

References

CHAPTER 1

1. Quotes and other information from Paul Fattiss, "NASCAR Rides the Fast Track," *Marketing*, April 11, 2005, pp. 11–12; Mark Woods, "Readers Try to Explain Why Racin' Rocks," *Florida Times Union*, February 16, 2003, p. C1; Peter Spiegel, "Heir Gordon," *Forbes*, December 14, 1998, pp. 42–46; Tony Kontzer, "Backseat Drivers—NASCAR Puts You in the Race," *InformationWeek*, March 25, 2002, p. 83; Paul Owens, "Office Depot to Sponsor NASCAR," *Knight Ridder Tribune Business News*, January 28, 2005, p. 1; Nick Daschel, "Drivers Know Daytona Is the One," *The Columbian*, February 15, 2006, p. B1; Howard Schultz, "Lap Chance," *Knight Ridder Tribune Business News*, March 12, 2006, p. 1; Jenny Kincaid, "NASCAR Beefs Up Its Brand Loyalty," *Knight Ridder Tribune Business News*, April 1, 2006, p. 1; Robert McGarvery, "UPS Roars into Action," *Sales & Marketing Management*, May 2005, pp. 58–65; Natalie Finn, "Logistics Fuels Need for Speed," *TelevisionWeek*, May 1, 2006, pp. 35–38; Sora Song, "Days of Thunder," *Time*, May 8, 2006, p. 25; and www.NASCAR.com, December 2006.
2. As quoted in Carolyn P. Neal, "From the Editor," *Marketing Management*, January/February 2006, p. 3.
3. The American Marketing Association offers the following definition: "Marketing is an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders." Accessed at www.marketingpower.com/mg-dictionary-view1862.php?, December 2006.
4. Lucas Conley, "Customer-Centered Leader: Winner Maxine Clark," *Fast Company*, October 2005, p. 54; and Dan Scheraga, "IT Is Build-A-Bear's Secret Weapon," *Chain Store Age*, March 2006, p. 76.
5. See Theodore Levitt's classic article, "Marketing Myopia," *Harvard Business Review*, July-August 1960, pp. 45–56. For more recent discussions, see Yves Doz, Jose Santos, and Peter J. Williamson, "Marketing Myopia Re-Visited: Why Every Company Needs to Learn from the World," *Ivey Business Journal*, January–February 2004, p. 1; Lon Zimmerman, "Product Positioning Maps Secure Future," *Marketing News*, October 15, 2005, p. 47.
6. A. G. Lafley, "Getting Along with the New Boss—the Consumer," *Advertising Age*, March 28, 2005, pp. 24, 91.
7. From "The Computer Is Personal Again," an HP ad appearing in *Business 2.0*, June 2006, p. 33. Also see www.hp.com/personal.
8. For an interesting discussion of demarketing, see Ian Gordon, "Relationships Demarketing: Managing Wasteful or Worthless Customer Relationships," *Ivey Business Journal*, March/April 2006, pp. 1–4.
9. See David Lewis, "Southwest Staff Go Nuts (for Customers!)," *Sales & Marketing Institute*, accessed at www.salesmarketing.org.nz/article623.html, May 2005. For more on market orientation and firm performance, see Ahmet H. Kirca, Satish Jayachandran, and William O. Bearden, "Market Orientation: A Meta-Analytic Review and Assessment of Its Antecedents and Impact on Performance," *Journal of Marketing*, April 2005, pp. 24–41; and Paul D. Ellis, "Market Orientation and Performance: A Meta-Analysis and Cross-Cultural Comparisons," *Journal of Management Studies*, July 2006, pp. 1089–1107.
10. See "America's Most Fattening Burger," *Time*, January 3, 2005, p. 186; "For the Health-Unconscious, Era of Mammoth Burger Is Here," *Wall Street Journal*, January 27, 2005, p. B.1; Jim Slater, "New Hardee's Sandwich Piles Meat on More Meat," *Associated Press Wire*, April 19, 2006; and Bruce Horowitz, "Wendy's Will Be 1st Fast Foodie with Healthier Oil," *USA Today*, June 8, 2006, p. 1B.
11. See Alex Taylor III, "Can J&J Keep the Magic Going?" *Fortune*, May 27, 2002, pp. 117–121; Larry Edwards, et al., "75 Years of Ideas," *Advertising Age*, February 14, 2005, p. 14; Liz Torlee, "A Swift Kick in the Credo," *Marketing magazine*, March 21, 2005, p. 25; and www.jnj.com/our_company/our_credo/index.htm, January 2006.
12. Paul A. Eisenstein, "Strategi Vision Puts Toyota, Honda on Top," October 10, 2005, accessed at www.thecarconnection.com; and Silvio Schindler, "Hybrids and Customers," *Automotive Design & Production*, June 2006, pp. 20–22.
13. Example adapted from Denny Hatch and Ernie Schell, "Delight Your Customers," *Target Marketing*, April 2002, pp. 32–39; with additional information from "Lexus Earns Best-Selling Brand Title for Sixth Consecutive Year," January 4, 2006, accessed at www.lexus.com/about/press_releases/index.html.
14. Information accessed at www.incircle.com, July 2006.
15. Information about the Harley Owners Group accessed at www.hog.com, September 2006. For more on loyalty programs, see Joseph C. Nunes and Xavier Dreze, "Your Loyalty Program Is Betraying You," *Harvard Business Review*, April 2006, pp. 124–131.
16. See <http://supply.mckesson.com/portal/index.jsp?pageID5aboutsno>.
17. Adapted from information found in Elizabeth Esfahani, "How to Get Tough with Bad Customers," *Business 2.0*, October 2004, p. 52. Also see Amey Stone, "Bare Bones, Plump Profits," *BusinessWeek*, March 14, 2005, p. 88; and Steve Bergsman, "The Orange Mortgage," *Mortgage Banking*, June 2006, pp. 48–53.
18. See Phillip E. Pfeifer, "The Optimal Ratio of Acquisition and Retention Costs," *Journal of Targeting*, February 2005, pp. 179–188; and Bruce Clapp, "Common Misconceptions

- about Retention Programs." *Bank Marketing*, May 2006, p. 50.
19. Philip Kotler and Kevin Lane Keller, *Marketing Management*, 12th ed. (Upper Saddle River, NJ: Prentice Hall, 2006), p. 27.
 20. See John Higgins, "The Math Behind the CW," *Broadcasting & Cable*, January 30, 2006, p. 8; and Jessica Seid, "'Gilmore Girls' Meet 'Smackdown,'" January 24, 2006, accessed at http://money.cnn.com/2006/01/24/news/companies/cbs_warner/.
 21. Thor Valdmanis, "Alliances Gain Favor over Risky Mergers," *USA Today*, February 4, 1999, p. 3B. Also see Matthew Schifrin, "Partner or Perish," *Forbes*, May 21, 2001, pp. 26-28; and Kim T. Gordan, "Strong Partnerships Build Marketing Muscle," *CRN*, February 10, 2003, p. 14A.
 22. For more discussion of customer delight and loyalty, see Barry Berman, "How to Delight Your Customers," *California Management Review*, Fall 2005, pp. 129-151; Clara Agustin and Jagdip Singh, "Curvilinear Effects of Consumer Loyalty Determinants in Relational Exchanges," *Journal of Marketing Research*, February 2005, pp. 96-108; Ben McConnell and Jackie Huba, "Learning to Leverage the Lunatic Fringe," *Point*, July-August, 2006, pp. 14-15; and Fred Reichheld, *The Ultimate Question: Driving Good Profits and True Growth* (Boston: Harvard Business School Publishing, 2006).
 23. "Stew Leonard's," *Hoover's Company Records*, May 1, 2006, p. 104226; and www.stew-leonards.com/html/about.cfm, October 2006.
 24. For interesting discussions on assessing and using customer lifetime value, see Charlotte H. Mason, "Tuscan Lifestyles: Assessing Customer Lifetime Value," *Journal of Interactive Marketing*, Autumn 2003, pp. 54-60; Erin Kinikin, "How Valuable Are Your Customers?" September 2001, accessed at www.advisor.com/articles.nsf/aid/KINIE01; Rajkumar Venkatesan and V. Kumar, "A Customer Lifetime Value Framework for Customer Selection and Resource Allocation Strategy," *Journal of Marketing*, October 2004, pp. 106-125; Rajkumar Venkatesan, V. Kumar, and Timothy Bohling, "Selecting Valuable Customers Using a Customer Lifetime Value Framework," *Marketing Science Institute*, Report No. 05-121, 2005; and Lynette Ryals, "Making Customer Relationships Management Work: The Measurement and Profitable Management of Customer Relationships," *Journal of Marketing*, October 2005, pp. 252-261.
 25. Don Peppers and Martha Rogers, "Customer Loyalty: A Matter of Trust," *Sales & Marketing Management*, June 2006, p. 22.
 26. Don Peppers and Martha Rogers, "Customers Don't Grow on Trees," *Fast Company*, July 2005, pp. 28.
 27. See Roland T. Rust, Valerie A. Zeithaml, and Katherine A. Lemon, *Driving Customer Equity* (New York: Free Press, 2000); Robert C. Blattberg, Gary Getz, Jacquelyn S. Thomas, *Customer Equity* (Boston, MA: Harvard Business School Press, 2001); Rust, Lemon, and Zeithaml, "Return on Marketing: Using Customer Equity to Focus Marketing Strategy," *Journal of Marketing*, January 2004, pp. 109-127; James D. Lenskold, "Customer-Centered Marketing ROI," *Marketing Management*, January/February 2004, pp. 26-32; Rust, Zeithaml, and Lemon, "Customer-Centered Brand Management," *Harvard Business Review*, September 2004, p. 110; Don Peppers and Martha Rogers, "Hail to the Customer," *Sales & Marketing Management*, October 2005, pp. 49-51; and Allison Enright, "Serve Them Right," *Marketing News*, May 1, 2006, pp. 21-22.
 28. This example is adapted from information in Rust, Lemon, and Zeithaml, "Where Should the Next Marketing Dollar Go?" *Marketing Management*, September-October 2001, pp. 24-28. Also see David Welch and David Kiley, "Can Caddy's Driver Make GM Cool?" *BusinessWeek*, September 20, 2004, pp. 105-106; John K. Teahen, Jr., "Cadillac Kid: 'Gotta Compete,'" *Chicago Tribune*, May 7, 2005, p. 1; and Janie LaReau, "Cadillac Wants to Boost Sales, Customer Service," *Automotive News*, February 20, 2006, p. 46.
 29. Ravi Dhar and Rashi Glazer, "Hedging Customers," *Harvard Business Review*, May 2003, pp. 86-92. Also see Ian Gordon, "Relationship Marketing: Managing Wasteful or Worthless Customer Relationships," *Ivey Business Journal*, March/April 2006, pp. 1-4.
 30. Werner Reinartz and V. Kumar, "The Mismanagement of Customer Loyalty," *Harvard Business Review*, July 2002, pp. 86-94. For more on customer equity management, see Sunil Gupta, Donald R. Lehman, and Jennifer Ames Stuart, "Valuing Customers," *Journal of Marketing Research*, February 2004, pp. 7-18; Michael D. Johnson and Fred Selnes, "Customer Portfolio Management: Toward a Dynamic Theory of Exchange Relationships," *Journal of Marketing*, April 2004, pp. 1-17; Sunil Gupta and Donald R. Lehman, *Managing Customers as Investments* (Philadelphia: Wharton School Publishing, 2005); and Roland T. Rust, Katherine N. Lemon, and Das Narayandas, *Customer Equity Management* (Upper Saddle River, NJ: Prentice Hall, 2005).
 31. "Population Explosion!" *ClickZ Stats*, April 12, 2006, accessed at www.clickz.com/stats/sectors/geographics/article.php/151151.
 32. "JupiterResearch Forecasts Online Retail Spending Will Reach \$144 Billion in 2010, a CAGR of 12% from 2005," February 6, 2006, accessed at www.jupitermedia.com/corporate/releases/06.02.06-newjupresearch.html.
 33. Anver Versi, "MTV Rolls Out African Channel," *African Business*, January 2005, pp. 58-59; and Johnnie L. Roberts, "World Tour," *Newsweek*, June 6, 2005, pp. 34-35.
 34. Quotes and information found at www.patagonia.com/enviro/main_enviro_action.shtml, July 2006.
 35. Jessi Hempel, "Selling a Cause? Better Make It Pop," *BusinessWeek*, February 13, 2006, p. 75.
 36. Information and quotes from "White Alligator, ZooFest Make Magical Day at SF Zoo," accessed at www.coastnews.com/f001.htm, June 27, 2006; and www.sfzoo.org/kids/about.htm, December 2006.
 37. For other examples, and for a good review of nonprofit marketing, see Philip Kotler and Alan R. Andreasen, *Strategic Marketing for Nonprofit Organizations*, 6th ed. (Upper Saddle River, NJ: Prentice Hall, 2003); Philip Kotler and Karen Fox, *Strategic Marketing for Educational Institutions* (Upper Saddle River, NJ: Prentice Hall, 1995); Norman Shawchuck, Philip Kotler, Bruce Wren, and Gustave Rath, *Marketing for Congregations: Choosing to Serve*

