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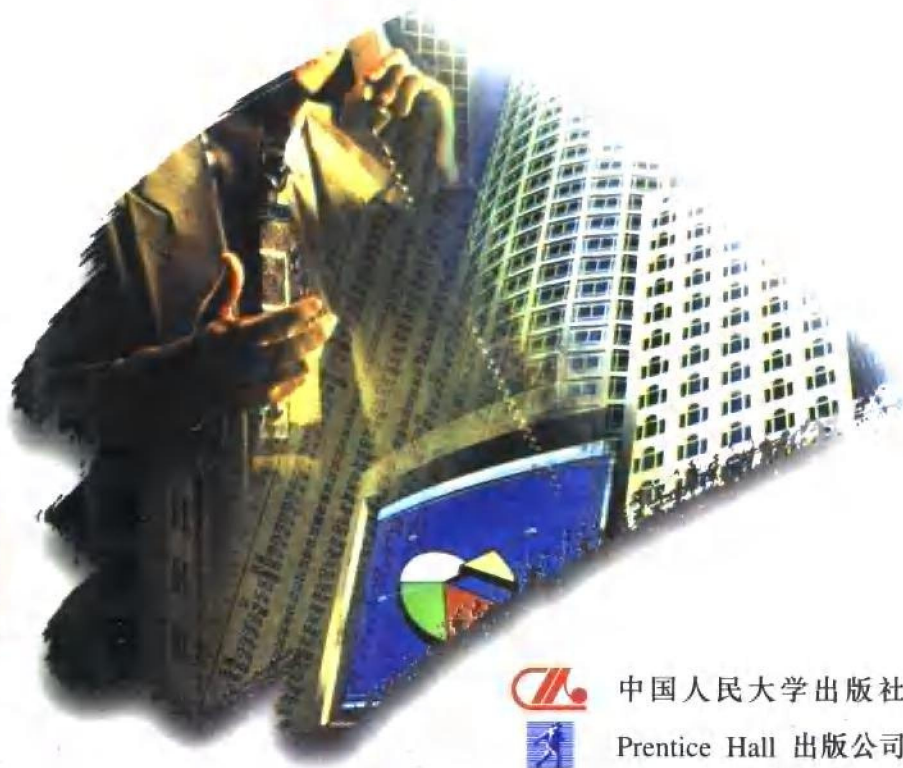
工商管理精要系列·影印版

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MARKETING

西蒙·马杰罗 著

Simon Majaro



中国人民大学出版社



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《工商管理精要系列·影印版》

出 版 说 明

《工商管理精要系列·影印版》是中国人民大学出版社和西蒙与舒斯特国际出版公司继《工商管理经典译丛》之后，共同合作出版的一套大型工商管理精品影印丛书。

本丛书由欧洲著名管理学院和管理咨询公司的教授和专家撰写，它将 90 年代以来国际上工商管理各专业的最新研究成果，分门别类加以精练浓缩，由享誉世界的最大教育图书出版商 Prentice Hall 出版公司出版。每一本书都给出了该专业学生应掌握的理论框架和知识信息，并对该专业的核心问题和关键理论作了全面而精当的阐述。本丛书虽然篇幅不长，但内容充实，信息量大，语言精练，易于操作且系统性强。因此，自 90 年代初陆续出版以来，受到欧洲、北美及世界各地管理教育界和工商企业界读者的普遍欢迎，累计发行量已达数百万册，是当今国际工商管理方面最优秀的精品图书之一。

这套影印版的出版发行，旨在推动我国工商管理教育和 MBA 事业的发展，为广大师生和工商企业界读者，提供一套原汁原味反映国外管理科学研究成果的浓缩精品图书。有助于读者尽快提高专业外语水平，扩大知识面，掌握工商管理各专业的核心理论和管理技巧。

本丛书可作为管理院校的专业外语教材和各类企业的培训教材，对于那些接受短期培训的企业管理者、MBA 学生，以及想迅

速了解工商管理各专业核心领域的师生来说，本丛书更是极具价值的藏书和参考资料。

为了能及时反映国际上工商管理的研究成果，中国人民大学出版社今后将与 Prentice Hall 出版公司同步出版本丛书的其他最新内容并更新版本，使中国读者能借助本丛书，跟踪了解国际管理科学发展的最新动态。

1997 年 8 月

Preface

During a recent seminar which I conducted for a group of engineers and scientists working for a large company that considers itself as highly marketing orientated, I was very disappointed to discover how little they all knew about the subject. Moreover, the overall reaction of the group was that the technical people are the 'added value' generators whereas their marketing counterparts are the ones who squander the company's resources for little real return. I had to cope with cynicism and a fair amount of hostility towards 'marketing'.

