

BUSINESS MARKETING



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BUSINESS MARKETING

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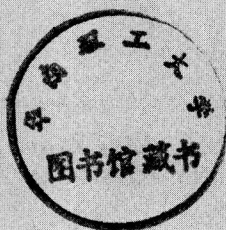
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*Our families—parents, spouses, children—who encouraged us,
especially MSP, Wendy, Susie, and Jenny*

Our practitioner friends and acquaintances who inspired us

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PREFACE

Business marketing is a relatively new term. It replaces two other terms, *industrial marketing* and *organizational marketing*. Yet another term is *business-to-business marketing*. In fact, all these terms are equivalent and can be used interchangeably. They signify situations in which individuals or groups purchase products or services for resale, for use in producing other goods, and for daily operations of an enterprise. The range of such offerings is indeed vast. Business marketing encompasses large aircraft, raw materials, truck fleet maintenance, business advisory services, institutional feeding, tiny electronic circuits, and telecommunications. Companies, partnerships, institutions, and governments are the customers.

Our goal in this text is to convey the growing importance of a major field of business activity that has suffered some neglect over the years. Throughout the book, we attempt to

- Show the dynamic and complex nature of the business marketplace in a global, comparative framework;
- Analyze the action, the actors, and the audience by exploring what business marketers do, both those who buy and those who sell;
- Explore both the broad policies and the specific practices in the field of business marketing—not just what is done, but how it is done;
- Reveal which competitive strategies and tactics work well, with special reference to selected industries, organizations, and situations.

The authors come from different countries and with diverse experience in academia, industry, and government; thus, we can bring a richer, broader perspective to the discussion at hand. Because our background includes many areas, it is natural for us to adopt a combined outlook, encompassing both managerial and social perspectives. We think that users of the book benefit when the text brings such diverse perspectives into play.

While we stress the importance of companies, partnerships, and individual entrepreneurs, we recognize that business marketing is carried out by a host of government agencies, not-for-profit institutions, and groups such as trade, industry, and technical associations. We note, too, that although business marketing is carried out in and among highly industrialized nations, such activity is also an integral

part of the economies of developing and industrializing nations. Finally, we recognize that no concrete wall exists between business marketing and consumer marketing. Indeed, we applaud creative marketers who cross the border in either or both directions. Flowers are now being delivered to offices and industrial-grade cleaning compounds find loyal users in households.

ORGANIZATION

Business Marketing is organized into 17 chapters. Chapters 1 and 2 focus on the environment of business marketing and show the links between industrial and consumer goods. Chapters 3 and 4 explain organizational buying and selling behavior. Interaction of buyers and sellers is probed and purchasing as a major activity is discussed at this point. Chapters 5 through 8 look at the driving forces and elements in business marketing, including the roles played by marketing research, segmentation, and technology. Competitive and cooperative behavior of industrial enterprises is discussed at some length. Chapters 9 through 15 focus on the marketing mix, emphasizing the nature and characteristics of goods and services, distribution channels and logistics, pricing policies, and promotion practices in the business marketplace. The text comes to a close by looking at evaluation and control systems in Chapter 16 and at strategy and planning in Chapter 17. Following the chapters are twenty-two cases that provide in-depth examples of a variety of business marketing activities.

UNIQUE FEATURES

Though our book is in the mainstream of business marketing, observing many traditions, it also offers some special features:

- Instead of an individual chapter on global marketing, the book offers global examples in each chapter.
- While thinking globally, business marketers must act locally; adaptation to special conditions is stressed where and when appropriate.
- Illustrations, cases, mini-cases, and videos show actual, lively examples of what is happening in the field.
- The discussion emphasizes not only what, who, where, and when, but also the how and why of business marketing.
- The multi-faceted and complex nature of the industrial marketplace is described, analyzed, and evaluated, to show both the macro and micro aspects of the issues.

LEARNING AND TEACHING AIDS

Each chapter opens with an outline and the major objectives, and closes with a list of the key terms and concepts and a set of challenging discussion questions. Business Marketing in Practice boxes in each chapter offer short but relevant stories of business marketing in action. The cases at the end of the book provide in-depth examples of a business marketing event, problem, or issue. For adopters of the book, we offer a set of videotapes consisting of two hours of stories highlighting individual companies and their experiences.

The Instructor's Resource Manual provides detailed answers to the discussion questions at the end of each chapter and a brief analysis of how to handle each of the cases at the end of the text. Our answers are just one possibility; creative students and instructors may wish to consider other acceptable responses. The manual also includes a guide to the videos, with suggestions for integrating the videos into the class. The Test Bank portion of the manual offers a complete set of multiple-choice questions and answers for each chapter, along with several essay questions and suggested answers. Finally, the manual includes a set of 100 transparency masters that do not duplicate the exhibits in the book, but rather complement and supplement them.

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Where to Reach Us

We are available to you and are genuinely interested in your comments, corrections, and criticism. We welcome contributions from you for future editions, be they mini-stories, examples, cases, or statistics. You can reach us by mail, phone, or fax, and are welcome to drop in on our classes for a face-to-face talk. Let us hear from you!

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Learning and teaching are not spectator sports. We hope that by using this book, whether as a student who purchased it or as an instructor who adopted it, you will benefit. In turn, we would like to learn from you! Please, do give us your comments and criticisms by mail, phone, or fax.

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