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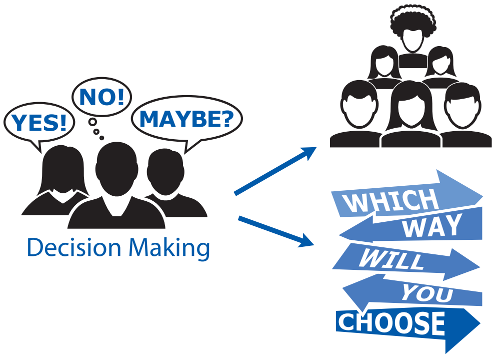
Engage, Assess, Apply

- **Personalize Learning with MyMarketingLab**—MyMarketingLab is an online homework, tutorial, and assessment program designed to work with this text to engage students and improve results. Within its structured environment, students practice what they learn, test their understanding, and pursue a personalized study plan that helps them better absorb course material and understand difficult concepts.

- **MediaShare for Business**—Consisting of a curated collection of business videos tagged to learning outcomes and customizable, auto-scored assignments, MediaShare for Business helps students understand why they are learning key concepts and how they will apply those in their careers. Instructors can also assign favorite YouTube clips or original content and employ MediaShare's powerful repository of tools to maximize student accountability and interactive learning, and provide contextualized feedback for students and teams who upload presentations, media, or business plans.



- **Branching, Decision-Making Simulations**—Put your students in the role of manager as they make a series of decisions based on a realistic business challenge. The simulations change and branch based on their decisions, creating various scenario paths. At the end of each simulation, students receive a grade and a detailed report of the choices they made with the associated consequences included.

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- **Enhanced eText**—Keeps students engaged in learning on their own time, while helping them achieve greater conceptual understanding of course material. The worked examples bring learning to life, and algorithmic practice allows students to apply the very concepts they are reading about. Combining resources that illuminate content with accessible self-assessment, MyLab with Enhanced eText provides students with a complete digital learning experience—all in one place.

with MyMarketingLab®

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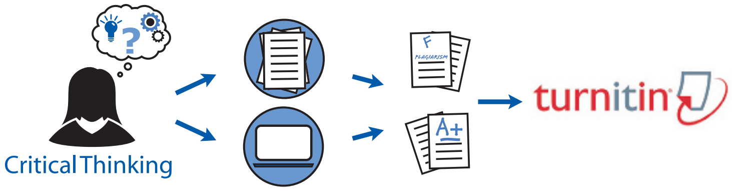

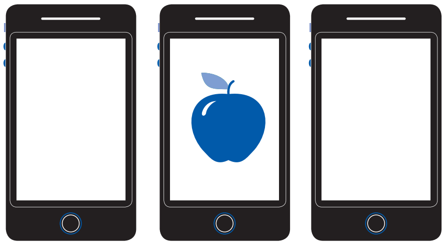

- **Learning Catalytics™**—Is an interactive, student response tool that uses students' smartphones, tablets, or laptops to engage them in more sophisticated tasks and thinking. Now included with MyLab with eText, Learning Catalytics enables you to generate classroom discussion, guide your lecture, and promote peer-to-peer learning with real-time analytics. Instructors, you can:
  - Pose a variety of open-ended questions that help your students develop critical thinking skills
  - Monitor responses to find out where students are struggling
  - Use real-time data to adjust your instructional strategy and try other ways of engaging your students during class
  - Manage student interactions by automatically grouping students for discussion, teamwork, and peer-to-peer learning

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Dedication

To Kathy, Betty, Mandy, Matt, KC, Keri, Delaney, Molly, Macy, and Ben; and Nancy, Amy, Melissa, and Jessica

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About the Authors

As a team, Philip Kotler and Gary Armstrong provide a blend of skills uniquely suited to writing an introductory marketing text. Professor Kotler is one of the world's leading authorities on marketing. Professor Armstrong is an award-winning teacher of undergraduate business students. Together, they make the complex world of marketing practical, approachable, and enjoyable.

Philip Kotler is S.C. Johnson & Son Distinguished Professor of International Marketing at the Kellogg School of Management, Northwestern University. He received his master's degree at the University of Chicago and his Ph.D. at M.I.T., both in economics. Dr. Kotler is the author of *Marketing Management* (Pearson), now in its fifteenth edition and the most widely used marketing textbook in graduate schools of business worldwide. He has authored more than 50 other successful books and has published more than 150 articles in leading journals. He is the only three-time winner of the coveted Alpha Kappa Psi award for the best annual article in the *Journal of Marketing*.

Professor Kotler was named the first recipient of four major awards: the *Distinguished Marketing Educator of the Year Award* and the *William L. Wilkie "Marketing for a Better World" Award*, both given by the American Marketing Association; the *Philip Kotler Award for Excellence in Health Care Marketing* presented by the Academy for Health Care Services Marketing; and the *Sheth Foundation Medal for Exceptional Contribution to Marketing Scholarship and Practice*. He is a charter member of the Marketing Hall of Fame, was voted the first Leader in Marketing Thought by the American Marketing Association, and was named the Founder of Modern Marketing Management in the *Handbook of Management Thinking*. His numerous other major honors include the Sales and Marketing Executives International *Marketing Educator of the Year Award*; the European Association of Marketing Consultants and Trainers *Marketing Excellence Award*; the *Charles Coolidge Parlin Marketing Research Award*; and the *Paul D. Converse Award*, given by the American Marketing Association to honor "outstanding contributions to science in marketing." A recent *Forbes* survey ranks Professor Kotler in the top 10 of the world's most influential business thinkers. And in a recent *Financial Times* poll of 1,000 senior executives across the world, Professor Kotler was ranked as the fourth "most influential business writer/guru" of the twenty-first century.

Dr. Kotler has served as chairman of the College on Marketing of the Institute of Management Sciences, a director of the American Marketing Association, and a trustee of the Marketing Science Institute. He has consulted with many major U.S. and international companies in the areas of marketing strategy and planning, marketing organization, and international marketing.

He has traveled and lectured extensively throughout Europe, Asia, and South America, advising companies and governments about global marketing practices and opportunities.

Gary Armstrong is Crist W. Blackwell Distinguished Professor Emeritus of Undergraduate Education in the Kenan-Flagler Business School at the University of North Carolina at Chapel Hill. He holds undergraduate and master's degrees in business from Wayne State University in Detroit, and he received his Ph.D. in marketing from Northwestern University. Dr. Armstrong has contributed numerous articles to leading business journals. As a consultant and researcher, he has worked with many companies on marketing research, sales management, and marketing strategy.

