

Marketing

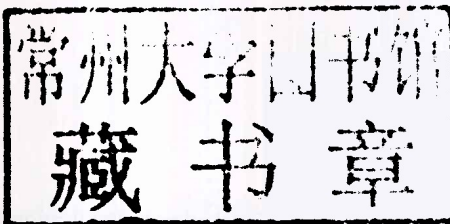
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Marketing

Third Edition

Dhruv Grewal, Ph.D.
Babson College

Michael Levy, Ph.D.
Babson College





MARKETING

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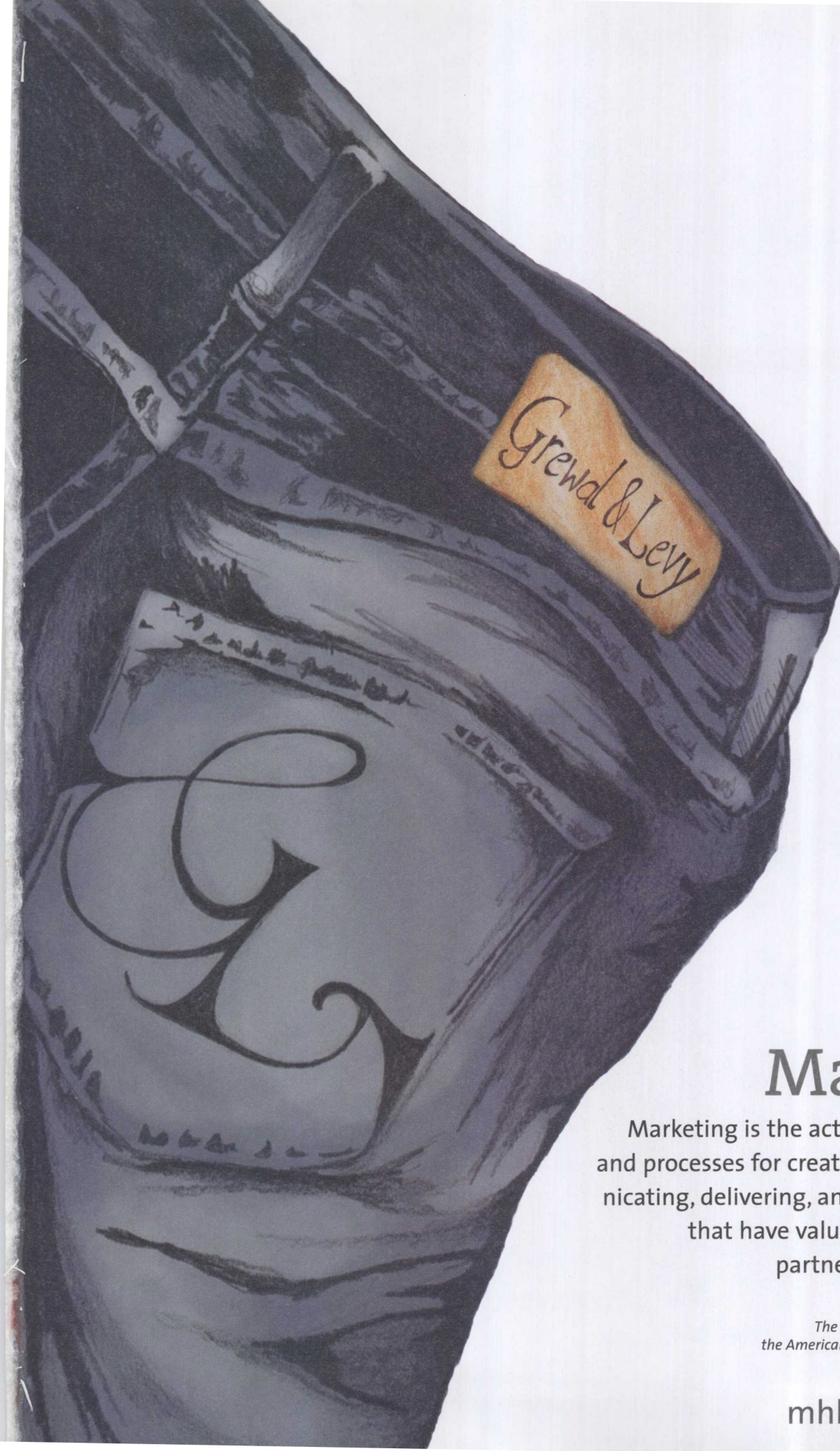
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Marketing

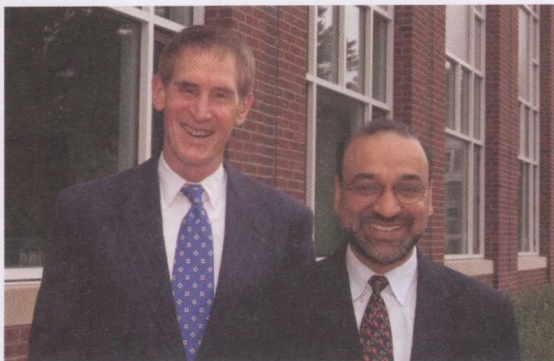
Marketing is the activity, set of institutions, and processes for creating, capturing, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.

The definition of marketing, established by the American Marketing Association, October 2007.

mhhe.com/grewal3e

*We dedicate this book to the memory of our fathers,
Inder Grewal (1933 to 2007)
and
Norman Levy (1926 to 2010),
for encouraging us to pursue our goals
and follow our own paths.*

about the authors



Authors Michael Levy (left)
and Dhruv Grewal (right).

