

GLOBAL
EDITION



Marketing

Real People, Real Choices

EIGHTH EDITION



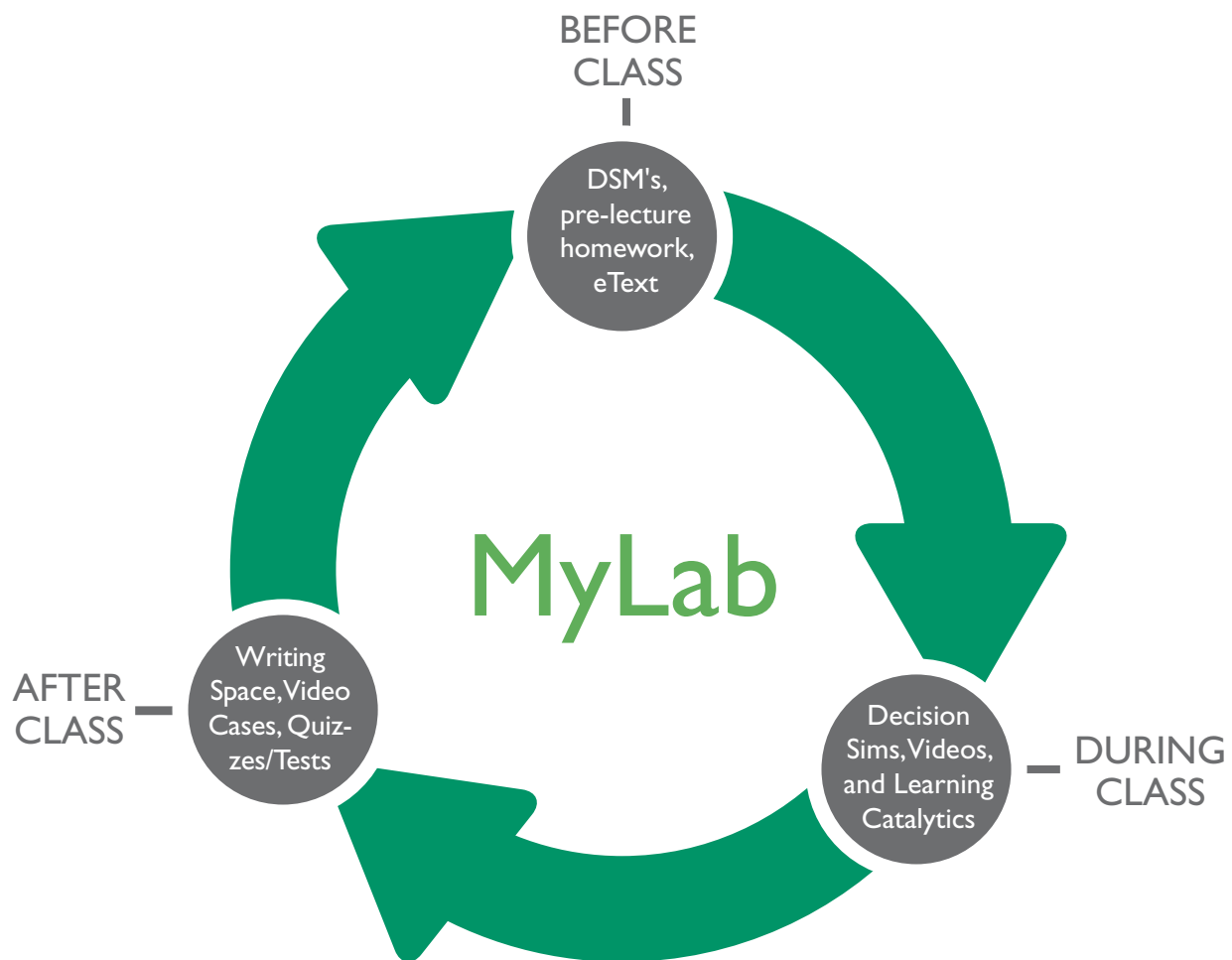
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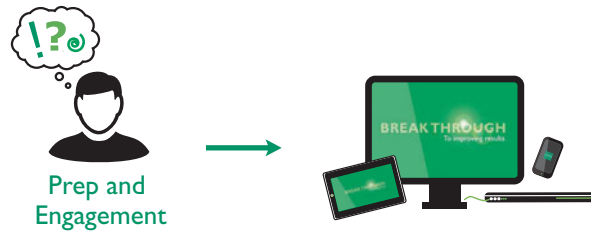
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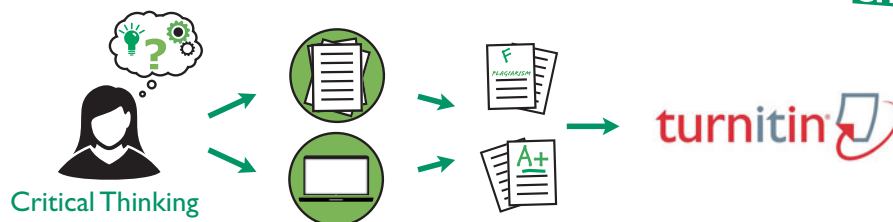
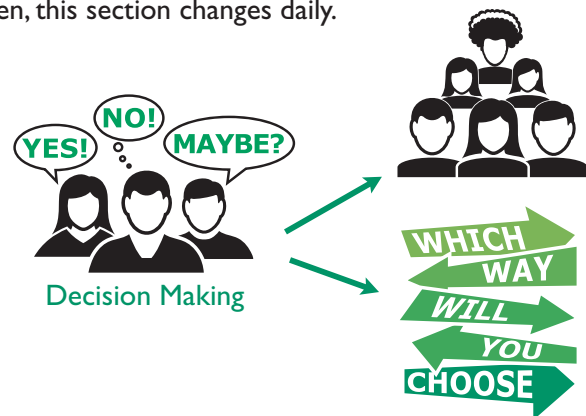