But Professor Armstrong's first love has always been teaching. His long-held Blackwell Distinguished Professorship is the only permanent endowed professorship for distinguished undergraduate teaching at the University of North Carolina at Chapel Hill. He has been very active in the teaching and administration of Kenan-Flagler's undergraduate program. His administrative posts have included Chair of Marketing, Associate Director of the Undergraduate Business Program, Director of the Business Honors Program, and many others. Through the years, he has worked closely with business student groups and has received several UNC campuswide and Business School teaching awards. He is the only repeat recipient of the school's highly regarded Award for Excellence in Undergraduate Teaching, which he received three times. Most recently, Professor Armstrong received the UNC Board of Governors Award for Excellence in Teaching, the highest teaching honor bestowed by the sixteen-campus University of North Carolina system.

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Preface

The Seventeenth Edition of Kotler/Armstrong's *Principles of Marketing*! Setting the World Standard in Marketing Education

These are exciting times in marketing. Recent surges in digital technologies have created a new, more engaging, more connected marketing world. Beyond traditional tried-and-true marketing concepts and practices, today's marketers have added a host of new-age tools for engaging consumers, building brands, and creating customer value and relationships. In these digital times, sweeping advances in "the Internet of Things"—from social and mobile media, connected digital devices, and the new consumer empowerment to "big data" and new marketing analytics—have profoundly affected both marketers and the consumers they serve.

All around the world—across five continents, more than 40 countries, and 24 languages—students, professors, and business professionals have long relied on Kotler/Armstrong's *Principles of Marketing* as the most-trusted source for teaching and learning about the latest developments in basic marketing concepts and practices. More than ever, the seventeenth edition introduces new marketing students to the fascinating world of modern marketing in a complete and authoritative yet fresh, practical, and engaging way.

Once again, we've added substantial new content and poured over every page, table, figure, fact, and example in order to make this the best text from which to learn about and teach marketing. Enhanced by MyMarketingLab, our online homework and personalized study tool, the seventeenth edition of *Principles of Marketing* remains the world standard in introductory marketing education.

Marketing: Creating Customer Value and Engagement in the Digital and Social Age

Top marketers share a common goal: putting the consumer at the heart of marketing. Today's marketing is all about creating customer value and engagement in a fast-changing, increasingly digital and social marketplace.

Marketing starts with understanding consumer needs and wants, determining which target markets the organization can serve best, and developing a compelling value proposition by which the organization can attract and grow valued consumers. Then, more than just making a sale, today's marketers want to *engage* customers and build deep customer relationships that make their brands a meaningful part of consumers' conversations and lives.

In this digital age, to go along with their tried-and-true traditional marketing methods, marketers have a dazzling set of new online, mobile, and social media tools for engaging customers anytime, anyplace to jointly shape brand conversations, experiences, and community. If marketers do these things well, they will reap the rewards in terms of market share, profits, and customer equity. In the seventeenth edition of *Principles of Marketing*, you'll learn how *customer value* and *customer engagement* drive every good marketing strategy.

What's New in the Seventeenth Edition?

We've thoroughly revised the seventeenth edition of *Principles of Marketing* to reflect the major trends and forces that affect marketing in this digital age of customer value, engagement, and relationships. Here are just some of the major and continuing changes you'll find in this edition.

- The seventeenth edition adds fresh coverage in both traditional marketing areas and on fast-changing and trending topics such as customer engagement marketing, mobile and social media, big data and the new marketing analytics, the Internet of Things, omni-channel marketing and retailing, customer co-creation and empowerment, real-time customer listening and marketing, building brand community, marketing content creation and native advertising, B-to-B social media and social selling, monetizing social media, tiered and dynamic pricing, consumer privacy, sustainability, global marketing, and much more.
- This new edition continues to build on its *customer engagement* framework—creating direct and continuous customer involvement in shaping brands, brand conversations, brand experiences, and brand community. New coverage and fresh examples throughout the text address the latest customer engagement tools, practices, and developments. See especially Chapter 1 (refreshed sections on *Customer Engagement and Today's Digital and Social Media* and *Consumer-Generated Marketing*); Chapter 4 (big data and real-time research to gain deeper customer insights); Chapter 5 (creating social influence and customer community through digital and social media marketing); Chapter 9 (customer co-creation and customer-driven new-product development); Chapter 13 (omni-channel retailing); Chapters 14 and 15 (marketing content curation and native advertising); Chapter 16 (sales force social selling); and Chapter 17 (direct digital, online, social media, and mobile marketing).
- No area of marketing is changing faster than online, mobile, social media, and other digital marketing technologies. Keeping up with digital concepts, technologies, and practices has become a top priority and major challenge for today's marketers. The seventeenth edition of *Principles of Marketing* provides thoroughly refreshed, up-to-date coverage of these explosive developments in every chapter—from online, mobile, and social media engagement technologies discussed in Chapters 1, 5, 14, 15, and 17 to "real-time listening" and "big data" research tools in Chapter 4, real-time dynamic pricing in Chapter 11, omni-channel retailing in Chapter 13, and social selling in Chapter 16. A Chapter 1 section on *The Digital Age: Online, Mobile, and Social Media Marketing* introduces the exciting new developments in digital and social media marketing. Then a Chapter 17 section on *Direct, Online, Social Media, and Mobile Marketing* digs more deeply into digital marketing tools such as online sites, social media, mobile ads and apps, online video, email, blogs, and other digital platforms that engage consumers anywhere, anytime via their computers, smartphones, tablets, internet-ready TVs, and other digital devices.
- The seventeenth edition continues to track fast-changing developments in marketing communications and the creation of marketing content. Marketers are no longer simply creating integrated marketing communications programs; they are joining with customers and media to curate customer-driven marketing content in paid, owned, earned, and shared media. You won't find fresher coverage of these important topics in any other marketing text.
- The seventeenth edition of *Principles of Marketing* continues to improve on its innovative learning design. The text's active and integrative presentation includes learning enhancements such as annotated chapter-opening stories, a chapter-opening objective outline, explanatory author comments on major chapter sections and figures, and Real Marketing highlights that provide in-depth examples of marketing concepts and practices at work. The chapter-opening layout helps to preview and position the chapter and its key concepts. Figures annotated with author comments help students to simplify and organize chapter material. New and substantially revised end-of-chapter features help to summarize important chapter concepts and highlight important themes, such as marketing ethics, financial marketing analysis, and online, mobile, and social media marketing. This innovative learning design facilitates student understanding and eases learning.
- The seventeenth edition provides 18 new end-of-chapter company cases by which students can apply what they learn to actual company situations. It also features 16 new video cases, with brief end-of-chapter summaries and discussion questions. Finally, all of the chapter-opening stories, Real Marketing highlights, and end-of-chapter features in the seventeenth edition are either new or revised.
- New material throughout the seventeenth edition highlights the increasing importance of *sustainable marketing*. The discussion begins in Chapter 1 and ends in Chapter 20,

which pulls marketing together under a sustainable marketing framework. In between, frequent discussions and examples show how sustainable marketing calls for socially and environmentally responsible actions that meet both the immediate and the future needs of customers, companies, and society as a whole.

