

Preface

The Fourteenth Edition of *Principles of Marketing!* Still Creating More Value for You!

The goal of every marketer is to create more value for customers. So it makes sense that our goal for the fourteenth edition is to continue creating more value for you—*our* customer. Our goal is to introduce new marketing students to the fascinating world of modern marketing in an innovative and comprehensive yet practical and enjoyable way. We've poured over every page, table, figure, fact, and example in an effort 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 fourteenth edition creates exceptional value for both students and professors.

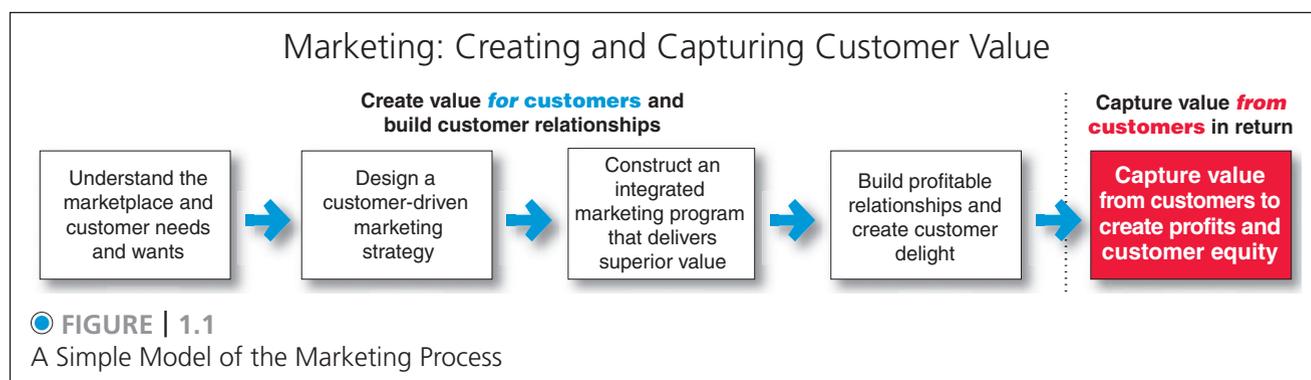
Marketing: Creating Customer Value and Relationships

Top marketers at outstanding companies share a common goal: putting the consumer at the heart of marketing. Today's marketing is all about creating customer value and building profitable customer relationships. It 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. If the organization does these things well, it will reap the rewards in terms of market share, profits, and customer equity.

Five Major Value Themes

From beginning to end, the fourteenth edition of *Principles of Marketing* develops an innovative customer-value and customer-relationships framework that captures the essence of today's marketing. It builds on five major value 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* and *managing customer relationships*. Outstanding marketing companies understand the marketplace and customer needs, design value-creating marketing strategies, develop integrated marketing programs that deliver customer value and delight, and build strong customer relationships. In return, they capture value from customers in the form of sales, profits, and customer loyalty.



This innovative *customer-value 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. ***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. They must build close brand relationships and experiences with customers.
3. ***Measuring and managing return on marketing.*** 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 return on marketing investments—has now become an important part of strategic marketing decision making. This emphasis on marketing accountability is addressed throughout the fourteenth edition.
4. ***Harnessing new marketing technologies.*** New digital and other high-tech marketing developments are dramatically changing how consumers and marketers relate to one another. The fourteenth edition thoroughly explores the new technologies impacting marketing, from "Web 3.0" in Chapter 1 to new digital marketing and online technologies in Chapters 15 and 17 to the exploding use of online social networks and customer-generated marketing in Chapters 1, 5, 14, 15, 17, and elsewhere.
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 fourteenth edition emphasizes the concept of sustainable marketing—meeting the present needs of consumers and businesses while also preserving or enhancing the ability of future generations to meet their needs.

New in the Fourteenth Edition

We've thoroughly revised the fourteenth edition of *Principles of Marketing* to reflect the major trends and forces impacting marketing in this era of customer value and relationships. Here are just some of the major and continuing changes you'll find in this edition.

