

BASIC MARKETING

A Marketing Strategy
Planning Approach

NINETEENTH EDITION



William D. Perreault, Jr.
Joseph P. Cannon
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19

EDITION

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A Marketing Strategy Planning Approach

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BASIC MARKETING: A MARKETING STRATEGY PLANNING APPROACH, NINETEENTH EDITION

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This book is printed on acid-free paper.

1 2 3 4 5 6 7 8 9 0 DOW/DOW 1 0 9 8 7 6 5 4 3

ISBN 978-0-07-802898-4
MHID 0-07-802898-1

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Compositor: *Aptara®, Inc.*
Printer: *R. R. Donnelley*

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Library of Congress Cataloging-in-Publication Data

Perreault, William D.
Basic marketing : a marketing strategy planning approach / William D. Perreault, Jr., Ph.D. University of North Carolina, Joseph P. Cannon, Ph.D. Colorado State University, E. Jerome McCarthy, Ph.D. Michigan State University. — 19th edition.
p. cm.
Includes index.
ISBN 978-0-07-802898-4 (alk. paper)
ISBN 0-07-802898-1 (alk. paper)
1. Marketing—Management. I. Cannon, Joseph P. II. McCarthy, E. Jerome. III. Title.
HF5415.13.M369 2014
658.8—dc23

2012049765

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William D. Perreault, Jr., is Kenan Professor of Business at the University of North Carolina. Dr. Perreault is the recipient of the two most prestigious awards in his field: the American Marketing Association Distinguished Educator Award and the Academy of Marketing Science Outstanding Educator Award. He also was selected for the Churchill Award, which honors career impact on marketing research.

He was editor of the *Journal of Marketing Research* and has been on the review board of the *Journal of Marketing* and other journals.

The Decision Sciences Institute has recognized Dr. Perreault for innovations in marketing education, and at UNC he has received several awards for teaching excellence. His books include two other widely used texts: *Basic Marketing* and *The Marketing Game!*

Dr. Perreault is a past president of the American Marketing Association Academic Council and served as chair of an advisory committee to the U.S. Census Bureau and as a trustee of the Marketing Science Institute. He has also worked as a consultant to organizations that range from GE and IBM to the Federal Trade Commission and Venezuelan Ministry of Education.

Joseph P. Cannon



Joseph P. Cannon is professor of marketing at Colorado State University. He has also taught at the University of North Carolina at Chapel Hill, Emory University, Instituto de Empresa (Madrid, Spain), INSEAD (Fontainebleau, France), and Thammasat University (Bangkok, Thailand). He has received several teaching awards and honors.

Dr. Cannon's research has been published in the *Journal of Marketing*, *Journal of Marketing Research*, *Journal of the Academy of Marketing Science*, *Journal of*

Operations Management, *Journal of Personal Selling and Sales Management*, *Journal of Public Policy and Marketing*, *Antitrust Bulletin*, and *the Academy of Management Review* among others. He is a two-time recipient of the Louis W. and Rhona L. Stern Award for high-impact research on interorganizational issues. He has also written many teaching cases. He has served on the editorial review boards of the *Journal of Marketing*, *Journal of the Academy of Marketing Science*, *Journal of Personal Selling and Sales Management*, and *Journal of Marketing Education*. He has received several distinguished reviewer awards. He served as chair of the American Marketing Association's Interorganizational Special Interest Group (IOSIG). Before entering academics, Dr. Cannon worked for six years in sales and marketing for Eastman Kodak Company.

E. Jerome McCarthy



E. Jerome McCarthy received his Ph.D. from the University of Minnesota and was a Ford Foundation Fellow at the Harvard Business School. He has taught at the Universities of Oregon, Notre Dame, and Michigan State. He was honored with the American Marketing Association's Trailblazer Award in 1987, and he was voted one of the "top five" leaders in marketing thought by marketing educators.

Besides publishing various articles, he is the author of books on data processing and social issues in marketing. He has been a frequent presenter at marketing conferences in the United States and internationally.

In addition to his academic interests, Dr. McCarthy has been involved in guiding the growth of organizations in the United States and overseas—both as a consultant and as a director. He has also been active in executive education. However, throughout his career, his primary interests have been in (1) "converting" students to marketing and effective marketing strategy planning and (2) preparing teaching materials to help others do the same. This is why he has spent a large part of his career developing and improving marketing texts to reflect the most current thinking in the field.

Preface

Basic Marketing Is Designed to Satisfy Your Needs

This book is about marketing and marketing strategy planning. And, at its essence, marketing strategy planning is about figuring out how to do a superior job of satisfying customers. We take that point of view seriously and believe in practicing what we preach. So you can trust that this new edition of *Basic Marketing*—and all of the other teaching and learning materials that accompany it—will satisfy your needs. We're excited about this 19th edition of *Basic Marketing* and we hope that you will be as well.

In developing this edition, we've made hundreds of big and small additions, changes, and improvements in the text and all of the supporting materials that accompany it. We'll highlight some of those changes in this preface, but first it's useful to put this newest edition in a longer-term perspective.

Building on Pioneering Strengths

Basic Marketing pioneered an innovative structure—using the “four Ps” with a managerial approach—for the introductory marketing course. It quickly became one of the most widely used business textbooks ever published because it organized the best ideas about marketing so that readers could both understand and apply them. The unifying focus of these ideas is: how does a marketing manager decide which customers to target, and what is the best way to meet their needs?

Over many editions of *Basic Marketing*, there have been constant changes in marketing management and the market environment. As a result, we have made ongoing changes to the text to reflect marketing's best practices and ideas. Throughout all of these changes, *Basic Marketing* and the supporting materials that accompany it have been more widely used than any other teaching materials for introductory marketing. It is gratifying that the four Ps framework has proved to be an organizing structure that has worked well for millions of students and teachers.

The success of *Basic Marketing* is not the result of a single strength—or one long-lasting innovation. Other textbooks have adopted our four Ps framework, and we have continuously improved the book. And the text's four Ps framework, managerial orientation, and strategy planning

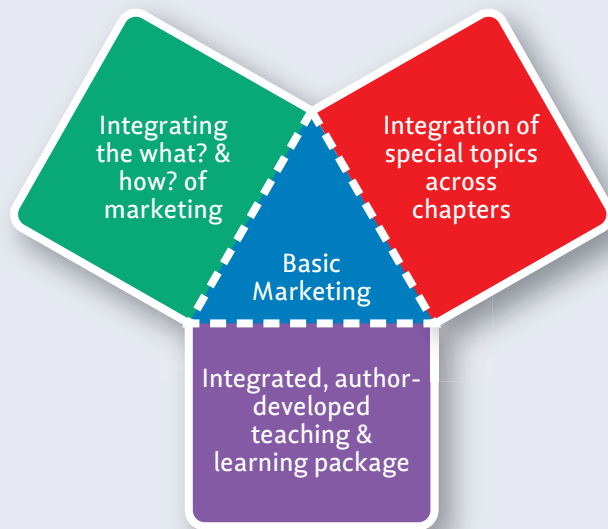
focus have proved to be foundation pillars that are remarkably robust for supporting new developments in the field and innovations in the text and package. Thus, with each new edition of *Basic Marketing* we have continued to innovate to better meet the needs of students and faculty. In fact, we have made ongoing changes in how we develop the logic of the four Ps and the marketing strategy planning process. As always, though, our objective is to provide a flexible, high-quality text and choices from comprehensive and reliable support materials—so that instructors and students can accomplish their learning objectives.

What's Different about *Basic Marketing*?

The biggest distinguishing factor about *Basic Marketing* is our integrative approach to creating a teaching and learning package for the introductory marketing course. This integration makes it easier to learn about marketing, teach marketing, and apply it in the real world. For many students, the introductory marketing course will be the only marketing class they ever take. They need to come away with a strong understanding of the key concepts in marketing and how marketing operates in practice. So in *Basic Marketing*: (1) we examine *both* what marketing is and how to do it; (2) we integrate special topics like services, international, ethics, and more, across the text with coverage in almost every chapter; and (3) we deliver a supplements package completely developed or closely managed by the authors—so each part links closely with the textbook content. See Exhibit P-1. The integration of these three elements delivers a proven product for instructors and students. Let us show you what we mean—and why and how instructors and students benefit from the *Basic Marketing* teaching and learning package.

Marketing operates in dynamic markets. Fast-changing global markets, environmental challenges and sustainability, and the blurring speed of technological advances—including an explosion in the use of digital tools by both consumers and businesses—are just a few of the current trends confronting today's marketing manager. While some marketing texts merely attempt to describe this market environment, *Basic Marketing* teaches students *analytical abilities* and *how-to-do-it skills* that prepare them for success. To propel

Exhibit P-1 Basic Marketing Integrates Marketing



students in this direction, we deliberately include a variety of examples, explanations, frameworks, conceptual organizers, exercises, cases, and how-to-do-it techniques that relate to our overall framework for marketing strategy planning. Taken together, these different learning aids speed the development of “marketing sensibility” and enable students to analyze marketing situations and develop marketing plans in a confident and meaningful way. They are practical

and they work. And because they are interesting and understandable, they motivate students to see marketing as the challenging and rewarding area it is. In the end, the *Basic Marketing* teaching and learning package prepares students to analyze marketing situations and develop exceptional marketing strategies—not just recite endless sets of lists.

In contrast to many other marketing textbooks, we emphasize careful *integration of special topics*. Some textbooks treat “special” topics—like marketing relationships, international marketing, services marketing, the Internet, digital lifestyles, nonprofit organizations, marketing ethics, social issues, and business-to-business marketing—in separate chapters (or parts of chapters). We deliberately avoid doing that because we are convinced that treating such topics separately leads to an unfortunate compartmentalization of ideas. We think they are too important to be isolated in that way. For example, to simply tack on a new chapter on e-commerce or marketing applications on the Internet completely ignores the reality that these are not just isolated topics but rather must be considered broadly across the whole fabric of marketing decisions. Conversely, there is virtually no area of marketing decision making where it’s safe to ignore the impact of e-commerce, the Internet, or information technology. The same is true with other topics. So they are interwoven and illustrated throughout the text to emphasize that marketing thinking is crucial in all aspects of our society and economy. Exhibit P-2 shows the coverage of some key topics across specific chapters.

