learning Goals

- | | | | | | |
|----------|---|----------|---|----------|--|
| 1 | <i>Summarize the ways in which marketing creates utility.</i> | 4 | <i>Outline the basic steps in developing a marketing strategy.</i> | 7 | <i>Distinguish between buyer behavior and consumer behavior.</i> |
| 2 | <i>Explain the marketing concept and relate how customer satisfaction contributes to added value.</i> | 5 | <i>Describe the marketing research function.</i> | 8 | <i>Discuss the benefits of relationship marketing.</i> |
| 3 | <i>Describe the components of a market and distinguish between B2B and B2C marketing.</i> | 6 | <i>Identify each of the methods available for segmenting consumer and business markets.</i> | | |

Customers to Companies: "Bring Home the Service!"

The strategy at first seemed to be brilliant: reduce the costs of customer service activities by moving them overseas to countries where wages are typically lower than in the U.S. Since customer service doesn't directly generate revenues, firms often look for ways to lower its associated expenses. Overseas

workers could be trained to answer customers' questions in shifts around the clock, the reasoning went, and no one would necessarily care where they were located. Dell Inc. was one of the first U.S. firms to move its call centers to India. "We put [local hires] through eight weeks of training—four weeks around accent and culture and another four weeks around Dell products," says M. D. Ramaswami, who helped set up Dell's Bangalore call center.

"The biggest challenge was working on the accent and culture."

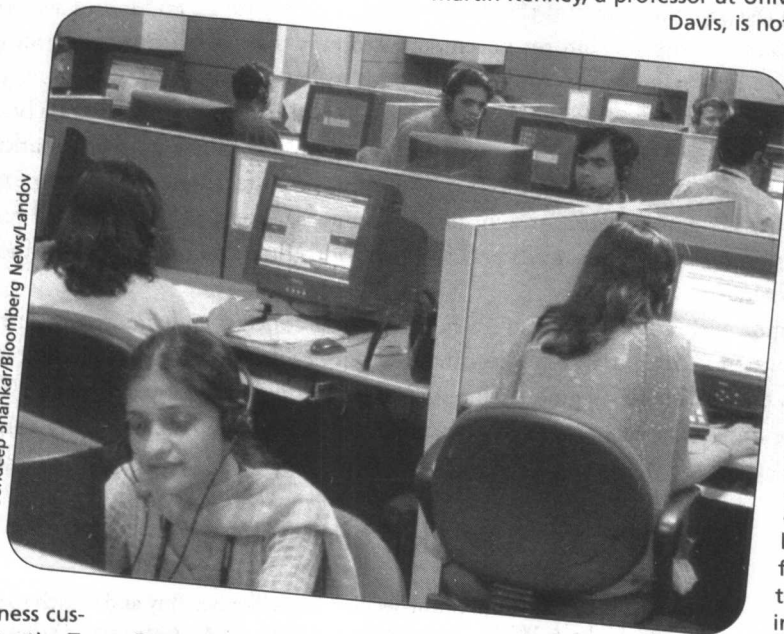
That challenge—among many others—remains. It seems that business customers and individual consumers were less than happy with the service they were receiving. They were frustrated when call center employees were unable to depart from a written script and could not solve individual problems. Within two years, customer complaints had tripled. Dell has since rerouted its large- and medium-business customer support back to Austin, Texas. But customer service operations for small businesses and consumers remain in India. During one recent year, the Internet firm Web.com decided to try moving its customer service function to India as well. Within months, as complaints and cultural misunderstandings skyrocketed, CEO Will Pemble pulled the whole department back to Connecticut. Pemble decided that outsourcing customer service was going to cost the company more in mistakes and lost customers than it would to pay U.S. workers the higher wages and benefits. GE had

a similar experience. After several years of running its customer service department from a call center in India, the firm moved everything back to Phoenix when it learned that overseas workers simply couldn't relate to customers because they didn't own many appliances themselves. GE decided that U.S. workers were better equipped to answer questions from U.S. consumers.

Martin Kenney, a professor at University of California-Davis, is not surprised by these

results. "Firms that just believe that this is going to be simple . . . very often get burned," he warns. "This is a very, very complicated business activity, and there are a thousand ways it can go wrong." In addition to miscommunication, legislators worry that in the health-care and financial industries, private information about customers could be compromised—and firms in these industries are under growing pressure to guarantee privacy. But this

doesn't mean that customer service outsourcing is a disappearing fad; in fact, in some cases, outsourcing makes sense. But firms need to fine-tune their approach. "If it's a binary decision process—yes or no—then you should consider outsourcing," says Web.com's Will Pemble. "But if there's a maybe in there anywhere, then you can be sure all your customer-support difficulties will gravitate to that like iron filings to a magnet." Other experts advise that companies start small with a pilot program, gradually ironing out



© Sondeep Shankar/Bloomberg News/Landov

the kinks. Firms should determine exactly which tasks would be best moved overseas, then manage those functions tightly.