Dhruv Grewal

Dhruv Grewal Ph.D. (Virginia Tech) is the Toyota Chair in Commerce and Electronic Business and a Professor of Marketing at Babson College. He was awarded the 2010 AMS Cutco/Vector Distinguished Educator Award, the 2010 Lifetime Achievement Award in Retailing (AMA Retailing SIG), and in 2005 the Lifetime Achievement in Behavioral Pricing Award (Fordham University, November 2005). He is a Distinguished Fellow of the Academy of Marketing Science. He was ranked 1st in the marketing field in terms of publications in the top-six marketing journals during the 1991–1998 period and again for the 2000–2007 period. He has served as VP Research and Conferences, American Marketing Association Academic Council (1999–2001), and as VP Development for the Academy of Marketing Science (2000–2002). He was co-editor of *Journal of Retailing* from 2001 to 2007. He co-chaired the 1993 Academy of Marketing Science Conference, the 1998 Winter American Marketing Association Conference, the 2001 AMA doctoral consortium, and the American Marketing Association 2006 Summer Educators Conference.

He has published over 95 articles in journals such as the *Journal of Retailing*, *Journal of Marketing*, *Journal of Consumer Research*, *Journal of Marketing Research*, and *Journal of the Academy of Marketing Science*, as well as other journals. He currently serves on numerous editorial review boards, such as the *Journal of Retailing*, *Journal of Marketing*, *Journal of the Academy of Marketing Science*, *Journal of Interactive Marketing*, *Journal of Business Research*, and *Journal of Public Policy & Marketing*.

He has won a number of awards for his teaching: 2005 Sherwin-Williams Distinguished Teaching Award, Society for Marketing Advances, 2003 American Marketing Association, Award for Innovative Excellence in Marketing Education, 1999 Academy of Marketing Science Great Teachers in Marketing Award, Executive MBA Teaching Excellence Award (1998), School of Business Teaching Excellence Awards (1993, 1999), and Virginia Tech Certificate of Recognition for Outstanding Teaching (1989).

He has taught executive seminars/courses and/or worked on research projects with numerous firms, such as IRI, TJX, Radio Shack, Telcordia, Khimetrik, Profit-Logic, Monsanto, McKinsey, Ericsson, Council of Insurance Agents & Brokers (CIAB), Met-Life, AT&T, Motorola, Nextel, FP&L, Lucent, Sabre, Goodyear Tire &

Rubber Company, Sherwin Williams, Esso International, Asahi, and numerous law firms. He has taught seminars in the United States, Europe, and Asia.

Michael Levy

Michael Levy Ph.D. (Ohio State University) is the Charles Clarke Reynolds Professor of Marketing and Director of the Retail Supply Chain Institute at Babson College. He received his Ph.D. in business administration from The Ohio State University and his undergraduate and M.S. degrees in business administration from the University of Colorado at Boulder. He taught at Southern Methodist University before joining the faculty as professor and chair of the marketing department at the University of Miami.

Professor Levy received the 2009 Lifetime Achievement Award from the American Marketing Association Retailing Special Interest Group. He was rated one of the Best Researchers in Marketing in a survey published in *Marketing Educator* in Summer 1997. He has developed a strong stream of research in retailing, business logistics, financial retailing strategy, pricing, and sales management. He has published over 50 articles in leading marketing and logistics journals, including the *Journal of Retailing*, *Journal of Marketing*, *Journal of the Academy of Marketing Science*, and *Journal of Marketing Research*. He currently serves on the editorial review board of the *Journal of Retailing*, *International Journal of Logistics Management*, *International Journal of Logistics and Materials Management*, and *European Business Review*. He is co-author of *Retailing Management*, eighth edition (2012), the best-selling college-level retailing text in the world. Professor Levy was co-editor of the *Journal of Retailing* from 2001 to 2007. He co-chaired the 1993 Academy of Marketing Science conference and the 2006 Summer AMA conference.

Professor Levy has worked in retailing and related disciplines throughout his professional life. Prior to his academic career, he worked for several retailers and a housewares distributor in Colorado. He has performed research projects with many retailers and retail technology firms, including Accenture, Federated Department Stores, Khimetrik (SAP), Mervyn's, Neiman Marcus, ProfitLogic (Oracle), Zale Corporation, and numerous law firms.

Building From Experience

Marketing, Third Edition, builds from Dhruv Grewal's and Michael Levy's experiences in the classroom and in the marketplace and interacting with marketing instructors and students. Six essential features that the Third Edition is built upon are highlighted below:

Learning Orientation:

Each chapter features Learning Objectives at the outset (icons that relate the learning objectives to the chapter content); Check Yourself questions at the end of each section; and a Summing Up review of the learning objectives, Marketing Application questions, and Quiz Yourself questions at the end of the chapter.

Student Focused:

The text content is engaging and provides illustrations that are highly relevant to students. The content is presented in a visual fashion to facilitate learning.

State of the Art Instructor's Resources:

Our monthly newsletter continues to gain rave reviews. Each newsletter highlights 10–12 current marketing applications and provides appropriate discussion questions and answers and links to interesting ads and videos. Additionally, we provide PowerPoint® slides on this content. This will enable instructors to deliver state-of-the-art marketing content on a daily basis.

