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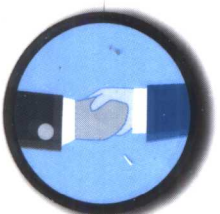
to accompany

marketing

MICHAEL J. ETZEL

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ISO 9000

value pricing

competitive intelligence

on-line retailing

generation x

global marketing

brand equity



quality

relationship marketing

INTERNET EXERCISES to accompany **marketing**

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 **Irwin
McGraw-Hill**

Boston, Massachusetts Burr Ridge, Illinois Dubuque, Iowa
Madison, Wisconsin New York, New York San Francisco, California St. Louis, Missouri

Irwin/McGraw-Hill

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Internet Exercises to accompany Marketing

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This book is printed on acid-free paper.

5 6 7 8 9 0 BKM BKM 9 0 3 2 1 0 9 8 7

ISBN 0-07-021897-8

The editors were Karen Westover and Dan Alpert.
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Bookmart was the printer and binder.

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INTRODUCTION

OVERVIEW

Welcome to the *Internet Exercises* to accompany *Marketing*, 11th edition, by Etzel, Walker and Stanton. The purpose of this exercise book is threefold:

- To help students explore and understand the marketing concepts and practices featured in the main text by applying them to real-world examples on the World Wide Web.
- To provide students with a wide array of activities and exercises through which they can develop their World Wide Web navigation and research skills.
- To engage students in a critical examination of the World Wide Web as a marketing tool by asking them to evaluate hundreds of Websites and devise their own creative ways of applying this dynamic new communications technology.

This *Introduction* is intended to provide a concise overview of the World Wide Web (Web or WWW, for short), how it works, and how it fits into the “big picture” of the Internet. The emphasis here is on the *practical* rather than the *technical*. To fully demonstrate the electronic complexities of the Web would require a technical discussion that is well beyond the scope of this course. In the next few pages we will explain — in everyday language wherever possible — the essential Web technology and terminology you will need to understand in order to make the most of this exercise book.

WHAT IS THE WORLD WIDE WEB?

Let’s approach this question by first establishing what the Web is *not*. One common misconception is that the Web and the Internet are one and the same. They are not. The term *Internet* refers to the *physical* infrastructure of an interconnected global computer network. In effect, the Internet is just a giant mass of cables and computers. The Internet itself doesn’t *do* anything. To make the most of this physical network, software engineers have developed programs and protocols that allow these computers to communicate with each other in different ways. The Web refers to just one of many modes of data storage and transfer commonly used on the Internet (e-mail and Usenet being two other examples, both of which we will cover in later sections).

On the most basic level, the Web is just a vast collection of interconnected documents stored on computers all around the world. These computers, or *hosts*, must be connected to the Internet, of course. A special coding system called Hypertext Mark-Up Language, or HTML, allows Web users to move quickly and easily within and between documents. An individual user navigates through these HTML-encoded documents with a software program called a *browser*. The browser interprets the HTML codes in two ways. First, it uses these codes to format and display the text and images you see on your screen (the codes themselves remain hidden). Secondly, it executes the appropriate commands whenever you click on any given highlighted text, or *hypertext link*. Furthermore, recent advancements in HTML now allow users to click on pictures and animation, or *hypermedia*, in order to execute these same commands.

BROWSERS

In order to understand how a browser works, it is helpful to look at the *client/server system* upon which the Web is built. When you use the Web, you are using two programs, the *client* and the *server*. The client program, or *browser*, is the program running on your local terminal, whether it's your PC at home or a UNIX workstation at school. It displays information on screen, takes your keystrokes and your mouse clicks, and retrieves the information you request. It retrieves this information (which may consist of text, graphics, animation, sound, and even movies!) from the host, or *server*, which is connected to the Internet. The important thing to note here is that the server does nothing until it receives a command from the browser.

Currently, the most popular browser is Netscape Navigator, though many other software packages are also available (such as Mosaic and Microsoft Internet Explorer). The single-user version of Netscape can be purchased from a software retailer or downloaded directly from the Internet, but it is offered free of charge to the educational community — that means you! Multi-user versions for local computer networks are also available through a site license. If you are using Netscape (or any other browser) on a terminal in your school's computer center, odds are it's a multi-user version.

