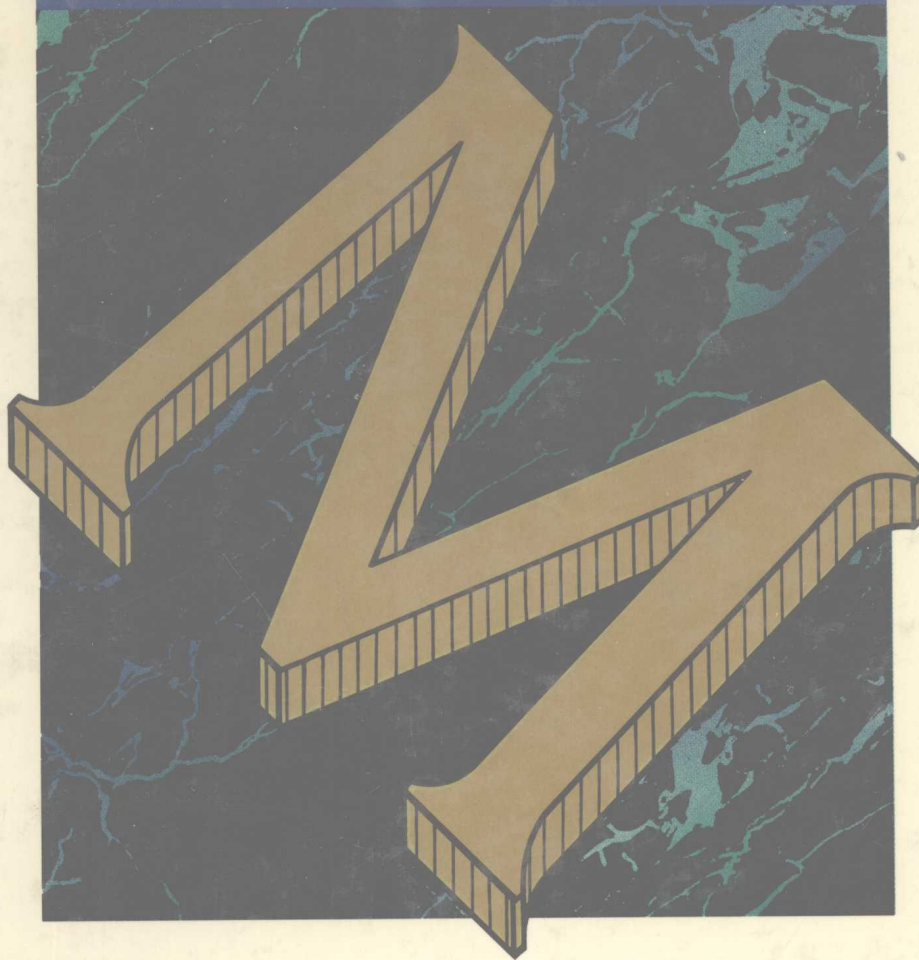


Text

Analysis

Cases

Plans



Second Edition

Marketing Management

Knowledge and Skills

J. Paul Peter James H. Donnelly, Jr.

Marketing Management

Knowledge and Skills

Text Analysis Cases Plans

J. Paul Peter

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University of Wisconsin-Madison*

Second Edition 1989

BPI
IRWIN

**Homewood, IL 60430
Boston, MA 02116**

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Sponsoring editor: Elizabeth J. Schilling
Project editor: Karen Smith
Production manager: Bette Ittersagen
Cover design: Keith McPherson
Compositor: Better Graphics, Inc.
Typeface: 10/12 Century Schoolbook
Printer: R. R. Donnelley & Sons Company

LIBRARY OF CONGRESS
Library of Congress Cataloging-in-Publication Data

Peter, J. Paul.

Marketing management : knowledge and skills : text, analysis,
cases, plans / J. Paul Peter, James H. Donnelly, Jr.—2nd ed.

p. cm.

Bibliography: p.

Includes indexes.