- People More Effectively* (Nashville, TN: Abingdon Press, 1993); Philip Kotler, John Bowen, and James Makens, *Marketing for Hospitality and Tourism*, 3rd ed. (Upper Saddle River, NJ: Prentice Hall, 2003); and "The Nonprofit Marketing Landscape," special section, *Journal of Business Research*, June 2005, pp. 797-862.
38. "National Advertisers Ranked 1 to 50," *Advertising Age*, June 26, 2006, p. 8. For more on social marketing, see Philip Kotler, Ned Roberto, and Nancy R. Lee, *Social Marketing: Improving the Quality of Life*, 2nd ed. (Thousand Oaks, CA: Sage Publications, 2002).
- ## CHAPTER 2
1. Quotes and other information from Stanley Holmes, "The New Nike," *BusinessWeek*, September 20, 2004, pp. 78-86; "Nike, Inc.," *Hoover's Company Records*, May 15, 2006, p. 14254; Daniel Roth, "Can Nike Still Do It Without Phil Knight?" *Fortune*, April 4, 2005, pp. 59-68; Helen Jung, "Phil Knight's Charity Is Billion Dollar Secret," *The Oregonian*, December 25, 2005; accessed at www.oregonlive.com; Stanley Holmes, "Adidas' World Cup Shutout," *BusinessWeek*, April 3, 2006, pp. 104-106; and www.nikebiz.com, November 2006.
 2. For a more detailed discussion of corporate- and business-level strategic planning as they apply to marketing, see Philip Kotler and Kevin Lane Keller, *Marketing Management*, 12th ed. (Upper Saddle River, N.J.: Prentice Hall, 2006), Chapter 2.
 3. For more on mission statements, see "Crafting Mission Statements," *Association Management*, January 2004, p. 23; Frank Buytendijk, "Five Keys to Building a High-Performance Organization," *Business Performance Magazine*, February 2006, pp. 24-29; and Joseph Peyrefitte and Forest R. David, "A Content Analysis of Mission Statements of United States Firms in Four Industries," *International Journal of Management*, June 2006, pp. 296-301.
 4. Nike and eBay mission statements from www.nike.com/nikebiz/nikebiz.html?page=4 and <http://pages.ebay.com/aboutebay/thecompany/companyoverview.html>, respectively, November 2006.
 5. Thomas Walsh, "Mission Statement or Mission: Impossible?" *Central New York Business Journal*, May 26, 2006, pp. 23, 27.
 6. Monsanto Company Pledge Report, accessed at http://monsanto.com/monsanto/layout/our_pledge/default.asp, December 2006.
 7. The following discussion is based in part on information found at www.bcg.com/this_is_BCG/mission/growth_share_matrix.html, December 2006. For more on strategic planning, see Anthony Lavia, "Strategic Planning in Times of Turmoil," *Business Communications Review*, March 2004, pp. 56-60; Rita Gunther McGrath and Ian C. MacMillan, "Market Busting," *Harvard Business Review*, March 2005, pp. 80-89; and Lloyd C. Harris and Emmanuel Ogbonna, "Initiating Strategic Planning," *Journal of Business Research*, January 2006, pp. 100-111.
 8. H. Igor Ansoff, "Strategies for Diversification," *Harvard Business Review*, September-October 1957, pp. 113-124. Quotes and information in the Starbucks examples and in the growth discussion that follows are from Monica Soto Ouchi, "Starbucks Ratchets Up Growth Forecast," *Knight Ridder Tribune News*, October 15, 2004, p. 1; Patricia Sellers, "Starbucks: The Next Generation," *Fortune*, April 4, 2005, p. 30; Leon Lazaroff, "Starbucks Brews Up Successful Formula for Growth," *Chicago Tribune*, December 18, 2005; Kim Wright Wiley, "Taste of Success," *Selling Power*, April 2006, pp. 51-54; Bruce Horowitz, "Starbucks Nation," *USA Today*, May 19, 2006, accessed at www.usatoday.com/money/industries/food/2006-05-18-starbucks-usat_x.htm; and the company fact sheet, annual report, and other information accessed at www.starbucks.com, July 2006.
 9. T. L. Stanley, "Starbucks and Vint Changes the Rules," *Advertising Age*, April 3, 2006, pp. 3-4.
 10. Nirmalya Kumar, "Kill a Brand, Keep a Customer," *Harvard Business Review*, December 2003, pp. 87-95. For a more in-depth approach to brand portfolio management, see Sam Hill, Richard Ettenson, and Dane Tyson, "Achieving the Ideal Brand Portfolio," *MIT Sloan Management Review*, Winter 2005, pp. 85-90.
 11. Michael E. Porter, *Competitive Advantage: Creating and Sustaining Superior Performance* (New York: Free Press, 1985); and Michel E. Porter, "What Is Strategy?" *Harvard Business Review*, November-December 1996, pp. 61-78. Also see Kim B. Clark, et al., *Harvard Business School on Managing the Value Chain* (Boston: Harvard Business School Press, 2000); "Buyer Value and the Value Chain," *Business Owner*, September-October 2003, p. 1; and "The Value Chain," accessed at www.quickmba.com/strategy/value-chain, December 2006.
 12. Kotler, *Kotler on Marketing* (New York: The Free Press, 1999), pp. 20-22; and Mariagne Seiler, "Transformation Trek," *Marketing Management*, January-February 2006, pp. 32-39, here p. 37.
 13. McDonald's 2006 Fact Sheet, accessed at www.mcdonalds.com/corp/invest/pub/2006_fact_sheet.html, May 2006; "McDonald's Celebrates 50th Birthday, Opens Anniversary Restaurant," *Knight Ridder Tribune Business News*, April 15, 2005, p. 1; and "McDonald's Corporation," *Hoover's Company Records*, June 15, 2006, p. 10974.
 14. Quotes and other information from Jeffery K. Liker and Thomas Y. Choi, "Building Deep Supplier Relationships," *Harvard Business Review*, December 2004, pp. 104-113; Lindsey Chappell, "Toyota Aims to Satisfy Its Suppliers," *Automotive News*, February 21, 2005, p. 10; and www.toyotasupplier.com, December 2006.
 15. Jack Trout, "Branding Can't Exist without Positioning," *Advertising Age*, March 14, 2005, p. 28.
 16. "100 Leading National Advertisers," special issue of *Advertising Age*, June 26, 2006, p. 6; and Ford Motor Company 2005 Annual Report, accessed at www.ford.com, March 9, 2006.
 17. The four Ps classification was first suggested by E. Jerome McCarthy, *Basic Marketing: A Managerial Approach* (Homewood, IL: Irwin, 1960). For the 4Cs, other proposed classifications, and more discussion, see Robert Lauterborn, "New Marketing Litany: 4P's Passé; C-Words Take Over," *Advertising Age*, October 1, 1990, p. 26; Don E. Schultz, "New Definition of Marketing Reinforces Idea of

- Integration," *Marketing News*, January 15, 2005, p. 8; and Phillip Kotler, "Alphabet Soup," *Marketing Management*, March–April 2006, p. 51.
18. Michael C. Mankins, "Turning Great Strategy into Great Performance," *Harvard Business Review*, July–August 2005, pp. 65–72.
 19. Brian Dumaine, "Why Great Companies Last," *Fortune*, January 16, 1995, p. 129. Also see James C. Collins and Jerry I. Porras, *Built to Last: Successful Habits of Visionary Companies* (New York: HarperBusiness, 1995); Jeffrey S. Klein, "Corporate Cultures: Why Values Matter," *Folio*, December 2004, p. 23; Norm Brodsky, "Defining—and Enforcing—Your Company's Culture Might Be Your Most Important Job," *Inc.*, April 2006, pp. 61–62; and Graham Yemm, "Does Your Culture Support or Sabotage Your Strategy?" *Management Services*, Spring 2006, pp. 34–37.
 20. For more on brand and product management, see Kevin Lane Keller, *Strategic Brand Management*, 2nd ed. (Upper Saddle River, N.J.: Prentice Hall, 2003).
 21. For details, see Kotler and Keller, *Marketing Management*, pp. 719–725. Also see Neil A. Morgan, Bruce H. Clark, and Rich Cooner, "Marketing Productivity, Marketing Audits, and Systems for Marketing Performance Assessment: Integrating Multiple Perspectives," *Journal of Marketing*, May 2002, pp. 363–375.
 22. Adapted from Diane Brady, "Making Marketing Measure Up," *BusinessWeek*, December 13, 2004, pp. 112–113; with information from "Kotler Readies World for One-on-One," *Point*, June 2005, p. 3.
 23. Mark McMaster, "ROI: More Vital than Ever," *Sales & Marketing Management*, January 2002, pp. 51–52. Also see Paul Hyde, Ed Landry, and Andrew Tipping, "Are CMOs Irrelevant?" Association of National Advertisers/Booz, Allen, Hamilton white paper, p. 4, accessed at www.ana.net/mrc/ANABoozwhitepaper, June 2005; Rob Duboff, "Resisting Gravity," *Marketing Management*, May–June 2006, pp. 37–39; and Gordon A. Wyner, "Beyond ROI," *Marketing Management*, May–June 2006, pp. 8–9.
 24. Matthew Creamer, "Shops Push Affinity, Referrals Over Sales," *Advertising Age*, June 20, 2005, p. S4.
 25. For more discussion, see Michael Karuss, "Marketing Dashboards Drive Better Decisions," *Marketing News*, October 1, 2005, p. 7; Richard Karpinski, "Making the Most of a Marketing Dashboard," *BtoB*, March 13, 2006, p. 18; and Bruce H. Clark, Andrew V. Abela, and Tim Ambler, "Behind the Wheel," *Marketing Management*, May–June 2006, pp. 19–23.
 26. For a full discussion of this model and details on customer-centered measures of return on marketing investment, see Roland T. Rust, Katherine N. Lemon, and Valarie A. Zeithaml, "Return on Marketing: Using Customer Equity to Focus Marketing Strategy," *Journal of Marketing*, January 2004, pp. 109–127; Roland T. Rust, Katherine N. Lemon, and Das Narayandas, *Customer Equity Management* (Upper Saddle River, NJ: Prentice Hall, 2005); and Allison Enright, "Serve Them Right," *Marketing News*, May 1, 2006, pp. 21–22.
 27. Deborah L. Vence, "Return on Investment," *Marketing News*, October 15, 2005, pp. 13–14.
- ## CHAPTER 3
1. John O'Connor, "Golden Arches Still Standing After 50 Years," *Knight Ridder Tribune Business News*, April 19, 2005, p. 1; Sherri Day, "After Years at Top, McDonald's Strives To Regain Ground," *New York Times*, March 3, 2003, p. A.1; Amy Garber, "Bistro Gourmet at McDonald's," *Nation's Restaurant News*, January 31, 2005, pp. 34–35; Michael V. Copeland, "Ronald Gets Back in Shape," *Business 2.0*, January/February 2005, pp. 46–47; Kate MacArthur, "McD's to Shops: Make 'Lovin' It' More than 'Tag,'" *Advertising Age*, March 13, 2006, p. 8; Pallavi Gogoi, "Mickey D's McMakeover," *BusinessWeek*, May 15, 2006, pp. 42–43; and financial information and other facts accessed at www.mcdonalds.com/corp/invest.html and <http://mcdonalds.com/corp/about/factsheets.html>, July 2006.
 2. Mya Frazier, "Look Who's Putting the Squeeze on Brands," *Advertising Age*, March 27, 2006, pp. 1, 46.
 3. See Sarah Lorge, "The Coke Advantage," *Sales & Marketing Management*, December 1998, p. 17; Chad Terhune, "Coke Wins a 10-Year Contract From Subway, Ousting PepsiCo," *Wall Street Journal*, November 28, 2003, p. B.3; and "The Best in Foodservice Just Get Better," *Beverage Industry*, September 2004, pp. 15–16.
 4. World POPClock, U.S. Census Bureau, accessed online at www.census.gov, July 2006. This Web site provides continuously updated projections of the U.S. and world populations.
 5. Adapted from Frederik Balfour, "Educating the 'Little Emperors' There's a Big Market for Products That Help China's Coddled Kids Get Ahead," *BusinessWeek*, November 10, 2003, p. 22. Also see Clay Chandler, "Little Emperors," *Fortune*, October 4, 2004, pp. 138–150; and "Hothousing Little Tykes," *Beijing Review*, May 5, 2005, accessed at www.bjreview.com.cn/En-2005/05-18-e/china-5.htm.
 6. See "China's Golden Oldies," *The Economist*, February 26, 2005, p. 74. See also "China Economy: How Do You Prepare for the Retirement of 1.3bn People?" *EIU ViewsWire*, March 27, 2006.
 7. U.S. Census Bureau projections and POPClock Projection, U.S. Census Bureau, accessed at www.census.gov, May 2006.
 8. Louise Lee, "Love Those Boomers," *BusinessWeek*, October 24, 2005, pp. 94–102; Tom Ramstack, and "The New Gray: Boomers Spark Retirement Revolution," *Washington Times*, December 29, 2005, p. A1.
 9. Dee Depass, "Designed with a Wink, Nod at Boomers," *Minneapolis-St. Paul Star Tribune*, March 17, 2006, accessed at http://seattlepi.nwsource.com/business/263325_boomerbuyers17.html?source=rss.
 10. Depass, "Designed with a Wink, Nod at Boomers," p. 1.
 11. Linda S. Morris, "Home Is Where Your RV Is," *Knight Ridder Tribune Business News*, February 20, 2005, p. 1. Also see Alina Tugend, "RV's Find a New Fan Base: The Baby Boomers," *New York Times*, January 16, 2005; Thane Peterson, "McMansions on Wheels," *BusinessWeek*, October 17, 2005, pp. 107–107; and Dahleen Glanton, "Wealthy Baby Boomers Increasingly Drawn to Luxury RV Lifestyle," *Chicago Tribune*, April 16, 2006.