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Corporations don't make decisions. **People do.**



Stephanie Nashawaty A decision maker at Oracle

Meet the Real Marketer

Who makes big marketing decisions?
 What makes them tick?
 How did they get there?
 How would you get there?
 Get to know the people behind the decisions.

You Make the Call

What would you do?
 Hear from a real marketer about a business problem he or she faced, get the options and decide what you would do.

Chapter 3

Strategic Market Planning

Objective Outline

1. Explain business planning and its three levels pp. 72-74
BUSINESS PLANNING: COMPOSE THE BIG PICTURE p. 72
2. Describe the steps in strategic planning pp. 74-80
STRATEGIC PLANNING: FRAME THE PICTURE p. 74
3. Describe the steps in market planning pp. 81-88
MARKET PLANNING: DEVELOP AND EXECUTE MARKETING STRATEGY p. 81

Check out the Chapter 3 **Study Map** on page 89.

Stephanie Nashawaty
 ▼ A Decision Maker at Oracle

Stephanie Stewart Nashawaty is group vice president of customer experience (CX) transformation sales at Oracle. She has over 15 years of software sales experience and extensive expertise in enterprise marketing solutions for Global 2000 leading companies.

Stephanie is currently responsible for CX sales at Oracle (this includes Oracle's application solutions for customer-facing functions, such as sales, services, and marketing). She leads an elite sales team of enterprise sales executives who are tasked with creating and delivering \$1 million to \$30 million Cloud deals with Oracle's most strategic customers. In this capacity, Stephanie also works on joint business development opportunities with selected systems integrators, such as Accenture and Deloitte, as well as digital agencies.