WEBSITES & HOMEPAGES

Using your browser, you can access *homepages* and *Websites* all over the world. While these two terms are often used interchangeably, the term Website actually refers to an entire *collection* of HTML documents stored on a given server. The term *homepage* denotes the main access point (or "front door") into this collection. The homepage usually describes the purpose and features of the Website and provides an interactive table of contents that serves as the navigation scheme for the Website as a whole. For example, the Arizona State University Website consists

of many different areas (academic, administrative, reference, campus life, etc.), all of which appear as hypertext or hypermedia links on the main homepage. To make things a little more complicated, each of these areas or departments may have their own servers and homepages. Open the front door and you'll find more doors (behind which are even more doors!). Some of these doors lead to other documents of the same Website, while others may lead to different Websites all over the world. This maze-like effect is how the World Wide Web got its name.

UNIFORM RESOURCE LOCATORS (URLs)

Uniform Resource Locators, or URLs, are what we use to get our bearings within this maze. Put simply, a URL is the Internet address of a given Website, homepage, or document. What's more, URLs can tell you exactly where specific documents are located within a particular Website.

URLs consist of four parts. We'll use the following URL as an example:

`http://www.asu.edu/asuweb/index.html`

- The first part, **`http://`**, which is referred to as the *prefix*, indicates that this address points to an HTML-encoded document (*http* stands for Hypertext Transport Protocol). Therefore, you know it's a Website. Other prefixes you may run across in your Web travels include `ftp://`, `file://`, `gopher://`, and `telnet://`. All of the URLs in this exercise book point to Web documents, so the only prefix you'll see here is `http://`. The other prefixes listed above serve as a reminder that browsers can be used to access resources other than Web documents.
- The second part, **`www.asu.edu`**, is the name of the computer (or *host* or *server*) where this document is stored. Another term for this label is *domain name*. In this example, the computer is Arizona State University's Web server.
- The third part, **`/asuweb/`**, is the directory on this server where the file resides.
- The fourth part, **`index.html`**, is the name of the actual document that pops up on your screen. This document may contain text, graphics, animation, sound files, movies, and/or links to other documents and Websites.

It is especially advantageous to know the common abbreviations that are used in the naming of particular servers. In the above example, the domain name ends with **`edu`**, signifying that the computer is part of an educational or research institution. The other standard suffixes in current use are:

COM	Commercial organizations
GOV	Government agencies
MIL	Military agencies
NET	Major network support centers
ORG	Not-for-profit organizations
INT	International organizations

As you can imagine, information may be interpreted differently depending on whether it comes from a commercial, government, military, or other source, so it is important to know these abbreviations and always be conscious of where you are on the Web.

SEARCHING THE WEB

Now that you know a bit about the Web addressing scheme, how can you find what you're looking for on this vast information network? Our first suggestion may surprise you: GUESS! This method is especially useful for finding company and university Websites, as illustrated in the following examples.

Let's say you want to find the homepage for Cornell University. You already know that **http://** is the prefix for Web documents, so that will be the first part of its URL. By far the most common beginning for a Web server domain name is **www**, so that's another safe bet for next piece of the URL. And you already know that since Cornell is an educational institution, the domain will end in **edu**. The last element to fill in is the name of the school itself, **Cornell**, which is the middle element of the domain name (the word "university" is almost always omitted in cases like this). Put it all together and you get **http://www.cornell.edu**, which is, in fact, the main URL for Cornell University.

The same logic can be applied to corporate Websites. Can you guess the Xerox Website URL? The prefixes will be the same as above, but you know that the domain name will end in "com" because Xerox is a commercial organization. Fill in the company name and you get "http://www.xerox.com". The same logic can be applied to guessing the URLs for government sites (like the White House at <http://www.whitehouse.gov>) and not-for-profit organizations (like Greenpeace at <http://www.greenpeace.org>).

If this method doesn't help you find what you're looking for, you can also try one of the many *search engine* homepages available on the Web. A significant number of the exercises in this book ask you to use these remarkable tools, so you will get plenty of practice with search engines as you work your way through these exercises.