ISBN 0-256-06668-X

1. Marketing—Management. 2. Marketing—Management—Case studies.

I. Donnelly, James H. II. Title

HF5415.13.P387 1989

658.8—dc19

88-18572
CIP

Printed in the United States of America

3 4 5 6 7 8 9 0 DO 6 5 4 3 2 1 0

Preface

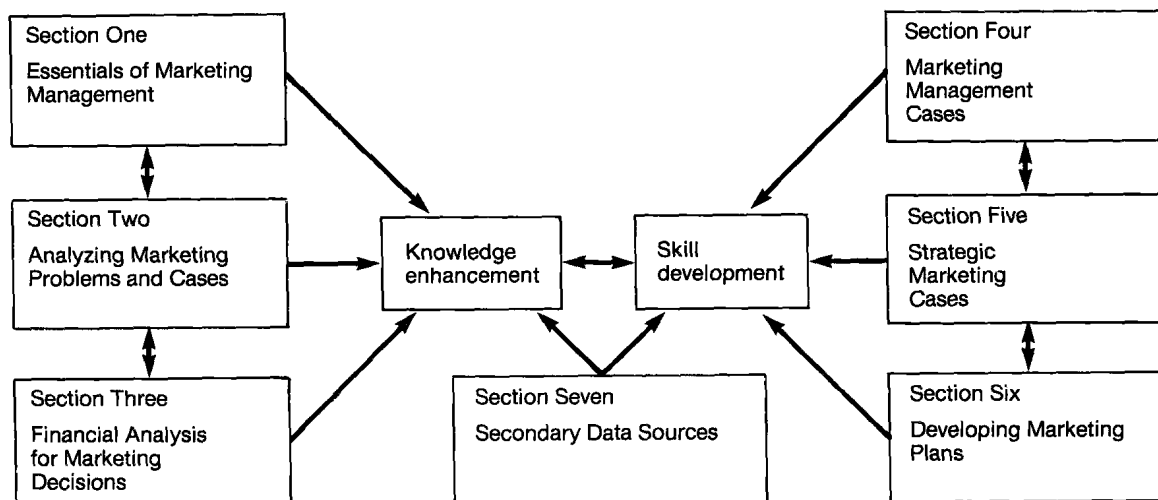
Our goal in the first edition of this text was to develop a complete student resource for marketing management education. This goal has not changed in the second edition. We continue to focus our efforts on enhancing student *knowledge* of marketing management and on developing their *skills* in using this knowledge to develop and maintain successful marketing strategies.

The structure of the first edition of our book developed over many years as we experimented successfully and unsuccessfully with various approaches to teaching marketing management and as our individual teaching philosophies developed. In this second edition the structure remains the same, although there are important refinements in the content of Sections 4 and 5. These were made because both adopters and nonadopters of the book suggested a need for a greater number and a greater variety of cases.

Thus, our five-stage learning approach has been revised to include (1) learning basic marketing principles; (2) learning approaches and tools for marketing problem analysis; (3) analyzing marketing management cases; (4) analyzing strategic marketing cases; and (5) developing original marketing plans. These five stages are the focus of the seven sections in this book and have as their objective both *knowledge enhancement* and *skill development*. The framework for our book is presented in the following diagram, which will be used throughout the text to integrate the various sections.

STAGE 1: LEARNING OF BASIC MARKETING PRINCIPLES

It is clearly necessary for students to learn and understand basic definitions, concepts, and logic before they can apply them in the analysis of marketing problems or attempts to develop marketing



plans. Section 1 of the book contains 14 chapters which we believe present the essentials of marketing management. One problem we continually face in more advanced case-oriented marketing management courses is that most students have long ago discarded or sold their basic texts. Consequently, when they are faced with case problems to analyze they have nothing to rely on but their memories. We believe this seriously detracts from the usefulness of case analysis. Thus, we include this section as a reference source for key marketing concepts. Our objective in this section is to focus on material that is most relevant for analyzing marketing problems.

STAGE 2: LEARNING APPROACHES AND TOOLS FOR PROBLEM ANALYSIS

The second stage in our approach involves offering students basic tools and approaches for solving marketing problems. Sections 2 and 3 present these tools in addition to a framework which students can adapt when analyzing marketing problems. Section 7 of the book, an annotated bibliography of important secondary sources of marketing information, will aid students in researching a particular industry or firm and can greatly improve their depth of analysis. Eight classifications of secondary sources are presented: (1) selected periodicals; (2) general marketing information sources; (3) selected marketing information services; (4) selected retail trade publications; (5) financial information sources; (6) basic U.S. statistical sources; (7) general business and industry sources; and (8) indexes and abstracts.

STAGE 3: ANALYZING MARKETING MANAGEMENT CASES

It has been our experience that few students have the confidence and experience necessary to analyze complex strategic marketing cases in their first exposure to this type of learning. We believe it is far better for them to apply their skills at analyzing cases for which traditional marketing principles can be applied somewhat directly before they attempt more challenging problems. Accordingly, Section 4 of the book has been expanded to include 31 marketing management cases, organized into six groups: market opportunity analysis, product strategy, promotion strategy, distribution strategy, pricing strategy, and selected issues in marketing management. Within each group, cases are sequenced so that later cases contain more information and typically require higher levels of marketing management skills than earlier ones.