- The seventeenth edition provides new discussions and examples of the growth in *global marketing*. As the world becomes a smaller, more competitive place, marketers face new global marketing challenges and opportunities, especially in fast-growing emerging markets such as China, India, Brazil, Africa, and others. You'll find much new coverage of global marketing throughout the text, starting in Chapter 1 and discussed fully in Chapter 19.

Five Major Customer Value and Engagement Themes

The seventeenth edition of *Principles of Marketing* builds on five major customer value and engagement themes:

1. **Creating value for customers in order to capture value from customers in return.** Today's marketers must be good at *creating customer value, engaging customers,* and *managing customer relationships*. Outstanding marketing companies understand the marketplace and customer needs, design value-creating marketing strategies, develop integrated marketing programs that engage customers and deliver value and satisfaction, and build strong customer relationships and brand community. In return, they capture value from customers in the form of sales, profits, and customer equity.

   This innovative *customer-value and engagement framework* is introduced at the start of Chapter 1 in a five-step marketing process model, which details how marketing *creates* customer value and *captures* value in return. The framework is carefully developed in the first two chapters and then fully integrated throughout the remainder of the text.
2. **Customer Engagement and Today's Digital and Social Media.** New digital and social media have taken today's marketing by storm, dramatically changing how companies and brands engage consumers and how consumers connect and influence each other's brand behaviors. The seventeenth edition introduces and thoroughly explores the contemporary concept of *customer engagement marketing* and the exciting new digital and social media technologies that help brands to engage customers more deeply and interactively. It starts with two major Chapter 1 sections: *Customer Engagement and Today's Digital and Social* Media and *The Digital Age: Online, Mobile, and Social Media.* A refreshed Chapter 17 on *Direct, Online, Social Media, and Mobile Marketing* summarizes the latest developments in digital engagement and relationship-building tools. Everywhere in between, you'll find revised and expanded coverage of the exploding use of digital and social tools to create customer engagement and build brand community.
3. **Building and managing strong, value-creating brands.** Well-positioned brands with strong brand equity provide the basis upon which to build customer value and profitable customer relationships. Today's marketers must position their brands powerfully and manage them well to create valued brand experiences. The seventeenth edition provides a deep focus on brands, anchored by a Chapter 8 section on *Branding Strategy: Building Strong Brands*.
4. **Measuring and managing return on marketing.** Especially in uneven economic times, marketing managers must ensure that their marketing dollars are being well spent. In the past, many marketers spent freely on big, expensive marketing programs, often without thinking carefully about the financial returns on their spending. But all that has changed rapidly. "Marketing accountability"—measuring and managing marketing return on investment—has now become an important part of strategic marketing decision making. This emphasis on marketing accountability is addressed in Chapter 2, in Appendix 2 (*Marketing by the Numbers*), and throughout the seventeenth edition.
5. **Sustainable marketing around the globe.** As technological developments make the world an increasingly smaller and more fragile place, marketers must be good at marketing their brands globally and in sustainable ways. New material throughout the

seventeenth edition emphasizes the concepts of global marketing and sustainable marketing—meeting the present needs of consumers and businesses while also preserving or enhancing the ability of future generations to meet their needs. The seventeenth edition integrates global marketing and sustainability topics throughout the text. It then provides focused coverage on each topic in Chapters 19 and 20, respectively.

An Emphasis on Real Marketing and Bringing Marketing to Life

Principles of Marketing, seventeenth edition, takes a practical marketing-management approach, providing countless in-depth, real-life examples and stories that engage students with marketing concepts and bring modern marketing to life. In the seventeenth edition, every chapter has an engaging opening story plus *Real Marketing* highlights that provide fresh insights into real marketing practices. Learn how:

- Amazon has become the poster child for direct and digital marketing. Its passion for creating superb online customer experiences has made it one of the most powerful names on the internet.
- Wildly innovative Google (…er, Alphabet) has become an incredibly successful new product "moonshot factory," unleashing a seemingly unending flurry of diverse products, most of which are market leaders in their categories.
- Apple's outstanding success has never been about prices; it's always been about creating "life-feels-good" user experiences that make its products fly off the shelves despite their premium prices.
- Ultra-low-price Spirit Airlines is thriving despite industry-*low* customer experience ratings. You don't get much when you fly Spirit. Then again, you don't pay for what you don't get.
- Nike—by far the world's largest sports apparel company—does much more than just make and sell sports gear. The iconic brand creates customer value by building deep engagement and a sense of community with and between the Nike brand and its customers.
- Harley-Davidson's market dominance comes from a deep understanding of the emotions and motivations that underlie consumer behavior. Harley doesn't just sell motorcycles; it sells freedom, independence, power, and authenticity.
- Mighty Kellogg, the world's largest cereal maker, may be losing its Snap, Crackle, and Pop as shifts in the marketing environment change how people today eat breakfast.
- Toy market leader LEGO uses innovative marketing research—lots and lots of it—to dig out fresh customer insights, then uses the insights to create irresistible play experiences for children around the world.
- Netflix uses "big data" and sophisticated marketing analytics to personalize each customer's viewing experience. While Netflix subscribers are busy watching videos, Netflix is busy watching them—very, very closely.
- App-based car sharing service Uber is radically reshaping urban transportation channels in cities around the globe, making traditional taxi cab services innovate or risk extinction.
- Industrial giant GE has unleashed a remarkable array of digital and social media content that connects the brand with its business customers and positions the 130-year-old company as a youthful, contemporary technology leader in the new digital industrial era.
- High-flying Mountain Dew is "Doin' the Dew" with brand superfans to build a passionately loyal and engaged brand community. It doesn't just market to customers; it makes them partners in building the brand.

Beyond such features, each chapter is packed with countless real, engaging, and timely examples that reinforce key concepts. No other text brings marketing to life like the seventeenth edition of *Principles of Marketing*.