Search engines are some of the most powerful and utilized resources on the Web. These enormous interactive databases allow us to scour most of Webspace in a matter of seconds in search of just about anything. There are more than a dozen comprehensive search engines on the Web, including:

AltaVista	http://www.altavista.digital.com
Yahoo!	http://www.yahoo.com
Lycos	http://www.lycos.com
infoseek	http://www.infoseek.com
Magellan	http://www.mckinley.com/index_bd.html
Opentext	http://www.opentext.com
Webcrawler	http://www.webcrawler.com
ZD Net	http://www.zdnet.com/

At the most basic level, there are two ways to find what you are looking for:

First, there is the “keyword” search. Each search engine is a little different, but the general idea is that you input words related to the information you are looking for and the engine will give you a list of sites containing those words. So if you are trying to find a hotel for your next trip to Miami, you might try words like “Miami,” “Florida,” “travel,” “tourism,” “hotels,” etc. In general, the more specific you can be, the better. Each search engine has a comprehensive *Help* or *Search Tips* menu that can help make your searches much more efficient (and much less frustrating). We encourage you to make the most of them.

Secondly, you may peruse each database by choosing from a list of general topic areas and narrowing your search from there. So the above search might go something like this: Recreation → Travel → United States → Southeast Region → Florida → Miami → Hotels. This method is usually most helpful when you are exploring a general area (rather than looking for a specific piece of information or homepage).

OTHER FEATURES OF THE INTERNET — E-MAIL & USENET NEWS

Besides the Web, two other features of the Internet are mentioned in this exercise book — *e-mail* and *Usenet news*.

Electronic mail, or *e-mail*, is the primary communication tool used on the Internet. E-mail is a system for sending messages or files to the accounts of other computer users. The sender and recipient(s) may be on the same computer or on different systems on opposite sides of the world. E-mail works very much like regular postal mail. Every user on the network has a private mailbox. Once received, your mail is kept for you until you decide to discard it. Like regular

postal mail, you must know a user's address to send a message. This communication technology is being used more and more for direct marketing, which is the main focus of the e-mail exercises in this book.

Usenet, or Netnews, is a world-wide electronic bulletin board system. It represents a way for people with similar interests to communicate with one another by exchanging publicly-posted messages known as *articles*. Unlike e-mail messages which are delivered straight to your private mailbox, Usenet articles are posted to a central computer known as a *news server*, where anyone with access may read and respond to them (either privately or publicly). Each news server is divided up into newsgroups, which are categorized by topic area. For example, the "rec.music.folk" newsgroup is for fans of folk music. The "rec" prefix indicates that this is a recreational group. Other prefixes include "comp" (for computer topics), "sci" (for scientific discussion) and "K12" (for students in kindergarten through 12th grade). Like e-mail, Usenet is changing the way people communicate, so it is an important medium for marketers to understand.

COMMERCIAL ON-LINE SERVICES vs. THE INTERNET

One of the most common sources of confusion with respect to the Internet is the unique position occupied by major commercial on-line services such as America Online, CompuServe, and Prodigy. Many newcomers to the information superhighway (often called "newbies") assume that these services are synonymous with the Internet. They are not. These networks are independent systems offering a wide variety of informational, entertainment, commercial, and other resources, only one of which is access to the wider, global system we call the Internet (including the Web). While subscribers to these systems can access the Internet, non-subscribers cannot access these systems' internal services. It is important to understand this distinction when considering the Internet, and more specifically the Web, as a marketing medium.

OTHER FEATURES OF THIS EXERCISE BOOK

Two other features of this supplement deserve mention at this point. First, each exercise is accompanied by a page reference to the corresponding material in the main text. These references appear to the right of the descriptive title for each exercise. Secondly, we have provided an *Index of Websites* at the end of this exercise book. This index includes all of the Websites listed in both the main text and this supplement. Unlike the name/company index in the main text, it is arranged by business area to make it easier for you to find what you're looking for.

Chapter 1: THE FIELD OF MARKETING

1-1 KEEPING UP WITH THE GLOBETROTTERS

(3)

As you read in the opening case for Chapter 1, Manny Jackson has taken a unique approach to rejuvenating the Harlem Globetrotters. Take a moment to peruse their Web homepage and answer the following questions.

