



**PRIDE  
FERRELL**

# MARKETING

**SEVENTH  
EDITIO**



# MARKETING

Concepts and Strategies

SEVENTH EDITION

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*To Linda Ferrell*

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# PREFACE

There is no question that we live in an increasingly complex and changing world. Recent political and economic upheavals have shaken established systems to their foundations; ease of communication and commercial exchange has transformed us into a global society; and environmental concerns have become a number-one priority for many people in the world. To provide insight into marketing in this changing environment, *Marketing: Concepts and Strategies* presents a comprehensive framework that integrates traditional concepts with the realities of today.

The study of marketing has always been relevant because it is a key element in the functioning of society. Our economy, our lifestyles, and our physical well-being are directly or indirectly influenced by marketing activities. *Marketing: Concepts and Strategies* is widely used because it provides comprehensive coverage and stimulates student interest with its readable style and extensive use of interesting, real-life examples. The depth of coverage in this text provides students with a full understanding of the marketing discipline.

## CHANGES IN THE SEVENTH EDITION

*Marketing: Concepts and Strategies* has always focused on the concepts most relevant to the development and implementation of marketing strategies. To keep pace with new developments in the teaching and practice of marketing, the Seventh Edition provides the most comprehensive and up-to-date coverage of international marketing and of marketing ethics and social responsibility.

- In including a new chapter entitled “Marketing Ethics and Social Responsibility,” we have provided a new approach to one of the most important yet misunderstood topics in marketing. We offer a framework for understanding ethical decision making and delineate ethical issues that students will confront in the real world of marketing. We also emphasize the need for social responsibility in organizations and provide approaches for making socially responsible decisions to be effective and successful in the business community.
- The international chapter has been completely revised to include a section on regional trade alliances and markets. Topics include the U.S. and Canada Free Trade Agreement, Mexico trade and the Maquiladora industries, Europe 1992, Pacific Rim Nations, and changing relations with eastern Europe and the Soviet Union.



The overall design and basic features of the text were carefully reviewed and revised to make the material as fresh and appealing as possible.

- We have created a new attractive visual presentation of the content to stimulate readers' interest. In addition, we have made the writing more lively, readable, and concise.
- We have also included many new examples of challenges facing real organizations as they market products and attempt to take advantage of unexpected opportunities in this changing world.
- Marketing Updates integrate fundamental marketing issues and concepts with the real-world practice of marketing. These inserts are generally about well-known companies and focus on issues that students will be able to relate to easily.
- Each chapter continues to include two cases, half of which are completely new and the other half updated for the 1990s.

In addition, text coverage has been completely revised and updated to include major changes and additions such as the following:

- A greater emphasis on environmental issues and the protection of our environment (see especially Chapters 2 and 3).
- New coverage on VALS lifestyles and recent research findings in the area of segmentation (see Chapter 4).
- The latest research and new developments in our understanding of consumer buying behavior (see Chapter 5).
- Material on recent developments and issues related to conducting marketing research studies (see Chapter 7).
- More in-depth discussion of environmentally safe packaging (see Chapter 8).
- Expanded coverage of the merger trend among wholesalers (see Chapter 11).
- A new section on retail positioning and expanded coverage on retail locations (see Chapter 12).
- An updated section on recent findings related to information processing and communication in marketing (see Chapter 14).
- A more concise and strategic approach to understanding the nature and impact of advertising and publicity (see Chapter 15).
- A completely revised and updated section on sales promotion (see Chapter 16).
- A total reorganization of the chapter on strategic market planning, including more concise coverage of portfolio analysis and a new section outlining the marketing plan (see Chapter 19).
- A new section on internal marketing (see Chapter 20).
- Updated and increased depth of coverage on industrial marketing (see Chapter 21).
- More in-depth coverage of services marketing incorporating the latest research in this area and increased emphasis of nonbusiness marketing as a subset of services marketing (see Chapter 22).

Despite these changes, we believe that users of earlier editions will find the seventh edition to have the same strengths that have made previous editions so popular. This edition, like its predecessors, explores the depth and breadth of the field, combining detailed real examples with comprehensive coverage of marketing concepts and strategies used widely outside of the business world as well as in it. By focusing on the universal concerns of marketing decision makers, we demonstrate that market-

ing is a vital and challenging field of study—and a part of our world that influences almost everything we do.

## FEATURES OF THE SEVENTH EDITION

As always, our goal is to provide a comprehensive and practical introduction to marketing, easy both to teach and to read. The entire book is structured to excite students about marketing and to make learning comprehensive and efficient.

- *Learning objectives* open each chapter, providing students an overview of new concepts.
- A *vignette* introduces each chapter's marketing issues.
- *Examples* of familiar products and organizations make concrete and specific the generalizations of marketing theory.
- Two *Marketing Updates* in each chapter, focusing on recognizable firms and products, extend the discussion of marketing topics and decisions.
- Numerous *figures, tables, and photographs* augment the text and increase comprehension.
- A complete chapter *summary* reviews the major topics discussed.
- A *list of important terms* (highlighted in the text) provides a study aid, helping students expand their marketing vocabulary.
- *Discussion and review questions* encourage further study and exploration of chapter material.
- Two concise, stimulating *cases* provoke discussion at the end of each chapter.
- A *diagram of the text's organization* at the beginning of each part shows students how material in the upcoming part relates to the rest of the book.
- A *strategic case* at the end of each part helps students integrate concepts from throughout that part.
- A *glossary* at the end of the text defines more than 625 important marketing terms.
- *Appendices* discuss career opportunities in marketing and provide additional insights into financial analysis in marketing.
- A *name index* and a *subject index* enable students to find topics of interest quickly.

## TEXT ORGANIZATION

We have organized the seven parts of *Marketing: Concepts and Strategies* to give students a theoretical and practical understanding of marketing decision making. Part I presents an overview of marketing, discusses general marketing concepts, and considers the marketing environment, ethics and social responsibility, types of markets, target market analysis, buyer behavior, and marketing research. Part II focuses on the conceptualization, development, and management of products. Part III examines marketing channels, institutions, and physical distribution. Part IV covers promotion decisions and methods, including advertising, personal selling, sales promotion, and publicity. Part V is devoted to pricing decisions and Part VI to marketing management and discussions of strategic market planning, organization, implementation, and control. Part VII explores strategic decisions in industrial, service, nonbusiness, and international marketing.

## STUDENT SUPPLEMENTS

In addition to numerous instructor support materials (discussed in the front of the Instructor's Manual), the package for this text includes aids to both teaching and learning:

- A Study Guide helps students to review and integrate chapter content.
- *Marketing Cases*, Fourth Edition, supplements the cases in the text with 42 others that demonstrate how marketing decisions are made.
- *Marketing: A Simulation*, Second Edition, gives student teams working on microcomputers valuable experience in making marketing decisions.
- *Microstudy Plus*, a self-instructional program for microcomputers, reinforces learning of key concepts.
- *Micromarket: Computer Applications*, a Lotus-based disk, includes exercises that provide hands-on experience in making marketing decisions.

Through the years, professors and students have sent us many helpful suggestions for improving the text and ancillary components. We invite your comments, questions, or criticisms. We want to do our best to provide materials that enhance the teaching and learning of marketing concepts and strategies. Your suggestions will be sincerely appreciated.

William M. Pride  
O. C. Ferrell

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Like most textbooks, this one reflects the ideas of a multitude of academicians and practitioners who have contributed to the development of the marketing discipline. We appreciate the opportunity to present their ideas in this book.

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