Prior to joining Oracle, Stephanie was a vice president with Unica Corporation, which was acquired by IBM in 2010. She helped to build and launch IBM's Enterprise Marketing Management (EMM) business unit. The unit's focus on "Smarter Marketing" is a key foundational pillar of IBM's current "Smarter Planet" campaign and go-to-market strategy. Stephanie led the EMM global sales team (\$400 million in annual revenues), which focused on selling to the office of the chief marketing officer (CMO). She was recognized for her achievements and team contributions by her selection for IBM's Acquisition Talent Acceleration Program. During this time, she was also the executive sales leader for the acquisitions and integrations of three companies in the marketing domain (Demandic, Baidal, and Xobly). Stephanie has significant international experience working with CMOs in retail, travel, telecommunications, and other industries focused on optimizing the customer experience with a brand across all channels.

Stephanie holds a BA in political science from the University of Vermont and was a candidate in the master's degree program at Stanford University. She and her family reside in Needham, Massachusetts.

Stephanie's Info

<p>What I do when I'm not working? Spend time with my two teenage daughters, ideally doing something outside like hiking, swimming, skiing, and tennis.</p> <p>First job out of school? Management trainee, Enterprise Rent-A-Car.</p>	<p>Career high? Selected for IBM's Acquisition Talent Acceleration Program. Less than 1 percent of IBM employees were selected for this program.</p> <p>Business book I'm reading now? Converge: Transforming Business at the Intersection of Marketing and Technology by Bob Lord and Ray Velaz.</p>	<p>My motto to live by? "Don't let the perfect be the enemy of the good," that is, execute and iterate rather than be stuck in overanalyzing decisions.</p> <p>What drives me? Fear of failure.</p> <p>My management style? Collaborative and decisive.</p>
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Find Out What Happened

Discover the choice the real marketer made and see how it worked out.

Here's my choice...

Real People. Real Choices

1

Option

2

Option

3

Option

Why do you think Stephanie chose option 2?

How It Worked Out at Oracle

Stephanie chose option 2. Since 2013, Oracle has acquired several leading SaaS marketing automation companies, and it now labels its new business the Oracle Marketing Cloud™. Its cloud-based services allow clients to customize their communications with different customers, coordinate these messages across multiple channels, and monitor the effectiveness of their campaigns over time (www.forbes.com/sites/oracle/2014/05/06/key-steps-to-customer-centric-modern-marketing/2 [accessed May 8, 2014]).

Marketing

Real People, Real Choices

Global Edition
Eighth Edition

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Marketing

Real People, Real Choices

Global Edition
Eighth Edition

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*To Gail, Amanda, Zachary, Alex, Orly, Rose, Evey
and Arya—my favorite market segment*

—M.S.

To Patti and Justin

—G.M.

To Sonny, Patrick, Gabriela, Allyson, and Marge

—E.S.

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► Preface

WHAT'S **NEW** IN THE EIGHTH EDITION?

What's new in the eighth edition is what's new in marketing. To put it simply, we feel a new-comer to marketing today needs to grapple with three core issues: Value, ethics, and metrics.

Here's just a sample of what we changed in this edition:

