

MARKETING

Strategic foundations

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This book is dedicated to

Ann, Jennifer, and John

Max and Eleanor

Pat and Kerry

James and Claudia

Preface

Marketing: Strategic Foundations is a basic marketing textbook designed for the introductory marketing course. It comprehensively and thoroughly treats the basic conceptual and definitional elements of marketing. The text then challenges the student to adopt a strategic perspective by applying a strategic planning framework to each of the major marketing mix variables: product, price, promotion, and channels of distribution. Thus, this book covers the same principles of marketing found in other introductory texts but carries them to a higher level. Organizations in the United States today heavily emphasize strategic planning and management. It is appropriate, then, that students have a strategic perspective on the basic definitions and concepts of marketing in the introductory course. The phrase “build your introductory marketing course on a strategic foundation” effectively captures the message that we would like to communicate about the book.

A strategic perspective

The framework for strategic marketing planning used in the book comprises the following parts: (1) situation analysis; (2) establishment of objectives; (3) establishing product/markets and market segmentation; (4) budget determination; (5) management of the marketing program; (6) evaluation and control. This framework is introduced in Chapter 2 and

applied in Chapter 13—Managing Products; Chapter 14—Channel: Basic Concepts and Strategies; Chapter 16—Pricing: Methods and Strategies; Chapter 19—Promotion: An Overview; Chapter 24—Multinational Marketing; and Chapter 25—Marketing of Services and Not-for-Profit Organizations.

The framework itself is derived from the literature on strategic planning and management. *Marketing: Strategic Foundations* differs from other introductory marketing books in that this strategic framework and perspective permeates the entire book rather than being limited to a discussion of strategic planning in an isolated chapter. The strategic planning framework serves as a key organizing device throughout the text.

A blend of theory and practice

Marketing: Strategic Foundations presents students with a solid blend of theory and practice. The authors believe that social science theory and research findings provide a sound basis for strategic management decision making. A major section of the book (Section Two, Chapters 4–8) contain up-to-date information on theory and research in consumer behavior decision processes and organizational buying behavior. In addition, social science research findings are presented throughout the text where appropriate. For example, Chapter 12 (on new products) contains a discussion on the adoption and diffusion of innovation, and Chapter 21 (on sales management) discusses expectancy value theory as it relates to sales management.

Key features of text

Several features of the book are designed to assist the student in learning the material.

1. Each section begins with an overview of the material within the sections. Each chapter contains a brief introduction and a detailed summary.
2. Key definitions and terms are highlighted by being set off in boxes and bold colored type.
3. Discussion questions and exercises at the end of the chapter are designed to apply the ideas and concepts presented in the chapter.
4. Key concepts and terms are listed at the end of each chapter.
5. Some 330 figures, charts, and tables illustrate important points and concepts in the text. In addition, more than 75 ads enhance the presentation and maintain student interest.
6. Two cases are included at the end of each section to highlight and illustrate topics discussed in that section. These 18 cases are based on actual experiences of for-profit and not-for-profit organizations that are well known to the students.
7. The legal aspects of marketing are discussed throughout the text. This is unlike many other introductory marketing texts, which confine the legal topics to a single chapter. The legal aspects of product,

price, promotion, and distribution are discussed in the chapters dealing with those topics.

Teaching aids

Instructor's Manual provides lecturettes for each chapter, answers to discussion questions, case solutions, true-false/multiple-choice testing materials, and transparency masters.

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ACKNOWLEDGMENTS

The development of a textbook is a collaborative effort involving many individuals who contribute in a variety of ways.

A very competent group of reviewers made many detailed and helpful suggestions. While we did not incorporate all their recommendations, we feel that their efforts did significantly improve the book. We owe a debt of gratitude to the following reviewers (all shortcomings are, of course, the responsibility of the authors): John Martin, Boston University; Donald Sciglimpalia, San Diego State University; Joe F. Hair, Jr., Louisiana State; Richard F. Yalch, University of Washington; Donald Shawver, University of Missouri—Columbia; and Peter C. Wilton, University of California—Berkeley.

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Special recognition is given to my mother, Eleanor, and to my father, Max, who died during the writing of this book. The love and support

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Paul Busch

Michael J. Houston

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