It became clear to me that the company in question masquerades as a marketing-orientated organization. In reality, no firm should consider itself as market led or customer orientated until all the functions of the firm accept the validity of such a concept. Every person in the organization, irrespective of his or her functional affiliation, must believe in the marketing creed and its value for success. As long as only marketing personnel believe in such a philosophy, the firm as a whole is unlikely to benefit from it.

As a consultant and academic who has spent a good portion of my life propagating the marketing gospel among thousands of managers, I felt frustrated and defeated. I came to realize that the marketing profession has failed to 'market' marketing among non-marketing personnel. Undoubtedly considerable progress has been achieved in improving the marketing skills of people in that function during the last decade. Yet the true challenge is to turn every manager, regardless of his or her role in the firm, into a potential marketer. Engineers, accountants, R & D personnel and computer people must all learn to understand and love the marketing concept.

Otherwise the benefits of the marketing creed for corporate excellence are of dubious value.

When the editor of the *Essence of Management Series* invited me to write a book on the essence of marketing I was delighted. It gave me an opportunity to review the whole subject of marketing and to reduce it to simple and concise concepts and tools. My main aim was to bring all this material to a much wider audience than just marketing people. I have tried to approach it in a 'user-friendly' way and, in particular, to help non-marketing managers develop warmth and empathy towards this vital and exciting topic. I shall gauge the success of the book by the number of non-marketing people who will have read it! At the same time I hope that it will provide marketing specialists with a fresh perspective on the main principles of the subject.

Most chapters are accompanied by 'audit questionnaires', designed to help readers see how their own firms measure up to a checklist of effectiveness in each area of the process. These audit questionnaires are meant to alert readers to areas in which their organizations can improve, not to provide definitive proof of either excellence or poor quality. They are purely a basis for reflection and development work.

I should like to place on record my thanks to John Leppard. He was most helpful in guiding me towards simplicity and concision whenever I was leaning towards the more complex and less readable. I appreciate his steadfast help.

Simon Majaro

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An introductory note

Many books, articles and papers have been written about marketing. The literature on the subject is vast and one is almost embarrassed by the choice available. Yet when students ask me for a book which could give them a simple and succinct overview of the main principles underlying marketing, I have some difficulty in pointing them in the right direction. Most authors have favourite topics which they succeed in bringing into prominence while shunting others into the sidelines. The result is that the reader tends to gain an unbalanced view of the relative significance of the various subjects covered. If an author decides that planning is the main component of effective marketing, the inevitable result is that the book acquires a bias towards that activity. If the author happens to have gained most of his experience in market research, the book tends to be skewed in that direction. The overemphasis on research procedures and methodologies can easily diminish the book's holistic value to the reader.

This is precisely what this book is endeavouring to avoid. As *The Essence of Marketing* implies, I am not seeking to break new ground in the field of marketing and/or marketing management. I am trying to provide a simple, verbiage-free and, above all, holistic compendium of principles and concepts pertaining to what is one of the most important areas of modern management.

Marketing can be looked at from a variety of positions. If one accepts the organizational model (Figure 1.1) that divides a firm into three distinct, albeit interrelated, levels – strategic, management and operational – one faces the problem of deciding on the vantage point from which the main principles and concepts should be examined. Marketing at the strategic level places an emphasis upon directional

