Guided Tour

Marketing, 13th edition, by Etzel, Walker and Stanton continues to be a popular, economy-priced, soft cover text for an introductory marketing course. This edition of the text is thoroughly revised, completely updated, and features in-text and boxed examples that highlight global issues, technology, ethics, and applied decision making, chapter-opening cases, and part-ending cases.

This edition of **Marketing** continues to take an in-depth look at current marketing issues including customer relationship management (CRM), database management, global marketing, marketing research, supply chain management, and

integrated marketing communications. This complete coverage not only provides you with the tools to learn effective marketing, but you will also find some of the finest supplements available in this course area. In all, this book and its package include everything you need to enter the successful world of marketing in a modern business environment.

Chapter Opening Cases

Each chapter begins with a contemporary case that introduces some of the concepts, strategies, and tactics covered in the chapter.



Indian Examples

The book contains through out, a large number of Indian examples inculding Videocon, Nirula's Barista, Nomarks, Tata Indica, ICICI Bank, Haldirams and so on.



With the coming up of multiplexes all over Delhi, movie-going has become a hassle-free experience. Once at a movie hall, people do not mind buying tickets for an alternate movie, if the ticket of choice is not available. The picture here shows a multiplex chain, PVR.



Bollywood star, Shahrukh Khan has become the 'Warranty Card' for Hyundai and its products. His popularity amongst the Indian masses has enhanced his attactiveness as an endorser for



Domestically

Aggressive, effective marketing practices have been largely responsible for the hight standard of living in the Uniter States. The efficiency of mass marketing-extensive and rapid communication

The use of themes to position the country as a tourist destination is becoming increasingly popular. To promote tourism some countries have started marketing themselves as 'products.' Positioning as a tourist desti-nation is becoming more common by the day. The Indian government promotes India throughout the world under the slogan 'Incredible India'.

Additional Cases

Eight additional cases in the Indian context will help students applying the concept to conditions in Indian

SHAKTI - Changing Lives in Rural India

SHARK II - CRANGING LIVES IN PRUTE HOLD.

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Phalet' is HL3s mad initiative, which targets small villages with population of less than 3 ple or less. It seeks to empower underprivileged name whomen by providing income-generation traities, health and byginne enhancion through the Shaki' Yestprogramme, and conting over court information through the Shaki's community postal.

Blackit is a pieneering effect in conting freshmank for rural women, organized in George (SPKici, and improving Bridge smallerd in numl belos. Starced in 2001, Shaki is been extended to about 30,000 villages in 13 states—Andhra Poulesh, Karnataka, Gajanni Pradoh, Taroli Nacku, Chartingarh, Utar Pradoh, Orisus, Panjah, Bajanthan, Mahamahra Bengal. The respective state government and several NGCs are actively involved in the in Switti already has about 13,000 women curreporters in in fold. A typical Shaki one name a customable income of about 8x 700-8x 1,000 per smooth, which is double the bousehold income. Shakti is thus creating opportunities for rural women to live in improv

Case 6 Competitive Shampoo Market

The shampso market is valued at about Rs. 9000 million. HLL is the leader with 63% share, fullowed by Beauty Cosmetics with 13% and P&G with about 12% share. India has one of the lowest per capita consumption in the world-about 32 ml. This is because of the low frequency of shampoo wash. Most consumers tend to shampso their hair only once or twice a week and the rest of the washes are either water washes or soap washes. Soaps leave the hair drs. Most consumers feel that shampoo is harsh and chemical and is a high-price glamour product.

The perentation of shampon in India is about 40% Perentation is defined as used at least once in the last one year There are 1123 million users of shampoo in India, 53% are urban, 47% are rural, 45% are male and 55% are female.