Exhibit P-2 Coverage of Special Topics Across Chapters*

Special Topic	Chapter																			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Marketing relationships	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
International	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X		X	X	X
Ethics	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Services	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
B2B	X	X	X	X		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Technology, Internet, “Big Data” & digital lifestyle	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Environment & sustainability	X	X	X		X	X	X	X	X	X	X		X	X	X	X			X	X
Non-profits	X	X	X	X		X	X	X			X		X		X	X			X	X
Quality	X	X	X	X	X	X	X	X			X		X	X	X	X	X	X	X	X
Customer value	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Marketing’s link with other functions	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

*“X” indicates coverage in the form of a section of the chapter, example, illustration, or discussion.

The teaching and learning materials—designed and developed by the authors—are integrated to work effectively with *Basic Marketing*. We don't tack on extras that have been outsourced and don't integrate well with our package. Because of this, you (the instructor) have flexible tools that allow you to *teach marketing your way*. Marketing can be studied and used in many ways, and the *Basic Marketing* text material is only the central component of our *Professional Learning Units System (P.L.U.S.)* for students and teachers. Instructors and students can select from our units to develop their own personalized teaching and learning systems. Our objective is to offer you a *P.L.U.S.* “menu” so that you can conveniently select units you want—and disregard what you do not want. Many combinations of units are possible depending on course and learning objectives. Later in this Preface we highlight each *P.L.U.S.* element—and the full details can be found in the discussion of the Instructor's Resource CD in the Instructor's Manual.

Students only take the introductory marketing course once. They deserve the benefits of a highly innovative yet *proven* set of integrated learning materials. Our teaching and learning materials—from the textbook to the iPod videos to the test question bank to the online materials—have been constantly updated yet are proven to work for generations of students. Do you want to use an unproven textbook with your students?

What's New in This Edition of *Basic Marketing*?

There are several big changes to this edition of *Basic Marketing* and hundreds of smaller ones. *Basic Marketing* is quick to recognize the many dramatic changes in the market environment and marketing strategy—we are also quick to jump on new pedagogical innovations. So here is a quick overview of what we changed for the 19th edition of *Basic Marketing*.

Shorter and easier to read. Students and instructors appreciate concise coverage. We have had to make some difficult decisions, because one instructor's cut is another's favorite topic. We may have cut one of your pet topics. The biggest change we made was to eliminate a chapter. Our chapter-long treatment of global demographic issues is gone. These topics have not been eliminated, but are now covered in an abbreviated form in chapters 3 and 5. Where appropriate, we have included PowerPoint slides that cover these topics so you can still address them in class if you choose.

Social media and digital lifestyles. A major thrust of the 18th edition of *Basic Marketing* addressed customers' digital lifestyles. The growth in smartphone ownership and overall use of the Internet continues to march on, having an impact on all areas of marketing. We continued to make updates to reflect this market dynamic.

“Big data” and its implications. One of the most profound recent changes in marketing has been the explosion

of what is being called “big data”—data sets too large and complex to work with typical database management tools. Organizations are using this to more narrowly target individual customers with tailored marketing mixes. It raises strategic and ethical questions. Almost every chapter in the book has a reference to this trend.

LearnSmart adaptive learning technology. We are excited to add McGraw-Hill's LearnSmart adaptive learning technology to *Basic Marketing*. Students love LearnSmart. It is a great self-assessment tool that helps them know if they are “getting it.” Plus, the adaptive technology provides remediation (through additional questions or even points them back to the text) or moves them more quickly through the review if they are demonstrating they get it. We highly recommend you add this feature to your classes.

Up-to-date content, examples, exhibits, and images. We continually update *Basic Marketing* with each new edition. Students and instructors appreciate current, relevant examples that demonstrate important marketing concepts. We update each and every chapter opening case scenario. There are dozens of new examples and specific concepts spread throughout the book. While we don't have space to list all of these changes, we can provide you with some highlights of the more significant changes with this edition of *Basic Marketing*:

Chapter 1. We wrote a new chapter opener that features Nike, one of our students' favorite brands. We added an extended example in the text describing how Chipotle adds value for its customers. *Triple bottom line* is a new concept and key term.

Chapter 2. We significantly modified our coverage of lifetime customer value and customer equity. Customer lifetime value is a new key term. A new boxed teaching note looks more closely at differentiation.

Chapter 3. This has traditionally been one of the longest chapters in the book—so we made an effort to streamline coverage of all topics. The competitor, technology, and cultural and social environment sections were updated and re-written. The chapter now includes some of the demographic information previously covered in the now eliminated demographics chapter. This is where you will now find coverage of GDP/GNI, population, and generational changes like the graying of America, baby boomers, and generations X and Y. Sustainable competitive advantage and gross national income are new key terms.

Chapter 4. A new chapter opener case features LEGO. The boxed teaching note in this chapter is the first extended treatment of “big data”—with a look at how Target stores uses big data to predict what customers will want to buy.

Chapter 5. We now cover income here (previously in the demographics chapter), integrating it with our coverage of economic factors influencing consumer behavior. Drawing on Charles Duhigg's *The Power of Habit*, we adapted our treatment of learning and introduced an extended example on Febreze. We moved coverage of the family life

cycle to this chapter. Cloud storage service Dropbox is featured as an extended example of the adoption process.

Chapter 6. The organizational buying chapter includes a number of minor changes, with more current examples and more concise coverage. We further recognize the growing role of social media and online search as key sources of information for organizational buyers.

Chapter 7. Big data provides a natural extension to our traditional coverage of marketing information systems, data warehouses, and decision support systems. Consequently we give students an important foundation on big data in the market research chapter. A new boxed teaching note “Big Data. Big Opportunity” offers context and application. Related topics, including sentiment analysis are covered later in the chapter along with a new Internet exercise on the topic. An extended example describes the marketing research Heinz used to develop new ketchup packages.

Chapter 8. We have increased coverage of goods and service combinations, product lines, and the “battle of the brands.” An extended example on Coca-Cola replaces one on Yahoo! New coverage on international trademarks spurred by problems Apple had with “iPad” in China.

Chapter 9. We have been reading a lot about innovation. New thinking abounds; so we beefed up coverage of this critical area. We have new sections on 1) idea generation, 2) “the pivot” as key to new product introduction, 3) stimulating growth in mature markets (featuring the recent story of Philadelphia Cream Cheese), and different types of innovations from the customer’s perspective (with some great new examples). A new Internet exercise features innovation consulting firm IDEO. A new boxed teaching note looks more closely at nature as a source of ideas through biomimicry. We also describe how big data is important to product quality. A tradeoff in adding these new topics is a cutback in our treatment of product quality.

Chapter 10. The use of *multiple* channels of distribution continues to grow—and so does our coverage of this trend and related topics here and in Chapter 12. We added discussions of firms using both direct and indirect channels and enhanced coverage of multichannel distribution. There is a new Internet exercise covering franchising.

Chapter 11. There were a few minor changes to this chapter. We describe how transportation companies utilize big data to lower costs.

Chapter 12. A new chapter opening case features Macy’s—a retailer leading a renaissance of the department store. Macy’s use of big data and effective integration of brick-and-mortar and online retailing fuel its revival. Online retailing continues to evolve—and this section has received major revision including extensive coverage of showrooming and big data. We also discuss the ethics of big data and retailing.

Chapter 13. We refined our coverage of promotion objectives and cut back on direct response promotion. We add a distinction between inbound and outbound promotion. We updated our treatment of budgeting for promotion.

Chapter 14. A new boxed teaching note describes the use of analytics to match customer service reps with customers—a kind of matchmaking that helped Assurant Solutions significantly increase customer retention. We updated our coverage of personal selling and information technology.

Chapter 15. We updated lots of numbers in this chapter. Our revised coverage of media reflects changes being brought on by technology and big data. Online advertising became “Digital Advertising” with greater attention to advertising on both the Internet and cell phones. We also cover how big data is used for social targeting. Our groundbreaking treatment of social media as a form of publicity has been well-received; we built on that to cover new methods of social media.

Chapter 16. We debated swapping out the opening case on Flip because Cisco discontinued the video camera. But this case covers the breadth of pricing issues in a way that students really seem to like, so while it is now “classic,” it still works. New topics address the use of big data for dynamic pricing, which is now being used in more product-markets.

Chapter 17. We cut sections on target-return pricing, marginal analysis in oligopoly markets, and price leaders.

Chapter 18. Trends in big data and technology have had a big impact on implementation—especially in the speed of implementation and adaptation of strategy. The latest changes are reflected in the revised chapter.

Chapter 19. Our cross-functional integration chapter now explicitly considers information systems—a major new section to the chapter. While we cover IT throughout the book, in this chapter we demonstrate key IT issues related to developing and implementing marketing plans. Related to this, we examine big data, data security (as related to marketing), and enterprise resource planning (ERP) systems. We also updated the human resources section to reflect new research.

