

Index

Page numbers followed by the letter “f” indicate figures; those followed by the letter “t” indicate tables.

- Accounts receivable turnover ratio, 218
- Activities, interests, and opinions (AIOs), 175
- Activity cost analysis, 210t
- Activity ratios, 218
- Advertising efficiency determination, 206
- Air Cruisers Co., 57
- Allocating skills, 181
- American International Group, 24t
- American Marketing Association (AMA), 1, 25
- Arm & Hammer, 174
- Asahi Breweries, Ltd., 157
- Asset turnover ratio, 218
- Average return on investment, 112

- B2B markets, 42
- Backward integration, 136
- Benchmarking, 185
- Benefit/cost ratio analysis, 121t
- Benetton, 188
- Bic, 57
- BMW, 58
- Bonoma, Thomas, 181
- Boston Consulting Group (BCG), 17, 139
 - business portfolio matrix, 140f
- Brand management organization, 19
- Break-even analysis, 98-102
- Brother, 69
- Build and maintain strategy, 143
- Business orientations, 2t
- Business screen, 142-144, 143f

- Campbell's Soup, 174
- Capital budgeting, 15, 108-110
- Cash cows, 140
- Casio, 69
- Chandler, Alfred, 190
- Clan culture system, 189-190
- Claritas, 38, 40
- Close-Up, 174
- Coca-Cola, 24t, 78
- Code of ethics of AMA, 25
- Collins, James, 188
- Common-size income statement, 208f
- Compaq Computers, 24t, 69
- Competition
 - exploiting a competitive advantage, 78
 - levels of, 60-61
 - nature of, 58-63
 - objectives of, 72
 - reactions of, 80-81
 - sources of, 64-66
 - strategies and resources of, 72, 76-77
 - strengths and weaknesses of, 73
 - techniques to identify, 70-72
 - types of, 58-60
- Competitive advantages, 61-63
- Competitive analysis, 55-86
 - importance of, 56-58
 - purpose of, 56
 - steps in, 14
- Competitive environment, 22, 61t, 163
- Competitive forces, 64f
- Competitive intelligence system, 14, 82
- Competitive marketing audit, 73-76

- Competitive marketing mix audit form, 74f
- Competitive marketing strategies, 79t
- Competitive pricing, 76t
- Competitive strategy, identifying, 14
- Competitor analysis, 68-73, 156-157
- Competitor intelligence (CI), 81-84
 - advantages of, 81-82
 - steps in gathering, 83
- Competitor orientation, 85
- Complaint and suggestion systems, 215
- The Conference Board, 57
- Connecting with customers, 20-21
- Consumer characteristics
 - for grid analysis, 47t
 - by segment, 50t, 156t
- Consumer surveys of market potential, 53
- Continuous quality improvement (CQI), 9, 184-186
- Contract manufacturing, 148
- Controllable costs, 96
- Corporate culture, 188-190
- Corporate objectives, 17, 128-129
- Corporate purpose or mission, 17, 126-128
- Corporate strategies, 17, 129-137
- Corporate-level planning, 138
- Cost allocation
 - contribution margin approach, 211-213
 - full cost approach, 209-211
- Cost analysis, 15, 21, 93-105
 - data sources for, 97
 - in not-for-profits, 121-122
 - sensitivity analysis, 97
- Cost categories, 15
- Cost concepts, 94-97
- Cost control, 206-213
- Cost forecasting, 102-105
- Cost types, 94-97
- Cox Communications, 39
- Critical path method (CPM), 187
- Current ratio, 216-217
- Customer analysis, 27-54, 155-156
 - Customer feedback, 214-215
 - Customer orientation, 84
 - Customer panels, 215
 - Customer satisfaction, 9
 - Customer service level, 6
 - Customer surveys, 215
 - Customer-attitude tracking, 215
 - Cybiko, 69
- Database marketing, 171
- Database marketing research, 12
- Dealer accounts, 45
- Debt-to-assets ratio, 217
- Debt-to-equity ratio, 217
- Decision tree analysis, 89
- Decision-support systems, 12
- Demographic environment, 22
- Deontological ethical view, 3
- Differential costs, 96
- Direct costs, 96
- Direct investment, 148
- Distinctive competence, 131
- Diversification, 133-134
- Divisional organization structure, 193f
- Dogs, 141
- Domino's Pizza, 188
- Drucker, Peter, 126, 129
- E-commerce, 25-26
- Economic environment, 22
- 80/20 principle, 204
- Eli Lilly, 182, 183f
- eMachines, 69
- Emerging markets, 171-172
- Employee satisfaction, 11
- Environmental influences on marketing, 23t
- Ethical orientation, 25
- Evaluation and control of marketing, 20-21
- Evoked brand set, 70
- Existing segmentation systems, 37-42
- Expected value of cash flows, 120t