12. Stuart Elliott, "Flower Power in Ad Land," *New York Times*, April 11, 2006, p. G2.
13. Scott Schroder and Warren Zeller, "Get to Know Gen X and Its Segments," *Multichannel News*, March 21, 2005, p. 55.
14. Quotes from "Mixed Success: One Who Targeted Gen X and Succeeded—Sort Of," *Journal of Financial Planning*, February 2004, p. 15; and Paul Greenberg, "Move Over, Baby Boomers; Gen Xers Want Far More Collaboration with Companies, Both As Consumers and Employees," *CIO*, March 1, 2006, p. 1.
15. See "Overlooked and Under X-Pointed," *American Demographics*, May 2004, p. 48; Howard Schneider, "Grunge Marketing," *Mortgage Banking*, November 2004, p. 106; and Scott Schroder and Warren Zeller, "Get to Know Gen X and Its Segments," *Multichannel News*, March 21, 2005, p. 55.
16. Mike Brandt, "Young Customers: Who, What, and Y," *ABA Bank Marketing*, March 25, 2005, pp. 37–42; and information from www.wamu.com, August 2006.
17. See "TRU Projects Teens Will Spend \$159 Billion in 2005," press release, Teenage Research Unlimited, December 15, 2005, accessed at www.teenresearch.com; and Elizabeth Lazarowitz, "Tutor Teens on Spending," *Daily News (New York)*, February 23, 2006.
18. Quote from Tobin Elkin, "Gen Y Quizzed about On-Demand," *Advertising Age*, February 14, 2003, p. 37. Teen statistics and other information from "Teens Forge Forward with Internet and Other New Technologies," Pew Internet & American Life Project, July 25, 2005, accessed at www.pewinternet.org; and Jessi Hempel, "The MySpace Generation," *BusinessWeek*, December 12, 2005, pp. 86–96.
19. Gregg Bennett and Tony Lachowitz, "Marketing to Lifestyles: Action Sports and Generation Y," *Sports Marketing Quarterly*, 2004, pp. 239–243; and "New Xbox 360 to be Featured in College Campus Tour," *PR Newswire*, March 21, 2006.
20. Julie Bosman, "Hey, Kid, You Want to Buy A Scion?" *New York Times*, June 14, 2006, p. C2.
21. Jason Fields, "America's Families and Living Arrangements: 2003," U.S. Census Bureau, November 2004, accessed at www.census.gov/population/www/socdemo/hh-fam.html.
22. Eduardo Porter, "Stretched to Limit, Women Stall March to Work," *New York Times*, March 2, 2006, accessed at www.nytimes.com.
23. See U.S. Census Bureau, "'Stay-at-Home' Parents Top 5 Million, Census Bureau Reports," November 30, 2004, accessed at www.census.gov/Press-Release/www/releases/archives/families_households/003118.html; Paul Nyhan, "Stay-Home Dads Connect with New Full-Time Job; Pay Stinks, But Benefits Are Great," *Seattle Post-Intelligencer*, April 25, 2006, p. A1.
24. Mary Beth Schweigert, "These Dinners Are a Dream Come True for Harried Cooks," *Knight Ridder Tribune*, February 23, 2005, p. 1; Eileen Gunn, "Cranky Consumer: A New Way to Get a Home-Cooked Meal," *Wall Street Journal*, February 2, 2006, p. D4; and www.dreamdinners.com, accessed May 2006.
25. U.S. Census Bureau, "Geographical Mobility," March 2004, accessed online at www.census.gov/prod/2004pubs/p20-549.pdf; and Jim Taylor, "Manifest Destiny," *American Demographics*, September 2004, pp. 29–34; and Bradley Johnson, "Population Migrates South and West," *American Demographics*, April 4, 2005, p. 41.
26. See U.S. Census Bureau, www.census.gov/population/www/estimates/aboutmetro.html, June 2005; "Redefining Where We Live: New Concepts and Definitions of Statistical Areas," *Industrial Relations*, January 2004, pp. 293–294; "Sales Ablaze in 'Micropolitan' Areas," *Casual Living*, February 2005, pp. 70–74; and Gordon F. Mulligan and Alexander C. Vias, "Growth and Change in Micropolitan Areas," *Annals of Regional Science*, June 2006, p. 203.
27. David L. Margulius, "Telecommuting Gets More Elusive," February 6, 2006, p. 18.
28. Mike Bergman, "College Degree Nearly Doubles Annual Earnings, Census Bureau Reports," U.S. Census Bureau, March 28, 2005, accessed at www.census.gov/Press-Release/www/releases/archives/education/004214.html.
29. See U.S. Bureau of Labor Statistics, "Labor Force, Employment, and Earnings," p. 416, accessed at <http://landview.census.gov/prod/2001pubs/statab/sec13.pdf>, June 2004; and U.S. Department of Labor, *Occupational Outlook Handbook, 2006-07 Edition*, June 29, 2006, accessed at www.bls.gov/emp/home.htm.
30. See Farai Chidey, "American-Born Hispanic Population Rising," *National Public Radio*, May 16, 2006; "U.S. Diversity Increasing, Census Data Show," May 10, 2006, accessed at www.usinfo.state.gov; and U.S. Census Bureau reports accessed online at www.census.gov, June 2006.
31. Adapted from William F. Gloede, "The Art of Cultural Correctness," *American Demographics*, November 2004, pp. 27–33. See also Meg Green, "Perfect Prospects," *Best Review*, August 2005, pp. 22–26.
32. Information accessed at www.rivendellmarketing.com/ngng/ngng_profiles_set.html, June 2005; Deborah L. Vence, "Younger GLBT Market Spells Opportunities," *Marketing News*, April 1, 2006, pp. 17, 19; Stuart Elliott, "Hey, Gay Spender, Marketers Spending Time with You," *New York Times*, June 26, 2006, p. C8; and www.planetoutinc.com/sales/market.html, July 2006.
33. See John Fetto, Todd Wasserman, "IBM Targets Gay Business Owners," *Adweek*, October 6, 2003, p. 8; and information from www-03.ibm.com/employment/us/diverse/awards.shtml#glbt, July 2006. The Las Vega example is adapted from information found in Chris Jones, "Come Out, Come Out," *Las Vegas Review Journal*, March 5, 2006, p. 1E.
34. Joan Voight, "Accessibility of Disability," *Adweek*, March 27, 2006, p. 20. Also see Stephen Ohlemacher, "Most Disabled Americans Have Jobs," *Associated Press Online*, May 12, 2006.
35. Quotes from Voight, "Accessibility of Disability," *Adweek*, p. 20. Avis example is adapted from "Avis to Sponsor Achilles Track Club Athletes," *PR Newswire*, March 16, 2006.
36. Bradley Johnson, "Recession's Long Gone, but America's Average Income Isn't Budging," *Advertising Age*, April 17, 2006, p. 22.