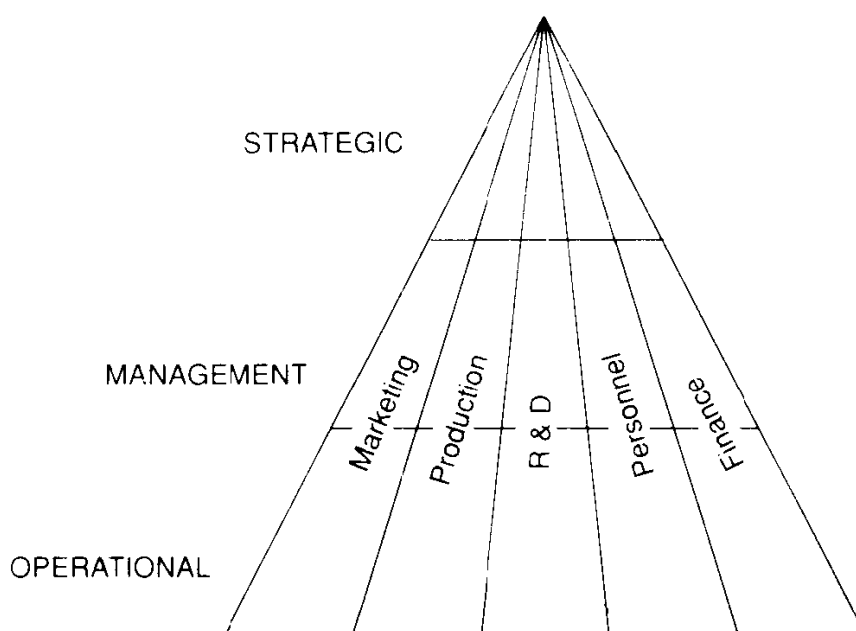


Figure 1.1 The three levels of the organization: a conceptual model

issues such as corporate mission development, the choice of strategies, the development of a corporate image to match the firm's aims and objectives, the decision to apply undifferentiated or niche marketing, product innovation and so on. At the other extreme, operational marketing deals with the minutiae of marketing, such as researching markets, selling and advertising. The former deals with macro issues; the latter deals with the 'nitty gritty' activities of the marketing process. A choice has to be made as to whether one explores marketing principles from the top or delves into the detailed methodologies practised at the sharp end of the function.

The aim of this book is to paint the subject with a broad brush and not to delve too deeply into the operational details of each sub-activity of marketing management. My main objective is to provide a framework for reflection and analysis at the risk of appearing thin on operational methods and procedures. These are amply covered by a plethora of excellent books. More emphasis is placed on the need for integration between marketing and the rest of the organization than on skills development. Similarly, the importance of marketing as a corporate attitude and part of the firm's shared values system is highlighted, somewhat at the expense of an assemblage of 'how to do it' techniques. The book should be regarded as an overview of what marketing encompasses and not as a detailed account of how best practice can be developed.

Many of the chapters are accompanied by simple auditing questionnaires inviting readers to test their company's performance in

the various areas under discussion. The questionnaires are designed as food for thought and not as a definitive test of prowess. However, any reader who discovers that his or her score is particularly low in a specific area should seriously consider taking steps to amend the firm's approach to that sector of its activities.

The role of marketing in a modern firm: a holistic approach

Many thinking firms agonize, from time to time, about what marketing actually means to them. Firms have been known to be very successful without having a complex marketing organization. On the other hand, some companies have been known to possess a comprehensive marketing department, supported by a myriad of subactivities belonging to the marketing function, and yet fail to achieve excellence.

The reason is simple: marketing is not simply a structural matter. Above all, it must be an integral part of the firm's culture and its shared values system. A marketing infrastructure that operates in a corporate culture that sees the customer as king will attain far greater heights than a complex marketing organization that functions in a climate that resents its customers, or regards them, at best, as a necessary evil. A senior manager in a well-known airline who had been heard to say: 'Life could be great if we did not have f... passengers!' nullified at a stroke all the good work that marketing personnel were attempting to achieve.

We shall examine the attitudinal aspect of marketing in the next few chapters. In this introductory note I want to explore briefly the role of marketing within a holistic model of the firm and as seen from the top of the pyramid. Looking at the firm as a total edifice is always a valuable basis upon which to build one's approach to organizational development and task allocation.

Business gurus have attempted over the years to identify the key elements which make companies excellent. Many valuable and interesting books have been written with a view to telling us about the panaceas for corporate success. In the highly fashionable field of quality, people like Demming, Crosby *et al.* tell us about the importance of getting the quality right, almost to the exclusion of everything else. Michael Porter has taught us about the enormous value of competitive advantage (Porter, 1985). Gifford Pinchot in *Intrapreneuring* has tried to explain why big business, despite spend-

ing most of the world’s R & D money, has such a disproportionately low share of major innovations.

Few of the literature gurus appear to view businesses as a total system. They concentrate their attention upon specific areas of the corporate ecology, while the reader runs the risk of not being able to see the wood for the trees. The one guru who always seems to view businesses in a holistic way is Peter Drucker. This is perhaps the main reason for his books having passed the test of time.

Peters and Waterman’s book *In Search of Excellence* (1982) views enterprises from a holistic vantage point and has created a stir by forcing many managers and corporate strategists to gaze at their corporate navels and ask themselves many searching questions about the main elements of corporate excellence. Whether the book really provides the answer is a secondary matter. The fact that managers reflect upon such an important subject is in itself an achievement.

