



Marketing

Core Concepts
& Applications

*Asia-Pacific
Edition*



Houghton
Mifflin



WILEY

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Marketing

Core Concepts
& Applications

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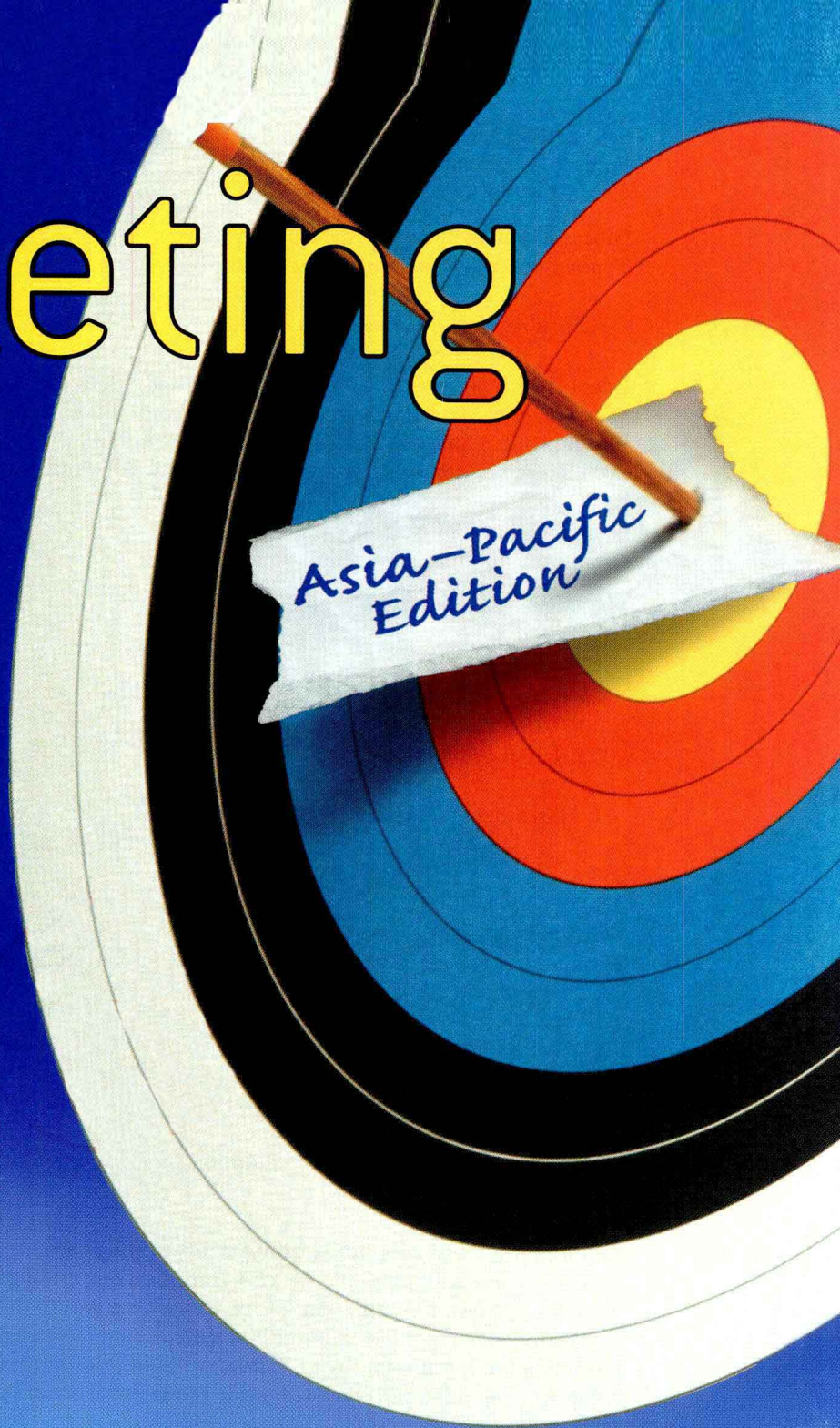
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Accompanying resources

This textbook is just part of the total Introductory Marketing resource package for students and instructors. Additional resources are as follows.