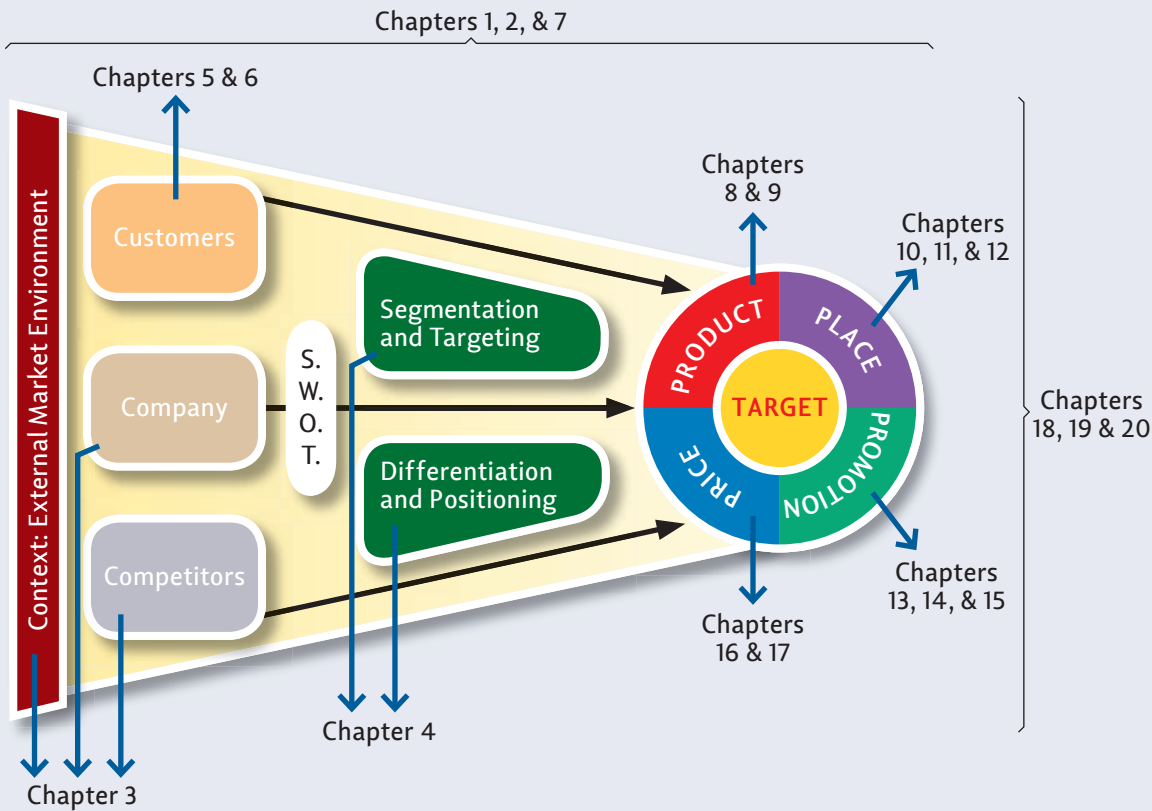
Chapter 20. We add coverage of the role of the Internet in keeping companies honest. Big data has lots of issues around privacy, so we added a new section and a boxed teaching note “Marketers Use Big Data—Creepy or Cool” that helps students understand what this trend means.

Twenty Chapters—with an Emphasis on Marketing Strategy Planning

The emphasis of *Basic Marketing* is on marketing strategy planning. Twenty chapters introduce the important concepts in marketing and help the student see marketing through the eyes of the manager. The organization of the chapters and topics is carefully planned. But we took special care in writing so that

- It is possible to rearrange and use the chapters in many different sequences—to fit different needs.
- All of the topics and chapters fit together into a clear, overall framework for the marketing strategy planning process.

Exhibit P-3 Basic Marketing and the Marketing Strategy Planning Process



Broadly speaking, the chapters fall into three groupings. The first seven chapters introduce marketing and a broad view of the marketing strategy planning process. We introduce the marketing strategy planning process in Chapter 2 and use this framework as a structure for our coverage of marketing. See Exhibit P-3. Chapters 3–7 cover topics such as the market environment, competition, segmentation, differentiation, and buyer behavior, as well as how marketing information systems and research provide information about these forces to improve marketing decisions. The second part of the text goes into the details of planning the four Ps, with specific attention to the key strategy decisions in each area. Finally, we conclude with an integrative review and an assessment of marketing’s challenges and opportunities.

The first chapter deals with the important role of marketing—focusing not only on how a marketing orientation guides a business or nonprofit organization in the process of providing superior value to customers but also on the role of macro-marketing and how a market-directed economy shapes choices and quality of life for consumers. Chapter 2 builds on these ideas with a focus on the marketing strategy planning process and why it involves narrowing down to the selection of a specific target market and blending the four Ps into a marketing mix to meet the needs of those customers. With that foundation in place,

the chapter introduces an integrative model of the marketing strategy planning process that serves as an organizing framework for the rest of the text.

Chapter 3 introduces students to the importance of evaluating opportunities in the external environments affecting marketing. This chapter also highlights the critical role of screening criteria for narrowing down from possible opportunities to those that the firm will pursue. Then, Chapter 4 shows how analysis of the market relates to segmentation and differentiation decisions as well as the criteria for narrowing down to a specific target market and marketing mix.

You have to understand customers in order to segment markets and satisfy target market needs. So the next two chapters take a closer look at *customers*. Chapter 5 studies the behavioral aspects of the final consumer market. Chapter 6 looks at how business and organizational customers—like manufacturers, channel members, and government purchasers—are similar to and different from final consumers.

Chapter 7 is a contemporary view of getting information—from marketing information systems and marketing research—for marketing planning. This chapter includes discussion of how information technology—ranging from intranets to speedy collection of market research data—is transforming the marketing job. This sets the stage for discussions in later chapters about how

research and marketing information improve each area of marketing strategy planning.

The next group of chapters—Chapters 8 through 17—is concerned with developing a marketing mix out of the four Ps: Product, Place (involving channels of distribution, logistics, and distribution customer service), Promotion, and Price. These chapters are concerned with developing the “right” Product and making it available at the “right” Place with the “right” Promotion and the “right” Price—to satisfy target customers and still meet the objectives of the business. These chapters are presented in an integrated, analytical way—as part of the overall framework for the marketing strategy planning process—so students’ thinking about planning marketing strategies develops logically.

Chapters 8 and 9 focus on product planning for goods and services as well as managing product quality, new-product development, and the different strategy decisions that are required at different stages of the product life cycle. We emphasize the value of an organized new-product development process for developing really new products that propel a firm to profitable growth. These chapters also detail how quality management approaches can improve implementation, including implementation of better service quality.

Chapters 10 through 12 focus on Place. Chapter 10 introduces decisions a manager must make about using direct distribution (for example, selling from the firm’s own website) or working with other firms in a channel of distribution. We put special emphasis on the need for channel members to cooperate and coordinate to better meet the needs of customers. Chapter 11 focuses on the fast-changing arena of logistics and the strides that firms are making in using e-commerce to reduce the costs of storing, transporting, and handling products while improving the distribution service they provide customers. Chapter 12 provides a clear picture of retailers, wholesalers, and their strategy planning, including exchanges taking place via the Internet. This composite chapter helps students see why the big changes taking place in retailing are reshaping the channel systems for many consumer products.

Chapters 13 through 15 deal with Promotion. These chapters build on the concepts of integrated marketing communications, direct-response promotion, and customer-initiated digital communication, which are introduced in Chapter 13. Chapter 14 deals with the roles of personal selling, customer service, and sales technology in the promotion blend. Chapter 15 covers advertising, publicity, and sales promotion, including the ways that managers are taking advantage of the Internet and other highly targeted media to communicate more effectively and efficiently.

Chapters 16 and 17 deal with Price. Chapter 16 focuses on pricing objectives and policies, including use of information technology to implement flexible pricing; pricing in the channel; and the use of discounts, allowances, and other variations from a list price. Chapter 17 covers cost-oriented

and demand-oriented pricing approaches and how they fit in today’s competitive environments. The careful coverage of marketing costs helps equip students to deal with the renewed cost-consciousness of the firms they will join.

Chapter 18 examines implementation and control with an emphasis on the role of information technology. Then, Chapter 19 deals with the links between marketing and other functional areas. The marketing concept says that people in an organization should work together to satisfy customers at a profit. No other text has a chapter that explains how to accomplish the “working together” part of that idea. Yet it’s increasingly important in the business world today, so that’s what this important chapter is designed to do.

The final chapter considers how efficient the marketing process is. Here we evaluate the effectiveness of both micro- and macro-marketing—and we consider the competitive, technological, ethical, and social challenges facing marketing managers now and in the future. Chapter 20 also reinforces the integrative nature of marketing management and reviews the marketing strategy planning process that leads to creative marketing plans.

Three appendices can be used to supplement the main text material. Appendix A provides some traditional economic analysis of supply and demand that can be a useful tool in analyzing markets. Appendix B reviews some quantitative tools—or marketing arithmetic—which help marketing managers who want to use accounting data in analyzing marketing problems. Appendix B also reviews forecasting as a way to predict market potential and sales for a company’s product. Finally, many students like to look at Appendix C—which is about career opportunities in marketing.

The following sections include 44 cases. Eight of these written cases supplement video cases available to instructors in their video package and online to students. Almost all of the 36 short written cases have been updated with new information to make sure they reflect the realities of the current marketplace. The focus of these cases is on problem solving. They encourage students to apply, and really get involved with, the concepts developed in the text. At the end of each chapter, we recommend particular cases that best relate to that chapter’s content.

Teaching and Learning Your Way— Elements of P.L.U.S.

Basic Marketing can be studied and used in many ways—the *Basic Marketing* text material is only the central component of our *Professional Learning Units System (P.L.U.S.)* for students and teachers. Instructors (and students) can select from our units to develop their own personalized systems. Many combinations of units are possible, depending on course objectives. As a quick overview, in addition to the *Basic Marketing* text, the *P.L.U.S.* package includes a variety of new and updated supplements.

Most of the instructor resources can be found on the *Instructor's Resource CD* and the instructor side of the Online Learning Center.

Beyond the *Basic Marketing* textbook, the key components of *P.L.U.S.* include

- **Connect Marketing for Basic Marketing.** This is one of the most exciting developments—new with this edition of *Basic Marketing*. *Connect Marketing for Basic Marketing* is an online assignment and assessment solution that connects students with the tools and resources they'll need to achieve success. And McGraw-Hill has partnered with Blackboard® to deliver the content and tools directly inside your learning management system. More details are provided in the next section of this preface.
- **"Teach the 4 Ps" blog for instructors.** The blog provides links to online articles, blog posts, videos, video clips, and commercials. The site is a great way to stay up-to-date and bring current content into your classroom. Many of these posts will also appear on the "Learn the 4 Ps" website that targets students.
- **Electronic Presentation Slides.** Our "best in the business" multimedia lecture support package includes a variety of materials. For each chapter there is a set of PowerPoint presentations for a complete lecture that includes television commercials and short video clip examples, examples of print advertisements that demonstrate important concepts, and questions to use with "clickers" or simply to check if students are getting it. We also have a set of archive slides with a high-quality selection of ads and photos. NEW with this edition, we have added more than 80 slides with embedded YouTube videos. Bring virtual guest speakers, viral videos, case studies, and new ads to your classroom presentations. The archive slides also include slides with material that we may have cut from this edition of the book.
- **Multimedia Lecture Support Guide.** This guide supports the presentation slides and includes detailed lecture scripts, outlines, and archives.
- **Videos and Video Cases.** The video package has been updated with eight new videos—to give you 31 full-length videos. In addition, we have 138 short (1 to 4 minutes) video clips—many integrated into the PowerPoint presentation slides. See the Video

Instructor's Manual for more ideas about how to use the videos in class.