Applying Concepts:

Comprehensive frameworks that organize key concepts are presented in each chapter. These frameworks integrate essential marketing concepts and content with emerging concepts and content.

Interactive Technology:

Interactive Toolkits, Interactive Presentations, Applications, and LearnSmart, all based in *Connect* make *Marketing, Third Edition* the most comprehensive and usable marketing book (augmented by its ancillaries) in the marketplace.

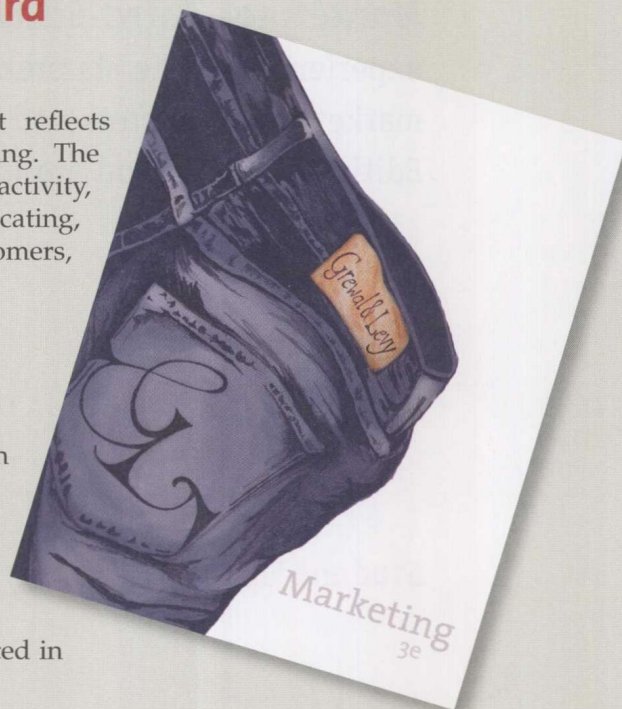
Assessment:

To aid in self-assessment of how they are doing, students can use Check Yourself questions at the end of each section, Quiz Yourself questions at chapter end, Practice Quizzes on the book's student Web site, instructor-created quizzes on Connect, or the continuous learning and assessment provided by LearnSmart.

New to the Third Edition

Some exciting new additions in the Third Edition include:

The authors continue to incorporate appropriate context that reflects the new American Marketing Association definition of marketing. The American Marketing Association states that “**Marketing** is the activity, set of institutions, and processes for creating, capturing, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.”



Adding Value 1.1 Jeans—From Bronce to Boardroom

When blue jeans first hit the market in 1873,¹ they were working-man's wear: rugged cotton pants with metal rivets at stress points to help prevent rips. The pants, created by tailor Jacob Davis and a dry goods businessman named Levi "Levi" Strauss, were an instant success, flying off the shelves at the then-exorbitant cost of 50¢ per pair. Today blue jeans still fly off the shelves, but at substantially higher prices and with so many different styles and details that they are appropriate casual and businesswear for both men and women. In fact, blue jeans show up at formal occasions without raising eyebrows. The evolution of jeans—and how they have managed to remain a wardrobe staple for over a century despite changes in fashion—illustrates how customer perception can increase or undermine the value of a product.

In the 1950s, movie cowboys popularized jeans, creating a market among urban "cowboys" who aspired to a rugged look but wanted comfortable clothing. In the 1960s, jeans-clad movie idol James Dean became the symbol of adolescent rebellion,² and teenagers dressed jeans to symbolize the departure from their parents' values. Throughout the 60s and early 70s, jeans acquired emblematic flared bottoms, beads, and paint and began appearing in the day-to-day fashion of the day. They also acquired rips and frays, signs of wear that would soon evolve into fashionable styling on new jeans. Late in the 1990s, designers caught denim fever, and costly versions appeared with tags bearing names such as Jordache, Sosson, Gloria Vanderbilt, Guess, and Calvin Klein.³



Caption needed

- Given the strategic thrust of the definition of marketing as creating value, this concept permeates the book from the Jeans cover to the Adding Value illustrations incorporated in every chapter.

Each chapter begins with key learning objectives; these learning objectives with numbered icons are placed adjacent to the appropriate material in the chapter; and are reviewed at the end of each chapter.

Power of the Internet 1.1 Facebook Networks the Web¹

Facebook would prefer it if you checked your account daily (or even hourly). Its 400 million users spend an average of 8.5 hours a month on the site, and Facebook is the fourth most frequently visited site in the United States. But to encourage users to show up even more often, Facebook is working to become better integrated with other Web sites they are likely to use. For example, if you visit a particular online game each day, Facebook wants to make sure you think of visiting your Facebook account too, so it adds its icon to the bottom of the opening page.

The benefits to Facebook seem evident, but such increased networking also aids advertisers and users. Its Open Graph program helps businesses find promising customers by combining information across various sites; for example, after you use Yelp to look for Asian food restaurants in the downtown area of your city, Yelp can also access songs that you like on Pandora and recommend concert venues in the same area that will be hosting shows of potential interest to you. Your Facebook preferences also might provide your favorite music, restaurants, and movies. WDC, the comprehensive site for movie lovers, is partnering with Facebook; the company's annual advertising revenues of more than \$1 billion continue to grow as advertising on the site becomes more and more useful and relevant.

For users, Facebook works to enable interactions; for example, if you watch the funniest video you have ever seen on YouTube, you can rely on Facebook's social plug-in technology to share the video with your Facebook friends.