Case 7 Changing Colors of CTV Market in

Market Share vis-à-vis TV Sizes

During 1997-98, the 14" size category accounted for 15-18% of the total CTVs sold. For the FY 2000, they account for 20% of the total CTVs sold. The demand in this segment has witnessed a marked growth every year for the past two to those years. The reason being, preference for this category among the lower middle class and multiple set buyers. The share of the 20" category after declining to 38% in terms of volume in FY 1998, further declined to 35% in FY 2008. The 25" sets have also met with a good response, as the price differential with respect to a 21" set is less. As a result, sales of 21° category have shown a marginal rise. The 29° category TVs constitute only about 2% of volume sales. However, the good news is that it showed the maximum growth in sale

Thematic Boxes

Throughout the text, these boxes carry four themes that distinguish the book—

A Global Perspective, You Make the Decision, An Ethical Dilemma?, and Marketing in the Information Economy. Intended to both inform and stimulate critical thinking, these boxes highlight the latest marketing issues and topics to keep you abreast of the latest marketing trends.

A Global Perspective boxes emphasize the global nature of marketing in highly interesting ways. These global examples provide a better understanding of how virtually all industries and careers have an international dimension.

You Make the Decision boxes present synopses of actual situations faced by marketers and allow you an opportunity to see how you would respond. The boxes move you from a passive observer of marketing to an active participant who makes decisions about marketing actions.

An Ethical Dilemma? boxes will raise your awareness of the nature and frequency of ethical challenges in marketing. They are also intended to help you formulate an ethical perspective.

Marketing in the Information Economy boxes illustrate the pervasive impact technology is having on marketing and emphasizes technology's importance as a component of business progress.



How can a firm appeal to Generation Y?

For decades, demographers and sociologists have liabeled generations for various reasons, including an effort to understand the buying behavior. Rather than grouping by incomes or education, these cohorts are based on age and, as a result, stated historical experiences. Buying boomers are Americans born in the 20 years following World Will in Generation X refers to about 40 milion world will in Generation X refers to about 40 milion world will in Generation X refers to about 40 milion turn, entered the workplace during a recession. Not supprisingly, Gen X has been slabeled as caultious and somewhat pessimistic.

Generation Y represents the successors to Generation X cent Y is most commonly defined as those young people born between 1977 and 1944, essentially representing the children of baby boomers, However, some copyrists defined and Y officientily, such as including positive propositions of the proposition of

AN ETHICAL DILEMMA?

Prescholers watch an average of 23 hours of television a week, more than any other group of Chiffern Howay ever, until recently most shows designed espects. Weighborhood, appeared on the commercial-free Public Broadcasting System (PSS). That Is changing for several measons. First, sales of preschooler products such as stiffed lops, palamas, and rinkr cusp, has become big business, estimated to be \$21 bitton annually. Many of these items have locrosing potential enesses and/or names of familiar characters on the Item), and the kids greatly filtures over that purchased. Second, the average ratings for networks such as Nickelson and Disnay are being dragged down by small

Sources: Sally Beatty, "in Battle for Toddlers, TV Networks Tout Educational Benefits," The Walf Street Journal, Apr. 1, 2002, pp. 41+; Donna Petrozzelo, "Nicksidodon to Launch Spinoff of Animated Hil "Rugrats," * New York Daily News, Mar. 14, 2002, p. 6.

A GLOBAL PERSPECTIVE

Is western marketing changing Chinese women?

Is western marketing changing Chinese women?

Some dramatic changes are taking place in China's consumer markets.

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MARKETING IN THE INFORMATION ECONOMY

If it's such a great service, why did Webvan fail?

Webvan, which offered next-day delivery of goc-ceries to a consumer sestednee, became one of the larger and heavily publicated online failures in mid-2001. This service apparent to be made for the became the service of the service of the service of the juggle both a career and homemaking as well as other consumers who place a premium on fee time. With an extensive selection, easy-to-use website, convenient delivery window, and free delivery for orders over \$75. Webvan had many attractive features. Customers spent ain average of \$110 per order, purchased fre-servation of the service of the service of the service of perspective of the service of the service of the perspective positives. Webvan had many \$2001, when the firm shut its doors and laid off over 2,000 employees. What happened, considering that

Orline treatiling now generates over 575 bit including now generates hypically increase by ploat 0.2% to 48 manually 14 disapite heavy financial backing, aggressive marketing ampaigns, and sometimes storage growth, numerous online metchants (also calied e-talers) have failed been successfully as the state of the stat

Sources Eric Helburg, Turmbur Frood, and Other Talles of Distoral Robins!
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More about Harley-Davidson