- Expected value of sales revenue (EVS), 93
- Expense ratio analysis, 207
- Expense variance analysis, 207
- Exporting, 147

- Factor analysis, 35
- Federal Aviation Administration (FAA), 57
- FedEx, 188
- Ferrari, 169
- Financial analysis for marketing, 14-16, 87-122
 - areas covered, 15-16, 87-89
 - by not-for-profits, 90
 - process of, 107-110
- Fixed costs, 95
- Foreign sales for companies, 24t
- Forward integration, 135
- Four Ps of marketing, 18
- Franklin, 69
- Freedom of Information Act (FOIA), 57, 83
- Functional cost analysis, 209
- Functional organization structure, 192f

- Gatorade, 174
- General Electric, 17, 24t, 142-144
- General Motors, 8, 58
- Geographic marketing organization, 19, 193f
- Gillette, 57, 154
- Global orientation, 23-24
- Global strategy options, 146-148
- Gross profit margin, 216
- Grow and build strategy, 143
- Growth-share matrix, 139-142

- Handspring, 69
- Harvesting or divestment strategy, 142
- Heart share, 72
- Hewlett-Packard, 24t
- Hitachi, 188
- Honda, 66, 188
- Horizontal integration, 136
- Hyundai Motor Company, 66

- IBM, 24t, 45, 69, 184
- Implementing marketing plans, 18-20, 179-198
- Indirect costs, 96
- Industry analysis, 63-68
- Industry direction checklist, 67t
- Industry life cycle, 66
- Inert brand set, 70-71
- Integrative strategies, 134-136
- Intel, 24t
- Interacting skills, 182
- Internal marketing, 181
- Internal rate of return (IRR), 115
- Internet marketing, 25-26
- Intuit, 170
- Inventory turnover ratio, 218
- Investment analysis methods, 110-117

- Johnson & Johnson, 24t
- Joint ventures, 148

- Kellogg, 33
- Kentucky Fried Chicken, Inc., 138, 175
- K-Mart, 65
- Kotler, Philip, 169, 182, 219

- Leverage ratios, 217
- Levi Strauss, 171
- Lexus, 58
- Licensing, 147-148
- Lifestyle positioning, 175-176
- The Limited, 188
- Liquidity ratios, 216-217
- Lucent Technologies, 24t