Caption needed

- In today's marketplace, there is a growing emphasis on the use of social media by marketers. These examples have been integrated throughout the book. A number of the Power of the Internet examples pertain to use of social media (e.g., Power of the Internet 1.1: Facebook Networks the Web).

Ethical and Societal Dilemma 2.1

Starbucks Working to Make the Earth a Better Place

To ensure it adds value to the broader society that makes up its macroenvironment, Starbucks rates its own corporate social responsibility performance in five categories: ethical sourcing, environment, community, wellness, and diversity.¹ Its brand equity improves in response to its proactive efforts along these socially responsible dimensions; customers feel good about their buying experience, and Starbucks develops stronger relationships with suppliers, both locally and globally.

With regard to its focus on ethical sourcing and sustainable coffee production, Starbucks maintains its C.A.F.E. (Coffee and Farmer Equity) program. The C.A.F.E. guidelines include a scorecard that rates coffee farmers according to their product quality, economic accountability, social responsibility, and environmental leadership. Third parties evaluate whether suppliers meet Starbucks' standards under the C.A.F.E. program. In just a few years, suppliers from 15 different countries gained C.A.F.E. approval. In turn, Starbucks increased the amount of coffee that it purchased from verified suppliers, from 77 percent to 81 percent, on its way to its goal of having "100% of our coffee certified or verified by an independent third party."

On a more local level, Starbucks sometimes experiences opposition from local communities that believe its stores will ruin the historical ambience of an area. To take the needs of local communities into consideration, Starbucks attempts to address historic

- Given the emphasis of the role of marketing on society at large, the authors have enhanced their discussion on the role of corporate social responsibility in Chapter 3. They continue to emphasize the importance of ethics and societal issues through the text with Ethical and Societal Dilemma illustrations throughout the text. These illustrations end with questions that are posed from the marketer's point of view to encourage readers to think about these issues and how to address them.

- All of the chapter opener examples are new. The illustrations have been carefully chosen to be sure to resonate with college students and increase their engagement with the marketing content.
- The majority of the end-of-chapter case studies are new and the others have been updated. For example, the Chapter 1 case pertains to the launch of the iPad, a product that has captured the attention of the world.
- Chapter 2, "Developing Marketing Strategies and a Marketing Plan," begins with a detailed illustration of how the war between Starbucks, McDonald's, and Dunkin' Donuts has heated up. This illustration is woven through many of the key concepts introduced in the chapter.
- In Chapter 3, "Marketing Ethics," the authors illustrate the difference between ethics and corporate social responsibility. They integrate the detailed material on corporate social responsibility (previously in Chapter 4) at the end of this chapter.
- A new framework has been added to Chapter 10, "Product, Branding, and Packaging Decisions," to communicate the level of complexity of products in the marketplace.
- Chapter 17, "Integrated Marketing Communications," offers a revised Integrated Marketing Media framework to reflect the increase in both mobile marketing and marketing using social media.



When the authors sat down to write this book, it seemed imperative that the evolution of the field and practice of marketing be at the forefront. They wanted to be sure that they were fully educating today's students about current marketing trends and practices, so they integrated newer concepts such as value creation, globalization, technology, ethics, and services marketing into the traditional marketing instruction. In this book, they examine how firms analyze, create, deliver, communicate, and capture value. The authors explore both the fundamentals in marketing and new influences, such as how social media are shaping the way businesses communicate with their customers in today's marketing environment.

Marketing, Third Edition, reflects not only the current trends in the marketplace, but also the needs of instructors and students. During the writing and revising of this book and earlier editions, the authors have sought the advice and expertise of hundreds of marketing and educational professionals and have taken all of their guidance to heart. They are grateful to the hundreds of individuals who participated in the focus groups, surveys, and personal conversations that helped mold this book, and hope that you will enjoy the results.

More Teaching



McGraw-Hill Connect Marketing

Less Managing. More Teaching. Greater Learning.

McGraw-Hill Connect Marketing is an online assignment and assessment solution that connects students with the tools and resources they need to achieve success.

McGraw-Hill Connect Marketing helps prepare students for their future by prompting them to complete homework in preparation for class, master concepts, and review for exams.

Sales Promotion: Getting a Good Deal



Business-to-business sales promotion techniques



Consumer sales promotion techniques

1 of 1

1 - Sales Promotion: Getting a Good

Product Placements

Product placements show products in television shows and movies.