Despite a least one biker magzine describing the V-Rof's
liquid-cooled engine as a
shocking design misstep for
Harley, the firm has big plans
for the new macrine. It is the
first of a new family of 'highsis likely to play a big part in the company's efforts to hang
onto its market share. Judging from the solid out production
mu of the first model, the V-Rof is fulfilling its promise.
Harley knows, however, when the real crunch will
come. "We don't need new customers today, we don't need
them tomorrow. But we may 10 years from mow," says the
company's chief financial officer. The company also knows it
could intimidate younger prospects with the cullish devcompany is company to be the company of the real real real real
Harley is willing to insets heavy it to no new vontine that
aren't making any money at the moment—the driver training
program, called fider's Edge, and a subsidiary named Buell.
When Harley engineer Erik Buell left the firm in the
1998 to start his own company, Harley funded it, and in
1998 the firm completed its acquisition of the little comjany, Buell manufactures a light, Satek single-cylinder bike
called the Blast, with a \$4.400 price tag and strong appeal

among first-time and younger riders. With design innova-tions like a tucked-away muffler that won't burn inexperi-nced riders' legan dan adjustable seat height, the Blast should appeal to more women than Harley's other blikes do-right now only 9% of riders of traditional Harley models are females.

Rider's Edge, which has trained about 4.300 people in

Rider's Edge, which has trained about 4,300 people in its first two years, could also bring more women into the fold. Described as an effort to "lighten our image without losing our edge," the driver's ed program also covers how Harley bikes are made and how they are sold. It requires passing grades on the same strict written and road tests re-quired by the Motorcycle Safety Foundation—and the bike that students train on is the Buell."

- What role of you think a rider's self-image plays in the purchase of a motorcycle? In the purchase of a Harley-Davidson motorcycle? Do you think the influence of reference groups plays any part in a Harley purchase? Why or why not?
- Wny or wny nor.
 2. Harley-Davidson's revenue and net income have climbed steadily for over 15 years. Why do you think the firm has been able to weather economic recessions much better than other major manufacturers?

Closing Cases Commentaries

At the conclusion of each chapter, the companies featured in the opening cases are revisited in the More about. . . commentaries. By addressing the questions presented at the end of each case, you can apply what you learned in the chapter to the challenges and issues faced in actual marketing situations. These cases give you a glimpse into the world of marketing and an opportunity to apply what you've learned to solve a problem, develop a plan, or address a marketing issue.

More about the Smart Car



Daimler's marketing execu-tives will be asking them-selves as they evaluate sell-ing the Smart Car in the U.S. will deal with the size

ing the Smart Car in the U.S. will deal with the size of its probable market segsomething the segment of the size of the segment of the car was designed for drivers who felt existing cars are too pricey, hard to maneuver, and expensive to operate. Management must find out whether that motivation or some other applies to a substantial segment in the U.S., where consumers have recently adopted much larger and more utilitarian vehicles in huge numbers. The Smart Car's spiffy design int for everyone, and the firm doesn't expect it to sell in the more conservative regions of the Midwest where trips tend to be of greater distances, for instance.

The four-seater Smart Car is unlikely to replace the miniva or SUV as a family acr, two Smart Cars parked end-to-end are still 3 feet shorter than the Ford the miniva or SUV as a family second or third car if they already own a van? Or will the fact that its cargo space is little more than a mere shelf deter sales?

Though it has not yet been a big hit among young buyers in Europe, some industry consultants think the bug-eyed Smart Car could be a fashion statement. Will

young U.S. buyers choosing their first car, say, urban college students looking for cheap transportation that's hijp and new, be a fracted to its looks and fuel economy?

There are still some safety concerns about the tiny vehicle even if it's not quite the "crash helmet on wheels" that one British showroom manager chaims. Daimler-Chrysler has made a promotional video showing the car skittering away from a 30-mph crash with a Mercedes Sedas seekan to counter some anticipated reactions, but some counter some anticipated reactions, but safely standards. And while Daimler doesn't see the car as a hidney cruise but rather as a city car for care as a hidney craines but rather as a city car for care

safety standards. And while Daimler dossrt see the car as highway cruiser but rather as a city car for congested urban streets, it's unclear whether U.S. consumers will share that view once they gle bethind the wheel.