37. "How Levi Strauss Rekindled the Allure of Brand America," *World Trade*, March 2005, p. 28; Levi Strauss Press Releases, accessed at www.levistrauss.com, May 27, 2006; and Levi's Web site at www.levi.com, July, 2006.
 38. Adapted from Lorraine Woellert, "HP Wants Your Old PC Back," *BusinessWeek*, April 10, 2006, pp. 82-83. For more discussion, see the "Environmentalism" section in Chapter 20.
 39. Jack Neff, "P&G Products to Wear Wire," *Advertising Age*, December 15, 2004, pp. 1, 32; "Gartner Says Worldwide RFID Spending to Surpass \$3 Billion in 2010," *BusinessWire*, December 13, 2005; Renee Boucher, "Wal-Mart Forges Ahead with RFID," *eWeek*, March 6, 2006; Michael Garry, "Wal-Mart Expands RFID Program to Atlanta," *Supermarket News*, June 12, 2006, p. 24; and information accessed online at www.autoidlabs.org, August 2006.
 40. See "2006 R&D Funding Improves Amid Increasing Restraints," *R&D*, January 1, 2006.
 41. Sarah Pinsky, "KaBoom! and The Home Depot Announce Partnership with Swing-N-Slide," KaBoom! press release, March 9, 2006, accessed at www.kabuom.org; and information accessed at www.causemarketingforum.com/page.asp?ID&equals:442, August 2006.
 42. Wendy Meillo, "The Greed for Goodwill," *Adweek*, March 13, 2006, p. 14; and "The Growth of Cause Marketing," accessed at www.causemarketingforum.com/page.asp?ID=188, August 2006.
 43. For more on Yankelovich Monitor, see www.yankelovich.com/products/monitor.aspx.
 44. Adapted from descriptions found at www.yankelovich.com/products/lists.aspx, August 2006.
 45. Adapted from Ronald Grover, "Trading the Bleachers for the Couch," *BusinessWeek*, August 22, 2005, p. 32.
 46. "Decked Out," *Inside*, Spring 2006, pp. 76-77.
 47. Laura Feldmann, "After 9/11 Highs, America's Back to Good Ol' Patriotism," *Christian Science Monitor*, July 5, 2006, p. 1.
 48. L. A. Chung, "New Greetings of Hybrid Fans: Aloha, LOHAS," *Mercury News*, April 29, 2005, accessed at www.mercurynews.com/mld/mercurynews/news/columnists/la_chung/11520890.htm; and Becky Ebenkamp, "Livin' la Vida Lohas," *Brandweek*, May 1, 2006, p. 22.
 49. See Doug Desjardins, "Latest Natural-Food Trend Going to the Dogs," *DSN Retailing Today*, March 14, 2005, p. 26; Steven Gray, "Organic Food Goes Mass Market," *Wall Street Journal*, May 4, 2006; and Libby Quib, "Appetite for Organic Outstripping Supply," *Durham Herald Sun*, July 7, 2006, pp. 1, 4.
 50. Quotes from Myra Stark, "Celestial Season," *Brandweek*, November 16, 1998, pp. 25-26; and Becky Ebenkamp, "The Young and Righteous," *Brandweek*, April 5, 2004, p. 18.
 51. See Philip Kotler, *Kotler on Marketing* (New York: Free Press, 1999), p. 3; and Kotler, *Marketing Insights from A to Z* (Hoboken, NJ: John Wiley & Sons, 2003), pp. 23-24.
 52. Adapted from Jayne O'Donnell, "Online Rumor Mill Dogs Companies," *USA Today*, October 29, 2005, p. 3B.
- CHAPTER 4
1. Quotes and extracts from Ellen Byron, "Case by Case: How Coach Won a Rich Purse by Inventing New Uses for Bags," *Wall Street Journal*, November 17, 2004, p. A1. Other information from Pallavi Gogoi, "I Am Woman, Hear Me Shop," *BusinessWeek Online*, February 14, 2005; Gogoi, "How a Woman Spends Her Money," *BusinessWeek Online*, February 14, 2005; Lauren Foster, "How Coach Pulled into Luxury's Fast Lane," *Financial Times*, June 30, 2004, p. 12; Coach 2005 Annual Report, accessed at www.coach.com; Kate Betts, "It's All in the Bag," *Time*, March 20, 2006, p. 101; Vicki M. Young, "Coach: Jewelry Launch in the Works," *WWD*, April 26, 2006, p. 11; and "Coach, Inc.," *Hoover's Company Records*, June 15, 2006, p. 101101.
 2. Mike Freeman, "Data Company Helps Wal-Mart, Casinos, Airlines Analyze Customers," *San Diego Union Tribune*, February 24, 2006.
 3. See Christina Le Beau, "Mountains to Mine," *American Demographics*, August 2000, pp. 40-44; Leslie Langnau, "Drowning in Data," *Material Handling Management*, December 2003, p. 22; Daniel Lyons, "Too Much Information," *Forbes*, December 13, 2004, pp. 110-115; and Charles Habcock, "Data, Data, Everywhere," *InformationWeek*, January 9, 2006, pp. 49-53.
 4. See Philip Kotler, *Marketing Insights from A to Z* (Hoboken, NJ: John Wiley & Sons, 2003), pp. 80-82.
 5. Jennifer Brown, "Pizza Hut Delivers Hot Results Using Data Warehousing," *Computing Canada*, October 17, 2003, p. 24; and "Pizza Hut, Inc.," *Hoover's Company Records*, May 15, 2006, p. 89521.
 6. Tracey Tyler, "WestJet Accuses Rival of Trap in Spy Case," *Toronto Star*, February 14, 2006, p. D1.
 7. Andy Serwer, "P&G's Covert Operation," *Fortune*, September 17, 2001, pp. 42-44. Also see Andrew Crane, "In the Company of Spies: When Competitive Intelligence Gathering Becomes Industrial Espionage," *Business Horizons*, May-June 2005, pp. 233+; and Kate MacKenzie, "Employees May Be Opening the Door to Criminals," *Financial*, May 31, 2006, p. 4.
 8. Fred Vogelstein and Peter Lewis, "Search and Destroy," *Fortune*, May 2, 2005.
 9. James Curtis, "Behind Enemy Lines," *Marketing*, May 21, 2001, pp. 28-29. Also see Brian Caulfield, "Know Your Enemy," *Business 2.0*, June 2004, p. 89; Michael Fielding, "Damage Control: Firms Must Plan for Counterintelligence," *Marketing News*, September 15, 2004, pp. 19-20; and Bill DeGenaro, "A Case for Business Counterintelligence," *Competitive Intelligence Magazine*, September-October 2005, pp. 5+.
 10. For more on research firms that supply marketing information, see Jack Honomichl, "Honomichl 50," special section, *Marketing News*, June 15, 2006, pp. H1-H67. Other information from www.infores.com; www.snr.com; www.nielsen.com; and <http://www.yankelovich.com/products/monitor.aspx>, September 2006.
 11. Adapted from an example in David Kiley, "Shoot the Focus Group," *BusinessWeek*, November 14, 2005, pp. 120-121.

12. Adapted from an example in Spencer E. Ante, "The Science of Desire," *BusinessWeek*, June 5, 2006, pp. 99–106.
13. Spencer E. Ante, "The Science of Desire," *BusinessWeek*, June 5, 2006, p. 100.
14. David Kiley, "Shoot the Focus Group," *BusinessWeek*, p. 120.
15. *Ibid.*, p. 120.
16. "Online Research: The Time Has Come," Greenfield Online white paper, accessed at www.greenfieldcentral.com/rcwhitepapers.htm, June 2006.
17. Adapted from an example in David Kiley, "Shoot the Focus Group," *BusinessWeek*, November 14, 2005, pp. 120–121.
18. For more on Internet privacy, see James R. Hagerty and Dennis K. Berman, "Caught in the Net: New Battleground over Web Privacy," *Wall Street Journal*, August 27, 2004, p. A1; Alan R. Peslak, "Internet Privacy Policies," *Information Resources Management Journal*, January–March 2005, pp. 29+; and Larry Dobrow, "Privacy Issues Loom for Marketers," *Advertising Age*, March 13, 2006, p. S6.
19. See Gary H. Anthes, "Smile, You're on Candid Computer," *Computerworld*, December 3, 2001, p. 50; Claire Tristram, "Behind BlueEyes," *Technology Review*, May 2001, p. 32; and "Creating Computers That Know How You Feel," accessed at www.almaden.ibm.com/cs/BlueEyes/index.html, September 2006.
20. See David Harding, David Chiefetz, Scott DeAngelo, and Elizabeth Ziegler, "CRM's Silver Lining," *Marketing Management*, March–April 2004, pp. 27–32; Ellen Neuborne, "A Second Act of CRM," *Inc.*, March 2005, p. 40; William Boulding et al., "A Customer Relationship Management Roadmap: What Is Known, Potential Pitfalls, and Where to Go," *Journal of Marketing*, October 2005, pp. 155–166; Cindy Wexler, "The Fight Over CRM," *Chief Executive*, January–February 2006, pp. 24–28; and William Band, "The ABCs of CRM Success," *Optimize*, January 2006, accessed at www.optimizeinag.com/article/showArticle.jhtml?articleId=175700405.
21. Michael Krauss, "At Many Firms, Technology Obscures CRM," *Marketing News*, March 18, 2002, p. 5. Also see Darrell K. Rigby and Dianne Ledingham, "CRM Done Right," *Harvard Business Review*, November 2004, p. 129; Barton Goldenberg, "Let's Keep to the High Road," *CRM Magazine*, March 2005, p. 22; and Sean Collins, Firish Nair, and Jeffrey Schumacher, "Reaching the Next Level of Performance," *Customer Relationship Management*, May 2006, p. 48.
22. See Robert McLuhan, "How to Reap the Benefits of CRM," *Marketing*, May 24, 2001, p. 35; Stewart Deck, "Data Mining," *Computerworld*, March 29, 1999, p. 76; Jason Compton, "CRM Gets Real," *Customer Relationship Management*, May 2004, pp. 11–12; Ellen Neuborne, "A Second Act of CRM," *Inc.*, March 2005, p. 40; and "Value Added with mySAP CRM," accessed at www.sap.com/solutions/business-suite/crm/pdf/Misc_CRM_Study.pdf, June 2006.
23. See Darrell K. Rigby and Vijay Vishwanath, "Localization: The Revolution in Consumer Markets," *Harvard Business Review*, April 2006, pp. 82–92.
24. Adapted from information in Ann Zimmerman, "Small Business; Do the Research," *Wall Street Journal*, May 9, 2005, p. R3; with information from www.bibbentuckers.com, accessed September 2006.
25. For some good advice on conducting market research in a small business, see "Marketing Research... Basics 101," accessed at www.sba.gov/starting_business/marketing/research.html, August 2006; and "Researching Your Market," U.S. Small Business Administration, accessed at www.sba.gov/library/pubs/mt-8.doc, September 2006.
26. Jack Honomichl, "Acquisitions Up, Growth Rate Varies," *Marketing News*, August 15, 2005, pp. H3–H4; Jack Honomichl, "Honomichl 50," special section, *Marketing News*, June 15, 2006, pp. H1–H67; and the ACNielsen International Research Web site, accessed at www.acnielsen.com/company/where.php, September 2006.
27. Phone, PC, and other country media stats are from www.nationmaster.com, July 2006.
28. Subhash C. Jain, *International Marketing Management*, 3rd ed. (Boston: PWS-Kent, 1990), p. 338. Also see Debra L. Vence, "Leave It to the Experts," *Marketing News*, April 28, 2003, p. 37; Gary Kaplan, "Global Research Needs Local Coordination," *Marketing News*, May 15, 2005, p. 43; and C. Samuel Craig and Susan P. Douglas, "International Research Frame Needs Reworking," *Marketing News*, February 15, 2006, pp. 33–34.
29. Adapted from Richard Behar, "Never Heard of Acxiom? Chances Are It's Heard of You," *Fortune*, February 23, 2004, pp. 140–148; with information from www.acxiom.com, September 2006.
30. See "Too Much Information?" *Marketing Management*, January–February 2004, p. 4.
31. Margaret Webb Pressler, "Too Personal to Tell?" *Washington Post*, April 18, 2004, p. F.05; and E-Mail Privacy Statistics, accessed at www.relemail.com/statistics.htm, September 2006.
32. "ICC/ESOMAR International Code of Marketing and Social Research Practice," accessed at www.iccwbo.org/home/menu_adver_markoting.asp, July 2006. Also see "Respondent Bill of Rights," accessed at www.cmor.org/rc/tools.cfm?topic=4, July 2006.
33. Jaikumar Vijayan, "Disclosure Laws Driving Data Privacy Efforts, Says IBM Exec," *Computerworld*, May 8, 2006, p. 26.
34. Information accessed at www.americanexpress.com/sif/cda/page/0,1641,14271,00.asp, September 2006.
35. Cynthia Crossen, "Studies Galore Support Products and Positions, but Are They Reliable?" *Wall Street Journal*, November 14, 1991, pp. A1, A9. Also see Allan J. Kimmel, "Deception in Marketing Research and Practice: An Introduction," *Psychology and Marketing*, July 2001, pp. 657–661; and Alvin C. Burns and Ronald F. Bush, *Marketing Research* (Upper Saddle River, NJ: Prentice Hall, 2005), pp. 63–75.
36. Information accessed at www.casro.org/codeofstandards.cfm#intro, September 2006.