3 of 6

3 - Product Placements

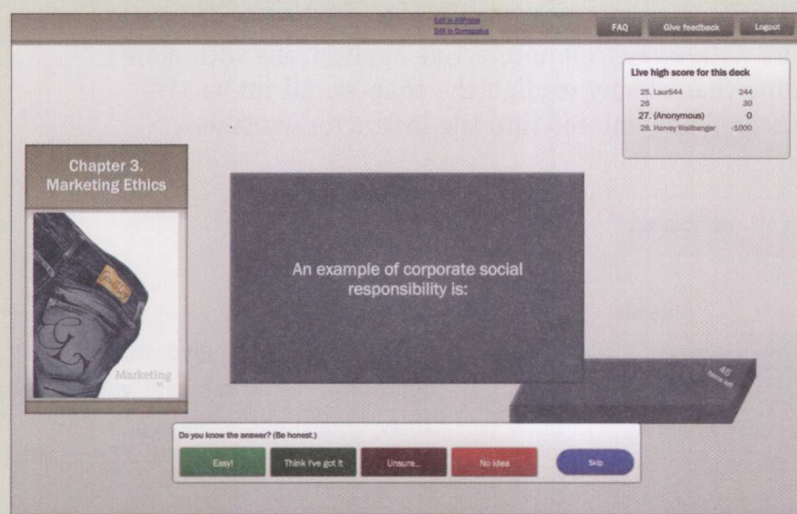
Interactive Presentations

Specific to this textbook, the interactive presentations in *Connect* are engaging, online, professional presentations covering the same learning objectives and concepts directly from the chapters. Interactive Presentations teach students the core learning objectives in a multimedia format, bringing the content of the course to life. Instructors can assign this content for a grade, meaning students come to class with better knowledge of chapter material. Interactive presentations are a great prep tool for students—and when students are better prepared, they are more engaged and more participative in class.

Greater Learning

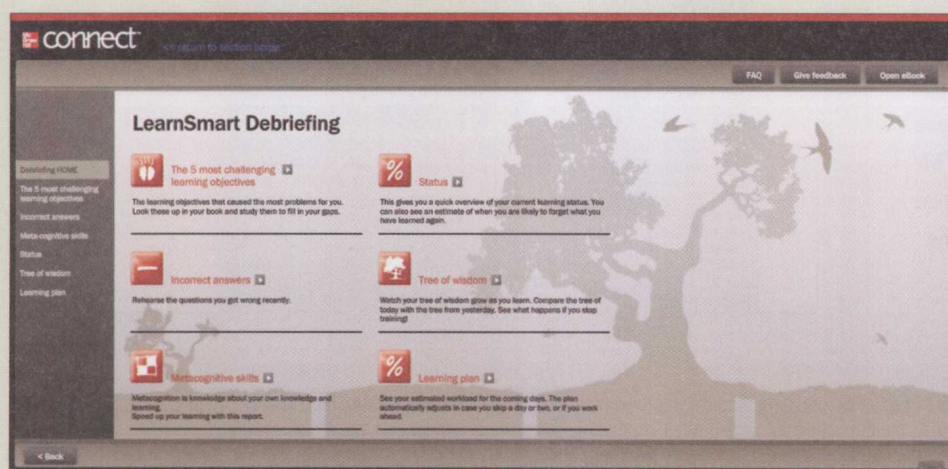
Adapt

LearnSmart, a study tool also within *Connect*, offers intelligent flashcards that identify the relationships between concepts and serve new concepts to each student only when he or she is ready. It adapts automatically, so students spend less time on the topics they understand and practice more those they have yet to master.



Empower

LearnSmart provides continual reinforcement and remediation, but gives only as much guidance as students need.



Enable

LearnSmart integrates diagnostics as part of the learning experience. This enables instructors to assess which concepts students have efficiently learned on their own, thus freeing class time for more applications and discussion.

Interactive Learning


Connect Interactive Applications

Engaging students beyond simply reading and recall, students practice key concepts by applying them with these textbook specific interactive exercises in every chapter.

Critical thinking makes for a higher level of learning. Each interactive application is followed up by a series of *concept checks* to reinforce key topics and further increase student understanding. Students walk away from interactive applications with more practice and better understanding than simply reading the chapter. All interactive applications are automatically scored and entered into the instructor gradebook.

Question 7 (of 12) Ch 07a Video Case - Growth of the Global Economy: Globalization of Marketing and Production

Ch 07a Video Case - Growth of the Global Economy: Globalization of Marketing and Production
Video Case



1 Changing the flavor of the Coca-Cola to accommodate cultural differences represents a global _____ strategy.

Navigation buttons: back, play, pause, stop, full screen, volume, and a progress bar.

Video cases give students the opportunity to watch case videos and answer questions as they go.

Interactive Toolkits encourage students to spend additional time focusing on more challenging concepts. These hands-on exercises were designed to offer students the opportunity to practice their skills by working through exercises.

Question #3 (of 3) save & exit submit assignment

3. value: 10 points

POSITION MAP: PIZZA PARLOR PAGEANT
TOOLKIT INTRO

D Positioning refers to how customers think about a product, service, or brand in the market relative to competitors' offerings. When developing a positioning strategy, companies go through five important stages: determining consumers' perceptions and evaluations of the product or service in relation to competitors; identifying competitors' positions; determining consumer preferences; selecting the position; and monitoring the positioning strategy. These data can be plotted on a position map (or perception map) to illustrate the market situation.

P In the following activity, we will review a group of regional consumers' perceptions about Wendy's Pizza and place the product in the appropriate place on the accompanying grid. We will review consumers' perceptions about these competing stores and the competitor positioning and place them on the grid. Then, we will review consumers' preferences about the local pizza market in general to identify target markets within the grid. For this exercise we will focus on two dimensions: the perceptions of Style (Traditional v. Original) and Selection (Many Options v. Few Options). Once the grid is complete, we will analyze hypothetical strategies for Wendy's.

Follow the instructions at the top of each screen.

POSITION MAP
On this simplified map, there are 16 possible positions (squares typically have an unlimited number of positions). The closer the position is to the labeled side, the more that product is perceived to "fit" that attribute in consumers' minds.

	TRADITIONAL		ORIGINAL	
MANY OPTIONS	A	C		
FEW OPTIONS	B	D		

Position A represents "the most traditional food with the most options" in consumers' minds.
Position B represents "the most original food with the most options" in consumers' minds.
Position C represents "the most traditional food with the least options" in consumers' minds.
Position D represents "the most original food with the least options" in consumers' minds.