For instructors

- **Instructor's Resource Manual** Prepared by Kathleen Griffiths (RMIT University), the Instructor's Resource Manual includes a complete set of varied and useful teaching tools. Each text chapter manual is divided into three sections: (1) *lecturer support material* — includes introductory statements/questions to stimulate thinking about the topic, a list of chapter learning objectives, a brief chapter overview, a chapter outline (listing A and B headings from the text) and comprehensive chapter notes including lecture enhancements (inserted activities you can use in lectures to engage students); (2) *answers to text questions and exercises*, including suggested answers to Marketing in action/Ethics 'What is your view?' questions, discussion questions, applied questions, online exercises and case study questions; and (3) *material for additional class activity*, for example supplementary lectures or mini-topics and practical exercises on the chapter topics to extend students in tutorials or for written assignments/projects.
- **Test Bank** Prepared by Raechel Hughes (The University of Canberra), the Test Bank provides more than 1250 carefully prepared test questions, including multiple-choice, fill-in and essay questions. Each objective test question is accompanied by the correct answer, a textbook page reference and a brief answer description, and is coded either *factual* (for factual information found directly in the textbook) or *applied* (whereby students utilise knowledge gained to work out the appropriate answer).
- **PowerPoint (audio- and video-enhanced) teaching slides** Prepared by Mike Spark (Swinburne University of Technology), these visually appealing teaching slides have been further enhanced with integrated audio and video content

under the guidance of textbook co-author Sharyn Rundle-Thiele. The result is a state-of-the-art, easy-to-use instructor presentation tool that brings marketing to life. To encourage active learning, instructors will find critical thinking questions and suggested answers in the 'Notes pages' view of many of the enhanced slides. Whether used in lectures, tutorials or workshops, these slides are guaranteed to stimulate interest, analysis and discussion of marketing concepts.

- **Marketing video case studies** Prepared by Al Marshall (Australian Catholic University), these cases feature local organisations and issues, with accompanying student activities. Specific case information for each video segment is available on the web site to accompany the textbook.
- **Web CT and Blackboard** support for *Marketing: Core Concepts & Applications* is available for online teaching and learning designs supported by these systems. John Wiley & Sons Australia will provide content based on material that accompanies the textbook. Instructors have the option of uploading additional material and customising existing content to meet their needs.

For students

- **Study Guide** Prepared by Andrew Hughes (Australian National University), this is a perfect complement to the textbook. It contains a wealth of study resources, including true/false questions and answers, multiple-choice questions and answers, short-answer exam revision questions and page references, and additional mini-case questions and answers. The Study Guide can be purchased as a stand-alone item or packaged with the textbook.
- **Web site (www.johnwiley.com.au/highered/pridecore)** An extensive student web site has been developed in support of the textbook, both for classroom applications and distance-learning environments. It includes the following resources

to enhance your Introductory Marketing learning experience:

- Wiley Web Q (interactive chapter revision quizzes)
- e-flashcards (review of key marketing terms and definitions)
- Marketing at Work (marketing news, magazine and journal articles)
- marketing web links for additional study and research
- marketing plan worksheets (these worksheets take you step-by-step through the process of creating your own marketing plan,

matching the structure of the sample marketing plan contained as an appendix at the back of the textbook).

- **Wiley myTutes™** The CD-ROM at the back of the textbook contains audio files of key marketing concepts in mp3 format. This allows you to listen to marketing material on your computer as you study, as well as on portable listening devices such as iPods or mobile phones as you travel to classes and exams.



Preface

'Learning takes place through the active behaviour of the student: it is what he does that he learns, not what the teacher does' (Tyler, 1949, quoted in Biggs, J 2003, *Teaching for Quality Learning at University*, 2nd edn, The Society for Research into Higher Education).

Marketing: Core Concepts & Applications is a concise and engaging Introductory Marketing textbook that has been designed with two main goals:

1. *To help ensure students are active, both when reading the textbook and attending lectures, tutorials or workshops.* Students learn when they *do*. This book and its accompanying instructor and student resources contain a wealth of integrated questions and activities. Our own experience suggests that students rate instruction with a carefully planned and interactive format far more highly than passive delivery methods.
2. *To help ensure students understand marketing.* Research presented by Mizerski and Ogilvie indicates there is no significant difference between a first- and third-year marketing student's perception of marketing (Mizerski, K and Ogilvie, M 2004, 'Students' perceptions of marketing', Australia and New Zealand Marketing Academy Conference, Wellington, New Zealand, December 2004). When asked to state what their understanding of marketing is, many students state the 4Ps. All marketing students must first appreciate that marketing

starts and ends with the *customer*. In simple terms, marketing is about understanding customer needs and wants, and providing a solution that satisfies customers. The 4Ps are simply a framework that categorises some of the activities that marketers can use to meet these customer needs and wants.

To create this book, we started with the solid base of Pride and Ferrell's best-selling American textbooks, *Foundations of Marketing* and *Marketing* (the latter having been successful through 13 editions) and our ongoing substantial personal experience of teaching Introductory Marketing. We then conducted extensive market research and reviews as we developed our resources to ensure that our total product offering fully meets the current needs of Introductory Marketing students at Australian and New Zealand universities. Students in our region will find that the latest research contained in the textbook is complemented by a wealth of local examples. The use of these familiar illustrations serves to make the book compelling, relevant and application oriented.