CHAPTER 6

1. Quotes and other information from Greg Schneider, "Rebels with Disposable Income; Aging Baby Boomers

- Line Up to Buy High-End Versions of Youthful Indulgences," *Washington Post*, April 27, 2003, p. F1; Ian P. Murphy, "Aided by Research, Harley Goes Whole Hog," *Marketing News*, December 2, 1996, pp. 16, 17; Ted Bolton, "Tattooed Call Letters: The Ultimate Test of Brand Loyalty," accessed online at www.boltonresearch.com, April 2003; Jay Palmer, "Vroom at the Top," *Barron's*, March 29, 2004, pp. 17-18; Chris Woodyard, "Motorcycle Sales Rev Up to Top 1 Million," *USA Today*, January 20, 2005; Marc Gerstein, "The Road Ahead for Harley," *Reuters*, April 13, 2006; and the Harley-Davidson Web site at www.Harley-Davidson.com, December 2006.
2. GDP figures from *The World Fact Book*, July 11, 2006, accessed at www.cia.gov/cia/publications/factbook/geos/us.html. Population figures from the World POPClock, U.S. Census Bureau, www.census.gov, September 2006. This Web site provides continuously updated projections of the U.S. and world populations.
 3. Jim Edwards, "Why Buy?" *Brandweek*, October 5, 2005, pp. 21-24.
 4. Statistics from Deborah L. Vence, "Avoid Shortcuts: Hispanic Audience Requires Distinct, Inventive Marketing," *Marketing News*, February 15, 2006, pp. 23-24; "Hispanics in Business," *Fortune*, April 3, 2006, pp. 132-133; Stanley Perman, "How to Tap the Hispanic Market," *BusinessWeek Online*, July 12, 2006, accessed at www.businessweek.com; and U.S. Census Bureau reports accessed online at www.census.gov, September 2006.
 5. Joel Russell, "Big Spenders: Top 50 Advertisers in Hispanic TV and Print Media 2005," *Hispanic Business*, December 2005, accessed at www.hispanicbusiness.com.
 6. Example adapted from Sean Gregory, "Diapers for Fatima," *Time*, January 18, 2005, accessed at www.time.com; with information from http://pg.com/company/who_we_are/diversity/multi/hispanic.jhtml, August 2006.
 7. Louise Witt, "Color Code Red," *American Demographics*, February 2004, pp. 23-25; Vence, "Companies Target Lifestyle Segments," p. 13; Sonia Alleyne, "Diversity Leader," *Black Enterprise*, March 2005, p. 54; "Increasingly Affluent African American Market Set to Reach \$981 Billion by 2010," *PR Newswire*, February 22, 2006; and U.S. Census Bureau reports accessed online at www.census.gov, August 2006.
 8. "Facts about Mahogany," accessed at http://pressroom.halfmark.com/mahogany_cards_facts.html, July 2006.
 9. See Miko Beirne, "Has This GROUP Been Left BEHIND?" *Brandweek*, March 14, 2005, pp. 33-36.
 10. Information accessed at www.communityconnect.com/advertise.html, August 2006; and a list of the most popular African American Web sites at www.blackwebportal.com/web/web_bwptop30.cfm, August 2006.
 11. See Vence, "Companies Target Lifestyle Segments," p. 13; U.S. Census Bureau reports accessed at www.census.gov, July 2006; and Randi Schmelzer, "The Asian Answer," *PR Week*, March 13, 2006.
 12. Jeffrey M. Humphreys, "The Multicultural Economy 2004," *Georgia Business and Economic Conditions*, The Selig Center for Economic Growth, third quarter 2004; Christopher Reynolds, "Far East Moves West," *American Demographics*, October 2004, p. 56; Mike Troy, "Wal-Mart Unveils Asian Ad Campaign," *DSN Retailing Today*, April 11, 2005, pp. 5-6; Randi Schmelzer, "The Asian Answer," *PR Week*, March 13, 2006; and U.S. Internet Industry Association, *Proposed Legislation and Its Impact on Consumer's Use of Broadband and IP Services*, accessed www.ustia.org, April 11, 2006.
 13. Rong-Gong Lin II, "Wal-Mart Pursues Asian Americans," *Los Angeles Times*, April 2, 2005, p. C1; and Randi Schmelzer, "The Asian Answer," *PR Week*, March 13, 2006, p. 1.
 14. Information accessed at www.census.gov, September 2006.
 15. See Edward Keller and Jonathan Berry, *The Influentials* (New York, NY: The Free Press, 2003); John Battelle, "The Net of Influence," *Business 2.0*, March 2004, p. 70; Alicia Clegg, "Following the Leaders," *Marketing Week*, September 30, 2004, pp. 47-49; Ronald E. Goldsmith, "The Influentials," *Journal of Product & Brand Management*, 2005, pp. 371-372; Matthew Creamer, "Study: Go Traditional to Influence Influencers," *Advertising Age*, March 7, 2005, p. 8; and Dave Balter and Ed Keller, "In Search of True Marketplace Influencers," *Advertising Age*, December 5, 2005, p. 22.
 16. Anya Kamenetz, "The Network Unbound," *Fast Company*, June 2006, pp. 69-73.
 17. Saul Hansell, "For MySpace, Making Friends Was Easy. Big Profit Is Tougher," *New York Times*, April 23, 2006, p. 3.1.
 18. Quote and information from "Colored Vision Adidas Unleashes Seven-Film Mobile Media," *Boards*, May 2006, p. 15.
 19. Quote from Anya Kamenetz, "The Network Unbound," *Fast Company*, pp. 73. Also see Julie Bosman, "Chevy Tries a Write-Your-Own-Ad Approach," *New York Times*, April 4, 2006, p. C1.
 20. See Sharon Goldman Edry, "No Longer Just Fun and Games," *American Demographics*, May 2001, pp. 36-38; Pallavi Gogoi, "I Am Woman, Hear Me Shop," *BusinessWeek Online*, February 14, 2005, accessed at www.bwonline.com; Amy Gillentine, "Marketing Groups Ignore Women at Their Own Peril," *Colorado Springs Business Journal*, January 20, 2006; and "Finance and Economics: A Guide to Womenomics," *Economist*, April 15, 2006, p. 80.
 21. Adapted from Pallavi Gogoi, "Meet Jane Geek," *BusinessWeek*, November 28, 2005, pp. 94-95.
 22. Kevin Downey, "What Children Teach Their Parents," *Broadcasting & Cable*, March 13, 2006, p. 26.
 23. Alice Dragoon, "How to Do Customer Segmentation Right," *CIO*, October 1, 2005, p. 1.
 24. Quotes and examples from www.carhartt.com, September 2006.
 25. See Rebecca Piirto, "Measuring Minds in the 1990s," *American Demographics*, December 1990, pp. 35-39; and Rebecca Piirto, "VALS the Second Time," *American Demographics*, July 1991, p. 6. VALS information and examples accessed at www.sric-bi.com/VALS/types.shtml and www.sric-bi.com/VALS/projects.shtml, December 2006.

26. Jennifer Aaker, "Dimensions of Measuring Brand Personality," *Journal of Marketing Research*, August 1997, pp. 347-356. Also see Aaker, "The Malleable Self: The Role of Self Expression in Persuasion," *Journal of Marketing Research*, May 1999, pp. 45-57; and Audrey Azoulay and Jean-Noel Kapferer, "Do Brand Personality Scales Really Measure Brand Personality?" *Journal of Brand Management*, November 2003, p. 143.
27. Seth Stevenson, "Ad Report Card: Mac Attack," June 19, 2006, accessed at www.slate.com/id/2143810.
28. Annetta Miller and Dody Tsiantar, "Psyching Out Consumers," *Newsweek*, February 27, 1989, pp. 46-47. Also see Leon C. Schiffman and Leslie L. Kanuk, *Consumer Behavior*, 9th ed. (Upper Saddle River, NJ: 2007), chapter 4.
29. See Abraham. H. Maslow, "A Theory of Human Motivation," *Psychological Review*, 50 (1943), pp. 370-396. Also see Maslow, *Motivation and Personality*, 3rd ed. (New York: HarperCollins Publishers, 1987); and Barbara Marx Hubbard, "Seeking Our Future Potentials," *The Futurist*, May 1998, pp. 29-32.
30. Charles Pappas, "Ad Nauseam," *Advertising Age*, July 10, 2000, pp. 16-18. See also Mark Ritson, "Marketers Need to Find a Way to Control the Contagion of Clutter," *Marketing*, March 6, 2003, p. 16; and David H. Freedman, "The Future of Advertising Is Here," *Inc.*, August 2005, pp. 70-78.
31. Bob Garfield, "'Subliminal' Seduction and Other Urban Myths," *Advertising Age*, September 18, 2000, pp. 4, 105. Also see "We Have Ways of Making You Think," *Marketing Week*, September 25, 2003, p. 14; Si Cantwell, "Common Sense; Scrutiny Helps Catch Catchy Ads," *Wilmington Star-News*, April 1, 2004, p. 1B; and Allison Motluk, "Subliminal Advertising May Work After All," April 28, 2006, accessed at www.newscientist.com.
32. Rebecca Flass, "'Got Milk?' Takes a Serious Look Inside the Body," *Adweek*, January 27, 2003, p. 5; Katie Koppenhofer, "MilkPEP Ads Make Big Impact with Hispanics," press release, International Dairy Foods Association, March 3, 2003, accessed at www.idfa.org/news/gotmilk/2003/milkpepads.cfm; Jeff Manning and Kevin Lane Keller, "Got Advertising That Works?" *Marketing Management*, January-February 2004, pp. 16-20; and information from www.whymilk.com, November 2006.
33. For a deeper discussion of the buyer decision process, see Philip Kotler and Kevin Lane Keller, *Marketing Management*, 12th ed. (Upper Saddle River, NJ: 2006), pp. 191-203.
34. Douglas Pruden and Terry G. Vavra, "Controlling the Grapevine," *Marketing Management*, July-August 2004, pp. 25-30. See also John Goodman, "Treat Your Customers as Prime Media Reps," *Brandweek*, September 12, 2005, pp. 16-17.
35. See Leon Festinger, *A Theory of Cognitive Dissonance* (Stanford, CA: Stanford University Press, 1957); Schiffman and Kanuk, *Consumer Behavior*, pp. 219-220; Patti Williams and Jennifer L. Aaker, "Can Mixed Emotions Peacefully Coexist?" *PUBLICATION?*, March 2002, pp. 636-649; Adam Ferrier, "Young Are Not Marketing Savvy; They're Suckers," *B&T Weekly*, October 22, 2004, p. 13; and "Cognitive Dissonance and the Stability of Service Quality Perceptions," *The Journal of Services Marketing*, 2004, p. 433+.
36. The following discussion draws from the work of Everett M. Rogers. See his *Diffusion of Innovations*, 5th ed. (New York: Free Press, 2003). Also see Eric Waarts, Yvonne M. van Everdingen, and Jos van Hillegersberg, "The Dynamics of Factors Affecting the Adoption of Innovations," *The Journal of Product Innovation Management*, November 2002, pp. 412-423; Chaun-Fong Shih and Alladi Venkatesh, "Beyond Adoption: Development and Application of a Use-Diffusion Model," *Journal of Marketing*, January 2004, pp. 59-72; and Richard R. Nelson, Alexander Peterhansl, and Bhaven Sampat, "Why and How Innovations Get Adopted: A Tale of Four Models," *Industrial and Corporate Change*, October 2004, pp. 679-699.

CHAPTER 6

- Quotes and other information from Dale Buss, "Up with Brown," *Brandweek*, Jan 27, 2003 p. 16; "Business as Usual for Ads on Sunday News Shows," *EtoB*, April 14, 2003, p. 30; "UPS Service Helps Companies Go Global," *Transportation & Distribution*, May 2003, p. 19; "The New Mission of Synchronizing Global Supply Chains," *Inventory Management Report*, May 2003, p. 9; Robert McGarvey, "UPS Builds Millions in Sales," *Selling Power*, June 2004, pp. 56-61; Larry Greenemeier, "On the Line at UPS," *Information Week*, January 23, 2006; and information gathered at www.UPS.com, September 2006.
- See Kate Macarthur, "Teflon Togs Get \$40 Million Ad Push," *Advertising Age*, April 8, 2002, p. 3; "Neat Pants for Sloppy People," *Consumer Reports: Publisher's Edition Including Supplemental Guides*, May 2003, p. 10; "Sales Makes the Wearables World Go 'Round,'" *Wearables Business*, April 24, 2004, p. 22; and Rosamaria Mancini, *HFN*, May 16, 2005, p. 17; and www.teflon.invista.com, accessed September 2006.
- For more discussion of business markets and business buyer behavior, see Das Narayandas, "Building Loyalty in Business Markets," *Harvard Business Review*, September 2005, pp. 131-139; and James C. Anderson, James A. Narus, and Wouter van Rossum, "Customer Value Propositions in Business Markets," *Harvard Business Review*, March 2006, pp. 91-99.
- Patrick J. Robinson, Charles W. Faris, and Yoram Wind, *Industrial Buying Behavior and Creative Marketing* (Boston: Allyn & Bacon, 1967). Also see James C. Anderson and James A. Narus, *Business Market Management*, 2nd ed. (Upper Saddle River, NJ: 2004), chapter 3; and Philip Kotler and Kevin Lane Keller, *Marketing Management*, 12th ed. (Upper Saddle River, NJ: Prentice Hall, 2006), chapter 7.
- See "Bj's Knows . . . Our System Is Their Solution," *Insights*, March 2002, p. 1; "Soap, Detergent Maker to Open Its First Franchise in Port of Stockton, California," *Knight Ridder Tribune Business News*, September 9, 2003, p. 1; and information accessed online at www.chemstation.com, August 2006.
- See Philip Kotler, *Marketing Management*, 12th ed. (Upper Saddle River, NJ: Prentice Hall, 2006), pp. 213-214.