<http://www.harlemglobetrotters.com>

- a) How does this homepage reflect the Globetrotters' new social awareness orientation? How might this medium be used to further promote this kind of work?
- b) Summarize the other ways in which this homepage is being used to bolster the image and marketability of the team. If you were a marketing consultant for the team, what improvements might you suggest?

1-2 UNDERSTANDING MARKETS

(5)

Institutions of higher education were among the first organizations to populate the Web. Though initial developments in this area focused on research and information sharing, colleges and universities have long realized the marketing potential of the Web and continue to build on this idea. As you read on p. 5 in the main text, state universities are good examples organizations whose markets encompass more than the customers for their primary product. Choose one of the following university homepages (or find one on your own, but make sure it's a large state university) and answer the questions below.

Indiana State University	http://www.indstate.edu/
Florida State University	http://www.fsu.edu
San Diego State University	http://www.sdsu.edu

- a) Make a list of all target markets for the university you selected. Annotate this list with a brief description of the homepage elements designed to address and/or appeal to each one. Can you suggest any opportunities for improvement?
- b) What do you think are the main advantages of Web marketing vs. traditional marketing methods for colleges and universities? Are there any disadvantages?

1-3 YOU MAKE THE DECISION — WOMEN AND SKIING

(6)

In the “You Make The Decision” box on p. 6, you were asked to think about the impact of marketing on the popularity of skiing among women. Now it’s time to take a look at what is (or isn’t) actually being done about it. SkiNet maintains a list of various ski-related resources on the Web.

<http://www.skinet.com/shop/links/index.html>

From this list, select two resorts and two major ski equipment companies and answer the following questions.

- a) What, if anything, are these companies doing to attract and keep female customers? How would you critique these efforts?
- b) If you were the marketing manager for one of these companies, what would you do reach the female segment of your target market(s)?

1-4 EVOLVING OUT OF THE PRODUCT-ORIENTATION STAGE

(7-8)

The authors used the Pillsbury company of the late 1800’s to exemplify the product-orientation stage of marketing evolution in the United States (see pp. 7-8). To see how much things have (or haven’t) changed, take a look at the new Pillsbury homepages:

<http://www.pillsbury.com>

<http://www.bakeoff.com>

How would you characterize Pillsbury’s orientation now? Make a simple chart comparing and contrasting their 1800’s orientation with what they represent today. What might you prescribe as the next step in Pillsbury’s marketing evolution?

1-5 THE MARKETING ORIENTATION STAGE

(9)

The quote from Nike chairman and CEO Philip Knight on p. 9 provides an excellent illustration of the marketing-orientation stage. Given this approach, you might find it surprising that not only was Nike one of the last major athletic footwear producers to develop a Web homepage, but they took a distinctly “non-marketing” approach when the homepage finally debuted. Nike launched its homepage in August of 1996 to coincide with the opening of the Centennial Olympic Games in Atlanta. To quote the page itself, Nike’s stated goal at that time was to

“provide the media with information regarding Nike-sponsored athletes competing during the summer of 1996—whether you’re in Atlanta or Sri Lanka. We seek to give the media what they need to do their jobs. Our focus is on previewing key stories, rather than on reporting results.” People outside the press community were invited to peruse the homepage, but Nike proudly proclaimed, “Don’t expect us to sell you anything!”

a) Given Knight’s quote and your own knowledge of Nike’s past and current marketing efforts, what is your reaction to this unusual approach? How does this strategy fit in (if at all) with the marketing-orientation stage?

b) Call up the current Nike homepage (<http://www.nike.com>) and answer the following questions: Now that the Olympics are long over, has Nike maintained this “non-selling” approach? If not, what is their new angle? How is this a reflection of the marketing-orientation stage?

1-6 POSSIBLE EXCEPTIONS TO THE MARKETING-ORIENTATION STAGE (9)

The authors suggest that public utilities (i.e., gas and electric companies) do not need to be marketing-oriented to prosper. Do you agree with this statement? Why or why not? As you consider this question, peruse a few of the electric company homepages listed at the following site:

<http://www.electricrates.com/erholink.htm>

a) In general, how would you characterize the orientations of these companies (i.e., product-, sales-, or marketing-oriented)? Did you find much variation between the companies you investigated? Any surprises?

b) Under what circumstances would public utilities be forced to take on a more marketing-oriented orientation? Can you think of another industry in which these circumstances developed, forcing major changes in a once monopolistic organization?

