

# Preface

## To the Student

Ask yourself the question: “What does marketing have to do with me?” The answer is: “A lot more than you would think!” When you finish reading this book, we know you will agree.

Marketing is actually an integral part of your life, of all our lives. A surprising amount of your time is taken up by your efforts to market something — your ideas, your skills, your experiences, yourself — to others. And, of course, others spend a lot of time marketing to you. Whether you are a student, a small business owner, a lawyer, a professor, or an accountant doesn’t make any difference — all are engaged in marketing. The challenge is to do it well, and that means you need an understanding of what today’s marketing is all about and how you can perform it effectively. This requires a detailed understanding of customers and how they think and behave. It’s only with this perspective that marketers can be successful in accomplishing the principal objective of marketing: the creation of customer satisfaction.

But there is much more to marketing than just learning what it is all about. A lot of the excitement of marketing is created by the context in which it occurs. The most obvious example today is the field of communications. How has greater access to faster computers, the Internet, and MP3 technology affected your life? Consider how the same changes have affected other areas of endeavour, such as manufacturing, transportation, entertainment, financial services, and agriculture. Add to this the continuing rapid globalization that the new communication technology enables. You, and the rest of us, are faced with new challenges, large and small, domestic and international, and they seem to come at us almost daily. But every change, every challenge, from whatever the source, creates new marketing opportunities.

What does this mean for marketers? In some respects, their jobs won’t change. More than ever, they will need to create customer satisfaction to remain competitive. They will have to keep their customers at the centre of their thinking as they decide what products and services to offer, set prices they think customers will consider to provide good value for their money, distribute products so that customers can conveniently find them, and design promotional information to inform and persuade them. But the challenges they face and the tools they have available will change. In today’s highly dynamic environment, managers of marketing and other functions will be faced with more new situations than ever before. They will have access to more information and information sources than did their predecessors — thanks mainly to the Internet. They will have to learn how to separate the essential from the interesting and how to use it effectively. They will have more strategic alternatives from which to select, but the cost of selecting the wrong one will be greater. They will be pursuing smaller market segments with products that have shorter lives. They will face a changing mix of competitors. In short, marketers will be operating in a faster-paced, higher-risk, and more technically complex environment. And the task of satisfying increasingly sophisticated customers will grow in complexity.

What does this mean for you? Your career is beginning during a time of unprecedented challenge and change. You could translate this into success. To make the most of this opportunity, you need an understanding of marketing and how it works in the dynamic world of today. The objective of this new edition is to help you gain that understanding.

## Special Features of the Tenth Edition

Since the first edition, this book has been a leader — easy and enjoyable to read, practical and comprehensive in its content and orientation, full of current topical information and examples and illustrations of marketing as it is done “best” in Canada and around the world by

leading Canadian and global firms, large and small. This edition not only continues this tradition, but also steps out to meet the challenges we face in our ever-changing environment.

We present marketing as a total system of business actions focused on customers and carried out by managers in individual organizations in the context of the larger economy and society. Regardless of whether managers are employed by a business or not-for-profit organization, are providers of goods or services, or are doing business domestically or globally, they need to understand the essential ideas — the big ideas — that are responsible for the marketing of today and the future.

We share those big ideas with you through the framework of the marketing management process. An organization first sets objectives, taking into consideration the environmental forces and competitors that influence its efforts. The managers then select target markets and build a marketing program to achieve the organization's objectives. The four elements integrated by managers in designing a marketing program — product, price, distribution, and promotion — are at the heart of marketing. But it is with people and their knowledge of their roles in the marketing process that the successful implementation of marketing programs begins and ends. Finally, an organization evaluates its performance and makes adjustments to its marketing strategy.

To help you understand and appreciate the big ideas of marketing and the marketing management process, we have not only provided clear, focused explanations but also many real-life, current examples. Each chapter opens with a real marketing story that illustrates the basic content of the material that follows. In addition to the text explanations, there are many current examples and illustrations of large and small Canadian firms in the form of Marketing At Work features. These features illustrate how firms actually work with the ideas you are reading about, both in the Canadian and the global marketplace. We have used photographs, reproductions of advertisements, and tables and figures to illustrate and highlight text materials for you. We also kept in mind that you have many demands on your time and designed this edition to help you learn rapidly and effectively in as short a time as possible.

Now, turn to Chapter 1 and start discovering that marketing is much more than you thought!

## To the Instructor

The tenth edition of this text is newly entitled *Marketing*. In this edition, we have placed customers in a central role and then highlighted how the leading edge concepts of managerial marketing can be used to provide customer value, customer satisfaction, and — through relationship-building — customer acquisition and retention. This customer focus and managerial orientation is presented in the highly readable fashion that has been a hallmark of this book since its beginning. The new structure and new content of this tenth edition seamlessly integrates the new marketing ideas with new technologies and newly emerging concepts and practices — creating a very contemporary and effective learning tool for today's students and tomorrow's practitioners.