7. See Frederick E. Webster Jr. and Yoram Wind, *Organizational Buying Behavior* (Upper Saddle River, NJ: Prentice Hall, 1972), pp. 78–80. Also see James C. Anderson and James A. Narus, *Business Market Management: Understanding, Creating and Delivering Value* (Upper Saddle River, NJ: Prentice Hall, 2004), chapter 3.
8. For more discussion, see Stefan Wuyts and Inge Geyskens, "The Formation of Buyer-Seller Relationships: Detailed Contract Drafting and Close Partner Selection," *Harvard Business Review*, October 2005, pp. 103–117; and Robert McGarvey, "The Buyer's Emotional Side," *Selling Power*, April 2006, pp. 35–36.
9. See Frederick E. Webster, Jr., and Yoram Wind, *Organizational Buying Behavior*, pp. 33–37.
10. Robinson, Faris, and Wind, *Industrial Buying Behavior*, p. 14.
11. For this and other examples, see Kate Maddox, "#1 Hewlett-Packard Co.: www.hp.com," *BtoB*, August 11, 2003, p. 1; "Great Web Sites: www.hp.com," *BtoB Online*, September 13, 2004; and "10 Great Web Sites," *BtoB Online*, September 12, 2005; all accessed at www.btobonline.com.
12. Karen Prema, "National Aquarium Reels in Savings with Online Buying," accessed at www.purchasing.com, March 2, 2006; Karen Prema, "SRM + E-Auctions: Tools in the Toolbox," *Purchasing*, April 6, 2006, pp. 46–47; and Susan Avery, "At HP, Indirect Procurement Takes More of a Leadership Role," accessed at www.purchasing.com, May 25, 2006.
13. Demir Barlas, "E-Procurement: Steady Value," *Line56.com*, January 4, 2005, accessed at www.line56.com.
14. Michael A. Verespej, "E-Procurement Explosion," *Industry Week*, March 2002, pp. 25–28.
15. Information from www.shrinershq.org/Hospitals/_Hospitals_for_Children/; and www.tenethealth.com, September 2006.
16. H.J. Heinz Company Annual Report 2006, p. 20; accessed at <http://heinz.com/2006annualreport/2006HeinzAR.pdf>.
17. "President Bush's Proposed FY2006 Budget Represents Growth in IT Spending for Federal Government," FedSources press release, February 8, 2005, accessed at http://fedsources.com/about/fsinews/020805_fy06_budget.asp; and "Federal IT Spending to Hit \$77B by FY '10, Group Says," *Aerospace Daily and Defense Report*, November 28, 2005, p. 1.
18. Ari Vidali, president of Envisage Technologies, personal communication, July 6, 2006.
19. See Messmer, "The Feds Get into Online Buying," *Network World*, March 5, 2001, p. 67; Patrick E. Clarke, "DLA Shifting from Managing Supplies to Managing Suppliers," May 30, 2002, accessed at www.dla.mil; and information accessed at <http://progate.daps.dla.mil/home/>; "GSA Organization Overview," accessed at www.gsa.gov, September 2006; and VA Office of Acquisition & Material Management, accessed at www1.va.gov/oamm/, September 2006.
20. *Wall Street Journal*, April 8, 2006, p. A1; with quotes and other information from Julie Bosman, "This Joe's for You," *New York Times*, June 8, 2006, p. C1.
21. For these and other examples, see Darell K. Rigby and Vijay Vishwanath, "Localization: The Revolution in Consumer Markets," *Harvard Business Review*, April 2006, pp. 82–92.
22. Based on information found in Steven Gray, "How Applebee's Is Making It Big in Small Towns," *Wall Street Journal*, August 2, 2004, B1; Applebee's 2005 Annual Report, p. 14, accessed at www.applebees.com; and "Applebee's International, Inc.," *Hoover's Company Records*, Austin, June 1, 2006, p. 13585.
23. See "Customer Experience and 'Small-Marts,'" January 28, 2005, accessed at http://learned.typepad.com/learned_on_women/2005/01/customer_experi.html; Marianne Rohlich, "Manhattanites Will Soon Find Depots Close to Home," *New York Times*, April 15, 2004, p. F10; Doug Desjardins, "Smaller Format Rolls Dice with Multiple Openings in Vegas," *DSN Retailing Today*, February 28, 2005, p. 46; and Kris Hudson, "Wal-Mart Shelves Dallas Competitors," *Wall Street Journal*, February 15, 2006, p. B3D.
24. Reena Jana, "Nintendo's New Brand Game," June 22, 2006, accessed at www.businessweek.com/innovate/content/jun2006/id20060622_124931.htm?chan=search.
25. See Fara Warner, "Nike Changes Strategy on Women's Apparel," *New York Times*, May 18, 2005, accessed at www.nytimes.com; and Thomas J. Ryan, "Just Do It for Women," *SGB*, March 2006, pp. 25–26.
26. Information accessed at www.we.tv, August 2006.
27. Robert Berner, "Out-Discounting the Discounter," *BusinessWeek*, May 10, 2004, pp. 78–79; "The Almighty Dollar Store," *Wall Street Journal: The Classroom Edition*, March 2005, accessed at www.wsjclassroomedition.com/archive/05mar/econ_dollarstore.htm; Debbie Howell, "Dollar," *DSN Retailing Today*, November 21, 2005, pp. 11–12; and Bernadette Casey, "Retailers Better Learn the Real Value of a Dollar," *DSN Retailing Today*, March 13, 2006, p. 6.
28. Portions adapted from Linda Tischler, "How Pottery Barn Wins with Style," *Fast Company*, June 2003, pp. 106–113; with information from www.potterybarn.com; www.potterybarnkids.com, and www.pbteen.com, September 2006.
29. See Maureen Wallonfang, "Appleton, Wis.-Area Dealers See Increase in Moped Sales," *Knight Ridder Tribune Business News*, August 15, 2004, p. 1; Louise Lee, "Love Those Boomers," *BusinessWeek*, October 24, 2005, pp. 94–100; and Honda's Web site at www.powersports.honda.com/scooters/, September 2006.
30. Kate MacArthur, "BK Rebels Fall in Love with King," *Advertising Age*, May 1, 2006, pp. 1, 86.
31. See Jennifer Ordonez, "Fast-Food Lovers, Unite!" *Newsweek*, May 24, 2004, p. 56.
32. Portions adapted from Alan T. Saracevic, "Author Plumbs Bottomless Depth of Mac Worship," December 12, 2004, accessed at www.sfgate.com. Definition from www.

CHAPTER 7

1. Adapted from portions of Janet Adamy, "Battle Brewing: Dunkin' Donuts Tries to Go Upscale, But Not Too Far,"

- urbandictionary.com/define.php?term=Macolyte&r=d, September 2006.
14. Based on PRIZM NE cluster information accessed at www.claritas.com, September 2006.
 15. John Fetto, "American Neighborhoods' First Page," *American Demographics*, July–August 2003, p. 34. See also the "Prizm NE Lifestyle Segmentation System" brochure, accessed at www.claritas.com, September 2006.
 16. Information from http://home.americanexpress.com/home/mt_personal.shtml, August 2006.
 17. See Arundhati Parmar, "Global Youth United," *Marketing News*, October 28, 2002, pp. 1, 49; "Impossible Is Nothing: Adidas Launches New Global Brand Advertising Campaign," accessed at www.adidas.com, February 5, 2004; "Teen Spirit," *Global Cosmetic Industry*, March 2004, p. 23; Johnnie L. Roberts, "World Tour," *Newsweek*, June 6, 2005, pp. 34–36; and the MTV Worldwide Web site, www.mtv.com/mtvinternational.
 18. See Michael Porter, *Competitive Advantage* (New York: Free Press, 1985), pp. 4–8, 234–236. For more recent discussions, see Stanley Slater and Eric Olson, "A Fresh Look at Industry and Market Analysis," *Business Horizons*, January–February 2002, p. 15–22; Kenneth Sawka and Bill Fiora, "The Four Analytical Techniques Every Analyst Must Know: 2. Porter's Five Forces Analysis," *Competitive Intelligence Magazine*, May–June 2003, p. 57; and Philip Kotler and Kevin Lane Keller, *Marketing Management*, 12th ed. (Upper Saddle River, NJ: Prentice Hall, 2006), pp. 342–343.
 19. Nina Munk, "Why Women Find Lander Mesmerizing," *Fortune*, May 25, 1998, pp. 97–106; Christine Bittar, "New Faces, Same Name," *Brandweek*, March 11, 2002, pp. 28–34; Robin Givhan, "Estee Lauder, Sending a Message in a Bottle," *Washington Post*, April 26, 2004, p. C.01; and information accessed at www.elcompanies.com, www.stila.com, and www.macuakeup.com, September 2006.
 20. Arik Hesseldahl, "Apple Set to Take Bigger Bite of the Market," *BusinessWeek Online*, June 16, 2006; and Mark Veverka, "Beyond the iPad: Mac Attack," *Barron's*, July 17, 2006, pp. 20–23.
 21. See Gerry Khermouch, "Call It the Pepsi Blue Generation," *BusinessWeek*, February 3, 2003, p. 96; Kathleen Sampey, "Sweet on Sierra Mist," *Adweek*, February 2, 2004, p. 20; Nat Ives, "Mountain Dew Double-Dose for Times Square Passers-By," *New York Times*, April 8, 2004, p. C9; and Phyllis Furman, "Mist-Takes Made Again: New Ads for Sierra Mist," *Knight Ridder Tribune Business News*, April 10, 2006, p. 1.
 22. Gwendolyn Bounds, "How an Artist Fell into a Profitable Online Card Business," *Wall Street Journal*, December 21, 2004, p. B1; and David Smith, "UK's Cottage Industry Beats US Internet Giants," *The Observer*, February 12, 2006, accessed at <http://observer.guardian.co.uk>.
 23. Adapted from examples in Darell K. Rigby and Vijay Vishwanath, "Localization: The Revolution in Consumer Markets," *Harvard Business Review*, April 2006, pp. 82–92. Also see Jon Springer, "Kroger Looks to New Formats, Positioning," *Supermarket News*, June 26, 2006, p. 1.
 24. For a good discussion of mass customization and relationship building, see Don Peppers and Martha Rogers, *Managing Customer Relationships: A Strategic Framework* (Hoboken, NJ: John Wiley & Sons, 2004), chapter 10.
 25. Example adapted from Michael Prospero, "Lego's New Building Blocks," *Fast Company*, October 2005, p. 35; with information from <http://factory.lego.com/>, September 2006.
 26. Adapted from information found in Mark Tatge, "Red Bodies, Black Ink," *Forbes*, September 18, 2000, p. 114; "Oshkosh Truck Corporation," *Hoover's Company Records*, July 15, 2006, p. 14345; and information accessed at www.oshkoshtruckcorporation.com, September 2006.
 27. See Susan Linn, *Consuming Kids: The Hostile Takeover of Childhood* (New York: The New Press, 2004); Suzy Bashford, "Time to Take More Responsibility?" *Marketing*, May 11, 2005, pp. 32–36; Sonia Reyes, "Kraft Foods Cited for Misleading Kids," August 4, 2005, accessed at www.brandweek.com; and William MacLeod, "Does Advertising Make Us Fat? No!" *Brandweek*, February 20, 2006, p. 19.
 28. Andrew Adam Newinan, "Youngsters Enjoy Beer Ads, Arousing Industry's Critics," *New York Times*, February 13, 2006, p. C15.
 29. See "FBI Internet Crime Complaint Center Releases Stats," *States News Service*, April 6, 2006.
 30. Jack Trout, "Branding Can't Exist without Positioning," *Advertising Age*, March 14, 2005, p. 28.
 31. Adapted from a positioning map prepared by students Brian May, Josh Payne, Meredith Schakel, and Bryana Sterns, University of North Carolina, April 2003. SUV sales data furnished by WardsAuto.com, June 2006. Price data from www.edmunds.com, June 2006.
 32. See Bobby J. Calder and Steven J. Reagan, "Brand Design," in Dawn Iacobucci, ed., *Kellogg on Marketing* (New York: John Wiley & Sons, 2001) p. 61. The Mountain Dew example is from Alice M. Tybout and Brian Sternthal, "Brand Positioning," in Iacobucci, ed., *Kellogg on Marketing*, p. 54.