1-7 YOU MAKE THE DECISION — AMTRAK (10)

Has Amtrak correctly defined the business it is in? To better answer this question, call up the Amtrak homepage at <http://www.amtrak.com>. Based on what you see here, how does Amtrak define the business it is in? What are the strengths of this definition? What are the weaknesses? What improvements can you suggest to make their approach more marketing-oriented? Does your experience with this homepage make you more inclined to consider Amtrak as a travel option in the future? Why or why not?

1-8 RELATIONSHIP MARKETING

(12)

Relationship marketing is one of the most natural applications of the Web. That is, Internet technology allows companies to offer ancillary services and other opportunities *on-line* to promote customer allegiance and positive associations. This goes well beyond customer service and product support. Briefly describe the ways in which each of the following homepages embody relationship marketing:

Digital Computer	http://www.digital.com
Seattle Mariners Baseball	http://www.mariners.org
Ragu Foods	http://www.ragu.com
The Discovery Channel	http://www.discovery.com

1-9 MASS CUSTOMIZATION

(12-3)

How are the following companies good examples of mass customization? What are the potential pitfalls for each of these companies as they expand their mass customization efforts?

Samuel Adams	http://www.samueladams.com/
Gibson Guitars	http://www.gibson.com/
Levi Strauss	http://www.levi.com/

1-10 INSTILLING AN ETHICAL ORIENTATION

(15)

The University of British Columbia maintains a list of corporate codes of ethics publicly available via the Web. You will find this list at the following URL:

<http://www.ethics.ubc.ca/papers/business.html>

Choose any three companies from this list and familiarize yourself with their codes of ethics. What similarities and differences did you find among them? Which elements are applicable to all companies and which are industry- or company-specific? If you were an employee of one of these companies, how would you react its ethics code? How much of this seems to be common sense?

1-11 UNDERSTANDING UTILITY

(21-3)

As you read on p. 21, “A customer purchases a product because it provides satisfaction. The something that makes a product capable of satisfying wants is its *utility*. And it is through marketing that much of a product’s utility is created.” Consider Holiday Inn as an example:

<http://www.holiday-inn.com/>

Use Holiday Inn to illustrate the following kinds of utility: form, place, time, information/image, and possession. Why is it important for marketers to understand the differences among these concepts?

Chapter 2: THE DYNAMIC MARKETING ENVIRONMENT

2-1 MORE ON McDONALD'S

(29, 49)

The opening case for Chapter 2 asked you to think about McDonald's and its place in the increasingly competitive fast food market. Cultural and demographic changes in McDonald's customer base and target market have forced the company to develop new products and marketing strategies. Take a look at the McDonald's homepage:

<http://www.mcdonalds.com>

- a) Identify the main thrusts of the McDonald's on-line campaign. What cultural, social and/or demographic factors can you associate with each of these emphases? Which are aimed at attracting new customers, and which are aimed at retaining old ones?
- b) How is McDonald's global orientation demonstrated on this homepage? How could McDonald's use Web technology to bolster this aspect of its market strategy?

2-2 EXTERNAL MACROENVIRONMENT

(31-44)

As you study the Apple Computer homepage — <http://www.apple.com> — prepare a succinct description of this company's external macroenvironment. (Hint: press releases are excellent sources of information about the external forces influencing a company's marketing program.) Be sure to organize your description according to the six areas of influence listed on p. 31, giving at least two examples for each category.

2-3 INTRODUCTION TO DEMOGRAPHICS

(32)

Demographics refer to the characteristics of human populations, including such factors as size, distribution, and growth. There are dozens of demographics resources on the Web, but perhaps the best place to start your exploration of this topic is with Georgia Tech's Web User Survey. Conducted twice a year, this is one of the most comprehensive studies of on-line demographics. You can find all of the results at:

http://www.cc.gatech.edu/gvu/user_surveys/