## What's New and Improved

- An enhanced and integrated focus and emphasis throughout the book on the new view of marketing, featuring the importance of customer relationships, consumer expectations and satisfaction, service quality, and customer retention.
  - The highlighting of marketing strategies and tactics that enable the development of positive customer relationships, consumer value, and satisfaction in all marketing activities
  - A greater emphasis on really understanding the customer and his or her needs as the essence of marketing and the foundation for customer acquisition and retention.
  - A major realignment and integration of text material, resulting in a text that is more consistent with the amount of time you have to teach the course. The new edition consists of 16 chapters instead of the 21 of the previous edition. This significant change

has been made possible by the development of new content, as well as the major redevelopment and revision of existing chapters.



- The enhanced use of exhibits, tables, advertisements, and photographs to more concisely communicate concepts and illustrations in a more compact and integrated fashion that facilitates student comprehension.
  - International marketing, in keeping with globalization, is fully integrated throughout, with emphasis on consumer behaviour, business-to-business marketing, and channels of distribution.
  - The basic pricing coverage has been greatly simplified and made more accessible to students, with less emphasis on the “economics” of pricing and more on today’s business practices.
  - Complete integration of the Internet, multimedia, and global issues through the use of chapter openers, Marketing at Work features, text illustrations, and examples of Internet and e-commerce marketing activity — much of it linked to Canadian and other companies with which students will be familiar and that are relevant to them.
  - Numerous Web site references are placed throughout the text material and margins. These references direct students to companies and other sites that provide more information or allow the students to explore topics in greater detail.
  - There are selected Web-based end-of-chapter problems and questions, as well as CBC video cases with supporting Internet resources at the end of each part of the book.
  - Increased focus on student relevance and readability, with major emphasis on rapid student recognition and involvement in material with easy follow-through reading.
  - Not only are illustrations, both text and graphic, well integrated for efficient communication, but also these materials use situations, companies, and examples that are easily recognized by your students and are easy for them to relate to. The colourful new design will aid students’ comprehension and visually entice them at the same time.
- Shorter, easier-to-read chapter openings, text discussions and examples, and Marketing At Work features are written in familiar and comfortable language to further enhance our book’s reputation as a “fun text to read.”
  - Completely new four-colour design, with careful page set-up for easy reading and changes of pace in presentation form, and convenient use in terms of locating materials, structure of presentations, and centrality of discussions.
    - Revising a successful book is a delicate process. It is essential that new developments and material be incorporated into a revised edition and that the presentation be lively and engaging. At the same time, many of the features that have been eminently successful over time should be retained. We have worked hard to maintain this balance by updating and revising the book while preserving our basic strengths. This book has always been described by students as being enjoyable and “fun” to read, compared with others. We have made numerous changes so that this is an even more enjoyable edition. Instructors have observed that it is well structured and comprehensive, containing more Canadian perspectives, information, illustrations, and examples than other marketing textbooks. We have worked to increase these user benefits.
    - The book is divided into seven parts to reflect the marketing management process.
  - **Part 1: Marketing and the Customer** serves as an introduction and includes a new introductory chapter, “What Marketing’s All About,” as well as chapters on the environment for strategic marketing planning and buyer behaviour.
  - **Part 2: Addressing Target Markets** is devoted to segmentation analysis and selection of consumer and business target markets and positioning strategies. It also includes a discussion of the collection and use of market information.

- **Part 3: Products, Services, and Brands** contains separate chapters on product planning and development, services marketing, and branding and packaging.
- **Part 4: Marketing Communications** covers effective marketing communications and the management of advertising, as well as selling, sales promotion, and public relations, with a chapter devoted to each of these three topics
- **Part 5: Distribution** reviews the modern retailing scene and then looks behind retailing to examine the various elements of wholesaling and logistics that, taken together, form channels of distribution and thus the supply system.
- **Part 6: Pricing** introduces the real world of pricing mechanisms, pricing policies, and competitive pricing strategies and tactics.
- **Part 7: Tying Marketing Together** concludes the book with discussions on issues associated with successful marketing implementation and the performance of marketing, and presents our view of future developments.