The Peters and Waterman model has undergone a number of modifications and is referred to in many publications. I have used it myself quite often in my work and writings. For the sake of those who are not familiar with the model, it is reproduced as Figure 1.2.

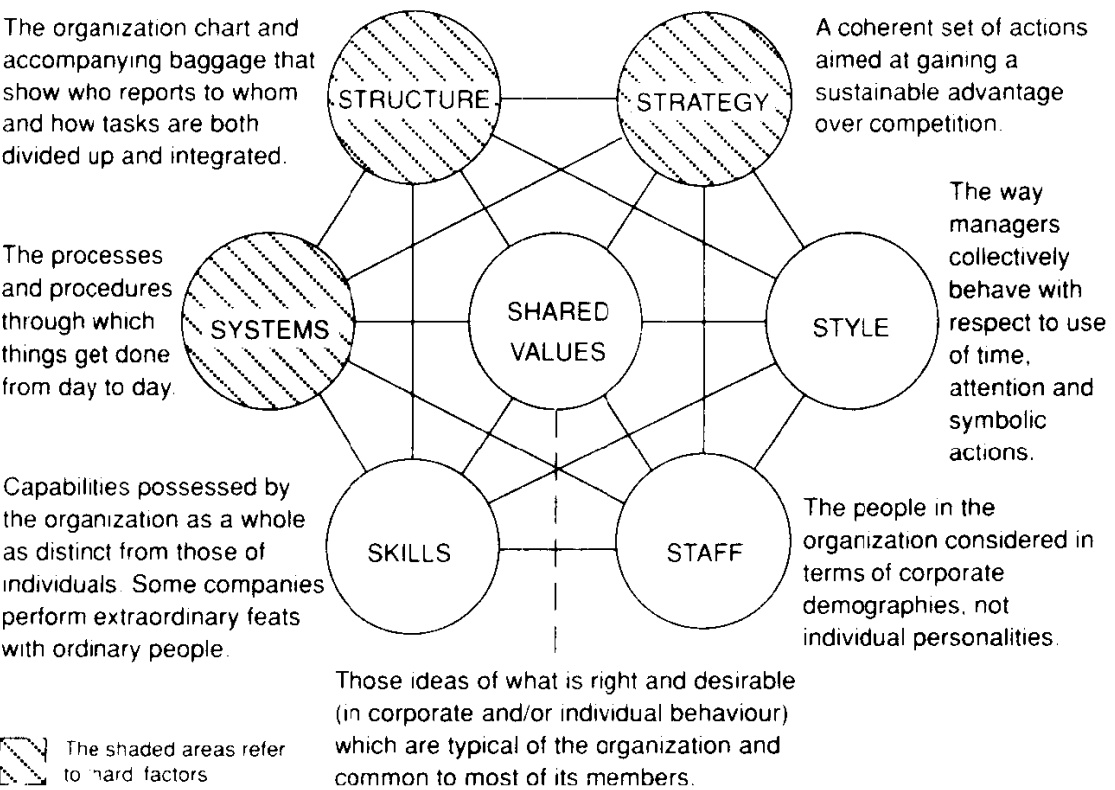


Figure 1.2 The seven Ss framework for effective organizations (Source: Peters and Waterman (1982))

The model, which is referred to as the seven Ss framework for effective organizations, is based on the thesis that organizational effectiveness stems from the interaction of seven factors: structure, systems, style, staff, skills, strategy and shared values. The last one is sometimes referred to as 'superordinate goals'. Figure 1.2 shows the seven Ss and highlights their interconnectedness. The shape of the diagram and the position of the Ss *inter se* is non-hierarchical, and each one of the seven Ss can be the driving force of change at a given point in time. The important message is that 'shared values' is the centrepiece of the paradigm. The meaning and role of each of the other Ss are probably self-explanatory and the interconnectedness is fairly obvious.

The seventh and central S – shared values – calls for some exploration in the context of this book. By 'shared values' Peters and Waterman mean guiding concepts – a set of values and aspirations, often unwritten, that go beyond the conventional formal statement of corporate objectives. They are the postulates upon which the firm's climate, corporate philosophy and attitudes are based. The drive for their accomplishment pulls an organization together; it provides the engine that pulls the firm in a desired direction.