Learning Aids That Create Value and Engagement

A wealth of chapter-opening, within-chapter, and end-of-chapter learning devices help students to learn, link, and apply major concepts:

- *Integrated chapter-opening preview sections.* The active and integrative chapter-opening spread in each chapter starts with a *Chapter Preview,* which briefly previews chapter concepts, links them with previous chapter concepts, and introduces the chapter-opening story. This leads to a chapter-opening vignette—an engaging, deeply developed, illustrated, and annotated marketing story that introduces the chapter material and sparks student interest. Finally, an *Objective Outline* provides a helpful preview of chapter contents and learning objectives, complete with page numbers.
- *Real Marketing highlights.* Each chapter contains two carefully developed highlight features that provide an in-depth look at real marketing practices of large and small companies.
- *Author comments and figure annotations.* Each figure contains author comments that ease student understanding and help organize major text sections.
- *Reviewing and Extending the Concepts.* Sections at the end of each chapter summarize key chapter concepts and provide questions and exercises by which students can review and apply what they've learned. The *Objectives Review and Key Terms* section reviews major chapter concepts and links them to chapter objectives. It also provides a helpful listing of chapter key terms by order of appearance with page numbers that facilitate easy reference. A *Discussion and Critical Thinking* section provides discussion questions and critical thinking exercises that help students to keep track of and apply what they've learned in the chapter.
- *Applications and Cases.* Brief *Online, Mobile, and Social Media Marketing; Marketing Ethics;* and *Marketing by the Numbers* sections at the end of each chapter provide short applications cases that facilitate discussion of current issues and company situations in areas such as mobile and social marketing, ethics, and financial marketing analysis. A *Video Case* section contains short vignettes with discussion questions to be used with a set four- to seven-minute videos that accompanied the seventeenth edition. End-of-chapter *Company Case* sections provide all-new or revised company cases that help students to apply major marketing concepts to real company and brand situations.
- *Marketing Plan appendix.* Appendix 1 contains a sample marketing plan that helps students to apply important marketing planning concepts.
- *Marketing by the Numbers appendix.* An innovative Appendix 2 provides students with a comprehensive introduction to the marketing financial analysis that helps to guide, assess, and support marketing decisions. An exercise at the end of each chapter lets students apply analytical and financial thinking to relevant chapter concepts and links the chapter to the Marketing by the Numbers appendix.

More than ever before, the seventeenth edition of *Principles of Marketing* creates value and engagement for you—it gives you all you need to know about marketing in an effective and enjoyable total learning package!

A Total Teaching and Learning Package

A successful marketing course requires more than a well-written book. Today's classroom requires a dedicated teacher, well-prepared students, and a fully integrated teaching system. A total package of teaching and learning supplements extends this edition's emphasis on creating value and engagement for both the student and instructor. The following aids support *Principles of Marketing,* seventeenth edition.

Instructor Resources

At the Instructor Resource Center, www.pearsonhighered.com/irc, instructors can easily register to gain access to a variety of instructor resources available with this text in downloadable format. If assistance is needed, a dedicated technical support team is ready to help with the media supplements that accompany the text. Visit support.pearson.com/getsupport for answers to frequently asked questions and toll-free user support phone numbers.

The following supplements are available with this text:

- **Instructor's Resource Manual**
- **Test Bank**
- **TestGen® Computerized Test Bank**
- **PowerPoint Presentation**

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Gary Armstrong
Philip Kotler

Principles of

MARKETING

PART 1: Defining Marketing and the Marketing Process (Chapters 1–2)
PART 2: Understanding the Marketplace and Consumer Value (Chapters 3–6)
PART 3: Designing a Customer Value–Driven Strategy and Mix (Chapters 7–17)
PART 4: Extending Marketing (Chapters 18–20)

1

Marketing

Creating Customer Value and Engagement

CHAPTER PREVIEW

This first chapter introduces you to the basic concepts of marketing. We start with the question: What is marketing? Simply put, marketing is engaging customers and managing profitable customer relationships. The aim of marketing is to create value for customers in order to capture value from customers in return. Next we discuss the five steps in the marketing process—from understanding customer needs, to designing customer value–driven marketing strategies and integrated marketing programs, to building customer relationships and capturing value for the firm. Finally, we discuss the major trends and forces affecting marketing in this new age of digital, mobile, and social media. Understanding these basic concepts and forming your own ideas about what they really mean to you will provide a solid foundation for all that follows.

Let's start with a good story about marketing in action at Nike, the world's leading sports apparel company and one of the best-known brands on the planet. Nike's outstanding success results from much more than just making and selling good sports gear. It's based on a customer-focused marketing strategy by which Nike creates customer value through deep brand–customer engagement and close brand community with and among its customers.

NIKE'S CUSTOMER VALUE–DRIVEN MARKETING: Engaging Customers and Building Brand Community

The Nike "swoosh"—it's everywhere! Just for fun, try counting the swooshes whenever you pick up the sports pages or watch a basketball game or tune into a televised soccer match. Over the past 50 years, through innovative marketing, Nike has built the ever-present swoosh into one of the world's best-known brand symbols.

Product innovation has always been a cornerstone of Nike's success. Nike makes outstanding shoes, clothing, and gear, whether for basketball, football, and baseball or golf, skateboarding, wall climbing, bicycling, and hiking. But from the start, a brash, young Nike revolutionized sports marketing. To build image and market share, the brand lavishly outspent competitors on big-name endorsements, splashy promotional events, and big-budget, in-your-face "Just do it" ads. Whereas competitors stressed technical performance, Nike built customer engagement and relationships.

Nike's outstanding success results from much more than just making good sports gear. The iconic brand delivers customer value by building deep engagement and a sense of community with and between the Nike brand and its customers.

Beyond shoes, Nike marketed a way of life, a genuine passion for sports, a "just-do-it" attitude. Customers didn't just wear their Nikes, they *experienced* them. As the company once stated on its web page, "Nike has always known the truth—it's not so much the shoes but where they take you." Nike's mission isn't to make better gear, it's to help and inspire everyday athletes to do their very best. Few brands have become more ever-present and valued than Nike in their customers' lives and conversations.

Whether customers connect with Nike through ads, in-person events at Niketown stores, a local Nike running club, a Nike+ app, or one of the company's profusion of community web and social media sites, more and more people are bonding closely with the Nike brand. Connecting once required simply outspending competitors on big media ads and celebrity endorsers that talk *at* customers. But in these digital times, Nike is forging a new kind of brand–customer connection—a deeper, more personal, more engaging one. Nike still invests heavily in traditional advertising. But the brand now spends a lion's share of its hefty marketing budget on digital and social media marketing that interacts *with* customers to build brand engagement, advocacy, and community.

Nike's innovative use of online, mobile, and social media recently earned the brand the title of "top genius" in "digital IQ" among 42 sportswear companies in one digital consultancy's rankings. Nike also placed first in creating brand "tribes"—large groups of highly engaged users—with the help of social media platforms such as Facebook, Twitter, Snapchat, Instagram, YouTube, and Pinterest. For example, the main Nike Facebook page has more than 23 million Likes. The Nike Soccer page adds another 42 million, the Nike Basketball page 7 million more, and Nike Running another 6 million. More than just numbers, Nike's social media presence engages customers at a high level, gets them talking with each other about the brand, and weaves the brand into their daily lives.