- First and foremost, we've totally reorganized the Table of Contents to be even more concise and user-friendly. The entire book now consists of just 14 chapters—a very convenient size for most undergraduate basic marketing courses. This “lean and mean” structure will allow an instructor who teaches a semester course to cover important marketing concepts from soup to nuts yet still retain enough flexibility to include time for in-class exercises and discussions as well as assessments of students' learning. No more rushing through the last few chapters at the end of the term. A 14-chapter book hits the “sweet spot” for learning!
- We strongly believe that the exchange of value is the essence of marketing. Prior editions have recognized the centrality of the value proposition, but in the eighth edition, we've more clearly structured the book around that core concept. Our new organizational design hinges on the sequential process of creating and delivering value. Hence, the eighth edition is divided into four sections:
 1. Understand the Value Proposition
 2. Determine the Value Propositions Different Customers Want
 3. Develop the Value Proposition for the Customer
 4. Deliver and Communicate the Value Proposition to the Customer
- Within this new organizational paradigm, we make it clear to the student how the traditional “four-Ps” framework relates to the ultimate goal to align the value needs of a specific customer with the organization's offering. To this end, the four-Ps structure is integrated with the updated emphasis on the value proposition. Chapters 8 through 14 cover Product, Price, Place, and Promotion—but with the real-world decision-making emphasis for which our book is famous.
- The eighth edition shines an even larger spotlight on the importance of ethical marketing. The topic is so important to today's students that we moved our coverage of ethical issues right up front to Chapter 2. As soon as the student understands basically what marketing *is*, he or she learns how it *should be*. And each chapter provides a boxed feature called Ripped from the Headlines: Ethical/Sustainable Decisions in the Real World. Here we describe a questionable marketing practice and then ask students to weigh in on MyMarketingLab in a polling feature so they can assess their response versus that of their peers.
- Today's marketer needs to be “a numbers person.” Increasingly, the field is data driven, and sophisticated analytics are revolutionizing the options organizations have at their fingertips to create, deliver, and measure value. We're proud to say that we've literally doubled our coverage of market research and analytics in this edition: We now couple our Market Research chapter with an entirely new chapter that focuses on how marketers use the exciting new tools they have available to understand and harness “Big Data” as they strive to identify and meet their customers' needs—often literally on a one-to-one basis.
- Last but certainly not least, as always we pride ourselves on the currency of our content. Today's student deserves to know what is going on in the marketing world

today—and also tomorrow to the extent we can predict it. Here is a sample of new Key Terms we introduce in the eighth edition:

Chapter 1

barter
Big Data
collaborative consumption
consumer addiction
crowdsourcing
nongovernmental organization (NGO)
rentrepreneurs
shrinkage
social media
societal marketing concept
sustainability

Chapter 2

consumer ethnocentrism
foreign exchange rate (forex rate)
radio frequency identification (RFID)
sachet

Chapter 4

bounce rate
customer insights
data
database
information
neuromarketing
reverse engineering

Chapter 5

click-through
conversion
cost per order
information overload
Internet of Things
marketing analytics
marketing control
marketing metrics
predictive analytics
scanner data
structured data
unstructured data

Chapter 6

encryption
firewall
malware
offshoring
sensory branding

Chapter 7

badge
gamer segment

Generation Z

geographic information system (GIS)
geotargeting
M geographic segmentation
micromarketing
Millennials
usage rate

Chapter 8

adoption pyramid
consumer packaged good (CPG)
creativity
fast-moving consumer good (FMCG)
research and development (R&D)
shopbot
specialized services
value co-creation

Chapter 9

ingredient branding
internal customer mind-set
internal customers
stock-keeping unit (SKU)

Chapter 10

Bitcoin
internet price discrimination
market share
surge pricing

Chapter 11

administered VMS
channel conflict
channel cooperation
channel leader or channel captain
channel power
communication and transaction
 functions
corporate VMS
distribution center
distribution intensity
distribution planning
dual or multiple distribution
 systems
franchise organizations
retailer cooperative
reverse logistics
risk-taking functions
stock-outs
transportation and storage

Chapter 12

experiential shoppers
retailtainment
virtual experiential marketing (VEM)

Chapter 13

authenticated streaming
embedded marketing
native advertising
product placement

Chapter 14

brand polarization
location-based social networks
input measures
output measures
ambient advertising

Features of the Eighth Edition of *Real People, Real Choices*

Meet Real Marketers

Many of the Real People, Real Choices vignettes are new to this edition, featuring a variety of decision makers, from CEOs to brand managers. Here is just a sample of the marketers we feature:

- Joe Kennedy, Pandora
- Keith Sutter, Johnson & Johnson
- Ryan Garton, Discover
- David Clark, General Mills
- Neal Goldman, Under Armour
- Mark Brownstein, Brownstein Group
- Stephanie Nashawaty, Oracle
- Stan Clark, Eskimo Joe's

Ethics and Sustainability in Marketing

Because the role of ethics and sustainability in business and in marketing is so important, we focus on these topics not just in a single chapter but in *every chapter* of the book. These Ripped from the Headlines boxes feature real-life examples of ethical and sustainable decisions marketers are faced with on a day-to-day basis.