## Pedagogical Support

### Chapter-Opening Vignettes — and Back to the Top



Each chapter begins with a contemporary case vignette that introduces some of the concepts, strategies, and techniques covered in the chapter. Subjects of the vignettes include Coke's Curious Vanilla advertising campaign and Amazon.ca's long-awaited appearance in Canada (highlighting services marketing and customer relationships); Air Canada, Tango, and seat sales (examining pricing issues); and the Birks Canada replacement of its blue box (focusing on retailing markets and institutions). And these vignettes are referenced throughout the chapter so students can relate what they're reading to the situation they encountered at the beginning of the chapter (look for the Back to the Top icon in the margin). At the end of each chapter, the Back to the Top heading introduces review questions related to the opening vignette.

### Marketing at Work

Almost all of the Marketing at Work features, 48 of them, are new and illustrate new developments and successful implementations by recognizable companies and individuals. Some examples: "Always Talk to Strangers" (Lavalife); "The Osbournes Are a \*@#\*@ Sellout!"; "And, In This Corner" (the Molson EXterminator). New in this edition, each feature highlights a key theme — Strategy, Relationships, Global, Technology, and Ethics. The colourful icon helps students to understand the focus and application of each Marketing at Work feature.



STRATEGY



RELATIONSHIPS



GLOBAL



TECHNOLOGY



ETHICS

## Backspace



We have added a new feature to this edition of *Marketing* called Backspace, because it allows students to pause as they study a chapter and reflect on what they have read. There are three Backspace sections in each chapter, introduced at appropriate points as major topics are completed. Backspace consists of three review questions that are intended to encourage students to think back over what they have just studied to make sure that they understand the material and concepts.

## Cases

Each of the seven parts of the book ends with three cases. Almost all of these are new to this edition (a small number of successful cases from the previous edition have been retained and rewritten to reflect current situations). The format of the cases has been changed in response to feedback from instructors across the country. Each of the parts of the text ends with two short cases and one longer one. The short cases capture succinctly a concept or issue from the chapters just studied. They are valuable in that their length allows the instructor to assign them for in-class reading and discussion. The longer case that accompanies each part is approximately two pages in length and is more comprehensive in the concepts that it covers. It is appropriate for study and preparation before class, either as a written assignment or for in-depth discussion. The companies and topics presented in the line-up of cases are very student-friendly, dealing with companies with which students will be familiar, including Gap, Aveda, and Altoids. Finally, and this is a big plus, more than half of the cases in this edition are tied to CBC video clips that can be viewed in class to enhance the discussion. Students will be hooked by CBC videos on such intriguing topics as Krispy Kreme, Grocery Gateway, buzz marketing, mystery shoppers, and the Rethink advertising agency. Instructors can access two supplemental CBC video clips and their corresponding cases from the Online Learning Centre.



## Summary/Key Terms and Concepts/Assignments

Every chapter concludes with a chapter summary, a list of key terms and concepts with chapter page references, and two types of assignments. The first is a set of 8 to 10 Questions and Problems designed to help students discover how to analyze issues and make applications based on the chapter discussion. The second type of assignment is called Hands-On Marketing. These assignments require the students to get out of the classroom and interact with customers or marketers as well as make use of the Internet. The Back to the Top feature wraps things up with a challenge to apply the lessons of the chapter to the situation outlined in the chapter-opening vignette.

## Teaching and Learning Support

### For the Instructor

**Instructor's Resource CD-ROM:** The new Instructor's Resource CD-ROM for *Marketing* contains the *Instructor's Manual*, Microsoft® PowerPoint® slides, computerized test bank, and *Lecture Launchers*.

- ***Instructor's Manual*** by Montrose Sommers, James Barnes, and Peter Dunne: Peter worked closely with the authors throughout this revision. The *Instructor's Manual* uses a fresh approach that is based on the practical needs of instructors who want to help the students learn in the way that works best for the students. The goal is to help students learn more effectively by providing instructors with strategy suggestions (such as Internet activities, group work, and case studies) to encourage learning in the context of an introductory marketing course. Case solutions for the text cases are also provided. (ISBN 007-091439-7)

- **Microsoft® PowerPoint® presentation** by James Barnes: This software includes a set of more than 300 slides. The slides include point-form summaries of key concepts discussed in the text. (ISBN 007-091441-9)
- **Test bank and computerized test bank:** The test bank comprises multiple-choice and true/false questions, as well as caselettes — short, current case descriptions with accompanying multiple-choice questions. The 2,200 questions in the test bank are coded to identify the type — concept, definition, or application. (ISBN 007-091440-0)
- **Lecture Launchers:** The lecture launchers, presented in Microsoft® PowerPoint® format, provide an overview of the key points in the chapters, as well as the graphic material from each chapter, including tables and figures.



**CBC video cases and Video guide:** This collection of video cases corresponds with selected companies or organizations profiled in the book's part-ending cases. They feature a variety of organizations and marketing topics. Suggestions for their use are provided in the Video Guide, which is included in the Instructor's Manual.