Decision generators require students to make real business decisions based on specific real world scenarios and cases.

Self-assessments allow students to evaluate skills and assess personal progress.

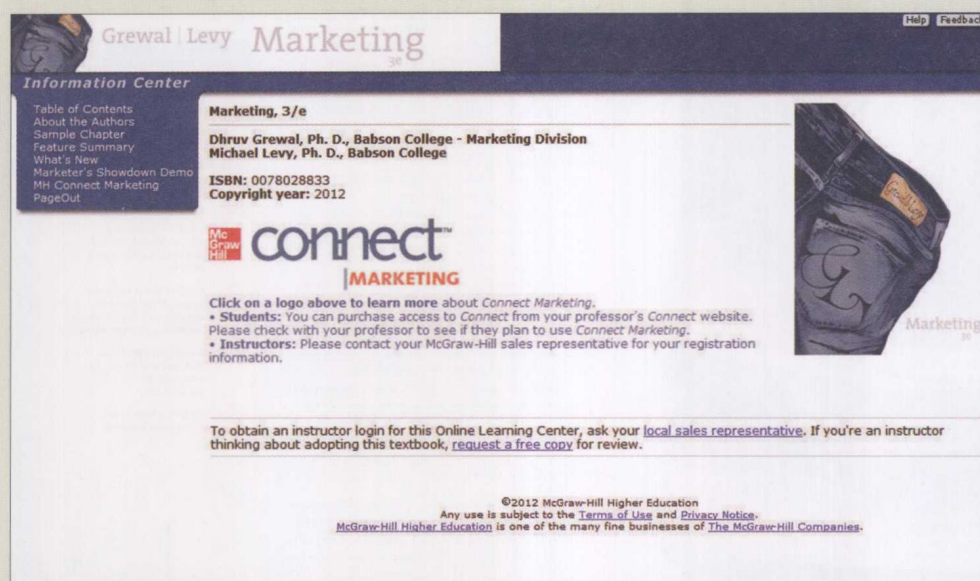
Comprehensive cases encourage students to read a case and answer open-ended discussion questions to demonstrate writing and critical-thinking skills.

Applying Concepts

Online Learning Center (www.mhhe.com/grewal3e)

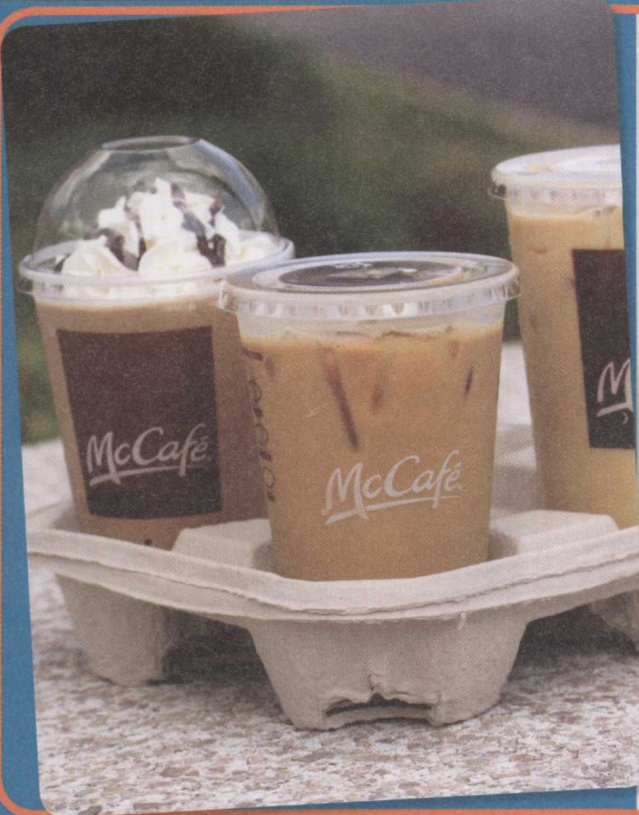
The Online Learning Center helps students use *Marketing*, third edition, effectively.

Some features on the website are:



- **The Interactive Student Toolkits** – available for specific chapters offer students interactive, gradeable assignment focusing on challenging, but pertinent concepts such as SWOT Analysis, Compensatory vs. Noncompensatory Consumer Decision Making, Vendor Evaluation Analysis, marketing Positioning Map, Service Quality, Breakeven Analysis, Customer Lifetime Value, and Return on Investment.
- **Self-Quizzes** – quizzes focusing on key concepts and providing immediate feedback offer students the opportunity to determine their level of understanding.
- **Marketer's Showdown** – nine cases focusing on up-to-the-minute issues in the music, automotive, and soft drink industries. These cases are designed to allow students to analyze the marketing problem, choose a proposed solution, and then watch their proposal debated by marketing professionals. After the debate, students have the opportunity to change their plan or stick to their guns, then see the outcome of their decisions.
- **iPod Content** – narrated PowerPoint® Presentations, quizzes, and audio lectures.

Student-Focused Features



Developing Marketing Strategies and a Marketing Plan

People can grab a cup of coffee virtually anywhere. Yet somehow Starbucks, Dunkin' Donuts, and McDonald's have turned this common beverage into a market offering worth pursuing. To accomplish this transformation, the three java giants have distinguished themselves using varied marketing strategies aimed at slightly different audiences. And thus the humble cup of coffee has become something much, much more.