Between outsourcing call centers to Asian and European companies and relying on domestic companies, firms have a third option: *nearshoring*. Airline companies have begun nearshoring, which means routing calls to Canada. Companies are finding other ways to improve the performance of

overseas call centers. Dell recently launched "Voice of the Customer," a program designed to make it easier to reach someone who is knowledgeable and fix problems more quickly. In the business environment, as boundaries surrounding countries continue to fade, firms will find new ways to connect their customer service with their customers.¹

Chapter Overview

Business success in the 21st century is directly tied to a company's ability to identify and serve its target markets. In fact, all organizations—profit-oriented and not-for-profit, manufacturing and retailing—*must* serve customer needs to succeed, just as the companies described in the opening vignette are attempting to do. Marketing is the link between the organization and the people who buy and use its goods and services. It is the way organizations determine buyer needs and inform potential customers that their firms can meet those needs by supplying a quality product at a reasonable price. And it is the path to developing loyal, long-term customers.

Although final consumers who purchase goods for their own use and enjoyment or business purchasers seeking products to use in their firm's operation may seem to be massive, formless markets, marketers see different wants and needs for each group. To understand buyers, from huge manufacturers to Web surfers to shoppers in the grocery aisles, companies are gathering mountains of data on every aspect of lifestyles and buying behaviors. Marketers use the data to understand the needs and wants of both final customers and business buyers so that they can better satisfy them.

This chapter begins with an examination of the marketing concept and the way businesspeople develop a marketing strategy. We then turn to marketing research techniques, leading to an explanation of how businesses apply marketing research data to market segmentation and understanding customer behavior. The chapter closes with a detailed look at the important role played by customer relationships in today's highly competitive business world.

What Is Marketing?

marketing process of planning and executing the conception, distribution, promotion, and pricing of ideas, goods, services, organizations, and events to create and maintain relationships that satisfy individual and organizational objectives.

Every organization—from profit-seeking firms like BestBuy and Coach to such not-for-profits as Easter Seals and Make-A-Wish—must serve customer needs to succeed. Perhaps retail pioneer J. C. Penney best expressed this priority when he told his store managers, "Either you or your replacement will greet the customer within the first 60 seconds."

Marketing is the process of determining customer wants and needs and then providing the goods and services that meet or exceed expectations. In addition to selling goods and services, marketing techniques help people to advocate ideas or viewpoints and to educate others. The American Diabetes Association mails out questionnaires that ask, "Are you at risk for diabetes?" The documents help educate the general public about this widespread disease by listing its risk factors and common symptoms and describing the work of the association.

Department store founder Marshall Field explained marketing quite clearly when he advised one employee to “give the lady what she wants.” The phrase became the company motto, and it remains a business truism that reflects the importance of a customer orientation to an organization. This orientation may permit marketers to respond to customer wants that the customers themselves have not yet identified. Moretti Polegato, founder of an Italian shoe company called Geox, identified a need for shoes that increase comfort by keeping feet dry. He developed a sole made of perforated rubber that allows air to circulate, combined with a membrane inside the sole to keep water out. Geox shoes, which combine this modern technology with sophisticated Italian design, are available at shops in Europe, North and South America, Asia, Australia, and South Africa. Geox informs customers about its products with a message that emphasizes the shoes’ high-tech soles.²