**Transparency acetates:** A comprehensive colour transparency program is available to enhance lectures and class discussions.

**Online Learning Centre:** Visit the Instructor Centre at [www.mcgrawhill.ca/college/sommers](http://www.mcgrawhill.ca/college/sommers) for downloadable supplements and other instructor information and updates.

**i-Learning Sales Specialist:** Your *Integrated i-Learning Sales Specialist* is a McGraw-Hill Ryerson representative who has the experience, product knowledge, training, and support to help you assess and integrate any of the below-noted products, technology, and services into your course for optimum teaching and learning performance. Whether it's how to use our test bank software, helping your students improve their grades, or how to put your entire course on-line, your i-Learning Sales Specialist is there to help. Contact your local i-Learning Sales Specialist today to learn how to maximize all McGraw-Hill Ryerson resources!

## For the Student

**Study Guide** by R. David Nowell: This useful study guide provides guidelines for analyzing marketing cases, chapter goals, chapter summaries, key terms and concepts, self-test questions (true/false, multiple choice, matching, and sentence completion), problems and applications questions, and interesting real-world cases and articles related to chapter concepts. The Study Guide contains almost all new, one-page cases and many new activities, with answers provided in the Instructor's Manual.



**Online Learning Centre:** Students and instructors can visit this Web site to gain access to a variety of aids and support, including student quiz questions and Internet Activities (prepared by Montrose Sommers), interactive Flash-based chapter concept illustrations with exercises, interactive glossary, learning objectives, downloadable interactive Marketing Math tutorial, Web links, cases, and video exercises. Visit [www.mcgrawhill.ca/college/sommers](http://www.mcgrawhill.ca/college/sommers) today.



**Marketing Magazine:** McGraw-Hill Ryerson is pleased to offer special access to *Marketing Magazine's* online archive of marketing articles. It's an unbeatable research tool, invaluable for preparing assignments and exploring the hottest issues in Canadian marketing.

## Acknowledgements

Through 10 editions of this book, many people have made important contributions. These include students, colleagues, clients, marketing managers in Canadian firms, and instructors at many universities and colleges. All have provided insights and commentary on the Canadian marketing scene and the teaching and learning of marketing. We sincerely thank them for their advice, thoughtfulness, and support.

We wish to acknowledge in particular those research and editorial assistants who contributed to the essential research and material-preparation process necessary for this revision. Peter Dunne, in St. John's, has provided his usual superb editorial and material-preparation assistance in a most exemplary fashion. We are thankful for his skill and diligence and pleased that he has also worked with us on the *Instructor's Manual*. Natalie Slawinski did a wonderful job of researching and developing cases and other material to support each chapter. We are also indebted to the business and other executives who allowed us to write cases on their companies or organizations and to include advertising and other material.

Another group that was instrumental in the preparation of this book was the group of reviewers used by our publisher. These include the following colleagues: Pat Browne, Kwantlen University College; Bill Clymer, Durham College; Dwight Dyson, Centennial College; Shannon Goodspeed, Mount Royal College; Mary Louise Huebner, Seneca College; Henry Klaise, Durham College; John MacGregor, Saskatchewan Institute of Applied Science and Technology (SIAST)/University of Regina; Marianne Marando, George Brown College; Jean-Paul Olivier, Red River College; Christopher Ross, Concordia University; Harvey Skolnick, Sheridan College; Jim Swaffield, University of Alberta; and Carla Gail Tibbo, Douglas College. They provided much useful insight and commentary and we would like to thank each of them. One colleague in particular requires special mention — David Nowell of Sheridan College. In addition to reviewing the manuscript, David made a significant contribution in the preparation of the supplementary materials for this edition of the book. As well, we would like to thank John McColl, Graham Davies, Harvey Skolnick, Bryce Hanna, and Steven Lee for taking time out of their busy schedules to meet with us during the initial stages of the project. Your suggestions have been very helpful in preparing this edition.

Finally, we would like to acknowledge with much appreciation the support and cooperation we received from the staff of McGraw-Hill Ryerson. We are grateful to James Buchanan, our Sponsoring Editor for this edition, for being there to get things moving. Lesley Mann, our Developmental Editor, really performed sterling development work. She kept both her team and us focused on the task. And in addition, she was fun to work with. Alison Derry and Christina Beamish, our Photo Researchers, extended themselves at doing just that. We owe special thanks to Kelly Dickson, Manager, Editorial Services, and June Trusty, Copy Editor, who provided important assistance and information and helped us ensure that this edition will meet the goals and objectives of all those involved. Thanks finally to Dianna Little, Art Director, for her inspired new design.

Montrose S. Sommers  
James G. Barnes