CHAPTER 3

1. Extracts adapted from Betsy McKay and Cynthia Cho, "Water Works: How FIJI Brand Got Hip to Sip," *Wall Street Journal*, August 16, 2004, p. B1; and information found at www.fijiwater.com, July 2006. Also see Kate Macarthur, "Drink Your Fruits, Veggies: Water's the New Fitness Fad," *Advertising Age*, January 3, 2005, p. 4; and "Designer Michael Kors Partners with FIJI Water in New Fragrance Venture," press release, March 6, 2006, accessed at www.fijiwater.com/michael_kors.html.
2. Adapted from an example in B. Joseph Pine II and James H. Gilmore, "Trade in Ads for Experiences," *Advertising Age*, September 27, 2004, p. 36; with information from www.americangirlplace.com, July 2006. See also Mya Frazier, "\$20 Doll Salon? American Girl Takes on Hollywood," *Advertising Age*, March 13, 2006, p. 55; and Josefina Loza, "Moms, Daughters, and Dolls," *Omaha World-Herald*, May 30, 2006, p. 1E.

3. See "The Celebrity 100," *Forbes*, accessed at www.forbes.com, July 2006; and Reed Tucker, "Tiger Woods," *Fortune*, October 17, 2005, p. 142.
4. See Daniel Roth, "The Trophy Life," *Fortune*, April 19, 2004, pp. 70-84; Ryan Underwood, "Bring on the Clown," *Fast Company*, January 2005, p. 28; "New Trump Products on the Market," *Knight Ridder Tribune Business News*, February 26, 2005, p. 1; and "He's Hired: Trump Gets into Jewelry Business," *National-Jeweler.com*, June 1, 2006.
5. For more on marketing places, see Philip Kotler, Donald Haider, and Irving J. Rein, *Marketing Places* (New York: Free Press, 2002). Examples information found in Steve Dougherty, "In a Cold Country, the Nights Are Hot," *New York Times*, December 19, 2004, sect. 5, p. 1; and at www.TravelTex.com, www.iloveny.state.ny.us, and www.visiticeland.com, October 2006.
6. Accessed online at www.social-marketing.org/aboutus.html, October 2006.
7. See Alan R. Andreasen, Rob Gould, and Karen Gutierrez, "Social Marketing Has a New Champion," *Marketing News*, February 7, 2000, p. 38. Also see Philip Kotler, Ned Roberto, and Nancy Lee, *Social Marketing: Improving the Quality of Life*, 2nd ed. (Thousand Oaks, CA: Sage Publications, 2002); and www.social-marketing.org, October 2006.
8. Quotes and definitions from Philip Kotler, *Kotler on Marketing* (New York: Free Press, 1999), p. 17; and www.asq.org, October 2006.
9. See Roland T. Rust, Christine Moorman, and Peter R. Dickson, "Getting Return on Quality: Revenue Expansion, Cost Reduction, or Both?" *Journal of Marketing*, October 2002, pp. 7-24; and Roland T. Rust, Katherine N. Lemon, and Valarie A. Zeithaml, "Return on Marketing: Using Customer Equity to Focus Marketing Strategy," *Journal of Marketing*, January 2004, p. 109.
10. Adapted from information in Sarah Lacy, "How P&G Conquered Carpet," *BusinessWeek Online*, September 23, 2005, accessed at www.businessweek.com/innovate/content/sep2005/id20050923_571639.
11. For these and other examples, see Lee Gomes, "To Design Away Tears, SAP Aims to Make Simpler Software," *Wall Street Journal*, June 21, 2006, p. B1; Lisa Chamberlain, "Going Off the Beaten Path for New Design Ideas," *New York Times*, March 12, 2006; and IDEO's Web site at ideo.com/portfolio/, October 2006.
12. Based on Adam Horowitz et al., "101 Dumbest Moments in Business," *Business 2.0*, January-February 2005, p. 104; and Jason Norman, "Kryptonite's PR Maven Donna Tocci Can Not Be Broken," *Bicycle Retailer and Industry News*, June 1, 2005, p. 39.
13. Kate Fitzgerald, "Packaging Is the Copper," *Advertising Age*, May 5, 2003, p. 22. Also see Rebecca Bedrossian, "Packaging," *Communication Arts*, May/June 2006, pp. 92-101.
14. For these and other examples, see Susanna Hamner, "Packaging that Pays," *Business 2.0*, July 2006, pp. 68-69.
15. Based on Thomas J. Ryan, "Labels Grow Up," *Apparel*, February 2005, pp. 26-29.
16. Bro Uttal, "Companies That Serve You Best," *Fortune*, December 7, 1987, p. 116; Jamie LaReau, "Cadillac Wants to Boost Sales, Customer Service," *Automotive News*, February 20, 2006, p. 46; and American Customer Satisfaction Index ratings accessed at www.theacsi.org/second_quarter.htm#alv, August 2006.
17. Example adapted from Michelle Higgins, "Pop-Up Sales Clerks: Web Sites Try the Hard Sell," *Wall Street Journal*, April 15, 2004, p. D.1. Also see Dawn Chmielewski, "Software That Makes Tech Support Smarter," *Knight Ridder Tribune Business News*, December 25, 2005, p. 1.
18. Information accessed online at www.marriott.com, October 2006.
19. Information about Colgate's product lines accessed at www.colgate.com/app/Colgate/US/Corp/Products.cvsp, August 2006.
20. See "McAtlas Shrugged," *Foreign Policy*, May-June 2001, pp. 26-37; and Philip Kotler and Kevin Lane Keller, *Marketing Management*, 12th ed. (Upper Saddle River, NJ: Prentice Hall, 2006), pp. 290-291.
21. Al Ehrhar, "Breakaway Brands," *Fortune*, October 31, 2005, pp. 153-170. Also see "DeWalt Named Breakaway Brand," *Snips*, January 2006, p. 66.
22. David C. Bello and Morris B. Holbrook, "Does an Absence of Brand Equity Generalize across Product Classes?" *Journal of Business Research*, October 1995, p. 125; and Scott Davis, *Brand Asset Management: Driving Profitable Growth through Your Brands* (San Francisco: Jossey-Bass, 2000). Also see Kevin Lane Keller, *Building, Measuring, and Managing Brand Equity*, 2nd ed. (Upper Saddle River, NJ: Prentice Hall, 2003), chapter 2; and Kusum Ailawadi, Donald R. Lehman, and Scott A. Neslin, "Revenue Premium as an Outcome Measure of Brand Equity," *Journal of Marketing*, October 2003, pp. 1-17.
23. "The 100 Top Brands," *BusinessWeek*, August 7, 2006, pp. 60-66. For another ranking, see Normandy Madden, "Hold the Phone," *Advertising Age*, April 10, 2006, pp. 4, 64.
24. Larry Selden and Yoko S. Selden, "Profitable Customer: Key to Great Brands," *Point*, July-August 2006, pp. 7-9. Also see Roland Rust, Katherine Lemon, and Valarie Zeithaml, "Return on Marketing: Using Customer Equity to Focus Marketing Strategy," *Journal of Marketing*, January 2004, p. 109; and Connie S. Olsaz, "Marketing's Role in a Relationship Age," *Baylor Business Review*, Spring 2006, pp. 2-7.
25. See Scott Davis, *Brand Asset Management*, 2nd ed. (San Francisco: Jossey-Bass, 2002). For more on brand positioning, see Philip Kotler and Kevin Lane Keller, *Marketing Management*, 12th ed. (Upper Saddle River, NJ: Prentice Hall, 2006), chapter 10.
26. See Jacquelyn A. Ottman, Edwin R. Stratford, and Cathy L. Hartman, "Avoiding Green Marketing Myopia," *Environment*, June 2006, pp. 22-37.
27. Example adapted from Matthew Boyle, "Brand Killers," *Fortune*, August 11, 2003, pp. 89-100. See also "Battle of the Brands," *Consumer Reports*, August 2005, pp. 12-15; and Sonia Reyes, "Saving Private Labels," *Brandweek*, May 8, 2006, pp. 30-34.

28. See Sue Stock, "Grocer's Expand Private-Label Marketing Share," *Knight Ridder Tribune Business News*, May 26, 2005, p. 1; and Michael Fielding, "No Longer Plain, Simple," *Marketing News*, May 15, 2006, pp. 11-13.
29. See Margaret Webb Pressler, "Shelf Game; Whom Stores Force Makers to Pay Them Fees, You Lose," *The Washington Post*, January 18, 2004, p. F.05; and "Legislator Pushing for Disclosure on Slotting Fees," *Gourmet News*, April 2005, p. 3.
30. Jay Sherman, "Nick Puts Muscle Behind EverGirl," *TelevisionWeek*, January 5, 2004, p. 3; and "Nickelodeon Unveils Three New Toy Lines Based on Hit Properties," *PR Newswire*, February 10, 2006.
31. Wendy Zellner, "Your New Banker?" *BusinessWeek*, February 7, 2005, pp. 28-31; and Kathleen Day, "Piggy Banker?" *Washington Post*, February 12, 2006, p. F1.
32. Gabrielle Solomon, "Co-branding Alliances: Arranged Marriages Made by Marketers," *Fortune*, October 12, 1998, p. 188; and "Martha Stewart Upgrading from Kmart to Macy's," *FinancialWire*, April 26, 2006, p. 1.
33. Based on information from Kate McArthur, "Cannibalization a Risk as Diet Coke Brand Tally Grows to Seven," *Advertising Age*, March 28, 2005, pp. 3, 123; "Coca-Cola Zero Pops into Stores Today," *Atlanta Business Chronicle*, June 13, 2005, accessed at <http://atlanta.bizjournals.com/atlanta/stories/2005/06/13/daily7.html>; and www2.coca-cola.com, July 2006.
34. For more on the use of line and brand extensions and consumer attitudes toward them, see Franziska Volckner and Henrik Sattler, "Drivers of Brand Extension Success," *Journal of Marketing*, April 2006, pp. 18-34; and Chris Pullig, Carolyn J. Simmons, and Richard G. Netemeyer, "Brand Dilution: When Do New Brands Hurt Existing Brands?" *Journal of Marketing*, April 2006, pp. 52-66.
35. Constantine von Hoffman, "P&G's House Cleaning May Sweep Away Classics," *Brandweek*, May 15, 2006, p. 5.
36. "100 Leading National Advertisers," supplement to *Advertising Age*, June 26, 2006, pp. 29 and 96.
37. Stephen Cole, "Value of the Brand," *CA Magazine*, May 2005, pp. 39-40.
38. See Kevin Lane Keller, "The Brand Report Card," *Harvard Business Review*, January 2000, pp. 147-157; Keller, *Strategic Brand Management*, pp. 766-767; and David A. Aaker, "Even Brands Need Spring Cleaning," *Brandweek*, March 8, 2004, pp. 36-40.
39. See CIA, *The World Factbook*, accessed at www.cia.gov/cia/publications/factbook/geos/us.html#Econ, August 2006; *International Trade Statistics 2005*, World Trade Organization, p. 23, accessed at www.wto.org; and information from the Bureau of Labor Statistics, www.bls.gov, accessed August 2006.
40. Adapted from information in Leonard Berry and Neeli Bendapudi, "Clueing in Customers," *Harvard Business Review*, February 2003, pp. 100-106; with information accessed at www.mayoclinic.org, October 2006.
41. See James L. Heskett, W. Earl Sasser Jr., and Leonard A. Schlesinger, *The Service Profit Chain: How Leading Companies Link Profit and Growth to Loyalty, Satisfaction, and Value* (New York: Free Press, 1997); Heskett, Sasser, and Schlesinger, *The Value Profit Chain: Treat Employees Like Customers and Customers Like Employees* (New York: Free Press, 2003); and "Recovering from Service Failure," *Strategic Direction*, June 2006, pp. 37-40.
42. William C. Johnson and Larry C. Chiagouris, "So Happy Together," *Marketing Management*, March-April 2006, pp. 47-50.
43. Based on Matthew Boyle, "The Wegmans Way," *Fortune*, January 24, 2005, pp. 62-68; with information from Mark Hamstra, "Wegmans, H-E-B Lead in Customer Satisfaction Study," *Supermarket News*, April 17, 2006, p. 22.
44. See "UPS Fact Sheet," accessed at <http://presstroom.ups.com/mediakits/factsheet/0,2305,866,00.html>, August 2006; and "Prescription Drug Trends," Kaiser Family Foundation, June 2006, accessed at www.kff.org/rxdrugs/upload/3057-05.pdf.
45. Brian Hinde, "Satisfaction Not Guaranteed," *BusinessWeek*, June 19, 2006, pp. 32-36.

