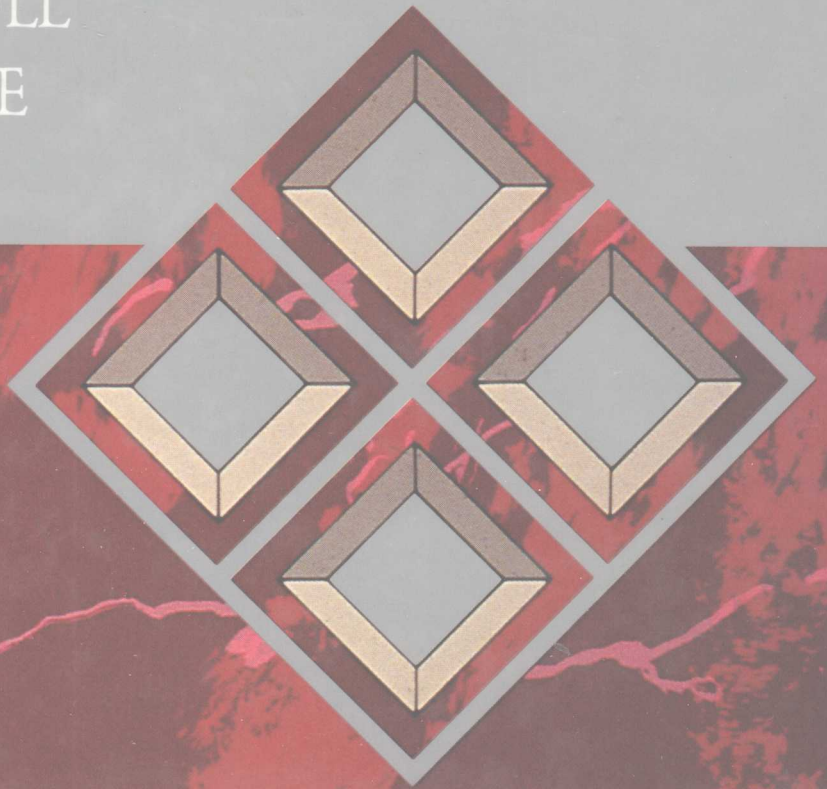


MARKETING MANAGEMENT

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PREFACE

The underlying reason for the discipline of marketing is the understanding and improvement of marketing management. It is the ultimate reason for broadly based courses in marketing, such as consumer behavior and marketing research, as well as for the more specialized courses, such as retailing, wholesaling, communication, pricing, and distribution and logistics.

The primary characteristic of marketing management and the principal concern of this book is the making of marketing decisions. Toward this end the book has sections on:

- Marketing management and marketing strategy to provide the context for marketing decision making (Section I)
- The marketing environment to assist in understanding the origin of marketing problems, to help identify them, and to describe ethical concerns that arise in solving them (Section II)
- Decision making, market measurement, and marketing planning and forecasting to describe how decisions are made and how one obtains information to help make them (Section III)
- Marketing programs: managing the marketing mix to describe the areas where decisions have to be made and the bases for making them (Section IV)
- Marketing organization, marketing controls, controls and audits, and international marketing to discuss how marketing departments are organized to facilitate decision making and implementation, how controls can be used and audits conducted to evaluate and to improve them, and to describe an increasingly important arena for decision making—international marketing (Section V)

We have attempted to deal with these topics as clearly and as directly as possible. A continuing concern has been the illustration of concepts and techniques discussed by the use of actual examples. (One measure of how well we have done this is the fact that references were made to a total of 494 American and foreign companies.) There are extensive sets of discussion questions and problems at the end of each chapter, and a total of 49 short cases at the end of each section, all involving actual marketing situations. An accompanying book of computer-based analytic exercises has also been provided to cover that important area.