Courtesy of WM. WRIGLEY JR. COMPANY. Photographer Darrian Rees—Doug Brown, Agent

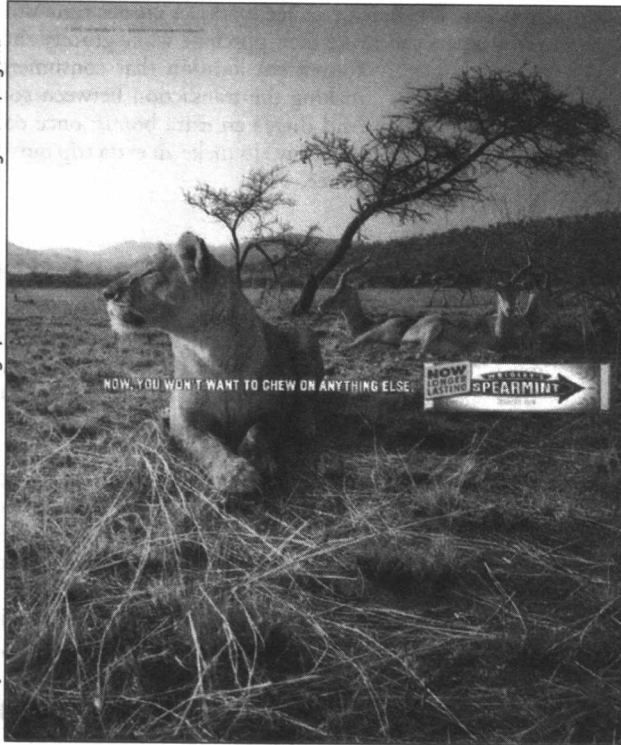


FIGURE 1.1
The Exchange Process

As these examples illustrate, marketing is more than just selling. It is a process that begins with discovering unmet customer needs and continues with researching the potential market; producing a good or service capable of satisfying the targeted customers; and promoting, pricing, and distributing that good or service. Throughout the entire marketing process, a successful organization focuses on building customer relationships.

When two or more parties benefit from trading things of value, they have entered into an **exchange process**. If you decide to purchase the pack of Wrigley’s Spearmint gum shown in Figure 1.1, you will engage in an exchange process. The other party may be a convenience food store clerk, a person operating the checkout counter at your local supermarket, a gas station attendant, or even a surrogate human in the form of a vending machine. In exchange for a few coins paid to the retail employee or inserted in the vending machine, you receive the gum. But the exchange process is more complex than that; it could not occur if Wrigley’s did not market its product and if you were not aware of it and did not have the coins required to purchase it. Because of marketing, your need for a certain flavor—and brand—of gum is satisfied, and the manufacturer’s business is successful. This example suggests how marketing can contribute to the continuing improvement of a society’s overall standard of living.

How Marketing Creates Utility

Marketing is a complex activity that affects many aspects of an organization and its dealings with customers. The ability of a good or service to satisfy the wants and needs of customers is called **utility**. A company’s production function creates **form utility** by converting raw materials, component parts, and other inputs into finished goods and services. But the marketing function creates time, place, and ownership utility. **Time utility** is created by making a good or service available when customers want to purchase it. **Place utility** is created by making a product available in a location convenient for customers. **Ownership utility** refers to an orderly transfer of goods and services from the seller to the buyer. Starbucks, which creates form utility by converting coffee plants into coffee beans and ground coffee, attempts to create time, place, and ownership utility by offering its gourmet coffee beans in selected

utility want-satisfying power of a good or service.

grocery stores. The upscale coffee marketer creates time utility by offering the coffee beans in a store where consumers can make their purchase while grocery shopping; place utility by offering them in a convenient location that consumers visit anyway; and ownership utility by making the transaction between consumer and seller a smooth, simple one. And there's an extra bonus: once consumers get the coffee beans home, they don't have to make an extra trip outside each time they want a cup of Starbucks coffee.



1. What is the exchange process?
2. What is utility?

Evolution of the Marketing Concept

Marketing has always been a part of business, from the earliest village traders to large 21st-century organizations producing and selling complex goods and services. Over time, however, marketing activities evolved through the four eras shown in Figure 1.2: the production, sales, and marketing eras, and now the relationship era. Note that these eras parallel some of the business eras discussed in Chapter 1.

For centuries, organizations of the *production era* stressed efficiency in producing quality products. Their philosophy could be summed up by the remark, "A good product will sell itself." Although this production orientation continued into the 20th century, it gradually gave way to the *sales era*, in which businesses assumed that consumers would buy as a result of energetic sales efforts. Organizations didn't fully recognize the importance of their customers until the *marketing era* of the 1950s, when they began to adopt a consumer orientation. This focus has intensified in recent years, leading to the emergence of the *relationship era* in the 1990s, which continues to this day. In the relationship era, companies emphasize customer satisfaction and building long-term relationships with customers.

marketing concept
companywide consumer orientation to promote long-run success.

