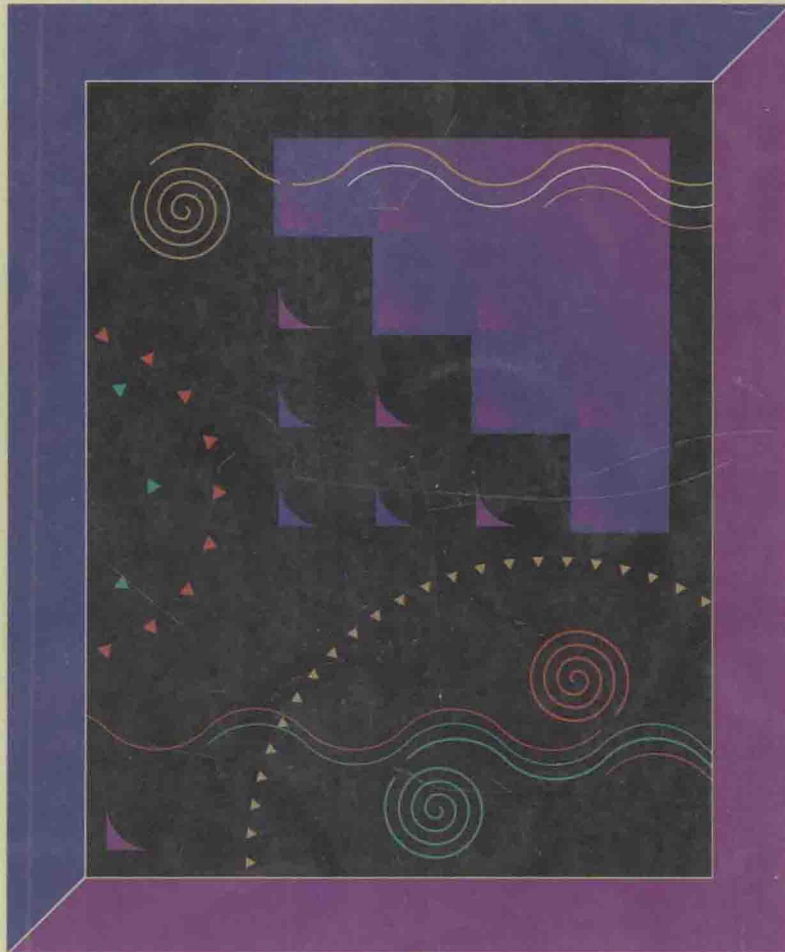
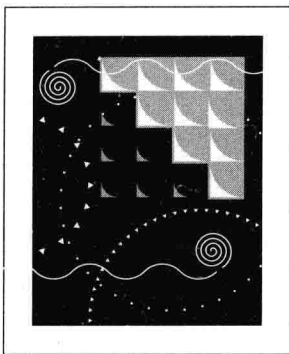


BASIC MARKETING



William G. Zikmund
Michael d'Amico



BASIC MARKETING

WILLIAM G. ZIKMUND

Oklahoma State University

MICHAEL D'AMICO

University of Akron

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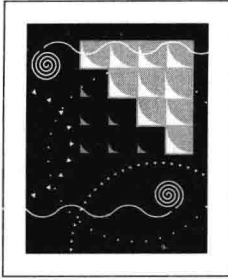
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PREFACE

Basic Marketing is a book that is the direct result of listening to what marketing professors told us about their classroom needs. West Educational Publishing's marketing researchers found that adopters of our other books, *Marketing* and *Effective Marketing*, are highly satisfied with both. They like the comprehensive coverage, the contemporary examples, the lively writing style, and the outstanding service provided by West Educational Publishing. However, marketing research also revealed that some professors feel the need for a more compact text, in which a straightforward no-frills approach is desired. Many professors want a book that can be used to bring a group of students with disparate backgrounds "up to speed" or used as a basic text in a class that involves more cases, readings, term papers or "other outside work" than may be the norm at many institutions. *Basic Marketing* was written to be of use in these situations.

Although *Basic Marketing*, which consists of 18 chapters, is shorter than our other books, it shares many of the same attributes. *Basic Marketing* presents a lively picture of marketing as a dynamic, competitive process that is part of our everyday lives. The book discusses academic theory, yet is contemporary and practical. It is also very readable. *Basic Marketing* has a straightforward and conversational prose style with balanced coverage of marketing concepts and practical examples that make marketing easy to understand; it does not, however, have lengthy opening vignettes or extended examples in boxed materials.