The Nike swoosh—it's everywhere. Nike has mastered social networking, both online and off, creating deep engagement and community with and among customers.

© Steve Hellerstein/Alamy

Nike excels at cross-media campaigns that integrate digital media with traditional tools to connect with customers. An example is Nike's recent "Risk Everything" campaign, specially designed around the FIFA World Cup in Brazil. The Risk Everything campaign began with captivating four- to five-minute videos embedded in Nike social media sites and its own Risk Everything website. The campaign—featuring Nike-sponsored soccer superstars such as Portugal's Cristiano Ronaldo, England's Wayne Rooney, Brazil's Neymar, and a dozen others—was built around an intense, provocative World Cup story line of taking risks to gain the glory of succeeding against rival teams and nations.

In one Risk Everything video—"Winner Stays"—two teams of young men faced off on a local soccer field for a pickup game, pretending to be (then turning into) the superstars. The scene transformed into a legendary bout on a global stage. As the video ended, a young boy stepped in for Ronaldo and under immense pressure scored the winning goal. According to one analyst, the Risk Everything videos were "the perfect blend of product placement, provocative storytelling, and real-time marketing." Although the videos were filled with Nike swooshes, products, and stars, highly engaged viewers hardly realized that they were consuming ad content.

By the end of the final World Cup match, the Risk Everything videos had produced 372 million views, 22 million engagements (Likes, comments, shares), and 650,000 uses of #riskeverything. Nike reigned as the "most-viewed brand" of the World Cup in terms of online video, trouncing rival adidas. In fact, Nike's online views accounted for an incredible one-half of all the views attributed to the event's 97 World Cup marketing campaigns—and Nike wasn't even an official sponsor. Along with the Risk Everything videos, Nike ran a full array of traditional television, print, radio, cinema, and gaming advertising. Taken as a whole, across all media, the Risk Everything campaign generated more than 6 *billion* impressions in 35 countries. Now that's customer engagement.

Nike has also created customer value and brand community through groundbreaking mobile apps and technologies. For example, its Nike+ apps have helped Nike become a part of the daily fitness routines of millions of customers around the world. Whether your activity is running, jumping, baseball, skating, dancing, stacking sports cups, or chasing chickens, you can use the Nike+ family of apps to "unlock your potential." Nike+ apps let everyday athletes design their workouts, access coaching and training tools, track their personal progress, get extra motivation on the go, and share and compare their experiences across sports and locations with friends and others in the Nike community. Nike+ has engaged a huge global brand community, with more than 28 million registered users and a goal of 100 million users.

Thus, Nike delivers customer value well beyond the products it makes. It has built a deep kinship and sense of community with and between the Nike brand and its customers. Whether it's through local running clubs, a performance-tracking app, primetime TV ads, videos, or other content at any of its dozens of brand websites and social media pages, the Nike brand has become a valued part of customers' lives and times.

As a result, Nike remains the world's largest sports apparel company, an impressive 44 percent larger than rival adidas. It captures an even more impressive 62 percent of the U.S. sports footwear market versus number-two Skechers at only 5 percent and adidas at 4.6 percent. During the past decade, even as a sometimes-shaky economy left many sports footwear and apparel rivals gasping for breath, Nike's global sales and income have sprinted ahead by more than double.

"Connecting used to be, 'Here's some product, and here's some advertising. We hope you like it,'" notes Nike's CEO. "Connecting today is a dialogue." Says Nike's chief marketing officer, "The engagement levels we have received…drive huge momentum for our brand. This is just the beginning of how we will connect with and inspire athletes around the world." Concludes the CEO, "at Nike, there is no finish line."[1]

OBJECTIVES OUTLINE

OBJECTIVE 1-1	**Define marketing and outline the steps in the marketing process.** What Is Marketing? *(pp 4–6)*
OBJECTIVE 1-2	**Explain the importance of understanding the marketplace and customers and identify the five core marketplace concepts.** Understanding the Marketplace and Customer Needs *(pp 6–10)*
OBJECTIVE 1-3	**Identify the key elements of a customer value–driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.** Designing a Customer Value–Driven Marketing Strategy and Plan *(pp 10–14)*
OBJECTIVE 1-4	**Discuss customer relationship management and identify strategies for creating value *for* customers and capturing value *from* customers in return.** Managing Customer Relationships and Capturing Customer Value *(pp 14–22)*
OBJECTIVE 1-5	**Describe the major trends and forces that are changing the marketing landscape in this age of relationships.** The Changing Marketing Landscape *(pp 22–31)*

Today's successful companies have one thing in common: Like Nike, they are strongly customer focused and heavily committed to marketing. These companies share a passion for satisfying customer needs in well-defined target markets. They motivate everyone in the organization to help build lasting customer relationships based on creating value.

Customer relationships and value are especially important today. Facing dramatic technological advances and deep economic, social, and environmental challenges, today's customers are reassessing how they engage with brands. New digital, mobile, and social media developments have revolutionized how consumers shop and interact, in turn calling for new marketing strategies and tactics. It's now more important than ever to build strong customer engagement, relationships, and advocacy based on real and enduring customer value.

We'll discuss the exciting new challenges facing both customers and marketers later in the chapter. But first, let's introduce the basics of marketing.

Author Comment | Pause here and think about how you'd answer this question before studying marketing. Then see how your answer changes as you read the chapter.

What Is Marketing?

Marketing, more than any other business function, deals with customers. Although we will soon explore more-detailed definitions of marketing, perhaps the simplest definition is this one: *Marketing is engaging customers and managing profitable customer relationships.* The two-fold goal of marketing is to attract new customers by promising superior value and to keep and grow current customers by delivering value and satisfaction.

For example, Nike leaves its competitors in the dust by delivering on its promise to inspire and help everyday athletes to "Just do it." Amazon dominants the online marketplace by creating a world-class online buying experience that helps customers to "find and discover anything they might want to buy online." Facebook has attracted more than 1.5 billion active web and mobile users worldwide by helping them to "connect and share with the people in their lives." And Coca-Cola has earned an impressive 49 percent global share of the carbonated beverage market—more than twice Pepsi's share—by fulfilling its

"Taste the Feeling" motto with products that provide "a simple pleasure that makes everyday moments more special."[2]

Sound marketing is critical to the success of every organization. Large for-profit firms such as Google, Target, Procter & Gamble, Coca-Cola, and Microsoft use marketing. But so do not-for-profit organizations, such as colleges, hospitals, museums, symphony orchestras, and even churches.