Cutting-Edge Technology

With technology evolving at a rapid-fire pace, it's now more important than ever for today's marketers to stay on the cutting edge of the latest technological developments. Viral marketing campaigns are just the tip of the iceberg! The Cutting Edge boxes feature the most current technological advances and explain how companies are using them to deliver value and creatively get their messages out to consumers.

Easy-to-Follow Marketing Plan Template

Marketing: Real People, Real Choices, eighth edition, includes a handy tear-out template of a marketing plan you can use as a road map as you make your way through the book. The template provides a framework that will enable you to organize marketing concepts by chapter and create a solid marketing plan of your own. On the back of the template is a contemporary world map as a reminder that all marketing today is global. We encourage you to keep this tear-out as a handy reference after the class.

Marketing Plan Appendix

Appendix A, *The Marketing Plan*, provides a basic marketing plan for the fictitious S&S Smoothie Company. This plan gives students the foundation they need to craft a complete marketing plan for a class project. In this edition, the plan is updated to include helpful “how to” guidelines that answer many of the questions that students ask while developing their own plans.

New Career Appendix

Appendix B, *You, Marketing, and Your Career*, provides guidance for students on how to plan for a successful and rewarding career, whether in marketing or another field. Career success is framed as developing a unique brand that meets the needs of the job market. Career guidance recommendations follow the steps in the marketing plan with suggestions at each step for critical thinking and specific actions.

End-of-Chapter Study Map

Each chapter has an integrative study map for students that includes an Objective Summary, Key Terms, and student assessment opportunities of several types: Concepts: Test Your Knowledge; Activities: Apply What You’ve Learned; Apply Marketing Metrics (more on this one below); Choices: What Do You Think?, and Miniproject: Learn by Doing. By completing these assessments, students and instructors achieve maximum assurance of learning.

Measuring the Value of Marketing through Marketing Metrics

Just how do marketers add value to a company, and how can that value be quantified? More and more, businesses demand accountability, and marketers respond as they develop a variety of “scorecards” that show how specific marketing activities directly affect their company’s ROI—return on investment. And on the job, the decisions that marketers make increasingly come from data and calculations and less from instinct. Each chapter provides a Metrics Moment box that describes some important ways to measure important marketing concepts, followed by an Apply the Metric exercise that asks the student to actually work with some of these measures. And every end-of-chapter includes an Apply Marketing Metrics exercise that provides additional opportunities for students to practice measures that marketers use to help them make good decisions. New to this edition, pricing exercises included at the end of the Marketing Math Supplement following Chapter 10 provide the opportunity for students to work real-life pricing problems.

New and Updated End-of-Chapter Cases in This Edition

Each chapter concludes with an exciting Marketing in Action mini-case about a real firm facing real marketing challenges. Questions at the end let you make the call to get the company on the right track.

Instructor Resources

At the Instructor Resource Center, www.pearsonglobaleditions.com/Solomon, instructors can easily register to gain access to a variety of instructor resources available with this text in downloadable format. If assistance is needed, our dedicated technical support team is ready to help with the media supplements that accompany this text. Visit <http://247.pearsoned.com> 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
- Instructor Video Library