In developing a more compact book, we have not pared down our coverage of the essentials of marketing. All of the facets of marketing that professors and students of marketing would expect to find in a marketing textbook have been covered in *Basic Marketing*.

The material is organized to show that marketing activities are not independent but work together to achieve the organization's goals, the primary one being customer satisfaction.

Basic Marketing stresses that the marketing process does not end with the sale. The book *Effective Marketing* discusses how marketers establish and build relationships with customers. Furthermore, the discussions of relationship marketing recognize that the way business is being conducted has dramatically changed in recent years. Companies, especially those engaged in multinational marketing, often rely on collaborating organizations. Chapter 3 introduces the concept of collaborators, and the remainder of the book provides insights about managing relationships with suppliers, intermediaries, and customers.

Another overall theme of this book is how effective marketers gain and maintain competitive advantages in a global environment. Chapter 8 focuses on global competition and international marketing strategies. Placement of this chapter at this point in the textbook facilitates additional discussion of international issues when marketing mix strategies are discussed in the remaining chapters. Thus, the discussion of multinational marketing strategies is not too early, before students know the basics of marketing, and not too late, when the semester's time pressures are the greatest. International issues and global competition are discussed in every chapter. Each chapter deals with conceptual issues of international marketing when the marketing principles being discussed have global dimensions. For example, discussions about distinctive competitive environments and cultural values in different countries are found in Chapter 3, on the marketing environment. International issues and global

competition are thus carefully integrated into the text. *Basic Marketing* employs current examples about both domestic and global markets from the real world to enhance understanding of marketing concepts and strategies. The importance of services marketing in the contemporary economy is reflected in the discussion of services to be found in virtually every chapter.

Basic Marketing also stresses the logic of marketing management, relating strategy and tactics to the environmental opportunities and constraints with which managers must deal on a daily basis. The concepts of *effective marketing*, *competitive strategy*, *total quality management*, and *relationship marketing* are emphasized throughout the book, so that readers are able to see the difference between intuitive decision making and sound marketing management. For example, Chapter 1 discusses how Ford Motor Company's total quality management program fits into its overall competitive strategy.

Theories and strategies that marketing managers use to create competitive advantages have a central importance in *Basic Marketing*. Theoretical concepts, such as those found in the study of buyer behavior, are presented so that students can understand their practical value for marketing managers. Competitive market strategies, such as those used for segmenting, targeting, and positioning, appear early in the book. They provide a foundation to build upon when marketing mix strategies are discussed later.

Commenting on A. Bartlett Giamatti, former president of Yale University and former commissioner of major league baseball, Whitey Herzog said: "For being book smart, he had an awful lot of street smarts." We wrote *Basic Marketing* with the goal of helping students become both book smart and street smart about marketing.

■ ORGANIZATION OF THE BOOK

Basic Marketing is not simply a "primer" or "outline" sort of book. The book's organizational structure has been designed to integrate topics that in many textbooks are often isolated in a chapter at the end of the book.

The book is organized into seven parts. Part One discusses the nature of marketing, the fundamentals of marketing strategy, and the marketing environment. Chapter 1, "The Nature of Marketing," intro-

duces the marketing concept and explains how it relates to total quality management. Chapter 2, "Marketing Management: Strategy and Ethical Behavior," establishes the nature of marketing strategy. It also includes extensive coverage of ethics and moral behavior to serve as a framework and a springboard for further discussions of ethical concerns in the remaining chapters. We chose this organization because students need some background in marketing principles before they can truly understand how an organization's ethical principles influence its marketing decision making. Chapter 3, "Environmental Forces in a Diverse World," explains the elements of marketing's microenvironment and macroenvironment. It features a world perspective, with emphasis on the competitive environment, especially challenges from global competitors. It highlights how certain aspects of the global environment influence consumers and marketing strategies. This chapter sets the stage for a continuing discussion of international marketing activity.

Part Two, "Analysis of Market and Consumer Behavior," discusses information management and consumer and market behavior. Global information systems and marketing research are covered in Chapter 4. Chapter 5 provides a model and an overview of consumer behavior. It concentrates on both the psychological dimensions of the decision-making process and the sociological and cultural factors influencing the consumer. Chapter 6, "Business Markets and Organizational Buying," discusses business-to-business marketing with a focus on buying behavior. This is an important aspect of global competition.