- **Instructor's Manual to Accompany Basic Marketing.** This manual includes an overview of all the teaching/learning units, as well as suggested answers to all questions, exercises, and assignments.
- **Test Bank.** Our test bank includes thousands of objective test questions—every question *developed or edited by the authors* to ensure it works seamlessly with the text. McGraw-Hill's EZ-Test program facilitates the creation of tests. We take great pride in having a test bank that works for students and instructors.
- **Online Learning Center: www.mhhe.com/fourps.** The website for the book provides access to a variety of student and instructor resources.
- **Basic Marketing Cartridges for Blackboard and WebCT.** Include *Basic Marketing* materials directly in your online course management program.

Another set of resources is designed to be directly accessed by students usually via the web. Students can access the learning resources at www.mhhe.com/fourps or in the Student Library of their class' *Connect Marketing* website. They include

- **Self-Test Quizzes.** These help students prepare for tests.
- **Computer-Aided Problems.** This easy-to-use spreadsheet software program works with exercises at the end of each chapter in the text to help develop analytical skills needed by today's managers.
- **Marketing Plan Coach.** This online software tool helps students build marketing plans using materials and concepts directly from the textbook. It was created by the authors specifically for use with *Basic Marketing*.
- **"Learn the 4 Ps" Blog, Twitter, and Facebook Page.** These offer links to current online articles, websites, podcasts, and videos—providing motivated students more ways to learn about marketing.
- **Learning with Ads.** These are great for visual learners who can preview or study concepts from each chapter and examine applications in real print ads. About 10 to 15 ads per chapter.
- **Video Cases.** Clips from video cases in the book.

Teaching and Learning Resources

Instructor's Resource CD (IRCD) ISBN 0077512472

This CD contains the Instructor's Manual, a Test Bank, and PowerPoint® presentations.

Connect Instructor Library and Online Learning Center

www.mhhe.com/fourps Access everything you need to teach a great course through our convenient online resource. A secured Instructor Library/Resource Center stores your essential course materials to save you prep time before class.

- **Instructor's Manual** The Instructor's Manual to accompany this text is an all-inclusive resource designed to support instructors in effectively teaching the principles of marketing. This manual includes an overview of all the teaching/learning units, as well as suggested answers to all questions, exercises, and assignments.
- **Test Bank and EZ Test Online** The Test Bank offers more than 2,000 questions, which are categorized by topic, level of learning (knowledge, comprehension, or application), Learning Objectives, Bloom's Taxonomy, and accreditation standards (AACSB).
- **PowerPoint® Presentations** The PowerPoint presentations feature slides that can be used and personalized by instructors to help present concepts to the students effectively. Each set of slides contains additional figures and tables from the text.
- **Videos and Video Cases** McGraw-Hill provides industry-leading video support to help students understand concepts and see how they apply in the real world. The video package has been updated with eight new videos—to give you 31 full-length videos. In addition, we have 138 short (1 to 4 minutes) video clips—many integrated into the PowerPoint presentation slides. See the Video Instructor's Manual for more ideas about how to use the videos in class.

- **Marketing Plan Coach** This online software tool helps students build marketing plans using materials and concepts directly from the textbook. It was created by the authors specifically for use with Basic Marketing.
- **Learning with Ads** These are great for visual learners who can preview or study concepts from each chapter and examine applications in real print ads. About 10 to 15 ads per chapter.

Teaching Options and Solutions

McGraw-Hill Higher Education and Blackboard have teamed up. What does this mean for you?

1. **Your life, simplified. Single Sign-On:** A single login and single environment provide seamless access to all course resources—all McGraw-Hill's resources are available within the Blackboard Learn platform.
2. **Deep integration of content and tools. Deep Integration:** One click access to a wealth of McGraw-Hill content and tools—all from within Blackboard Learn.™
3. **Seamless Gradebooks. One Gradebook:** Automatic grade synchronization with Blackboard gradebook. All grades for McGraw-Hill *Connect* assignments are recorded in the Blackboard gradebook automatically.
4. **A solution for everyone. Openness:** Unique in Higher Education, the partnership of McGraw-Hill Higher Education and Blackboard preserves the spirit of academic freedom and openness. Blackboard remains publisher independent, and McGraw-Hill remains LMS (Learning Management System) independent. The result makes our content, engines and platform more usable and accessible, with fewer barriers to adoption and use.



5. **100% FERPA** -compliant solution protects student privacy.
6. **McGraw-Hill and Blackboard** can now offer you easy access to industry-leading technology and content, whether your campus hosts it, or we do. Be sure to ask your local McGraw-Hill representative for details.

MHCampus™



Campus

McGraw-Hill Campus™ is a new one-stop teaching and learning experience available to users of any learning management system. This institutional service allows faculty and students to enjoy single sign-on (SSO) access to all McGraw-Hill Higher Education materials, including the award winning McGraw-Hill *Connect* platform, from directly within the institution's website. McGraw-Hill Campus™ provides faculty with instant access to all McGraw-Hill Higher Education teaching materials (e.g. eTextbooks, test banks, PowerPoint slides, animations and learning objects, etc), allowing them to browse, search, and use any instructor ancillary content in our vast library at no additional cost to instructor or students. Students enjoy SSO access to a variety of free (e.g. quizzes, flash cards, narrated presentations, etc.) and subscription based products (e.g. McGraw-Hill *Connect*). With this program enabled, faculty and students will never need to create another account to access McGraw-Hill products and services. Learn more at www.mhcampus.com.

McGraw-Hill Connect Plus Marketing



McGraw-Hill reinvents the textbook-learning experience for today's students with *Connect Plus Marketing*. A seamless integration of an eBook and *Connect* provides all of the *Connect* features plus the following:

- An integrated eBook, allowing for anytime, anywhere online access to the textbook.
- Dynamic links between the problems or questions assigned to students and the location in the eBook where that problem or question is covered.
- Powerful search function to pinpoint and connect key concepts in a snap.

For more information about *Connect*, go to connect.mcgraw-hill.com, or contact your local McGraw-Hill sales representative.

CourseSmart



Learn Smart. Choose Smart. CourseSmart is a new way for faculty to find and review eTextbooks. It's also a great option for students who are interested in accessing their course materials digitally, and saving money.

CourseSmart offers thousands of the most commonly adopted textbooks across hundreds of courses from a wide variety of higher education publishers. It is the only place for faculty to review and compare the full text of a textbook online, providing immediate access without the environmental impact of requesting a print exam copy.

With the CourseSmart eTextbook, students can save up to 45 percent off the cost of a printed book, reduce their impact on the environment, and access powerful web tools for learning. CourseSmart users access and view their textbook online when connected to the Internet. Students can also print sections of the book for maximum portability. CourseSmart eTextbooks are available in one standard online reader with full text search, notes, and highlighting, and e-mail tools for sharing notes between classmates. For more information on CourseSmart, go to <http://www.coursesmart.com>.

Create



Instructors can now tailor their teaching resources to match the way they teach!

With McGraw-Hill Create, www.mcgrawhillcreate.com, instructors can easily rearrange chapters, combine material from other content sources, and quickly upload and integrate their own content, like course syllabi or teaching notes. Find the right content in Create by searching through thousands of leading McGraw-Hill textbooks. Arrange the material to fit your teaching style. Order a Create book and receive a complimentary print review copy in 3–5 business days or a complimentary electronic review copy (echo) via e-mail within one hour. Go to www.mcgrawhillcreate.com today and register.

Tegrity Campus: Lectures 24/7



Tegrity Campus is a service that makes class time available 24/7 by automatically capturing every lecture in a searchable format for students to review when they study and complete assignments. With a simple one-click start-and-stop process, you capture all computer screens and corresponding audio. Students can replay any part of any class with easy-to-use browser-based viewing on a PC or Mac.

Educators know that the more students can see, hear, and experience class resources, the better they learn. In fact, studies prove it. With patented Tegrity “search anything” technology, students instantly recall key class moments for replay online, or on iPods® and mobile devices. Instructors can help turn all their students' study time into learning moments immediately supported by their lecture. To learn more about Tegrity watch a 2-minute Flash demo at <http://tegritycampus.mhhe.com>.

Assurance of Learning Ready

Many educational institutions today are focused on the notion of *assurance of learning*, an important element of some accreditation standards. *Basic Marketing* is designed specifically to support instructors' assurance of learning initiatives with a simple, yet powerful solution.

Each test bank question for *Basic Marketing* maps to a specific chapter learning outcome/objective listed in the text. Instructors can use our test bank software, EZ Test and EZ Test Online, to easily query for learning outcomes/objectives that directly relate to the learning objectives for their course. Instructors can then use the reporting features of EZ Test to aggregate student results in similar fashion, making the collection and presentation of assurance of learning data simple and easy.

AACSB Statement



The McGraw-Hill Companies is a proud corporate member of AACSB International.

Understanding the importance and value of AACSB accreditation, *Basic Marketing* recognizes the curricula guidelines detailed in the AACSB standards for business accreditation by connecting selected questions in the text and the test bank to the six general knowledge and skill guidelines in the AACSB standards.

The statements contained in *Basic Marketing* are provided only as a guide for the users of this textbook. The AACSB leaves content coverage and assessment within the purview of individual schools, the mission of the school, and the faculty. While the *Basic Marketing* teaching package makes no claim of any specific AACSB qualification or evaluation, we have within *Basic Marketing* labeled selected questions according to the six general knowledge and skills areas.