- New coverage in every chapter of the fourteenth edition shows how companies and consumers are dealing with **marketing and the uncertain economy** in the aftermath of the recent Great Recession. Starting with a major new section in Chapter 1 and continuing with new sections, discussions, and examples integrated throughout the text, the fourteenth edition shows how, now more than ever, marketers must focus on creating customer value and sharpening their value propositions to serve the needs of today's more frugal consumers. At the end of each chapter, a new feature—*Marketing and the Economy*—provides real examples for discussion and learning.
- Throughout the fourteenth edition, you will find revised coverage of the rapidly **changing nature of customer relationships** with companies and brands. Today's marketers aim to create deep consumer involvement and a sense of community surrounding a brand—to make the brand a meaningful part of consumers' conversations and their lives. Today's new relationship-building tools include everything from Web sites, blogs, in-person events, and video sharing to online communities and social networks such as Facebook, YouTube, Twitter, or a company's own social networking sites.
- The fourteenth edition contains new material on the continuing trend toward two-way interactions between customers and brands, including such topics as **customer-managed relationships, crowdsourcing, and consumer-generated marketing**. Today's customers are giving as much as they get in the form of two-way relationships (Chapter 1), a more active role in providing customer insights (Chapter 4), crowdsourcing and shaping new products (Chapter 9), consumer-generated marketing content (Chapters 1, 14, and 15), developing or passing along brand messages (Chapters 1 and 15), interacting in customer communities (Chapters 5, 15, and 17), and other developments.

- This edition provides revised and expanded discussions of new **marketing technologies**, from “Web 3.0” in Chapter 1 to “Webnography” research tools in Chapter 4 to neuromarketing in Chapter 5 and the dazzling new digital marketing and on-line technologies in Chapters 1, 15, and 17.
- New material throughout the fourteenth 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 fourteenth edition continues its emphasis on **measuring and managing return on marketing**, including many new end-of-chapter financial and quantitative marketing exercises that let students apply analytical thinking to relevant concepts in each chapter and link chapter concepts to the text’s innovative and comprehensive *Appendix 2: Marketing by the Numbers*.
- The fourteenth edition provides revised and expanded coverage of the developments in the fast-changing areas of **integrated marketing communications** and **direct and on-line marketing**. It tells how marketers are blending the new digital and direct technologies with traditional media to create more targeted, personal, and interactive customer relationships. No other text provides more current or encompassing coverage of these exciting developments.
- Restructured **pricing** chapters (Chapters 10 and 11) provide improved coverage of pricing strategies and tactics in an uncertain economy. And a reorganized products, services, and brands chapter (Chapter 8) helps to promote the text’s coverage of **services marketing** and better applies the branding strategy discussions that follow to both products and services.
- The fourteenth edition 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, and explanatory author comments on major chapter sections and figures. 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. End-of-chapter features help to summarize important chapter concepts and highlight important themes, such as marketing and the economy, marketing technology, ethics, and financial marketing analysis. In all, the innovative learning design facilitates student understanding and eases learning.

An Emphasis on Real Marketing

Principles of Marketing features in-depth, real-world examples and stories that show concepts in action and reveal the drama of modern marketing. In the fourteenth edition, every chapter opening vignette and Real Marketing highlight has been updated or replaced to provide fresh and relevant insights into real marketing practices. Learn how:

- Web seller Zappos.com’s obsession with creating the very best customer experience has resulted in avidly loyal customers and astronomical growth.
- Nike’s customer-focused mission and deep sense of customer brand community have the company sprinting ahead while competitors are gasping for breath.
- Trader Joe’s unique “cheap gourmet” price-value strategy has earned it an almost cult-like following of devoted customers who love what they get for the prices they pay.
- ESPN has built a global brand empire as much recognized and revered as megabrands such as Coca-Cola, Nike, or Google.
- Dunkin’ Donuts successfully targets the “Dunkin’ Tribe”—not the Starbucks snob but the average Joe.
- When it comes to sustainability, no company in the world is doing more good these days than Walmart. That’s right—big, bad, Walmart.

- Four Seasons hotels has perfected the art of high-touch, carefully crafted service, prompting one customer to reflect: “If there’s a heaven, I hope it’s run by Four Seasons.”
- The “Häagen-Dazs loves honey bees” integrated marketing campaign has helped make Häagen-Dazs more than just another premium ice cream brand—it’s now “a brand with a heart and a soul.”
- Hyundai hit the accelerator on marketing when the slow economy caused rivals to throttle down, making it the world’s fastest growing major car company.
- McDonald’s, the quintessentially all-American company, now sells more burgers and fries outside the United States than within.
- Google’s odyssey into mainland China—and back out again—vividly illustrates the prospects and perils of going global.