McDonald's. Known better for its Big Macs, McNuggets, and low prices, McDonald's Corp. is the most recent entrant into the coffee war. The company initiated its attack by improving its drip coffee and adding espresso drinks.¹ More recently, it has challenged Starbucks' supremacy in the iced coffee drink market by introducing its own blended coffee drinks and fruit smoothies. This move came in response to the growing popularity of cold coffee drinks,² which deliver a healthy profit margin to vendors.

By offering its drinks below competitors' prices and in the more family-oriented atmosphere of its 32,000 stores in 117 countries,³ McDonald's hopes to lure customers away from Starbucks and Dunkin' Donuts, as well as upsell some of its existing coffee-drinking clientele. It increased visibility for its new blended drinks by offering large fountain drinks for a dollar in the weeks around the introduction of the new beverages.⁴ But McDonald's target audience in general is less educated and affluent than a typical Starbucks shopper, so the company has been careful not to appear too upscale, even as it offers drinks previously viewed as luxuries. In its advertising, McDonald's mainly portrays its McCafé drinks as a way to add fun to everyday life at an affordable price.⁵

Dunkin' Donuts. Dunkin' Donuts sells 52 varieties of donuts and other baked goods. But the majority of the company's profits now come from its coffee drinks, of which it sells approximately 1 billion each year. With its nearly 9,000 stores in 31 countries,⁶ Dunkin'

LEARNING OBJECTIVES

- LO1** Define a marketing strategy.
- LO2** Describe the elements of a marketing plan.
- LO3** Analyze a marketing situation using SWOT analyses.
- LO4** Describe how a firm chooses which consumer group(s) to pursue with its marketing efforts.
- LO5** Outline the implementation of the marketing mix as a means to increase customer value.
- LO6** Summarize portfolio analysis and its use to evaluate marketing performance.
- LO7** Describe how firms grow their business.

Chapter Opening Vignettes focusing on well-known companies like McDonalds, Apple, and Domino's draw students into a discussion about some of the challenges these companies face.

Check Yourself

Questions positioned throughout the chapter after key points allow students to stop and think about what they have learned.



CHECK YOURSELF

1. What are the various components of a marketing strategy?
2. List the four macro strategies that can help a firm develop a sustainable competitive advantage.

Describe the elements of a marketing plan.

THE MARKETING PLAN

Effective marketing doesn't just happen. By creating a *marketing plan*, firms like Starbucks, McDonald's, and Dunkin' Donuts carefully plan their marketing strategies to react to changes in the environment, the competition, and their customers.

Real-World Examples are used to illustrate concepts throughout the text. The authors give students the opportunity to think about how concepts are used in their everyday life. This is shown through various boxed elements:

- **Adding Value** – illustrate how companies add value not only in providing products and services, but in making contributions to society.
- **Ethical & Societal Dilemmas** – emphasize the role of marketing in society.
- **Power of the Internet** – discuss how Internet applications and social media are used in marketing products.
- **Superior Service** – highlight the emerging role of the service industry.

Ethical and Societal Dilemma 2.1

Starbucks Working to Make the Earth a Better Place

To ensure it adds value to the broader society that makes up its macroenvironment, Starbucks rates its own corporate social responsibility performance in five categories: ethical sourcing, environment, community, wellness, and diversity.¹⁰ Its brand equity improves in response to its proactive efforts along these socially responsible dimensions; customers feel good about their buying experience, and Starbucks develops stronger relationships with suppliers, both locally and globally.

With regard to its focus on ethical sourcing and sustainable coffee production, Starbucks maintains its C.A.F.E. (Coffee and Farmer Equity) program. The C.A.F.E. guidelines include a scorecard that rates coffee farmers according to their product quality, economic accountability, social responsibility, and environmental leadership. Third parties evaluate whether suppliers meet Starbucks' standards under the C.A.F.E. program. In just a few years, suppliers from 13 different countries gained C.A.F.E. approval. In turn, Starbucks increased the amount of coffee that it purchased from verified suppliers, from 77 percent to 81 percent, on its way to its goal of having "100% of our coffee certified or verified by an independent third party."

On a more local level, Starbucks sometimes experiences opposition from local communities that believe its stores will ruin the historical ambience of an area. To take the needs of local communities into consideration, Starbucks attempts to address historic preservation, environmental, infrastructure, job, and urban revitalization concerns. For example, in La Mesa, California, Starbucks overcame opposition by supporting local events and businesses. In addition, it formed a joint venture with Johnson Development Corporation (JDC) to develop urban coffee opportunities. By opening in diverse urban areas, Starbucks helps stimulate economic growth in the areas by creating jobs, using local suppliers, and attracting other retailers to the area.

Superior Service 2.1

As most U.S.-based airlines race for the bottom, in terms of both cost and customer service, Singapore Airlines continues to maintain its industry-leading levels of customer satisfaction on its international flights.¹¹ The airline's commitment to excellence has been an important part of its brand strategy since the company's inception.