STAGE 4: ANALYZING STRATEGIC MARKETING CASES

Once students have developed sufficient skills to provide thoughtful analyses of marketing management cases, we believe they are prepared to tackle strategic marketing cases. These cases go beyond traditional marketing principles and focus on the role of marketing in the development of business or organizational strategies. Eleven such cases are included in Section 5 of our book. They are sequenced so that the later cases contain more information and require higher levels of management skill to analyze them properly.

STAGE 5: DEVELOPING MARKETING PLANS

The final stage in our approach involves the development of an original marketing plan. We believe that after a two-course sequence in marketing management, students should be able to do one thing very well and should know that they can do it well: Students should be able to construct a quality marketing plan for any product or service. Section 6 provides a framework for developing such a plan. Instructors can consult the *Instructor's Manual* which accompanies this book for alternative ways to incorporate this stage into their course if they should desire to do so.

We have found that this five-stage process is very flexible and can easily be adapted to the needs of the students and the objectives of the instructor. For example, if the course is the first formal learning experience in marketing, then emphasis could be placed on the first three stages. If students progress well through these stages, then mar-

keting management cases can be assigned on an individual or a group basis.

If the course is for students with one or more previous courses in marketing, or is the capstone marketing management course, then major attention should shift to stages two through five. In this instance, Section 1 becomes a resource for review and reference, and the focus of the course can be more fully on skill development.

Finally, the text can be used for a two-course sequence in marketing management. The first course can emphasize stages one through three and the second concentrate on stages four and five.

We are indebted to those individuals who contributed cases to our book. Our case search was a long and difficult one. We wanted cases from a variety of time periods, in a variety of industries, and concerning well-recognized organizations. We wanted them to cover a variety of different types and sizes of both profit and nonprofit organizations as well as deal with both products and services. We also wanted cases which included problems at all levels of marketing management. The results of our search yielded what we believe is an outstanding collection, and we would like to express our heartfelt thanks to each contributor. This volume would not be possible without their contributions.

Finally, we acknowledge Dean James Hickman of the School of Business at the University of Wisconsin and Dean Richard Furst of the College of Business and Economics, University of Kentucky, who have supported our efforts, as well as Vern Dougherty and Judy Haywood for their skilled typing and production efforts.

J. PAUL PETER
JAMES H. DONNELLY, JR.

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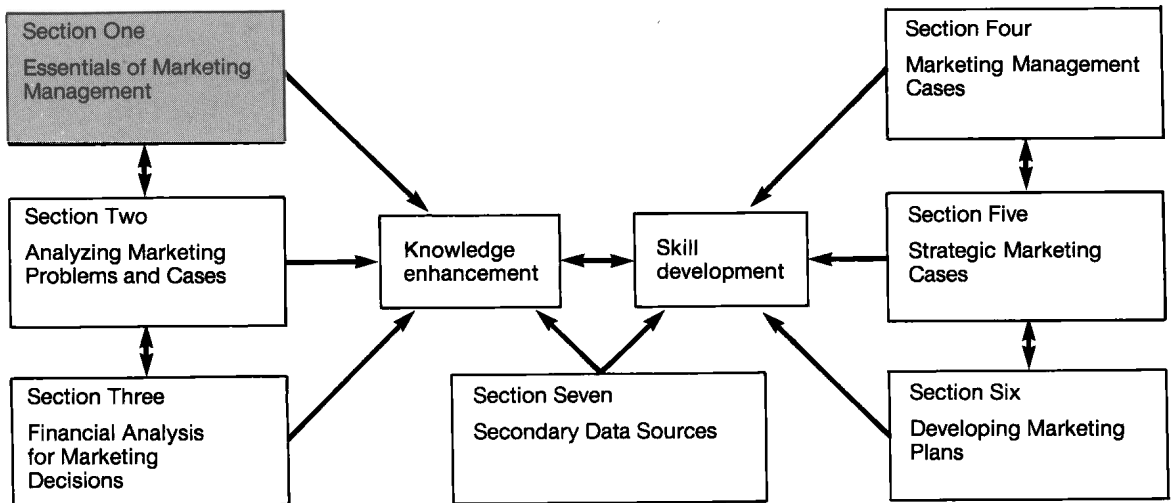
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Section 1

Essentials of Marketing Management



Marketing Management: Knowledge and Skills

NOTE TO THE STUDENT

This section contains 14 chapters concerned with basic issues in marketing management. For students who have taken previous courses in marketing, these chapters are designed to provide a useful review. For students who have not taken previous courses in marketing, these chapters should serve as a foundation of basic marketing knowledge. In either case, they provide a resource of marketing logic and information to be used in solving marketing problems and cases and developing marketing plans.