The 16 chapters have been carefully chosen and sequenced to reflect the typical 12- or 13-week teaching semester. When teaching, much time is spent on each core marketing topic. The final chapter in the book ('Marketing implementation and control') has been placed as a logical conclusion to an Introductory Marketing unit of study, and provides an ideal support for an end-of-semester

Week	Topic	Corresponding chapter
1	An overview of marketing	Chapter 1
2	Strategic marketing and managing the marketing process	Chapter 2
3	The marketing environment and social responsibility	Chapter 3
4	Gathering marketing information	Chapter 4
5	Market segmentation, targeting and positioning	Chapter 5
6	Consumer buying behaviour	Chapter 6
7	Business-to-business decision making	Chapter 7
8	Product strategy	Chapters 8 and 9
9	Pricing strategy	Chapters 10 and 11
10	Distribution strategy	Chapters 12 and 13
11	Promotion strategy	Chapters 14 and 15
12	Review	Chapter 16

review lecture. It is intended to help students to see the forest from the trees — and towards an improved appreciation of the marketing process and the challenges of effective implementation.

An increasing challenge for many lecturers is how much time to spend on each Introductory Marketing topic in a typical 12- or 13-week teaching semester. The table on the previous page outlines a sample structure for fully utilising the chapters available in *Marketing: Core Concepts & Applications*.

Some truly innovative lecturer and student resources accompany this textbook. We encourage you to make use of our audio- and video-enhanced PowerPoint teaching slides. These slides seamlessly incorporate local audio and video content and activities to take your classroom experience to the next level. They are easy to navigate and bring marketing concepts to life. No other Introductory Marketing textbook offers such a comprehensive and engaging presentation tool.

Students are also able to access Wiley myTutes, available on the accompanying CD-ROM at the back of this textbook. These are audio files of key marketing concepts in mp3 format. Students can listen to this material not only on their computer, but also on portable listening devices such as iPods or mobile phones. This is a perfect example of the flexibility of our resources to cater for diverse, contemporary student learning styles. It is also a recognition of the increasing use of technology by the modern generation as part of their everyday life.

The author team would like to thank the many academics who have contributed so much to our total resource offering by way of reviews and the authoring of supplementary resources:

- *Reviewers:* Rebekah Bennett (The University of Queensland), Angela Dobeles (Central Queensland University), Kathleen Griffiths (RMIT University), Russell Harray (Auckland University of Technology), Joo-Gim Heaney (Griffith University), Andrew Hughes (Australian National University), Raechel Hughes (The University of Canberra), Jeffrey Kidd (Victoria University), Julian De Meyrick (Macquarie University), Gina Milgate (The University of New England), David Clark-Murphy (University of Notre Dame), Noel Spanier (Auckland University of Technology), Kevin Stevens (James Cook University),

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- *Authors of accompanying resources:* Kathleen Griffiths (RMIT University) — Instructor's Resource Manual; Andrew Hughes (Australian National University) — Study Guide; Raechel Hughes (The University of Canberra) — Test Bank and Wiley Web Q; Al Marshall (Australian Catholic University) — video cases; and Mike Spark (Swinburne University of Technology) — PowerPoint slides.

A number of talented professionals at John Wiley & Sons have also contributed to the development of this book. We are especially grateful to John Coomer, Dan Logovik and Caroline Hunter. Their support and suggestions were invaluable and have certainly assisted in the shaping of this book.

Individually, we would also like to formally express our appreciation to the following people.

Greg Elliott dedicates this book to Veronica, James and Alexander, with love. A special thanks also to Jana Bowden, Dawn Jukes, Kenneth Toh and Dong Hoon Kim (Macquarie Graduate School of Management) for making their exemplary marketing plan available for use as an appendix at the back of this textbook.

Sharyn Rundle-Thiele would like to thank her three girls, Dayle, Gabrielle and Rhianna, for their unconditional love and tolerance, and Troy for his support.

David Waller would like to thank his wife, Judy, and children, Helen, Susan and Kathryn, for their continual support.

Angela Paladino dedicates this book to her family for their endless support. Special thanks go to Rosa Paladino (for her assistance with the proofreading of chapters) and Alicia Glenane-Antoniadis (for her contributions to chapter case studies).

We as an author team are extremely proud of our total resource offering and trust that it will make the teaching and studying of Introductory Marketing an innovative and rewarding experience!