Part Three, "Market Strategy for Global Competition," emphasizes market and positioning strategies. It explains how these strategies apply to both domestic and international markets and shows how both large multinational firms and small domestic marketers can use these strategies. Chapter 7, "Market Segmentation and Positioning Strategies," applies the behavioral theories discussed in other chapters to the concept of market segmentation. This chapter offers complete coverage of positioning strategies, placing positioning in a strategic framework that is compatible with the material on target marketing. Chapter 8, "Global Competition and International Marketing Strategy," explains how a market strategy for international markets is developed. The chapter concentrates on how firms organize and develop strategies for competing in our global economy.

Part Four, "Product Strategy" deals with both goods and services. It discusses the elements of products, the product life cycle, and product strategies for new and existing products. The material on product strategy completely integrates the marketing of services into Chapters 9 and 10. The process for implementing *total quality management programs* is discussed at length in Chapter 10, "New Products and Product Life Cycle Strategies."

Part Five, "Distribution Strategy," consists of three chapters. They focus on the nature of distribution, retailing and wholesaling strategies, and the physical distribution process. Physical distribution is described in terms of its role within the larger logistical system of the firm.

Part Six, "Promotion Strategy," contains chapters introducing promotional concepts, advertising, and publicity/public relations, personal selling, and sales promotions. All chapters emphasize integrated marketing communications and creative promotional strategy. Chapter 16, "Personal Selling, Sales Management, and Sales Promotion," highlights the importance of personal selling and relationship management. The material on sales promotion has been expanded to reflect its increased importance in many marketing mixes.

Part Seven, "Pricing Strategy," consists of two chapters: "Introduction to Pricing Concepts" and "Pricing Strategies and Tactics." This material shows how price plays a role in the allocation of goods within economies and how it plays a practical role in the marketing mix. Much of the material explains the need for and nature of pricing objectives and the way pricing strategy is developed to satisfy these objectives. Our treatment remains a very pragmatic approach to this key marketing mix element.

Four appendices end the book. "The Marketing Audit" provides a sample outline for conducting a marketing audit. "Organizing the Marketing Function" allows the professor to introduce this material at any point in the academic term. "Marketing Arithmetic for Business Analysis" explains financial concepts and many analytical ratios that marketing managers use in decision making. "The Case Method of Learning" illustrates how students can apply what they have learned to realistic problems.

■ ACKNOWLEDGMENTS

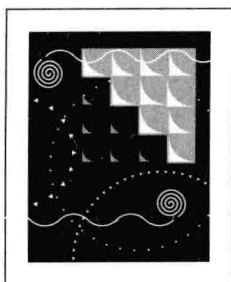
Basic Marketing was completed because of the hard work of many people at West Publishing Company. Our editor, Rick Leyh, is a true marketing person. He commissioned marketing research and suggested—in fact, strongly encouraged—that we write this book. He tirelessly worked with us to make the important decisions that gave a clear focus to this new product. We are in his debt. Without his insights and understanding, this book might not exist. It is an understatement to say that we greatly appreciate his help.

The ever-vigilant efforts of Cathy Story, are also appreciated. She managed the details, which is often a thankless task, but not to us. The efforts of Nancy Roth, production editor; Jo-Anne Naples, permissions editor; and Roslyn Stendahl, designer; resulted in a book that is lucid in exposition and a paragon of the state of the art in publishing. John Tuvey did a great job. His creative talents and special skills provide evidence that marketing is both an art and a science.

Joan Kirkendall's contributions have been praised in other prefaces. Anyone who has translated scribbling into manuscript for 15 years has more tolerance than Job.

There are many long-term debts owed as well to our parents, professors, families, and friends. George Zikmund, who spent his entire life in sales and sales management, was responsible for leaving an indelible sense of the practical side of marketing to his son. Philip Cateora, as an assistant professor teaching Principles of Marketing at the University of Colorado, inspired a directionless young man to major in marketing. Phil Campagna later served as a wise marketing mentor at Remington Arms Company. Learning to understand marketing, and to be both book smart and street smart, takes many years, and these long-term debts are impossible to repay. We hope this book will pass on parents', teachers', and mentors' insights to others.

William G. Zikmund
Michael F. d'Amico



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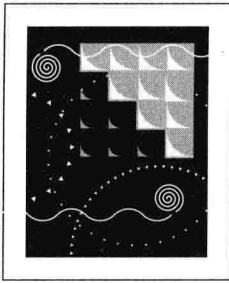
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