McGraw-Hill Customer Experience Group Contact Information

At McGraw-Hill, we understand that getting the most from new technology can be challenging. That's why our services don't stop after you purchase our products. You

can e-mail our Product Specialists 24 hours a day to get product training online. Or you can search our knowledge bank of Frequently Asked Questions on our support website. For Customer Support, call **800-331-5094**, e-mail **hmsupport@mcgraw-hill.com**, or visit **www.mhhe.com/support**. One of our Technical Support Analysts will be able to assist you in a timely fashion.

Responsibilities of Leadership

In closing, we return to a point raised at the beginning of this preface. *Basic Marketing* has been a leading textbook in marketing since its first edition. We take the responsibilities of that leadership seriously. We know that you want and deserve the very best teaching and learning materials possible. It is our commitment to bring you those materials—today with this edition and in the future with subsequent editions.

We recognize that fulfilling this commitment requires a process of continuous improvement. Revisions, updates, and development of new elements must be ongoing—because needs change. You are an important part of this evolution, of this leadership. We encourage your feedback. The most efficient way to get in touch with us is to send an e-mail message to Joe.Cannon@colostate.edu. If you prefer the traditional approach, send a letter to Joe Cannon at Colorado State University, College of Business, Fort Collins, CO 80528-1278, United States of America. Thoughtful criticisms and suggestions from students and teachers alike have helped to make *Basic Marketing* what it is. We hope that you will help make it what it will be in the future.

William D. Perreault, Jr.
Joseph P. Cannon
E. Jerome McCarthy

Let's Walk through Your *Basic Marketing* Textbook . . .

Basic Marketing Helps You Learn about Marketing and Marketing Strategy Planning

At its essence, marketing strategy planning is about figuring out how to do a superior job of satisfying customers. With that in mind, the 19th edition of *Basic Marketing* was developed to satisfy your desire for knowledge and add value to your course experience. Not only will this text teach you about marketing and marketing strategy planning, but its design, pedagogy, and supplements package were developed to work well with the text and a variety of study situations.

Each person has a different approach to studying. Some may focus on reading that is covered during class, others prefer to prepare outside of the classroom and rely heavily on in-class interaction, and still others prefer more independence from the classroom. Some are more visual or more “hands on” in the way they learn, and others just want clear and interesting explanations. To address a variety of needs and course situations, many hours went into creating and designing the *Basic Marketing* textbook and other learning materials. We highlight how you can use these materials in the following section.

Take a moment now to learn more about all of the resources available to help you best prepare for this course and—whether you plan to work in marketing or not—for your future career.

Basic Marketing: An Innovative Marketing Experience

With 20 chapters that introduce the important concepts in marketing management, you will see all aspects of marketing through the eyes of the marketing manager. The first seven chapters introduce marketing and give you a framework for understanding marketing strategy planning in any type of organization, and then the next section of the text takes you into planning the four Ps of marketing (Product, Place, Promotion, and Price) with specific attention to the key strategy decisions in each area. The text concludes with a review and assessment of marketing's challenges and opportunities.

Basic Marketing pioneered the “four Ps” approach to organize and describe managerial marketing for introductory marketing courses. This new edition covers the dynamic changes taking place in marketing management and the market environment. But this new edition helps you understand the changes taking place and reflects today's best marketing practices and ideas.

Start each chapter with an overview

Each chapter begins with an in-depth case study developed specifically to motivate your interest and highlight a real-life example of the learning objectives and specific marketing decision areas covered in that chapter. Each case study is accompanied by a list of learning objectives that will help you understand and identify important terms and concepts covered in the chapter. We recommend you read the opening case and learning objectives and then take just a few minutes to skim through the chapter, check out the exhibits, pictures, and headings before reading the conclusion. This preview gives you a picture of the chapter and how it fits together—and research shows that it helps increase your comprehension of the reading.

1

CHAPTER ONE



Marketing's Value to Consumers, Firms, and Society

When it's time to roll out of bed in the morning, does the alarm ringtone on your Samsung Galaxy smartphone wake you, or is it your SiriusXM radio playing your favorite satellite station? Is the station playing hip-hop, classical, or country music—or perhaps a Red Cross ad asking you to donate blood? Maybe you'll start your day with a quick run while wearing your Adidas hoodie and running shorts and your favorite Nike running shoes. Then you could meet a friend at Starbucks for coffee and a study session. Oops, you slept in this morning and aren't sure you have time? Well maybe you should just throw on your Levi's jeans, shirt from Abercrombie and Fitch, and your favorite Sperry Top-Sider shoes and grab a quick bite at home. Perhaps you can find a Chiquita banana and a Lender's Bagel with cream cheese—or maybe a bowl of General Mills Cheerios cereal and a glass of calcium-fortified Simply Orange juice to start your day. If you hurry, your roommate can give you a ride to school in her new Nissan Leaf, but you might just have to take the bus that the city bought from Mercedes-Benz.

When you think about it, you can't get very far into a day without bumping into marketing—and what the whole marketing system does for you. It affects every aspect of our lives—often in ways we don't even consider.

In other parts of the world, people wake up each day to different kinds of experiences. A family in rural Africa may have little choice about what food they will eat or where their clothing will come from. In some countries, economic decisions are still made by government officials. But in the world's most developed countries, consumers determine what's on store shelves. If no one buys a particular color, size, or style, then companies no longer produce it. So you may have trouble finding Cheerios in Tokyo, where they are more likely to eat Kokuhō Rice for breakfast.

One brand found around the world is Nike. How has Nike become the shoe of choice for so many professional and casual athletes around the world? Is it the endorsements from star athletes like LeBron James and Cristiano Ronaldo? Maybe the constant innovations like the new lightweight Flyknit running shoes? Do you think Nike's 24,000 retailers play a part? What about all that advertising

Nike does? And those three-minute videos that Nike posts on YouTube can't hurt—“My Time Is Now” racked up nine million views in its first three days.

Almost 50 years ago Phil Knight and his college track coach Bill Bowerman founded Blue Ribbon Sports (later renamed Nike) to distribute Japanese running shoes. A few years later they were designing, producing, and selling athletic shoes. Today Nike is the 25th most valuable brand in the world, with annual sales of more than \$21 billion. Part of its success comes from adapting its marketing strategy to changing market conditions—but Nike hasn't always adapted quickly enough. Back in the early 1980s, Nike was so focused on running shoes that it missed the aerobics shoe craze and fell behind rival Reebok. Nike profits plummeted so quickly that only aggressive cost-cutting saved the company.

After Nike signed Michael Jordan to endorse its basketball shoes in 1984, the Air Jordan line took the market by storm. It didn't hurt when Nike's advertising agency came up with the “Just Do It!” slogan and an advertising campaign that covered television, magazines, and billboards around the world. This helped carry Nike through the 1990s and its profits soared on rising sales aided by low-cost foreign production.

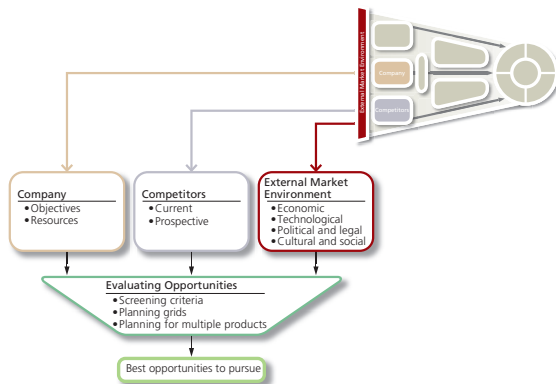
However, in the late 1990s, the company came under attack when it was reported that some of its suppliers used child labor. At first Nike denied responsibility, claiming it couldn't control how its suppliers operated. But public protest showed that society expected more from a large, successful corporation, and Nike began to closely monitor its suppliers' labor practices.

Since then Nike's social responsibility efforts have turned around its reputation. For example, Nike leads a group of 10 partners in the GreenXchange, a web-based marketplace where member firms collaborate and share ideas to foster sustainability. Nike's Reuse-A-Shoe program turns old shoes into Nike Grind, which is used as a surface on playgrounds, gym floors, and running tracks.

These days Nike targets growth in emerging markets like China. Nike's goal is to sell \$4 billion there by 2015—almost doubling what it sold there in 2010. Nike has adapted its marketing strategy for the Chinese market.

The exhibits, photos, and ads will help you understand the concepts . . .

Exhibit 3-1 Marketing Strategy Planning, Competitors, Company, and External Market Environment



After introducing the Marketing Strategy Planning Process model in Chapter 2, we begin each chapter with an exhibit that clearly organizes the chapter's content. The exhibit does two things that you should notice. First, it shows how the topic in this chapter fits as a piece in the larger marketing strategy planning process—its fit with the rest of the content in the book. Second, the figure will show how that chapter's concepts fit together—another way to “preview” the chapter.

The four Ps are just one way we organize marketing concepts for you. We know that many students learn best with “conceptual organizers,” figures, charts, and tables that help organize thinking and provide an easy way to remember key concepts. When you see these figures, study them for a minute and think about how they help you understand and learn new marketing concepts.