You already know a lot about marketing—it's all around you. Marketing comes to you in the good old traditional forms: You see it in the abundance of products at your nearby shopping mall and the ads that fill your TV screen, spice up your magazines, or stuff your mailbox. ● But in recent years, marketers have assembled a host of new marketing approaches, everything from imaginative websites and smartphone apps to blogs, online videos, and social media. These new approaches do more than just blast out messages to the masses. They reach you directly, personally, and interactively. Today's marketers want to become a part of your life and enrich your experiences with their brands. They want to help you *live* their brands.

At home, at school, where you work, and where you play, you see marketing in almost everything you do. Yet there is much more to marketing than meets the consumer's casual eye. Behind it all is a massive network of people, technologies, and activities competing for your attention and purchases. This book will give you a complete introduction to the basic concepts and practices of today's marketing. In this chapter, we begin by defining marketing and the marketing process.

● **Marketing is all around you, in good old traditional forms and in a host of new forms, from websites and mobile phone apps to videos and online social media.**

Westend61/Getty Images

Marketing Defined

What *is* marketing? Many people think of marketing as only selling and advertising. We are bombarded every day with TV commercials, catalogs, spiels from salespeople, and online pitches. However, selling and advertising are only the tip of the marketing iceberg.

Today, marketing must be understood not in the old sense of making a sale—"telling and selling"—but in the new sense of *satisfying customer needs*. If the marketer engages consumers effectively, understands their needs, develops products that provide superior customer value, and prices, distributes, and promotes them well, these products will sell easily. In fact, according to management guru Peter Drucker, "The aim of marketing is to make selling unnecessary."[3] Selling and advertising are only part of a larger *marketing mix*—a set of marketing tools that work together to engage customers, satisfy customer needs, and build customer relationships.

Marketing
The process by which companies engage customers, build strong customer relationships, and create customer value in order to capture value from customers in return.

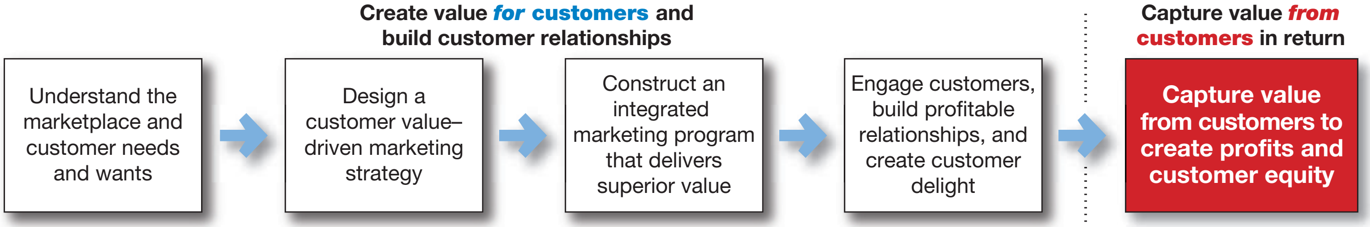
Broadly defined, marketing is a social and managerial process by which individuals and organizations obtain what they need and want through creating and exchanging value with others. In a narrower business context, marketing involves building profitable, value-laden exchange relationships with customers. Hence, we define **marketing** as the process by which companies engage customers, build strong customer relationships, and create customer value in order to capture value from customers in return.[4]

The Marketing Process

● **Figure 1.1** presents a simple, five-step model of the marketing process for creating and capturing customer value. In the first four steps, companies work to understand consumers, create customer value, and build strong customer relationships. In the final step, companies reap the rewards of creating superior customer value. By creating value *for* consumers, they in turn capture value *from* consumers in the form of sales, profits, and long-term customer equity.

In this chapter and the next, we will examine the steps of this simple model of marketing. In this chapter, we review each step but focus more on the customer relationship

FIGURE | 1.1
The Marketing Process: Creating and Capturing Customer Value


Create value *for customers* and build customer relationships
Capture value *from customers* in return
Understand the marketplace and customer needs and wants
Design a customer value–driven marketing strategy
Construct an integrated marketing program that delivers superior value
Engage customers, build profitable relationships, and create customer delight
Capture value from customers to create profits and customer equity

This important figure shows marketing in a nutshell. By creating value *for* customers, marketers capture value *from* customers in return. This five-step process forms the marketing framework for the rest of the chapter and the remainder of the text.

steps—understanding customers, engaging and building relationships with customers, and capturing value from customers. In Chapter 2, we look more deeply into the second and third steps—designing value-creating marketing strategies and constructing marketing programs.

Author Comment | Marketing is all about creating value for customers. So, as the first step in the marketing process, the company must fully understand customers and the marketplace.

Understanding the Marketplace and Customer Needs

As a first step, marketers need to understand customer needs and wants and the marketplace in which they operate. We examine five core customer and marketplace concepts: (1) *needs, wants, and demands*; (2) *market offerings* (*products, services, and experiences*); (3) *value and satisfaction*; (4) *exchanges and relationships*; and (5) *markets.*

Customer Needs, Wants, and Demands

Needs
States of felt deprivation.

Wants
The form human needs take as they are shaped by culture and individual personality.

Demands
Human wants that are backed by buying power.

The most basic concept underlying marketing is that of human needs. Human **needs** are states of felt deprivation. They include basic *physical* needs for food, clothing, warmth, and safety; *social* needs for belonging and affection; and *individual* needs for knowledge and self-expression. Marketers did not create these needs; they are a basic part of the human makeup.

Wants are the form human needs take as they are shaped by culture and individual personality. An American *needs* food but *wants* a Big Mac, fries, and a soft drink. A person in Papua, New Guinea, *needs* food but *wants* taro, rice, yams, and pork. Wants are shaped by one's society and are described in terms of objects that will satisfy those needs. When backed by buying power, wants become **demands**. Given their wants and resources, people demand products and services with benefits that add up to the most value and satisfaction.

Companies go to great lengths to learn about and understand customer needs, wants, and demands. They conduct consumer research, analyze mountains of customer data, and observe customers as they shop and interact, offline and online. People at all levels of the company—including top management—stay close to customers:[5]

> Target's energetic CEO, Brian Cornell, makes regular unannounced visits to Target stores, accompanied by local moms and loyal Target shoppers. ● Cornell likes nosing around stores and getting a real feel for what's going on. It gives him "great, genuine feedback." He and other Target executives even visit customers in their homes, opening closet doors and poking around in cupboards to understand their product choices and buying habits. Similarly, Boston Market CEO George Michel makes frequent visits to company restaurants, working in the dining room and engaging customers to learn about "the good, the bad, and the ugly." He also stays connected by reading customer messages on the Boston Market website and has even cold-called customers for insights. "Being close to the customer is critically important," says Michel. "I get to learn what they value, what they appreciate."