*Greg Elliott, Sharyn Rundle-Thiele,
David Waller, Angela Paladino
June 2005*



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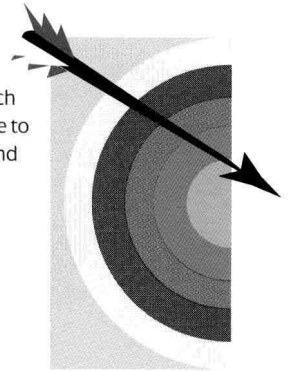
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How to use this book

Opening vignette

Provides a real-world example to introduce each chapter's topic, applicable to Australia, New Zealand and the Asia-Pacific region.

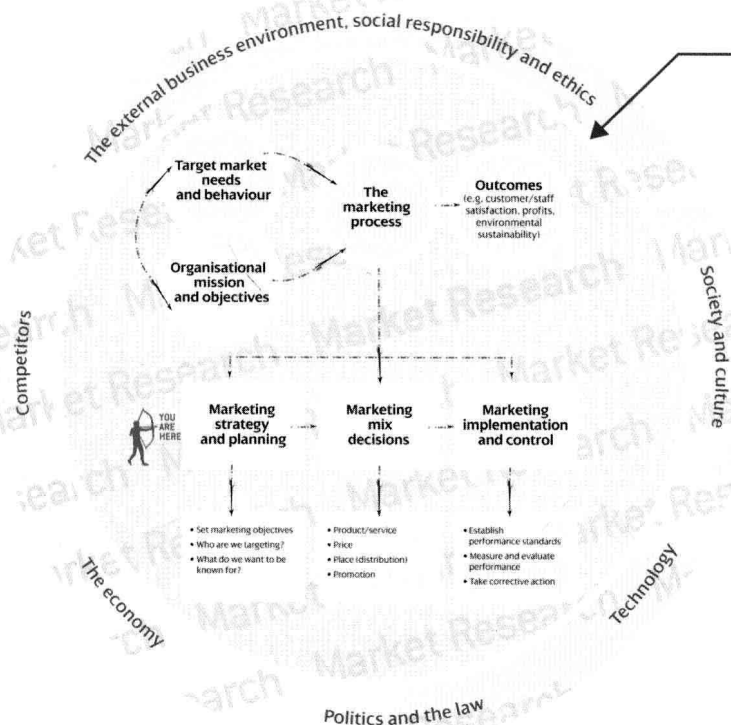


Concept map

A visual concept map of the marketing process that is built progressively in chapters 2–5. The full concept map appears in subsequent chapters, providing a constant reminder for students exactly where each chapter's material fits in the overall marketing process and how the core concepts link together.

Learning objectives

Outline the core marketing concepts to be explored in each chapter.



Are you on target?

5.3 What are the three basic targeting strategies?



Are you on target?

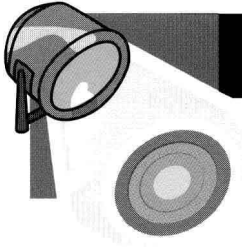
Questions within each chapter help students to be *active* in the study of marketing. These questions are ideal for self-study and revision, and suggested answers are provided at the back of the textbook.

Boxed features

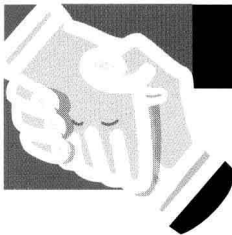
Five different boxed features throughout the textbook reinforce students' awareness of the particular issues affecting marketing in our region, and the types of choices and decisions marketers must make in the real world.



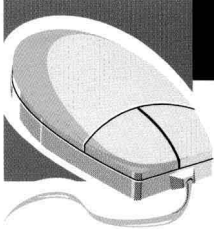
Ethics raises students' awareness of social responsibility and ethical issues, and the types of ethical choices that marketers regularly encounter.



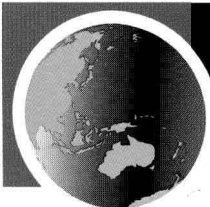
Marketing in action asks students about their views on companies and brands currently in the news.



Delivering customer value looks at how organisations try to build long-term relationships with their customers.



Tech know includes discussions about the impact of technological advances on products and how they are marketed.



International marketing examines the challenges of marketing in widely diverse cultures, focusing particularly on the Asia-Pacific region.

End-of-chapter applications

Contain discussion questions, marketing applications, online exercises and a real-world case study to tie together each chapter's core marketing concepts.



Chapter review, key terms and Wiley Web Q

Contain a summary of each chapter's core marketing concepts, linked back to the chapter's opening learning objectives, and a list of key terms from each chapter. Interactive multiple-choice questions are also available to test students' understanding of key concepts at the text's accompanying web site (www.johnwiley.com.au/highered/pridecore).

Marketing plan

A sample marketing plan at the back of the textbook illustrates how the marketing planning process described in chapter 2 might be implemented, and provides a model to guide students in the development of their own marketing plans.

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