Exhibit 2-5 Strategy Decision Areas Organized by the Four Ps

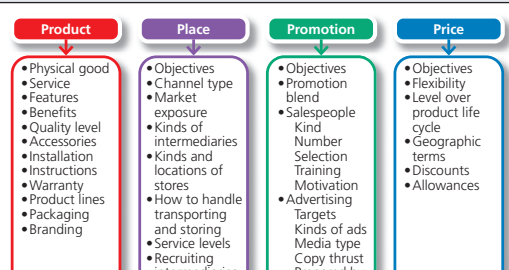


Exhibit 4-3 Narrowing Down to Target Markets

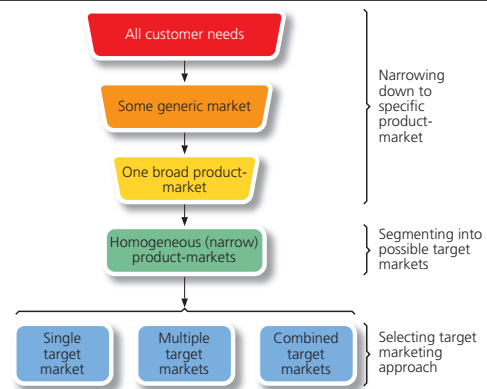
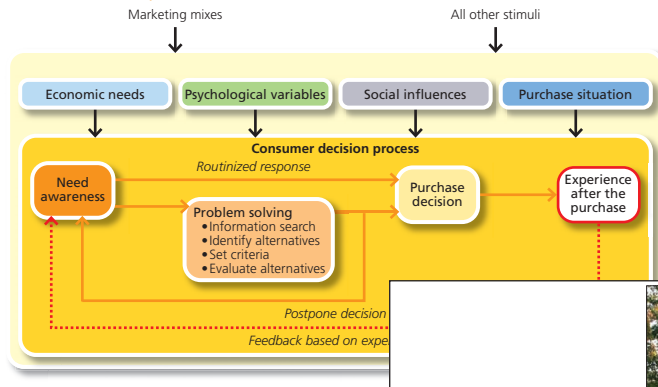


Exhibit 5-8 An Expanded Model of Consumer Behavior



Full-color photos and current ads are carefully placed in every chapter. They provide a visual demonstration of key concepts and emphasize important ideas discussed in the chapter.

The Consumer Safety Institute in the Netherlands wants to remind parents that children see those cleaning supplies under the sink differently. As consumers approached this outdoor ad, the image changed from the one on the left to the one on the right (and back).



Think critically about the issues facing marketing managers . . .

This book includes a variety of different opportunities for you to learn about the types of decisions facing real marketing managers. Stop and think about the Ethics Questions you confront in your reading. Visit the websites we call out in the Internet Exercises and think about the questions posed. At the end of each chapter, we suggest some cases—which are interesting situations faced by real marketers. You can find the cases near the end of the book.

Ethics Question

You are a marketing assistant for Auntie Em's Cookie Company, which makes and distributes packaged cookies through grocery stores. Your company recently ran a test market for a new brand of low-fat cookies called Tastee DeeLites. The new brand meets government standards to be labeled and advertised as "low fat," so the ads and package used in the test market highlighted that benefit. Test-market sales were very promising. However, now a consumer activist group has created a website (www.TasteeDeeLIES.com) that claims Tastee DeeLites package and ads are misleading because the product's high calories make it even more fattening than most other cookies. Your boss has asked you to recommend how Auntie Em's should handle this situation. Drawing on what you've learned about consumer behavior, do you think consumers are being misled? Does your company have any responsibility to respond to these charges? Should changes be made to the product, package, or promotion?

SUGGESTED CASES

- | | |
|------------------------------------|--------------------------------|
| 1. McDonald's "Seniors" Restaurant | 10. Cooper's Ice Center |
| 3. NOCO United Soccer Academy | 11. Running Room |
| 8. Besitti's Restaurant | 12. DrJane.com—Custom Vitamins |
| 9. Peaceful Rest Motor Lodge | 30. Walker-Winkle Mills, Ltd. |

Explore special topics . . .

Follow a topic online with the Internet Exercises that let you see how firms can use the web to enhance their marketing. And each chapter includes a boxed scenario to help you learn more about a particular marketing topic.

Most marketers work with existing attitudes

GM and Nissan introduced all-electric cars. Malt-O-Meal breakfast cereals, a low-cost brand that has always been packaged in bags, touted the environmental benefits of this packaging. Its "Bag the Box" campaign garnered publicity on a small budget. Many consumers have positive attitudes toward brands that try to make a difference in this area.⁹

Because consumer attitudes tend to be enduring, it's usually more economical for marketers to work with them than try to change them. Changing negative attitudes is probably the most difficult job marketers face.¹⁰

Ethical issues may arise

Part of the marketing job is to inform and persuade consumers about a firm's

Internet Exercise

Climate Counts is a nonprofit organization that provides information to help consumers make choices that have a positive impact on the planet. Go to the Climate Counts website (www.climatecounts.org), click on the "Climate Scores" link, choose a market sector, and compare the different companies. Do you think this information will affect how consumers behave? Do you think the information will affect how companies behave? What will be the effect on consumer and company behavior if some consumers use Twitter to tweet ratings, or e-mail to share ratings with others?

Zipcar—saving money and the environment

Evolving needs, attitudes, and lifestyles are creating opportunities for new transportation services. Many consumers, whether captivated by the green movement or simple economics, want to give up their cars—but some have trouble handing over their keys.

Zipcar offers a solution. It provides a car-sharing service that's now available in dozens of big cities across the United States, Canada, and the U.K. Car-sharing saves both money and time. With monthly payments, insurance, parking, gas, depreciation, and maintenance, the cost of car ownership averages \$8,000 a year. City dwellers face the additional hassle of finding parking and worrying about theft. Zipcar's rates vary by city, but average \$10 an hour or \$70 a day. That's a big difference from car ownership!

Zipcar has worked hard to make car-sharing easy and fun. Signing up is simple—go online, fill out an application, and pay your \$50 annual membership fee. Zipcar checks the applicant's driving record—and if he passes, a Zipcar arrives in his mail a few days later. Renting a car is even simpler. A member (called a

Zipcar app at the car and it automatically unlocks. Grab the keys from beneath the steering wheel, turn the ignition and you're ready to go.

Zipcar has identified different market segments and localized a marketing mix for each group. Some big city neighborhoods appreciate the environmental benefits. Here, most prefer driving a smaller and more economical car like a Toyota Prius or Mini Cooper when they visit a friend, though some want the convenience of a hatchback on a shopping trip. They're proud of the Zipcar logo on the car doors—it shows their green side and fellow Zipsters wave when they drive by.

Zipsters in more upscale neighborhoods are offered a selection of Volvos and BMWs. Zipcar found these customers usually borrow cars for a big night out or to head to the beach for the weekend. And they don't like (so they don't get) the green sign on the car door.

You can also find Zipcars on more than 250 college campuses—where students often don't have a regular need for a car and almost always have difficulty with parking. Spreading a dozen Zipcars—like Scion xBs and Honda Insight hybrids—across campus reduces the need for more than a hundred parking spaces. In tight economic times, campus administrators have responded enthusiastically to a program that reduces traffic and parking problems.

Zipcar is growing quickly by providing an economical and environmentally friendly solution to today's transportation needs. More and more Zipsters are learning a new way to get around—and they're having fun doing it!¹¹

Beyond the Book—Check out all the online resources for *Basic Marketing* where you will find more interactivity and more ways to . . .

. . . think about the *Basic Marketing* text book as the centerpiece of your learning experience. Through computers and the Internet, there are many additional features to help you learn about marketing. We have designed the *Basic Marketing* learning package to give you a variety of different ways to learn and study. So if you are looking for other pathways to learning, check out what you can find at the Online Learning Center (www.mhhe.com/fourps), *Learn the 4 Ps* website (www.learnthe4ps.com), and through *Connect Marketing* for *Basic Marketing*. See Exhibit W-1.

Exhibit W-1 Online Resources in the *Basic Marketing* Learning Package

	Online Learning Center (OLC)	<i>Learn the 4 Ps</i>	<i>Connect Marketing</i>
Description	<i>Basic Marketing</i> site	Blog, Twitter, and Facebook sites	Available with some book packages.
Availability	www.mhhe.com/fourps	learnthe4ps.com	See your instructor
Student Chapter Quizzes —10 multiple-choice questions per chapter—check if you’re ready for your next exam.	x		x
Computer-Aided Problems (CAPs) —easy-to-use spreadsheet software program works with exercises at the end of each chapter to develop analytical skills needed by today’s managers.	x		x
Marketing Plan Coach —this online software tool helps students build marketing plans by drawing on concepts from <i>Basic Marketing</i> .	x		x
Learn the 4 Ps —Pick your favorite way to stay current with online articles, websites, podcasts, and videos delivered on a blog, Twitter, and Facebook.		x	
Connect Quizzes —20 multiple-choice questions per chapter—check if you’re ready for your next exam.			x
Learning with Ads —a great way to preview concepts from each chapter and see how they are applied in real print ads.			x
Video Cases —clips from video cases in the book			x
LearnSmart —An adaptive learning system designed to help students learn faster, study more efficiently, and retain more knowledge.			x
Connect Homework —Homework exercises (available with some book packages—instructor set-up required).			x

McGraw-Hill Irwin **The Four Ps Website**

William D. Perreault, Jr. Joseph P. Cannon E. Jerome McCarthy

click on the edition you are using to access its Online Learning Center

Now Featuring LearnSmart with Connect Marketing!

Basic Marketing: A Marketing Strategy Planning Approach, 19e
 The 19th edition of Basic Marketing provides integrated solutions to help you achieve your course goals of improving readiness, enhancing student engagement, and increasing their comprehension of content. The Perreault/Cannon/McCarthy solution has pioneered an innovative structure and integrative approach to create a comprehensive teaching and learning package for faculty and students.

19th edition

Help me study for my next test!

The *Basic Marketing* website has Student Chapter Quizzes—10 self-test questions for each chapter.

Self-test Quiz
(See related pages)

- "Marketing strategy planning" means:
 - A) finding attractive opportunities and developing profitable marketing strategies.
 - B) finding attractive opportunities and selecting a target market.
 - C) selecting an attractive target market.
 - D) selecting an attractive marketing mix.
 - E) selecting a target market and developing a marketing strategy.
- The difference between target marketing and mass marketing is that target marketing:
 - A) means focusing on a small market.
 - B) focuses on short-run objectives, while mass marketing focuses on long-run objectives.
 - C) focuses on specific customers, while mass marketing aims at an entire market.
 - D) does not rely on e-commerce but mass marketing does.
 - E) aims at increased sales, while mass marketing focuses on increased profits.
- "Place" is concerned with:
 - A) getting the product to its intended market.
 - B) intermediaries located between producers and consumers.
 - C) where, when, and by whom goods are offered for sale.
 - D) when and where products are wanted.
 - E) all of these might be involved with Place.
- When Herbal Essences offers "dollar-off coupons" to adult women to try to get them to try its shampoos and conditioners, this is an example of:
 - A) publicity.
 - B) sales promotion.
 - C) product development.
 - D) market penetration.
 - E) distribution.
- Ideally, a good marketing mix should:
 - A) be very similar to the marketing mix typically used by key competitors.