During my own consultancy work I collected a number of examples of corporate statements describing such guiding concepts and shared values (see Figure 1.3). Some are customer orientated, others high-

- 
- Closeness to the customers
 - Marketing orientation
 - What is good for the customer is good for our business
 - Commitment to quality
 - Ideas are 'gold dust'
 - Let us learn from our lead user
 - We need your creativity
 - Watch the 'bottom line'
 - A bias for action
 - A learning culture
 - A culture of pride, climate of success
 - Nothing is sacred
 - 'Stick to your knitting'
 - Let us add value through systems development
 - A climate of entrepreneurship

Figure 1.3 Examples of shared values

light the importance of creativity and ideas, while yet others underline results, profits and 'the bottom line'. My own observation of 'excellent' companies, coupled with a period of research and reflection upon the fundamentals of managerial effectiveness, taught me an important lesson: companies that have recognized the importance of 'satisfying the customer at all times' as a corporate ethos have fared better than those who have shunned such a philosophy. Moreover, some companies declare their belief in such an orientation but act in the opposite direction. The essence of the process of satisfying the customer is *thinking, dreaming, planning* and *acting* in a customer-friendly and market-orientated way. 'Come close to the customer' is one of the prescriptions of Peters and Waterman's book. It summarizes the whole concept most succinctly.

My own starting point is based on the premise that every enterprise (and that includes institutional bodies and nonprofit organizations) exists to satisfy the needs of its customers. A firm that fails to attain such a simple and fundamental objective is unlikely to become excellent. Some readers may not agree with the premise stated. I invite them to reflect long and hard about the underlying philosophy of their own business. After all, developing a corporate creed and shared values is probably one of the main tasks of top management. I am convinced that even those who would wish to argue with my statement will sooner or later come to the conclusion that my suggested premise is a valid one.

For the purpose of this book, then, the success of any business depends on its ability to satisfy the customer. This statement implies that the whole panoply of the marketing function as well as other functions of the organization must be harnessed to assist in fulfilling the basic task of satisfying customers and their expectations. The enterprise stands to win or lose by its ability to attain such a goal.

So far so good, but the whole concept begs many questions.

(1) Who is our customer and what exactly are his or her needs? Any company that cannot answer this question with precision is unlikely to provide the level of satisfaction implied by the premise stated earlier. In this connection it is important to remember that the word 'customer' often conceals the fact that a complex assemblage of individuals may be involved in the buying process. This is particularly true in the marketing of industrial goods and services. The expression 'decision-making unit' refers to the list of players who help or impede a buying decision. Thus when a firm buys a computer many individuals may be involved in the decision as to which computer should be purchased. One normally talks about

deciders, buyers, influencers, users and gatekeepers. Each has opinions and an impact on the final decision. They all have needs and expectations and these must be satisfied. Possession of detailed knowledge about their relative importance can provide a powerful input to effective marketing.

(2) Who is responsible for satisfying the customer? Is this purely the job of marketing personnel, or should it be a company-wide process? The obvious answer is that it must be part of the whole firm's ethos and shared values. Other departments like R & D, manufacturing and finance must be involved. Everybody in the firm from top to bottom and from left to right has a role to play in attaining maximum customer satisfaction. Obviously top management must be the prime mover in masterminding the development and implementation of such a creed.

(3) What do we need to 'know' before we can commence the task of planning the process of satisfying our customers, now and in the future? Knowledge is the essence of effective management. The more we know, the safer we are in taking correct decisions. In fact knowledge is one of the prime assets of excellent organizations and a most valuable competitive advantage. Customers prefer to deal with companies that know more about their own business and environment than they know themselves. The whole world of information technology is at management's disposal, and companies that do not exploit this powerful tool in coalescing, diagnosing and analyzing knowledge pertaining to the marketplace and customers are unlikely to become winning players in their sector. In this connection one must remember that the essence of information is 'knowing what one needs to know'. Information *per se* is normally of limited value.

(4) To what extent do our customers expect us to be creative and innovative in whatever we do? We hear a lot about the need for creativity, which in turn leads the firm towards innovation. This can affect every aspect of a firm's existence. In the marketing area it can have a significant influence upon the company's product development, promotion, after-sales service and so on. Do the customers want us to be innovative? To the extent that creativity and innovation help the marketing firm to be dynamic and responsive to a changing world, the answer must be a loud 'yes'. Research has shown that many consumers are starting to rebel against the frequency with which electronic appliances are being changed and deliberately made obsolescent. Being able to identify such a change