They Said It

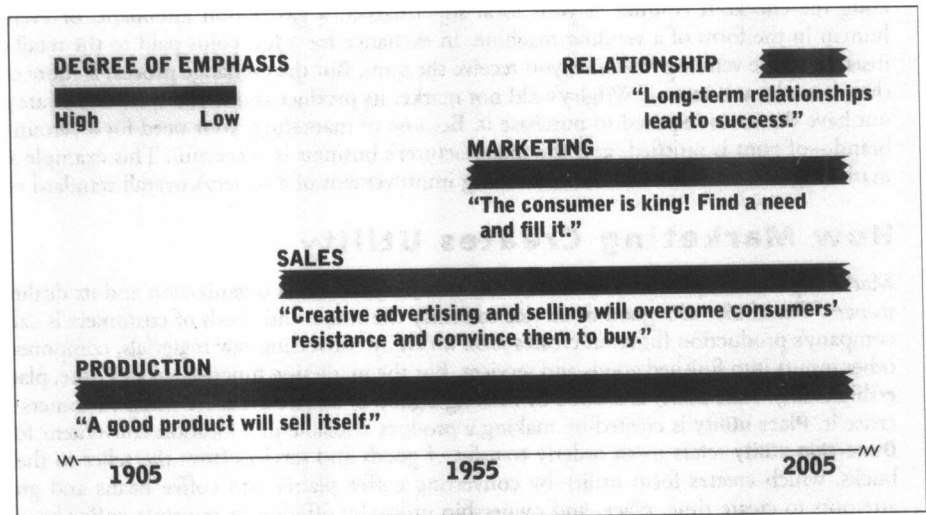
Before you build a better mousetrap, it helps to know if there are any mice out there.

—Mortimer B. Zuckerman (b. 1937)
editor in chief, U.S. News & World Report

Emergence of the Marketing Concept

The term **marketing concept** refers to a companywide customer orientation with the objective of achieving long-run success. The basic idea of the marketing concept is that marketplace success begins with the customer. In other words, a firm should analyze each customer's needs and then work backward to offer products that fulfill them. The emergence of the marketing concept can be explained best by the shift from a *seller's market*—one with a shortage of goods and services—to a *buyer's market*—one with an abundance of goods and services. During the 1950s, the U.S. became a strong buyer's market, forcing companies to satisfy customers rather than just producing and selling goods and services.

FIGURE 1.2
Four Eras in the History of Marketing



Delivering Added Value through Customer Satisfaction and Quality

What is the most important sale for a company? Some assume that it's the first, but many marketers argue that the second sale is the most important, since repeat purchases are concrete evidence of **customer satisfaction**. The concept of a good or service pleasing buyers because it has met or exceeded their needs and expectations is crucial to an organization's continued operation. A company that fails to match the customer satisfaction that its competitors provide will not stay in business for very long. In contrast, increasing customer loyalty by just 5 percent translates into significant increases in lifetime profits per customer. In the wake of unsettling times in the telecommunications industry, BellSouth set out to distinguish itself from competitors MCI and Qwest by launching a marketing campaign aimed at placing customer satisfaction first. "Listening. Answering" was the advertising slogan, as BellSouth described the kinds of services that real customers had requested—and that BellSouth was offering. Steve Centritto, executive vice president and managing partner at BellSouth's advertising agency, dark-Grey, noted that the customer-first approach differed from those of BellSouth's largest rivals. "Usually I get the sense that [telcos] are saying, 'You should buy this because we have it,'" he explained. BellSouth, on the other hand, made an effort to find out what its customers wanted and tries to give it to them.³

customer satisfaction
result of a good or service meeting or exceeding the buyer's needs and expectations.

The best way to keep a customer is to offer more than just products. Customers today want value, their perception that the quality of goods or services is in balance with the prices charged. When a company exceeds value expectations by adding features, lowering its price, enhancing customer service, or making other improvements that increase customer satisfaction, it provides a **value-added** good or service. As long as customers believe they have received value—good quality for a fair price—they are likely to remain satisfied with the company and continue their relationships. Providing superior customer service can generate long-term success. FedEx, United Parcel Service, Hewlett-Packard, and Target are all firms noted for superior customer service. "When a company provides great service, its reputation benefits from a stronger emotional connection with its customers, as well as from increased confidence that it will stand behind its products," notes Joy Sever, a senior vice president at Harris Interactive Inc., which developed a survey of companies with the Reputation Institute.⁴ Table 1.1 shows the 30 top-ranked companies for customer service in the annual Harris Interactive and Reputation Institute survey.

Table 1.1 The Top 30 Companies for Customer Service

Rank	Company	Rank	Company	Rank	Company
1	Johnson & Johnson	11	Disney	21	Target
2	Microsoft	12	General Electric	22	Honda
3	Coca-Cola	13	Dell	23	Boeing
4	Intel	14	Procter & Gamble	24	Southwest Airlines
5	3M	15	UPS	25	General Motors
6	Sony	16	Anheuser-Busch	26	Pfizer
7	Hewlett-Packard	17	Wal-Mart	27	Nordstrom
8	FedEx	18	Toyota	28	DuPont
9	Maytag	19	Home Depot	29	Merck
10	IBM	20	Cisco Systems	30	Nike

Source: Ronald Alsop, "Reputations Rest on Good Service," *The Wall Street Journal*, January 16, 2002, p. B4.