CAPS **McGraw-Hill Higher Education**

Computer-Aided Problems

Welcome to CAPs!
 The Computer-Aided Problems - CAPs for short - help you develop the skills needed to make sound marketing decisions based on analysis of marketing information. These problems are based on situations faced by real marketing managers.

1. Revenue, Cost and Profit Relationships
2. Target Marketing
3. Competitor Analysis
4. Segmenting Customers
5. Selective Processes
6. Vendor Analysis
7. Marketing Research
8. Branding Decision
9. Growth Stage Competition
10. Intensive vs. Selective Distribution
11. Total Distribution Costs
12. Selecting Channel Intermediaries
13. Selecting a Communications Channel
14. Sales Compensation
15. Sales Promotion
16. Cash Discounts
17. Break-Even/Profit Analysis

Learn how marketing managers use numbers and spreadsheets to analyze data and make marketing decisions!

Our Computer-Aided Problems (we call them CAPs) allow you to apply concepts from the book while you develop and hone analytical skills needed by today's marketing managers. The CAPs are also available in the student resources area of *Connect Marketing* for *Basic Marketing*.

MARKETING PLAN COACH

Welcome
 Instructions
 Brief Outline
 Detailed Outline
 Marketing Plan - Hillside Veterinary Clinic
 Home

Brief Outline

Marketing Plan

What are the key elements of a marketing plan?

A marketing plan is a written statement of a marketing strategy and the time-related details for carrying out the strategy. The marketing plan includes an analysis of the company, customers, competitors, and external market environments. This information forms the basis for the development of a marketing strategy – which includes a target market and marketing mix. The marketing plan includes time-related details and controls.

You can see a sample marketing plan for [Hillside Veterinary Clinic](#) here.

The main sections of a marketing plan follow – you can drill down for more details on each section by clicking the hot links.

- [Executive Summary](#)
- [Situation Analysis](#)
 - [Company analysis](#) of objectives and resources
 - [Customer market analysis](#)
 - [Competitive market analysis](#)
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 - [SWOT analysis](#)
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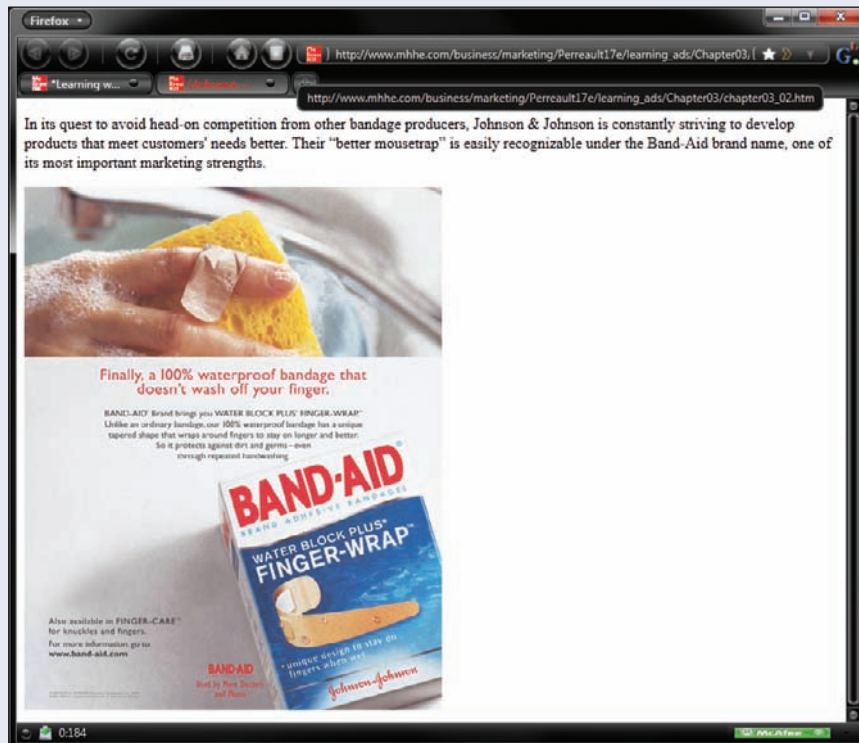
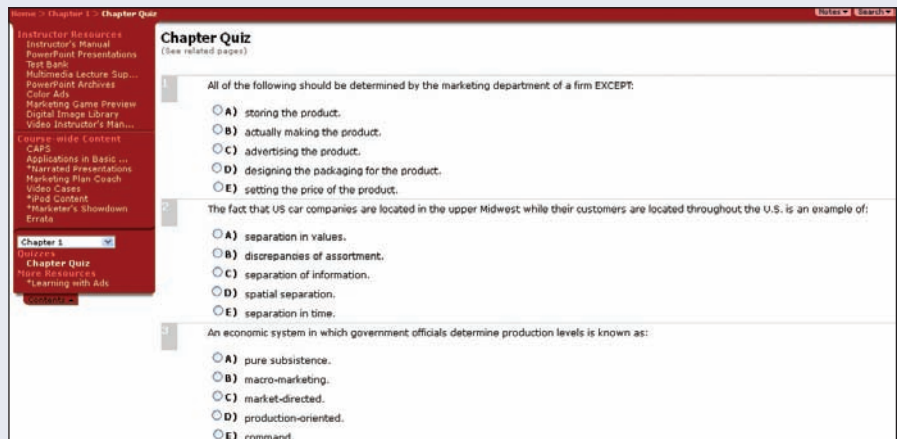
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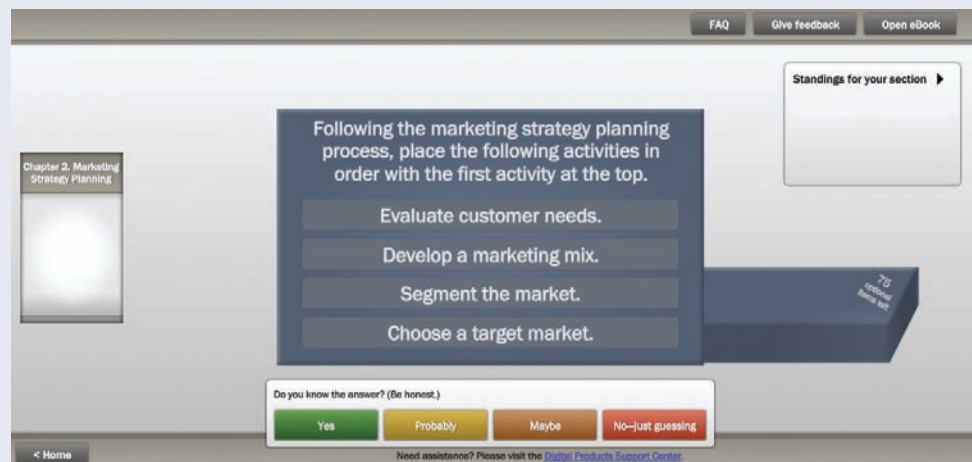


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connect MARKETING

MKT 300 Marketing: Copy of Fall 2010 Joe Cannon

C2 Target Marketing and the Four P's at Campbell's Soup instructions | help

save & exit submit assignment

1. value: 10 points

key terms

Read the statements. Drag and drop each item into the correct spot.

PRODUCT PLACE PRICE PROMOTION

Target Market

Health-conscious Elderly Consumers

College students looking for fast lunch

Ads

Advertising

Stores

Markup's

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Vending

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Acknowledgments

Basic Marketing has been influenced and improved by the inputs of more people than it is possible to list. We do, however, want to express our appreciation to those who have played the most significant roles, especially in this edition.

We are especially grateful to our many students who have criticized and made comments about materials in *Basic Marketing*. Indeed, in many ways, our students have been our best teachers.

We owe our greatest debt of gratitude to Lin Davis. The book probably wouldn't exist if it weren't for her—because without her help it would have been just too overwhelming and we'd have quit! Lin has been part of this team for more than 25 years. During that time, she has made contributions in every aspect of the text and package. Over the years she spent countless hours researching photos and case histories, and she critiqued thousands of manuscript pages through countless revisions of the text and all the accompanying materials. She has reviewed, edited, and critiqued every word we've written. Her hard work, positive attitude, and dedication to quality throughout the whole process is without match. Lin cut back on the time she put into this edition of *Basic Marketing* as she moved into semi-retirement. Yet her mark on this project is indelible. We could not have asked for a better friend and colleague.

Many improvements in recent editions were stimulated by feedback from a number of colleagues around the country. Their feedback took many forms. In particular, we would like to recognize the helpful contributions of:

Cliff Ashmead Abdool, *CUNY College of Staten Island*
Roshan (Bob) Ahuja, *Ramapo College of New Jersey*
Thomas Ainscough, *University of South Florida*
Ian Alam, *Ramapo College of New Jersey*
Mary Albrecht, *Maryville University*
David Andrus, *Kansas State University at Manhattan*
Chris Anicich, *Broome Community College*
Maria Aria, *Missouri State University*
April Atwood, *University of Washington*
Ainsworth Bailey, *University of Toledo*
Turina Bakker, *University of Wisconsin*
Jeff Bauer, *University of Cincinnati—Batavia*
Leta Beard, *Washington University*
Amy Beattie, *Nichols College of Champlain*
Cathleen Behan, *Northern VA Community College*
Patty Bellamy, *Black Hills State University*
Suzeanne Benet, *Grand Valley State University*

Shahid Bhuian, *Louisiana Tech University*
John S. Bishop, Jr., *Ohio State University*
David Blackmore, *University of Pittsburgh*
Ross Blankenship, *University of California Berkeley*
Maurice Bode, *Delgado Community College*
Jonathan Bohlman, *Purdue School of Management*
William J. Bont, *Grand Valley State University*
Laurie Brachman, *University of Wisconsin*
Kit Brenan, *Northland Community College*
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Richard Brien, *De Anza College*
Elten Briggs, *University of Texas—Austin*
Denny Bristow, *St. Cloud State University*
Susan Brudvig, *Ball State University*
Kendrick W. Brunson, *Liberty University*
Derrell Bulls, *Texas Women's University*
Helen Burdenski, *Notre Dame College of Ohio*
Nancy Bush, *Wingate University*
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Dwane Dean, *Manhattan College*
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Nicholas Didow, *University of North Carolina—Chapel Hill*
Susan Higgins DeFago, *John Carroll University*
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Les Dlabay, *Lake Forest College*