SNAP SHARE
POSE & POST
SMILE SNAP SHARE

● **Staying close to customers: Energetic Target CEO Brian Cornell makes regular unannounced visits to Target stores, accompanied by local moms and loyal Target shoppers.**

Ackerman + Gruber

Market Offerings—Products, Services, and Experiences

Market offerings
Some combination of products, services, information, or experiences offered to a market to satisfy a need or want.

Consumers' needs and wants are fulfilled through **market offerings**—some combination of products, services, information, or experiences offered to a market to satisfy a need or a want. Market offerings are not limited to physical *products.* They also include *services*—activities or benefits offered for sale that are essentially intangible and do not result in the ownership of anything. Examples include banking, airline, hotel, retailing, and home repair services.

More broadly, market offerings also include other entities, such as *persons, places, organizations, information*, and *ideas*. For example, San Diego runs a "Happiness Is Calling" advertising campaign that invites visitors to come and enjoy the city's great weather and good times—everything from its bays and beaches to its downtown nightlife and urban scenes. And the Ad Council and the National Highway Traffic Safety Administration created a "Stop the Texts. Stop the Wrecks." campaign that markets the idea of eliminating texting while driving. The campaign points out that a texting driver is 23 times more likely to get into a crash than a non-texting driver.[6]

Marketing myopia
The mistake of paying more attention to the specific products a company offers than to the benefits and experiences produced by these products.

Many sellers make the mistake of paying more attention to the specific products they offer than to the benefits and experiences produced by these products. These sellers suffer from **marketing myopia**. They are so taken with their products that they focus only on existing wants and lose sight of underlying customer needs.[7] They forget that a product is only a tool to solve a consumer problem. A manufacturer of quarter-inch drill bits may think that the customer needs a drill bit. But what the customer *really* needs is a quarter-inch hole. These sellers will have trouble if a new product comes along that serves the customer's need better or less expensively. The customer will have the same *need* but will *want* the new product.

Smart marketers look beyond the attributes of the products and services they sell. By orchestrating several services and products, they create *brand experiences* for consumers. For example, you don't just visit Walt Disney World Resort; you immerse yourself and your family in a world of wonder, a world where dreams come true and things still work the way they should. And your local Buffalo Wild Wings restaurant doesn't just serve up wings and beer; it gives customers the ultimate "Wings. Beer. Sports." fan experience (see Real Marketing 1.1).

● Similarly, Mattel's American Girl does much more than just make and sell high-end dolls. It creates special experiences between the dolls and the girls who adore them.[8]

> To put more smiles on the faces of the girls who love their American Girl dolls, the company operates huge American Girl experiential stores in 20 major cities around the country. Each store carries an amazing selection of dolls plus every imaginable outfit and accessory. But more than just places to shop, American Girl stores are exciting destinations unto themselves, offering wonderfully engaging experiences for girls, mothers, grandmothers, and even dads or grandpas. There's an in-store restaurant where girls, their dolls, and grown-ups can sit down together for brunch, lunch, afternoon tea, or dinner. There's even a doll hair salon where a stylist can give a doll a new hairdo. American Girl also offers "perfect parties" to celebrate a birthday or any day as well as a full slate of special events, from crafts and activities to excursions. Much more than a store that sells dolls, says the company, "it's the place where imaginations can soar." A visit to American Girl creates "Fun today. Memories forever."

● **Marketing experiences: American Girl does more than just make and sell high-end dolls. It creates special experiences between the dolls and the girls who adore them.**

Image courtesy of American Girl, Inc. All rights reserved.

Customer Value and Satisfaction

Consumers usually face a broad array of products and services that might satisfy a given need. How do they choose among these many market offerings? Customers form expectations about the value and satisfaction that various market offerings will deliver and buy accordingly. Satisfied customers buy again and tell others about their good experiences. Dissatisfied customers often switch to competitors and disparage the product to others.

Marketers must be careful to set the right level of expectations. If they set expectations too low, they may satisfy those who buy but fail to attract enough buyers. If they set expectations too high, buyers will be disappointed. Customer value and customer satisfaction are key building blocks for developing and managing customer relationships. We will revisit these core concepts later in the chapter.

Real Marketing

1.1 Buffalo Wild Wings: Fueling the Sports Fan Experience

"Wings. Beer. Sports." That's the long-standing motto for the fast-growing Buffalo Wild Wings restaurant chain. "B-Dubs"—as it's known to avid regulars—focuses on food and sports and "everything in between."

There's no doubt about it. Buffalo Wild Wings more than lives up to the "wings" and "beer" parts of the equation. It serves up wings in an abundant variety: boned or boneless, with five dry seasonings and 17 signature sauces ranging on the heat scale from Sweet BBQ (traditional BBQ sauce: satisfyingly sweet with no heat) to Desert Heat (smoky, sweet, and chili pepper seasoning) to Reformulated Blazin' (so good, it's scary—made with the unrelenting heat of the ghost pepper). To wash it all down, each B-Dubs restaurant pours as many as 30 different draft beers, with a full selection of domestic, import, and craft beer brands. You won't go hungry or thirsty at B-Dubs.

However, the Buffalo Wild Wings recipe for success goes much deeper than just selling wings and beer for profit. What really packs 'em in and keeps 'em coming back is the B-Dubs customer *experience*. Customers do gobble up the wings—more than 11 million wings chain-wide on last Super Bowl Sunday alone. But even more important, they come to B-Dubs to watch sports, trash talk, cheer on their sports teams, and meet old friends and make new ones—that is, a total eating and social experience. "We realize that we're not just in the business of selling wings," says the company. "We're something much bigger. We're in the business of fueling the sports fan experience. Our mission is to WOW people every day!"

Everything about B-Dubs is designed to deliver the ultimate sports experience, for any fan of any sport. The WOW begins the minute you step into any of Buffalo Wild Wings's 1,100 restaurants. This is not your average dark-and-dank sports bar. Instead, a B-Dubs is like a miniature stadium, with high ceilings, ample natural light, and brightly colored furnishings and wall coverings. The newest Buffalo Wild Wings "Stadia" restaurants are divided into barrier-free zones—including a bar area and a separate dining area. And every B-Dubs has 60 to 70 really big flat-screen TVs lining the walls, over the bar, and about everywhere else, ensuring that every table has the best seat in the house no matter what your team or sport, including live streaming of local college and even high school events. B-Dubs creates an exciting environment that makes it the next best thing to being at the game—or something even better. "We consider ourselves to have 1,100 stadiums," says the chain's vice president for guest experience and innovation.

There's an experience for everyone at Buffalo Wild Wings. The chain appeals to a wide range of customers, from pub-loving sports nuts to families looking for an affordable evening out. Singles and couples gravitate to the bar area; families stick to the carpeted areas with booths. In addition to streaming sports events of all kinds on the big screens, B-Dubs supplies tableside tablets upon which customers can play poker or trivia games. A social jukebox feature lets guests control the music that plays on the restaurant's sound system.