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Michael R. Solomon

MICHAEL R. SOLOMON, PhD, joined the Haub School of Business at Saint Joseph's University in Philadelphia as professor of marketing in 2006, where he also serves as director of the Center for Consumer Research. From 2007 to 2013, he also held an appointment as professor of consumer behaviour at the University of Manchester in the United Kingdom. From 1995 to 2006, he was the Human Sciences Professor of Consumer Behavior at Auburn University. Prior to joining Auburn in 1995, he was chairman of the Department of Marketing in the School of Business at Rutgers University, New Brunswick, New Jersey. Professor Solomon's primary research interests include consumer behavior and lifestyle issues; branding strategy; the symbolic aspects of products; the psychology of fashion, decoration, and image; services marketing; and the development of visually oriented online research methodologies. He currently sits on the editorial boards of the *Journal of Consumer Behaviour*, the *European Business Review*, and the *Journal of Retailing*, and he recently completed a six-year term on the Board of Governors of the Academy of Marketing Science. In addition to other books, he is also the author of Prentice Hall's text *Consumer Behavior: Buying, Having, and Being*, which is widely used in universities throughout the world. Professor Solomon frequently appears on television and radio shows, such as *The Today Show*, *Good Morning America*, Channel One, the *Wall Street Journal* Radio Network, and National Public Radio to comment on consumer behavior and marketing issues.



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Chapter 1: Joe Kennedy, Pandora
Chapter 2: Keith Sutter, Johnson & Johnson
Chapter 3: Stephanie Nashawaty, Oracle
Chapter 4: Ryan Garton, Discover Financial

Chapter 5: Lisa Arthur, Teradata
 Chapter 6: Adam Wexler, Intellipool
 Chapter 7: Margaret Molloy, Siegel+Gale
 Chapter 8: Neal Goldman, Under Armour
 Chapter 9: David Clark, General Mills
 Chapter 10: Betsy Fleming, Converse College
 Chapter 11: Marc Brownstein, Brownstein Group
 Chapter 12: Rohan Deuskar, Stylitics
 Chapter 13: Dan Marks, First Tennessee Bank
 Chapter 14: Stan Clark, Eskimo Joe's

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Marketing

Real People, Real Choices

**Global Edition
Eighth Edition**

Welcome to the World of Marketing

Create and Deliver Value

1. Explain what marketing is, the marketing mix, what can be marketed and the value of marketing pp. 28–34
MARKETING: WHAT IS IT? p. 28
2. Explain the evolution of the marketing concept pp. 35–40
WHEN DID MARKETING BEGIN?
THE EVOLUTION OF A CONCEPT p. 35
3. Understand value from the perspectives of customers, producers, and society pp. 40–48
THE VALUE OF MARKETING AND THE MARKETING OF VALUE p. 40
4. Explain the basics of market planning pp. 48–49
MARKETING AS A PROCESS p. 48

Check out the Chapter 1 **Study Map** on page 50.



Joe Kennedy

▼ A Decision Maker at Pandora

Joe Kennedy is chief executive officer and president of Pandora, the Internet radio company that more than 65 million people use to create personalized radio stations that they can listen to from their computers, phones, TVs, and cars. Just type the name of one of your favorite songs or artists into Pandora, and it will instantly generate a station with music pulled from its collection of more than 800,000 songs. Enter Rihanna and connect to similar artists like Loer Velocity and The Cab. Is Ludacris more your speed? Discover 112 or Sensational.

How does Pandora customize stations to each individual listener? It all has to do with the Music Genome Project (MGP); Pandora describes it as the most comprehensive analysis of music ever undertaken. Over the past decade, MGP's team of musician-analysts has classified each song based on up to 400 distinct musical characteristics. It takes an analyst 20 to 30 minutes to analyze a song and record the details that define it, such as melody, harmony, instrumentation, rhythm, vocals, and lyrics. Artists receive royalties from Pandora every time one of their songs is played on a station.

Joe Kennedy joined Pandora in 2004 following a five-year stint at E-LOAN, where he was president and chief operating officer. From 1995 to 1999, he was the vice president of sales, service, and marketing for Saturn Corporation, which he grew to more than \$4 billion in revenue and established as the top brand for customer satisfaction in the auto industry. Joe joined the initial start-up team at Saturn, four months after it was founded, as a marketing manager and held positions of increasing marketing responsibility over the course of his 11-year tenure there.