In its early days, Singapore Airlines faced stiff competition. So the airline elected to position itself as a leader in technology, innovation, quality, and customer service. Over the ensuing decades, it has remained committed to that strategy, introducing such customer-friendly services as hot meals, free alcoholic and nonalcoholic drinks, scented hot towels, video-on-demand for all travelers, and personal entertainment systems. When other airlines imitate its ideas, Singapore Airlines develops new ones, such as a centralized, all-in-one business panel with in-seat power supply and USB ports, a 15.4-inch LCD screen in its video systems, and a seat that folds out fully to a flat bed for business class.¹²

Although the airline's cabin crew consists of both men and women, they are referred to as Singapore Girls.¹³ The women dress in a signature sarong, created by a French haute-couture designer. All crew members receive rigorous training to ensure they maintain a peaceful and elegant cabin ambience and caring service.

Staying ahead of the competition requires continual investment in innovation, a price Singapore Airlines is willing to pay to earn the significant rewards it seeks in the form of a loyal and motivated staff¹⁴ and return customers. To remain competitive, the airline's financial structure accommodates innovation without passing any exorbitant costs on to consumers. With that kind of business sense, it's no wonder Singapore Airlines remains profitable even as other airlines struggle to survive.

NEW BUSINESS CLASS
The most spacious the world has ever seen

Caption needed

End-of-Chapter Materials include summary sections organized by chapter learning objective, designed to revisit and reinforce key concepts. Key Terms include definitions and page references for the chapter, and a master list of key terms with definitions can be found at the back of the text. Marketing Applications ask students to consider what they have learned in the chapter to answer essay-style questions. Quiz Yourself questions allow students to test their knowledge by answering chapter-specific questions and checking their skill level against the answer key provided in the back of the text. Net Savvy activities encourage students to go to the Web to research and/or write about a particular company or current practices. End-of-Chapter Cases are designed to help students develop analytical, critical thinking, and technology skills.

Marketing Applications Each chapter concludes with eight to eleven Marketing Applications. These essay-style questions determine whether students have grasped the concepts covered in each chapter by asking them to apply what they have learned to marketing scenarios that are relevant to their lives.

Innovative Instructor Resources



Do More

McGraw-Hill Higher Education and Blackboard have teamed up. What does this mean for you?

- 1. Your life, simplified.** Now you and your students can access McGraw-Hill's *Connect* right from within your Blackboard course—all with one single sign-on. Say goodbye to the days of logging in to multiple applications.
- 2. Deep integration of content and tools.** Not only do you get single sign-on with *Connect*, but you also get deep integration of McGraw-Hill content and content engines right in Blackboard. Whether you're choosing a book for your course or building *Connect* assignments, all the tools you need are right where you want them—inside of Blackboard.
- 3. Seamless gradebooks.** Are you tired of keeping multiple gradebooks and manually synchronizing grades into Blackboard? We thought so. When a student completes an integrated *Connect* assignment, the grade for that assignment automatically (and instantly) feeds your Blackboard grade center.
- 4. A solution for everyone.** Whether your institution is already using Blackboard or you just want to try Blackboard on your own, we have a solution for you. McGraw-Hill and Blackboard can now offer you easy access to industry leading technology and content, whether your campus hosts it, or we do. Be sure to ask your local McGraw-Hill representative for details.

Student progress tracking

Connect keeps instructors informed about how each student, section, and class is performing, allowing for more productive use of lecture and office hours. The progress-tracking function enables instructors to:

- view scored work immediately and track individual or group performance with assignment and grade reports.
- access an instant view of student or class performance relative to learning objectives.
- collect data and generate reports required by many accreditation organizations, such as AACSB.

Click a subcategory to view section details

expand all | collapse all export to excel

AACSB	# questions	# times submitted	# students submitted	category score
▼ AACSB: Analytic	15	2727	25/25	46.11%
Cumulative Quiz-Chapters 1,2,3 (Graded)	6	450	25/25	14.27%
Homework-Chapter 3 Part 2 (Graded)	6	1512	25/25	63.17%
Homework-Chapter 3 Part 1 (Graded)	3	765	25/25	59.2%
▶ AACSB: Reflective Thinking	26	4995	25/25	39.65%

Bloom's	# questions	# times submitted	# students submitted	category score
▼ Bloom's: Analysis	21	4074	25/25	28.42%
Cumulative Quiz-Chapters 1,2,3 (Graded)	7	525	25/25	13.96%
Homework-Chapter 3 Part 2 (Graded)	7	1764	25/25	41.74%
Homework-Chapter 3 Part 1 (Graded)	7	1785	25/25	24.99%
▶ Bloom's: Application	1	255	25/25	58.43%
▶ Bloom's: Comprehension	7	1239	25/25	58.0%
▶ Bloom's: Knowledge	12	2154	25/25	43.39%

McGraw-Hill Connect Plus Marketing

McGraw-Hill reinvents the textbook learning experience for the modern student with *Connect Plus Marketing*. A seamless integration of an eBook and *Connect*, *Connect Plus Marketing* provides all of the *Connect* features plus the following:

- An integrated eBook, allowing for anytime, anywhere online access to the textbook.
- Dynamic links between the problems or questions assigned to students and the location in the eBook where that problem or question is covered.
- Powerful search function to pinpoint and connect key concepts in a snap.

In short, *Connect Marketing* offers instructors and students powerful tools and features that optimize time and energy, enabling instructors to focus on course content, teaching, and student learning. Offering a wealth of content resources for instructors and students, this state-of-the-art interactive system supports instructors in preparing students for the world that awaits with adaptive engaging textbook specific online content.

For more information about *Connect*, go to connect.mcgraw-hill.com, or contact your local McGraw-Hill sales representative.

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