It seems like there's always something happening in a B-Dubs to engage customers and enhance the experience. Take the chain's infamous Blazin' Wing Challenge—which promises a trophy-style T-shirt and a place on the Wall of Fame to any customer who can down a dozen wings with the chain's hottest signature sauce in no more than six minutes. That's no easy feat considering that the Blazin' sauce is 60 times hotter than typical jalapeño sauce. During the six-minute binge, challengers are not allowed to use napkins or utensils, touch their faces, or eat or drink anything other than the wings (no dipping sauces, please). The menu boasts plenty of warnings, and servers advise most people not to even attempt the challenge. And before taking the plunge, each challenger signs a waiver agreeing that he or she "voluntarily assumes all risk of loss, damage, injury, illness, or death that may be sustained by him or her as a result." As you can imagine, when a challenge is announced over the PA, it usually draws a crowd.

Buffalo Wild Wings never rushes its guests. Whereas many other casual-dining restaurants have a "turn-and-burn" philosophy—cycling as many paying guests as possible through each table—at B-Dubs it's just the opposite. Buffalo Wild Wings encourages people to linger longer, enjoy the food, and soak up the ambiance.

To help make that happen, the chain has created a new staff position at each restaurant. In addition to the usual waitstaff, each table has a "Guest Experience Captain." According to B-Dubs's chief marketer, the captain is "like a host at any party," moving from table to table, chatting with guests, personalizing their experiences, and making sure their needs are met. Want a special

Customer-focused mission: The Buffalo Wild Wings mission is to provide a total eating and social environment that "fuels the sports fan experience" through in-store and online engagement.

Reprinted with permission of Buffalo Wild Wings, Inc.

game on one screen with another game on the screen next to it? Your Guest Experience Captain sees to it. Need help with a tablet? Your captain lends a hand. Want to try some new sauces? Your captain will make suggestions and even bring out samples of different sauces with complimentary fries for dipping.

Adding Guest Experience Captains is a major expense, especially when multiplied across shifts in all 1,100 stores. But Buffalo Wild Wings reasons that the captains will more than pay for themselves by enhancing the all-important guest experience, keeping customers around longer, and bringing them back more often. Buffalo Wild Wings restaurants with captains are achieving record levels of customer satisfaction and loyalty compared with those that have not yet brought captains on board. "It's just an opportunity for us to go a little deeper with the community than our competitors," says the B-Dubs marketing chief.

True to its "ultimate sports experience" mission, Buffalo Wild Wings actively engages its customers digitally and socially outside its restaurants as well as inside. In fact, the company brags that it's the number-one brand in its industry for digital fan engagement. B-Dubs's very active website draws 3 million visitors per month. The brand has more than 12 million Facebook fans, 660,000 Twitter followers, and very active YouTube and Instagram pages. It recently launched GameBreak, an app for fantasy football and other games that can be played inside or outside its restaurants. According to the company's customer experience executive, GameBreak players visit more often, stay longer, and tend to "buy that second or third beer or maybe one more basket of wings." In all, Buffalo Wild Wings creates a host of both in-store and online promotions that inspire camaraderie. "It's about giving [customers] tools to not just be spectators but advocates of the brand," says the chain.

Catering to the customer experience has paid big dividends for Buffalo Wild Wings. B-Dubs is now the nation's number-one seller of chicken wings and largest pourer of draft beer. Over the past five years, as other casual-dining restaurants have struggled with fierce competition and slow growth, B-Dubs's sales have more than tripled and profits are up 250 percent. The chain's "hottest wing coating available comes with a warning to B-Dubs' customers: 'keep away from eyes, pets, and children.' The sauce is called 'Blazin',' says one analyst. 'That term also happens to be a good description of the stock's performance lately.'"

Sources: Demitrios Kalogeropoulos, "Why Buffalo Wild Wings Is Spending More on Its Employees," *The Motley Fool*, June 24, 2015, www.fool.com/investing/general/2015/06/24/why-buffalo-wild-wings-is-spending-more-on-its-emp.aspx; Demitrios Kalogeropoulos, "3 Reasons Buffalo Wild Wings Can Keep Soaring in 2015," *The Motley Fool*, January 9, 2015, www.fool.com/investing/general/2015/01/09/3-reasons-why-buffalo-wild-wings-can-keep-soaring.aspx; Bryan Gruley, "The Sloppy Empire: How Buffalo Wild Wings Turned the Sports Bar into a $1.5 Billion Juggernaut," *Bloomberg Businessweek*, April 13–19, 2015, pp. 62-65; Tanya Dua, "The Buffalo Wild Wings Recipe for the 'Ultimate Sports Experience,'" August 4, 2015, http://digiday.com/brands/buffalo-wild-wings-recipe-ultimate-sports-experience/; and http://ir.buffalowildwings.com/financials.cfm and www.buffalowildwings.com/en/, accessed September 2016.

Exchanges and Relationships

Exchange
The act of obtaining a desired object from someone by offering something in return.

Marketing occurs when people decide to satisfy their needs and wants through exchange relationships. **Exchange** is the act of obtaining a desired object from someone by offering something in return. In the broadest sense, the marketer tries to bring about a response to some market offering. The response may be more than simply buying or trading products and services. A political candidate, for instance, wants votes; a church wants membership and participation; an orchestra wants an audience; and a social action group wants idea acceptance.

Marketing consists of actions taken to create, maintain, and grow desirable exchange *relationships* with target audiences involving a product, service, idea, or other object. Companies want to build strong relationships by consistently delivering superior customer value. We will expand on the important concept of managing customer relationships later in the chapter.

Markets

Market
The set of all actual and potential buyers of a product or service.

The concepts of exchange and relationships lead to the concept of a market. A **market** is the set of actual and potential buyers of a product or service. These buyers share a particular need or want that can be satisfied through exchange relationships.

Marketing means managing markets to bring about profitable customer relationships. However, creating these relationships takes work. Sellers must search for and engage buyers, identify their needs, design good market offerings, set prices for them, promote them, and store and deliver them. Activities such as consumer research, product development, communication, distribution, pricing, and service are core marketing activities.

Although we normally think of marketing as being carried out by sellers, buyers also carry out marketing. Consumers market when they search for products, interact with companies to obtain information, and make their purchases. In fact, today's digital technologies, from online sites and smartphone apps to the explosion of social media, have empowered consumers and made marketing a truly two-way affair. Thus, in addition to customer relationship management, today's marketers must also deal effectively with *customer-managed relationships*. Marketers are no longer asking only "How can we influence our customers?" but also "How can our customers influence us?" and even "How can our customers influence each other?"