- Major accounts, 45
- Market access, 163-164
- Market analysis process, 28f
- Market attractiveness index, 164-168
- Market challengers, 78
- Market development strategy, 133
- Market entry options, 147-148
- Market followers, 68, 79
- Market grid analysis, 46-50
- Market growth stage, 172
- Market leader, 68, 78
- Market management organization, 19
- Market modification, 172
- Market nicher, 68, 79
- Market opportunity, 163
- Market penetration strategy, 132-133
- Market potential, 51-54
- Market segmentation, 1, 27-54
 - approaches, 13
 - assumptions, 29
 - benefits, 31
 - of B2B or industrial markets, 42
 - criteria, 30
 - estimating segment potential, 50-54
 - managerial judgment in, 42-50
 - methods, 32-33
- Market segmentation systems
 - existing, 37-42
 - managerial judgment, 42-50
 - research-based, 33-37
- Market share
 - analysis, 204-205
 - defined, 72
 - forecasting, 90-93
- Marketing audit, 21, 218-224
- Marketing audit format, 222-223f
- Marketing concept, 2-4
- Marketing control, 202-218
- Marketing database, 12
- Marketing defined, 1
- Marketing environment, 21-23
- Marketing evaluation and control, 199-224
- Marketing information systems (MIS), 12
- Marketing management
 - focus of, 4-9
 - process of, 10f
- Marketing mix
 - components of, 19f, 160
 - defined, 18
 - tactics, 195-198
- Marketing objectives, 158-159
- Marketing organization, 18-19, 190-201
- Marketing orientation, 2, 11
- Marketing plan
 - champions and ownership team, 180
 - implementation, 179-198
 - monitoring and control, 160-161
 - preparation and budget, 161-162
 - related to corporate plan, 145f
- Marketing planning
 - importance of, 16
 - integration with control, 200-201
 - levels of, 16-18, 124
 - operational perspectives, 151-177
 - strategic perspectives, 123-149
 - timing of information, 201-202
- Marketing research, 12
- Marketing strategy
 - assessment, 158-159
 - defined, 18
 - selection, 159-160
 - and target marketing, 162-173
- Marketing tactics, 195-198
- Market-related diversification, 134
- Mass customization, 171
- Mass marketing, 29, 168-169
- Massey Ferguson, 146
- Matrix organization structures, 195f
- Mature and declining markets, 172-173
- McKinsey & Company, 142
- Mercedes-Benz, 58, 169
- Mind share, 72
- Mobil Oil, 31-32, 36, 168
- Monitoring skills, 182
- Monopolistic competition, 59
- Monopoly, 60
- Motorola, 24t, 189
- Multisegment strategy, 170-171
- Mystery shoppers, 215

- Net present value (NPV), 113-115
- Net profit margin, 216
- Niche targeting, 169-170
- Nissan, 58, 175
- Noncontrollable costs, 96
- Nonproduct/nonmarket-related
 - diversification, 134
- Nontime methods of capital budgeting,
 - 16, 110-112
- Nordstrom, 188
- Norelco, 154
- North American Free Trade Agreement (NAFTA), 41
- North American Industry Classification Systems (NAICS), 32, 41-42
- North American Product Classification System (NAPCS), 41
- Oligopolistic competition, 59-60
- Operating environment for marketing,
 - 21-23
- Operating marketing plan
 - characterized, 17-18, 124, 138
 - format, 153-161
 - process of planning, 151-177
 - steps in preparing, 17-18
- Opportunity analysis, 157-158
- Opportunity costs, 96-97
- Organizational structure, 190-195
- Organizing skills, 182
- Outline of a marketing plan, 153f
- Palm, 69
- Panasonic, 154
- Payback period, 110-112
- Pepsi, 78, 138
- Perceptual mapping, 70, 176-177
- Period costs, 94
- Pizza Hut, Inc., 138
- Place tactics, 196
- Planning and control model, 201f
- Planning levels, 138t
- Political/legal environment, 23
- Porras, Jerry, 188
- Porter, Michael E., 64
- Present value index, 117t
- Price tactics, 197-198
- Primary data, 12
- PRIZM, 38-40
- Pro forma income statement, 88t
- Proactive strategies, 77
- Probability, 120t
- Problem children, 141
- Procter & Gamble, 24t
- Product costs, 94-95
- Product development strategy, 133
- Product management organization, 19
- Product modification, 172
- Product perceptions, 176
- Product positioning
 - analysis, 175-177
 - characterized, 13, 70, 77
 - relationship to market targeting,
 - 173-174
 - strategies, 174-175
- Product quality, 4-6
- Product tactics, 195-196
- Product/market matrix
 - analysis, 154-155
 - diagram, 133f
 - expansion strategies, 132-137
- Product-market-level planning, 138
- Product/service quality, 184
- Product/technology diversification, 133
- Profit control, 213-214
- Profitability analysis, 15, 21, 105-117
- Profitability ratios, 216
- Program evaluation and review
 - technique (PERT), 187
- Promotion tactics, 196-197
- Prudential, 45
- Psion, 69
- Pure competition, 58-59
- Quick or acid-test ratio, 217
- Ratio analysis, 215-218
- Reactive strategies, 77