So far favorable ratings are pouring in for the car's clever design, maneuverability, comfortable interior, environmental friendliness, and low price. The executive in charge claims to be very happy about the challenge that marketing the Smart Car brings. In his view, "This is a chance to develop a brand, and you don't get to do that very often." 14

- Should DaimlerChrysler pursue a single-segment or multiple-segment strategy for the Smart Car in the United States?
- As DaimlerChrysler has positioned it, with which transportation alternatives would the Smart Car likely compete in Europe? In the U.S.?

Summary

Various environmental forces influence an organization's marketing activities. Some are external to the firm and are largely uncontrollable by the organization. Other forces are within the firm and are generally controllable by management. Successful marketing requires that a company develop and implement marketing programs that lake into account its environment. To start with, management should set up a system for environmental imonitoring—the process of gathering and evaluating environmental informations. mental information

mental information. So broad variables constitute the external environment that generally cannot be controlled by an organization. Demographic factors are one of these macro influences. Another is economic conditions such as the business cycle, inflation, and interest rates. Management also must be aware of the various types of competition and the competitive structure within which its firm operates. Social and cultural forces, such as changes in life styles, values, and beliefs, must be taken into account as marketing programs are developed. Four noteworthy sociocultural trends are the greening of America, changing gender roles, a greater premium on time, and added emphasis on physical fitness and health. Political and legal forces, ranging from monetary and fiscal policies to legislation, also affect marketing. As with the other external macroenvironmental influences, technology can present both opportunities and challenges for marketers.

external macroenvironmental influences, technology can present both opportunues and challenges for marketers.

Another set of environmental factors—suppliers, marketing intermediaries, and the market itself—is also external to the firm. But these forces can be controlled to some extent by the firm. Although all three of these external forces are generally uncontrollable, they can be influenced in some situations. As such, these microenvironmental forces are different from macroenvironmental forces such as economic conditions and technology.

At the same time, a set of nonmarketing resources within the firm—production facilities, personnel, finances, location, research and development, and company image—affects its marketing effort. These variables generally are controllable by management.

Chapter Six

More about XM Satellite Radio



XM's major competitor is Sirius Satellite Radio, based in New York City. Sirius entered the market later than XM because of

later than XM because of technical problems and a management shake-up that included the resignation of its CEO. In its first half year of operation, Sirius signed up fewer than 10,000 subscribers. Although XM got off to a faster start, Sirius is well-equipped to give the "first mover" a run for its money. In fact, Sirius' goal is to reach profitability with 2 million subscribers by 2005.

Sirius relies on three stellites, launched from a once-secret Soviet installation in Kazakistan. Sirius' but have fewer repeaters. XM says this makes a difference in sound quality. Sirius sin't commenting. The newcome offers about the same number of channels as XM, but one-half of them are music prochamels.

grams and the other half are talk shows of various kinds. Sirius's carmaker deals are with BMW, Ford, and Daimler Chrysler.

Sirius is asking consumers to pay a higher price, S13 a month compared with XM's S10, but its programs will have no advertising at all. As to whether consumers will pay for what they can get for free, the ECO of Sirius observed. "TV is free, but 70% of compared to the state of the s

Chapter Two

Online Learning Center:

At this text-specific site, Instructors can access the Instructor's Manual, Digital Transparencies, PowerPoint, Mini-Lectures, part-ending case notes and commentaries, video notes, and links to professional resources. For the student, this site features an updated appendix on Careers and Marketing, which offers students guidelines on treating the job search process as a marketing effort, applying what they have learned in the course, and describes career opportunities in marketing. The site also features online quizzes, career profiles, and Internet exercises.





Student CD-ROM:

Completely new with the 13th edition, this disc is included free with all new copies of the text and introduces an interactive online business case from SmartSims, featuring a simulated music company Music2Go. Students compete as teams against each other online in a simulated consumer electronics industry. Students apply the concepts of market analysis, segmentation, marketing mix, and product life cycle in this realistic, interactive marketing case study. Students and instructors alike will gain the benefits of Music2Go as it helps add a new dimension, providing real understanding and appreciation of the fundamentals and dynamics of marketing.