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

Valuable Learning Aids

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

- *Chapter Preview.* As part of the active and integrative chapter-opening design, a brief section at the beginning of each chapter previews chapter concepts, links them with previous chapter concepts, and introduces the chapter-opening story.
- *Chapter-opening marketing stories.* Each chapter begins with an engaging, deeply developed, illustrated, and annotated marketing story that introduces the chapter material and sparks student interest.
- *Objective outline.* This chapter-opening feature provides a helpful preview outline of chapter contents and learning objectives, complete with page numbers.
- *Author comments and figure annotations.* Throughout the chapter, author comments ease and enhance student learning by introducing and explaining major chapter sections and organizing figures.
- *Real Marketing highlights.* Each chapter contains two highlight features that provide an in-depth look at real marketing practices of large and small companies.
- *Reviewing the Objectives and Key Terms.* A summary at the end of each chapter reviews major chapter concepts, chapter objectives, and key terms.
- *Discussing and Applying the Concepts.* Each chapter contains a set of discussion questions and application exercises covering major chapter concepts.
- *Marketing and the Economy.* End-of-chapter situation descriptions provide for discussion of the impact of recent economic trends on consumer and marketer decisions.
- *Focus on Technology.* Application exercises at the end of each chapter provide discussion of important and emerging marketing technologies in this digital age.
- *Focus on Ethics.* Situation descriptions and questions at the end of each chapter highlight important issues in marketing ethics.
- *Marketing by the Numbers.* An exercise at the end of each chapter lets students apply analytical and financial thinking to relevant chapter concepts and links the chapter to Appendix 2, *Marketing by the Numbers*.
- *Company Cases.* All new or revised company cases for class or written discussion are provided at the end of each chapter. These cases challenge students to apply marketing principles to real companies in real situations.
- *Video Shorts.* Short vignettes and discussion questions appear at the end of every chapter, to be used with the set of mostly new 4- to 7-minute videos that accompany this edition.
- *Marketing Plan appendix.* Appendix 1 contains a sample marketing plan that helps students to apply important marketing planning concepts.

- *Marketing by the Numbers appendix*. And innovative Appendix 2 provides students with a comprehensive introduction to the marketing financial analysis that helps to guide, assess, and support marketing decisions.

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

A Valuable Total Teaching and Learning Package

A successful marketing course requires more than a well-written book. A total package of resources extends this edition's emphasis on creating value for you. The following aids support *Principles of Marketing, 14e*:

Videos

The video library features 20 exciting segments for this edition. All segments are on the DVD (ISBN: 0-13-216723-9) and in mymarketinglab. Here are just a few of the videos that are offered:

- Stew Leonard's Customer Relationships
- Eaton's Dependable Customer Service
- GoGurt's Winning Brand Management
- FiberOne's Exponential Growth
- Nestlé Waters' Personal Selling



mymarketinglab (www.mypearsonmarketinglab.com) gives you the opportunity to test yourself on key concepts and skills, track your own progress through the course, and use the personalized study plan activities—all to help you achieve success in the classroom.

The MyLab that accompanies *Principles of Marketing* includes:

- *Study Plan*: The Study Plan helps ensure that you have a basic understanding of course material before coming to class by guiding you directly to the pages you need to review.
- *Mini-Simulations*: Move beyond the basics with interactive simulations that place you in a realistic marketing situation and require you to make decisions based on marketing concepts.
- *Applied Theories*: Get involved with detailed videos, interactive cases, and critical-thinking exercises.
- *Critical Thinking*: Get involved with real marketing situations that might not always have a right answer but will have a best answer. This allows for great discussion and debate with your classmates.

Plus:

- *Interactive Elements*: A wealth of hands-on activities and exercises let you experience and learn firsthand. Whether it is with the online e-book where you can search for specific keywords or page numbers, highlight specific sections, enter notes right on the e-book page, and print reading assignments with notes for later review or with other materials.

Find out more at www.mypearsonmarketinglab.com

More Valuable Resources

CourseSmart is an exciting new choice for students looking to save money. As an alternative to purchasing the print textbook, students can purchase an electronic version of the same content and save up to 50 percent off the suggested list price of the print text. With a CourseSmart eTextbook, students can search the text, make notes online, print out reading assignments that incorporate lecture notes, and bookmark important passages for later review. For more information, or to purchase access to the CourseSmart eTextbook, visit www.coursesmart.com.