Joe has an MBA from Harvard Business School and a BS degree in electrical engineering and computer science from Princeton University, where he dabbled in music theory and learned to compose his own Gregorian chants. According to his bio on the Pandora site, he is Pandora's resident pop music junkie. Joe has also been playing the piano for more than 30 years, spending a majority of that time attempting to master Gershwin's "Rhapsody in Blue."

What I do when I'm not working?

Work on my tennis game, trying to finally reach that elusive top 10 national ranking in my age-group.

Business book I'm reading now?
Checklist Manifesto by Atul Gawande.

My hero?

Lee Fauve, the president of Saturn from 1986 to 1995.

What drives me?

Bringing about game-changing innovation in categories that consumers are passionate about.

My management style?

Hire senior, experienced, self-motivated leaders who know more about their functional areas than I do and let them do their thing.

My pet peeve?

People who are always running late. It's a clear sign of self-centeredness when someone always keeps other people waiting.



Here's my **problem...**

Real People, Real Choices

The company was founded in January 2000 by Tim Westergren, a pianist who played in rock and jazz bands for 10 years before he became a film composer. As he analyzed music to decide what film directors would like, he got the idea of creating a technology that would reflect people's tastes and deliver music that fit those tastes. Tim raised \$1.5 million and started Savage Beast Technologies, which sold music recommendations services to companies like Best Buy. But the company struggled as the dot-com boom of the late 1990s burst. Tim and his employees worked on an unpaid basis for several years before they got more financial backing in 2004 (after Tim made 347 unsuccessful pitches to investors!). Tim paid his employees, switched the company's name to Pandora, and changed its focus to consumers instead of businesses. To lead this strategic shift, the newly christened Pandora hired Joe Kennedy, who had solid experience building consumer products. The company knew it was on to something when it first released Pandora in a beta version for family and friends. Within a week, 5,000 people had used the service to discover new music.

Things to remember

Pandora doesn't charge people to use its service. It makes its money by attracting advertisers who want to reach users. In order for the company to entice companies to advertise, it has to offer them access to large numbers of consumers who are likely to tune in to the ads they will encounter on the site.

Part of Pandora's unique product offering is the ability to customize music for each individual user. Everyone who registers can create their own "stations" that play songs with similar characteristics. This enables users to learn about artists they might not otherwise stumble on, so potentially Pandora can create new audiences for independent musicians and for music labels.

Word of mouth is the least expensive way to attract large numbers of Web surfers to Pandora's site. However, it's difficult to build buzz in an environment where many other products and services compete for the consumer's scarce attention.

That was encouraging, but a 5,000-user base isn't nearly enough to entice advertisers to buy space on the site. Pandora needed to make money by attracting enough people to capture the interest of potential advertising clients; these companies in turn would pay to place ads that would reach Pandora's users. The challenge was to avoid the fate of many other Internet start-ups that offered cool features but never grew to the scale where they could turn a profit. Joe needed to build a solid customer base so he could develop a firm business model for Pandora. He knew that if he could just make music lovers aware of the value Pandora offered, he would be able to turn the fledgling service into a marketing success.

Joe considered his Options 1·2·3

1

Option

Launch an advertising campaign on radio stations, in music magazines, and at record stores. Advertising is a great way to create awareness of a new product or service, but it takes a lot of money to cut through the clutter of competing messages. To afford advertising, Pandora would have had to convince financial backers that a substantial up-front investment would pay off as droves of users flocked to the site once they heard or read about it.

2

Option

Build a buzz about Pandora through word of mouth. Put Tim Westergren, the company's founder, in front of groups of music lovers to tell the unique story of Pandora and how the MGP makes it work. Cultivate a dedicated fan base by reaching out to social networks on Twitter and Facebook and then rely on these converts to spread the word to their friends. A buzz-building strategy is very inexpensive, and, if done well, it can create a large group of devoted followers almost overnight. On the other hand, a start-up has to compete with the thousands of others that are trying to recruit fans, and it might be difficult to reach a mass audience as opposed to hard-core music lovers without any catchy advertising.