Regardless of how well our objectives have been achieved, we are in the debt both of our students, who have used earlier versions of the book, and of

our colleagues who have read and made many helpful suggestions for improving the manuscript. The reviewers of the manuscript made many insightful and useful comments, and so deserve individual recognition. They were:

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We are indebted to all, but we alone must be held accountable for any errors of omission or commission that remain.

D.S.T.
L.R.K.

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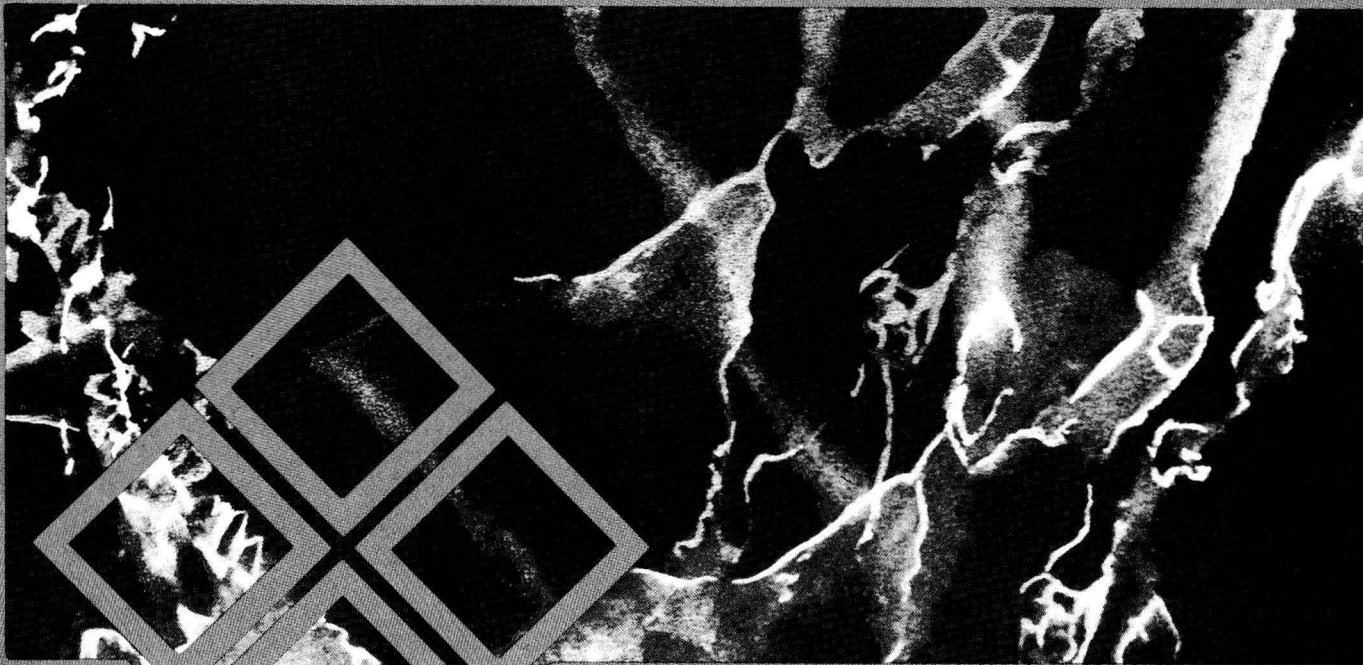
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MARKETING MANAGEMENT AND STRATEGY

SECTION I



“Marketing” was the answer of a majority of more than 100 top-level American executives when asked (in 1986), “What is the most important management area in the company?” Marketing is important because it forms the link between the company and the markets it serves. The making of mutually satisfactory exchanges of goods and services with users in those markets is the reason for the company’s existence and the principal concern of marketing management.

Marketing strategy is the focal point of corporate strategy. A coherent overall strategy must be grounded in the products to be offered, the markets to be entered, and the marketing programs used to serve them.

The role of marketing management in the company, in the economy, and to consumers, is described in Chapter 1. The translation of company objectives to market strategies and the development of marketing program strategies to implement the market strategies are discussed in Chapter 2.