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Gary Donnelly, *Casper College*
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Carol Gaumer, *University of Maryland; Univeristy College*
Karl Giulian, *Fairleigh Dickinson University—Madison*
Thomas Giese, *University of Richmond*
J. Lee Goen, *Oklahoma Baptist University*
Brent G. Goff, *University of Houston—Downtown*
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Doug Hughes, *Michigan State University—East Lansing*
Deborah Baker Hulse, *University of Texas at Tyler*

Janet Hunter, *Northland Pioneer College*
Phil Hupfer, *Elmhurst College*
Hector Iweka, *Lasell College*
Annette Jajko, *Triton College/College of DuPage*
Carol Johaneck, *Washington University*
Timothy Johnston, *University of Tennessee at Martin*
Keith Jones, *North Carolina A&T State University*
Sungwoo Jung, *Saint Louis University*
Fahri Karakaya, *University of Massachusetts*
Gary Karns, *Seattle Pacific University*
Pat Karush, *Thomas College*
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Courtney Kernek, *Texas A&M University—Commerce*
Brian Kinard, *PennState University—University Park*
Rob Kleine, *Ohio Northern University*
Ken Knox, *Ohio State University—Athens*
Kathleen Krentler, *San Diego State University*
Dmitri Kuksov, *Washington University*
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Geoffrey Lantos, *Oregon State University*
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Richard LaRosa, *Indiana University of Pennsylvania*
Donald Larson, *The Ohio State University*
Dana-Nicoleta Lascu, *Richmond University*
Debra Laverie, *Texas Tech University*
Marilyn Lavin, *University of Wisconsin—Whitewater*
Freddy Lee, *California State University—Los Angeles*
Steven V. LeShay, *Wilmington University*
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Rajiv Mehta, *Truman State University*
Amit Mukherjee, *Providence College*
Sanjay Mehta, *Sam Houston State University*
Matt Meuter, *California State University—Chico*
Michael Mezja, *University of Las Vegas*
Margaret Klayton Mi, *Mary Washington College*
Herbert A. Miller, Jr., *University of Texas—Austin*
Linda Mitchell, *Lindon State College*
Ted Mitchell, *University of Nevada, Reno*
Robert Montgomery, *University of Evansville*

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 Marlene Morris, *Georgetown University*
 Brenda Moscool, *California State University—Bakersfield*
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 Steve Mumsford, *Gwynedd-Mercy College*
 Clara Munson, *Albertus Magnus*
 Thomas Myers, *University of Richmond*
 Cynthia Newman, *Rider University*
 Philip S. Nitse, *Idaho State University at Pocatello*
 J. R. Ogden, *Kutztown University*
 David Oh, *California State University—Los Angeles*
 Sam Okoroafo, *University of Toledo*
 Jeannie O’Laughlin, *Dakota Wesleyan University*
 Louis Osuki, *Chicago State University*
 Daniel Padgett, *Auburn University*
 Esther S. Page-Wood, *Western Michigan University*
 Karen Palumbo, *University of St. Francis*
 Terry Paridon, *Cameron University*
 Terry Paul, *Ohio State University*
 Sheila Petcavage, *Cuyahoga Community College*
 Stephen Peters, *Walla Walla Community College*
 Man Phan, *Comsumnes River College*
 Linda Plank, *Ferris State University*
 Lucille Pointer, *University of Houston—Downtown*
 Brenda Ponsford, *Clarion University*
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 M. G. M. Wetzels, *Universiteit Maastricht, The Netherlands*
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 Jim Wong, *Shenandoah University*
 Joyce H. Wood, *N. Virginia Community College*
 Newell Wright, *James Madison University*
 Joseph Yasaian, *McIntosh College*
 Gary Young, *Worcester State College*

We’ve always believed that the best way to build consistency and quality into the text and the other P.L.U.S. units is to do as much as possible ourselves. With the growth of multimedia technologies, it’s darn hard to be an expert on them all. But we’ve had spectacular help in that regard.

The lecture-support PowerPoints have been a tremendous effort over many editions. We appreciate the efforts of Jay Carlson, Mandy Noelle Carlson, David Urban, Milt Pressley, and Lewis Hershey for their creative work on the lecture-support PowerPoint presentation slides.

Nick Childers at Shadows and Light Creative Services has been the guru behind the scenes in production work on the video package for many editions. He also worked with us in developing the first versions of our CDs. Nick Childers and Debra Childers continue to play an important role not only in the videos but in multimedia innovations.

For several editions, Judy Wilkinson has played a big role as producer of the video series for the book. In that capacity, she worked closely with us to come up with ideas, and she provided guidance to the talented group of marketing professors and managers who created or revised videos for this edition. Judy also is the author of several outstanding video segments. We express respect for and deep appreciation to Judy for her work on the video series.

Of course, like other aspects of *Basic Marketing*, the video series has evolved and improved over time, and its current strength is partly due to the insights of Phil Niffenegger, who served as producer for our early video efforts. The video series also continues to benefit from the contributions of colleagues who developed videos in earlier editions. They are

Gary R. Brockway
James Burley
David Burns
Debra Childers
Martha O. Cooper
Carolyn Costley
Angie Fenton
W. Davis Folsom
Pam Girardo
Brenda Green
Douglas Hausknecht
Scott Johnson
Bart Kittle
Gene R. Lazniak
Bill Levy
Charles S. Madden
Don McBane
W. Glynn Mangold
Becky Manter
Robert Miller
J. R. Montgomery

Linda Mothersbaugh
Michael R. Mullen
Phillip Niffenegger
Deborah Owens
Thomas G. Ponzurick
George Prough
Peter Rainsford
Jane Reid
Clinton Schertzer
Roger Schoenfeldt
Thomas Sherer
Jeanne M. Simmons
Walter Strange
Jeff Tanner
Ron Tatham
Rollie O. Tillman
Carla Vallone
Robert Welsh
Holt Wilson
Poh-Lin Yeou

Faculty and students at our current and past academic institutions—Michigan State University, University of North Carolina, Colorado State University, Emory, Notre Dame, University of Georgia, Northwestern University, University of Oregon, University of Minnesota, and Stanford University—have significantly shaped the book. Professor Andrew A. Brogowicz of Western Michigan University contributed many fine ideas to early editions of the text and supplements. Neil Morgan, Charlotte Mason, Rich Gooner, Gary Hunter, John Workman, Nicholas Didow, Barry Bayus, Ken Manning, and Ajay Menon have provided a constant flow of helpful suggestions.

We are also grateful to the colleagues with whom we collaborate to produce international adaptations of the

text. In particular, Lindsey Meredith, Lynne Ricker, Stan Shapiro, Ken Wong, and Pascale G. Quester have all had a significant impact on *Basic Marketing*.

The designers, artists, editors, and production people at McGraw-Hill/Irwin who worked with us on this edition warrant special recognition. All of them have shared our commitment to excellence and brought their own individual creativity to the project. First, we should salute Christine Vaughan, who has done a great (and patient) job as production manager for the project. Without her adaptive problem solving, we could not have succeeded with a (very) rapid-response production schedule—which is exactly what it takes to be certain that teachers and students get the most current information possible.

Gabriela Gonzalez worked as development editor on this edition; her insight and project management skills are much appreciated. Our executive editor, Sankha Basu, provides a valuable perspective on the *Basic Marketing* franchise. His ideas have had a great impact on the book.

The layout and design of the book included a great team of professionals. Keith McPherson is a long-time creative and valued contributor to *Basic Marketing*. He is a great talent and we sincerely appreciate his past efforts that continue to be reflected in the book's design. We sincerely appreciate the talents of Laurie Entringer who created the interior and cover for this edition of *Basic Marketing*. We also appreciate Mike Hruby, who again tracked down permissions for photos and ads we selected to use to illustrate important ideas. Kendra Miller helped edit this edition of the book and brought new energy and insight along with a sharp eye for detail.

Our marketing manager, Donielle Xu, has brought creativity, energy, and great ideas to the book. Her assistant, Liz Steiner, has also been extremely helpful.

Our families have been patient and consistent supporters through all phases in developing *Basic Marketing*. The support has been direct and substantive. Pam Perreault and Chris Cannon have provided valuable assistance and more encouragement than you could imagine. Our kids—Suzanne, Will, Kelly, Ally, and Mallory—provide valuable suggestions and ideas as well as encouragement and support while their dads are too often consumed with a never-ending set of deadlines.

We are indebted to all the firms that allowed us to reproduce their proprietary materials here. Similarly, we are grateful to associates from our business experiences who have shared their perspectives and feedback and enhanced our sensitivity to the key challenges of marketing management. In that regard, we especially acknowledge Kevin Clancy, Peter Krieg, and their colleagues at Copernicus Marketing Consulting. The combination of pragmatic experience and creative insight they bring to the table is very encouraging. If you want to see great marketing, watch them create it.

A textbook must capsule existing knowledge while bringing new perspectives and organization to enhance it. Our

thinking has been shaped by the writings of literally thousands of marketing scholars and practitioners. In some cases, it is impossible to give unique credit for a particular idea or concept because so many people have played important roles in anticipating, suggesting, shaping, and developing it. We gratefully acknowledge these contributors—from the early thought-leaders to contemporary authors and researchers—who have shared their creative ideas. We respect their impact on the development of marketing and more specifically this book.

To all of these persons—and to the many publishers who graciously granted permission to use their materials—we are deeply grateful. Responsibility for any errors or omissions is certainly ours, but the book would not have been possible without the assistance of many others. Our sincere appreciation goes to all who contributed.

William D. Perreault, Jr.
Joseph P. Cannon
E. Jerome McCarthy

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