3

Option

Sell the service to a large chain of record stores, a music magazine, or even a record label. Pandora could return to its roots as a music recommendation service for businesses. If a large company (like Virgin Records) could offer the service exclusively to its customers, almost instantly Pandora would have access to many thousands of music buyers. In the same way that *USA Today* is able to claim a huge circulation (and thus attract a lot of advertising dollars) because it is distributed free to hotel guests across the country, Pandora would inherit an impressive distribution network. However, this choice would entail giving up control of the unique MGP and its sophisticated database that the company had worked so hard to build. Hard-core music fans might accuse Pandora of "selling out," and they might question how objective its recommendations were.

Now, put yourself in Joe's shoes. Which option would you consider, and why?

You Choose

Which **Option** would you choose, and **why**?

1. YES NO 2. YES NO 3. YES NO

See what **option** Joe chose on **page 50** ➔

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Chapter 1

1

Marketing: What Is It?

consumer

The ultimate user of a good or service.

marketing

Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.

OBJECTIVE

Explain what marketing is, the marketing mix, what can be marketed and the value of marketing.

(pp. 28–34)

Marketing. Lots of people talk about it, but what is it? You already know a lot about marketing—it’s been a part of your life from day one. As one of millions of **consumers**, you are the ultimate user of a good or service. Every time you purchase or use your car, your clothes, your lunch at the cafeteria (whether an old-school burger or a vegan version), a movie, or a haircut, you are part of the marketing process. In this book, we’ll tell you why—and why you should care.

Indeed, consumers like you (and your humble authors!) are at the center of all marketing activities. Of course, when we refer to consumers, we don’t just mean individuals. Organizations, whether a company, government, sorority, or charity, also are consumers.

Here’s the key: *Marketing is first and foremost about satisfying consumer needs.* We like to say that the consumer is king (or queen), but it’s important not to lose sight of the fact that the seller also has needs—to make a profit, to remain in business, and even to take pride in selling the highest-quality products possible. Products are sold to satisfy both consumers’ and marketers’ needs—it’s a two-way street.

When you ask people to define **marketing**, you get many answers. Some people say, “That’s what happens when a pushy salesman tries to sell me something I don’t want.” Many people say, “Oh, that’s simple—TV commercials.” Students might answer, “That’s a course I have to take before I can get my business degree.” Each of these responses has a grain of truth in it, but the official definition of marketing the American Marketing Association adopted in 2013 is as follows:

Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.¹

The basic idea behind this somewhat complicated definition is that marketing is all about delivering value to everyone whom a transaction affects. We’ll dig deeper into that definition to understand exactly what marketing is all about.

Marketing Is the Activity, Institutions, and Processes . . .

As we will discuss throughout this book, marketing includes a great number of activities—from top-level market planning to simple tasks, such as a salesperson calling on a customer or a copywriter creating a magazine ad. What role does marketing play in a firm? The importance organizations assign to marketing activities varies a lot. Top management in some firms is very marketing oriented (especially when the chief executive officer, or CEO, comes from the marketing ranks), whereas in other companies marketing is an afterthought. However, analysts estimate that at least one-third of CEOs come from a marketing background—so stick with us!

Sometimes a company uses the term *marketing* when what it really means is sales or advertising. In some small organizations, no one may specifically be designated as “the marketing person.” And some firms realize that marketing applies to all aspects of the firm’s activities and integrates it with other business functions (such as management and accounting).

No matter what size the firm, a marketer’s decisions affect—and are affected by—the firm’s other operations. Marketing managers must work with financial and accounting officers to figure out whether products are profitable, to set marketing budgets, and to determine prices. They must work with people in manufacturing to be sure that products