- Relationship management, 8
- Remington, 154
- Rent-A-Wreck, 79
- Research-based segmentation, 33-37
- Return on investment (ROI), 15, 106-107
- Return on total assets, 216
- Revenue analysis, 15, 90-93
- Risk analysis
 - characterized, 15, 102-105
 - methods of, 118-120
- Risk-adjusted cash flows, 119-120
- Risk-adjusted discount rate, 118-119

- Sales analysis, 21, 203t
- Sales control, 202-206
- Sales index measure of market potential, 52
- Sales input analysis, 205-206
- Sales performance evaluation, 202t, 203t
- SBU organizational structure, 194f
- Sears, 11, 65
- Secondary data, 12
- Segment cost analysis, 209-213
- Segment sales analysis, 202-204
- Segmentation bases for consumer markets, 43t
- Segmentation bases for individual markets, 44-45t
- Semivariable costs, 95
- Sensitivity analysis, 98-102
- Service quality strategy, 6-8
- Service-related gaps, 7
- Sharp, 69, 188
- Simmons Market Research Bureau, 41
- Simple return on investment, 112
- Simulation model, 120-121
- Singer, 146
- Single-segment strategy, 169
- Situation analysis, 154-158
- Societal marketing orientation (SMO)
 - characterized, 3-4, 10-11, 123
 - integrating throughout organization, 182-184
- Society of Competitive Intelligence Professionals (SCIP), 82
- Sociocultural environment, 21-22
- Sodexo Marriott, 39-40
- SONIC Blue, 69
- Sony, 69
- SRI Consulting Business Intelligence, 37, 40
- Standard Industrial Classification (SIC), 41
- Stars, 141
- Steelcase, 45
- Strategic business units (SBU)
 - characterized, 17, 137
 - strategies for existing, 139-144
- Strategic group, 72
- Strategic management, 17
- Strategic management process, 125-137
- Strategic marketing decisions, 124-125
- Strategic marketing planning, 123-149
- Strategic planning
 - characterized, 16-17, 138
 - in global organization, 146-148
 - levels, 137-139
 - steps, 17
- Strategic Planning Institute, 4
- Strategic scope, 162
- Strategic window, 130
- Strategic-business-unit-level planning, 138
- Strategy development, 132
- Strategy in the product/market matrix, 135t
- Strategy selection factors, 136-137
- Strengths and weaknesses analysis, 131t
- Sunk costs, 96
- Survey techniques for cost forecasting, 104
- SWOT analysis, 130-132, 158

- Taco Bell, Inc., 138
- Tactical marketing decisions, 124

- Target marketing
 - characterized, 13, 162-173
 - and market conditions, 171-173
 - selection of markets, 162-165
 - strategies, 168-171
- Technological environment, 22
- Teleological ethical views, 3
- Time-value methods of capital budgeting, 16, 113
- Times-interest-earned ratio, 217
- Total quality management (TQM), 4, 184-186
- Toyota, 66, 170, 188
- Traditional versus TQM views of quality, 5t
- Tree diagram, 89

- Unique selling proposition (USP), 175
- United Technologies, 24t
- U.S. Army, 175

- Value-added quality, 6
- Value-based marketing strategy, 4-6
- Values and Lifestyle Survey (VALS), 37, 40-41
- Variable costs, 95

- Wal-Mart, 65
- Walt Disney Company, 11
- Wendy's, 24
- Weyerhaeuser, 146
- World-class quality, 6
- Worthington Foods, 33-37, 166, 168, 175

- Xerox, 24t
- Xircom, 69