CHAPTER 9

- Quotes and other information in this Apple story from Terry Semel, "Steve Jobs: Perpetual Innovation Machine," *Time*, April 18, 2005, p. 78; Steve Maich, "Nowhere to Go But Down," *Maclean's*, May 9, 2005, p. 32; Brent Schlender, "How Big Can Apple Get," *Fortune*, February 21, 2005, pp. 67-76; Jim Dalrymple, "Apple's Uphill Climb," *Macworld*, June 2005, p. 16; Paul Sloan and Paul Kiehla, "What's Next for Apple," *Business 2.0*, April 2005; Peter Burrows and Andrew Park, "Apple's Bold Swirl Downstream," *BusinessWeek*, January 24, 2005, p. 32; Bruce Nussbaum, "Get Creative!" *BusinessWeek*, August 1, 2005, pp. 61-70; "The World's Most Innovative Companies," *BusinessWeek*, April 24, 2006, p. 62; "Apple Posts Record Earnings," *Apple Matters*, July 20, 2006; and Apple annual reports and other information accessed at www.apple.com, October 2006.
- Robert S. Shulman, "Material Whirl," *Marketing Management*, March-April 2006, pp. 25-27.
- Rick Romell, "Moving in the Right Direction: Segways Catch on in Niche Markets," *Milwaukee Journal Sentinel*, June 10, 2006, p. 1D.
- For these and other facts and examples, see Jena McGregor, "How Failure Breeds Success," *BusinessWeek*, July 10, 2006, p. 42; and John T. Gourville, "Eager Sellers & Stony Buyers," *Harvard Business Review*, June 2006, pp. 98-106.
- Information and examples from Gary Slack, "Innovations and Idiocities," *Beverage World*, November 15, 1998, p. 122; Robert M. McMath and Thom Forbes, *What Were They Thinking? Money-Saving, Time-Saving, Face-Saving Marketing Lessons You Can Learn from Products That Flopped* (New York: Times Business, 1999), various pages; Beatriz Cholo, "Living with Your 'Ex': A Brand New World," *Brandweek*, December 5, 2005, p. 4; and www.newproductworks.com/npw_difference/product_collection.html, September 2006.
- Joel Berg, "Product Development: Look for Children's Insight," *Central Penn Business*, October 15, 2004, p. 3.

7. Based on material from Peter Lewis, "A Perpetual Crisis Machine," *Fortune*, September 19, 2005, pp. 58-67.
8. Richard Breeden, "By the Numbers—New or Improved," *Wall Street Journal*, July 11, 2006, p. B9.
9. William C. Taylor, "Here's an Idea: Let Everyone Have Ideas," *New York Times*, March 26, 2006, p. 3.3.
10. Based on quotes and information from Robert D. Hof, "The Power of Us," *BusinessWeek*, June 20, 2005, pp. 74-82. See also Robert Weisman, "Firms Turn R&D on Its Head, Looking Outside for Ideas," *Boston Globe*, May 14, 2006, p. E1.
11. Information accessed online at www.avon.com, October 2006.
12. "Business: The Rise of the Creative Consumer; the Future of Innovation," *Economist*, March 12, 2005, p. 75.
13. *Ibid.*, p. 75.
14. Robert Gray, "Not Invented Here," *Marketing*, May 6, 2004, pp. 34-37.
15. Example from www.Frogdesign.com, accessed July 2006.
16. See "DaimlerChrysler Presents California with Three F-Cell Fuel Cell Vehicles," *Fuel Cell Today*, June 1, 2005, accessed at www.fuelcelltoday.com; Steven Ashley, "On the Road to Fuel-Cell Cars," *Scientific American*, March 1, 2005, p. 62; and Kathy Jackson, "Calif. Leads the Way in Fleet Fuel Cell Tests," *Automotive News*, June 5, 2006, p. 35.
17. Becky Ebenkamp, "It's Like Cheers and Jeers, Only for Brands," *Brandweek*, March 19, 2001; Ebenkamp, "The Focus Group Has Spoken," *Brandweek*, April 23, 2001, p. 24; and information furnished by Mark Sneider, General Manager, AcuPoll, October 2004.
18. Examples adapted from those found in Carol Matlack, "The Vuitton Machine," *BusinessWeek*, March 22, 2004, pp. 98-102; and Brendan Koerner, "For Every Sport, A Super Sock," *New York Times*, March 27, 2005, p. 3.2.
19. Joshua Freed, "Redbox Aims to Up Presence of DVD Kiosks," *Associated Press Online*, April 25, 2006.
20. Jack Neff, "Is Testing the Answer?" *Advertising Age*, July 9, 2001, p. 13; and Dale Buss, "P&G's Rise," *Potentials*, January 2003, pp. 26-30. For more on test marketing, see Philip Kotler and Kevin Lane Keller, *Marketing Management*, 12th ed. (Upper Saddle River, NJ: Prentice Hall, 2006), pp. 653-655.
21. Information on BehaviorScan accessed at www.infores.com/public/us/analytics/productportfolio/bscannewprodtest.htm, November 2006.
22. See Jack Neff, "Six-Blade Blitz," *Advertising Age*, September 9, 2005, pp. 3, 53; and William C. Symonds, "Gillette's New Edge," *BusinessWeek*, February 6, 2006, p. 44.
23. See William C. Symonds, "Gillette's New Edge," *BusinessWeek*, February 6, 2006, p. 44; and "Sales Are Razor Sharp," *Drug Store News*, April 10, 2006, p. 25.
24. See Jack Neff, "New SpinBrush Line Backed by \$30 Million," *Advertising Age*, September 9, 2002, p. 36; and Jenn Abelson, "Firms Likely to Shed Some Products," *Knight Ridder Tribune Business News*, June 22, 2005, p. 1.
25. Robert G. Cooper, "Formula for Success," *Marketing Management*, March-April 2006, pp. 19-23.
26. Examples adapted from information in Jennifer Reingold, "The Interpreter," *Fast Company*, June 2005, pp. 59-61; and Jonah Bloom, "Beth Has an Idea," *Point*, September 2005, pp. 9-14. Also see Paul Bennett, "Listening Lessons: Make Consumers Part of the Design Process by Tuning In," *Point*, March 2006, pp. 9-10; and Larry Selden and Ian C. MacMillan, "Manage Customer-Centric Innovation—Systematically," *Harvard Business Review*, April 2006, pp. 108-116.
27. Lawrence A. Crosby and Sheree L. Johnson, "Customer-Centric Innovation," *Marketing Management*, March-April 2006, pp. 12-13.
28. See Philip Kotler, *Kotler on Marketing* (New York, NY: The Free Press, 1999), pp. 43-44; Judy Lamont, "Idea Management: Everyone's an Innovator," *KM World*, November/December 2004, pp. 14-16; and J. Roland Ortt, "Innovation Management: Different Approaches to Cope with the Same Trends," *Management*, 2006, pp. 296-318.
29. See Tim Studt, "3M—Where Innovation Rules," *R&D*, April 2003, pp. 20-24; Tim Stevens, "3M Reinvents Its Innovation Process," *Research Technology Management*, March/April 2004, p. 3; Daniel Del Re, "Pushing Past Post-Its," *Business 2.0*, November 2005, pp. 54-56; and "Innovation at 3M," accessed at www.3m.com/about3m/innovation/index.jhtml, October 2006. Also see Blair Sheppard and Michael Canning, "Innovation Culture," *Leadership Excellence*, January 2006, p. 18.
30. Laurie Freeman, "Study: Leading Brands Aren't Always Enduring," *Advertising Age*, February 28, 2000, p. 26. Also see, Veronica MacDonald, "Soaps and Detergents: Going the World Over to Clean," *Chemical Week*, January 6, 2005, pp. 21-24.
31. This definition is based on one found in Bryan Lilly and Tammy R. Nelson, "Fads: Segmenting the Fad-Buyer Market," *Journal of Consumer Marketing*, vol. 20, no. 3, 2003, pp. 252-265.
32. See "Scooter Fad Fades, as Warehouses Fill and Profits Fall," *Wall Street Journal*, June 14, 2001, p. B4; Katya Kazakina, "Toy Story: Yo-Yos Make a Big Splash," *Wall Street Journal*, April 11, 2003, p. W-10; Robert Johnson, "A Fad's Father Seeks a Sequel," *New York Times*, May 30, 2004, p. 3.2; and Tom McGhee, "Spotting Trends, Eschewing Fads," *Denver Post*, May 29, 2006.
33. Youngme Moon, "Break Free from the Product Life Cycle," *Harvard Business Review*, May 2005, pp. 87-94.
34. These and other uses found in "Always Another Use," www.wd40.com/Brands/wd40.cfm, October 2006.
35. For a more comprehensive discussion of marketing strategies over the course of the product life cycle, see Philip Kotler and Kevin Lane Keller, *Marketing Management*, 12th ed. (Upper Saddle River, NJ: Prentice Hall, 2006), pp. 321-335.
36. See "Ford Motor Co.: Jury Orders Auto Maker to Pay \$369 in Explorer Case," *Wall Street Journal*, June 4, 2004, p. 1; Lanny R. Berke, "Design for Safety," *Machine Design*, February 17, 2005, pp. 48-49; "Year-by-Year Analysis Reveals an Overall Compensatory Award of \$1,500,000 for Products Liability Cases," *Personal Injury Verdict Reviews*, July 3, 2006; and Emily Umbricht, "Report Finds Product Lia-

- bility Cases on the Decline," *St. Louis Daily Record*, July 10, 2006.
37. For these and other examples, see Darell K. Rigby and Vijay Vishwanath, "Localization: The Revolution in Consumer Markets," *Harvard Business Review*, April 2006, pp. 82–92.
 38. Information accessed online at www.deutsche-bank.com, October 2006.
 39. Information accessed online at www.interpublic.com and www.mccann.com, October 2006.
 40. See "Wal-Mart International Operations," accessed at www.walmartstores.com, July 2006; "2005 Global Powers of Retailing," *Stores*, January 2005, accessed at www.stores.org; and information accessed at www.carrefour.com/english/groupecarrefour/profil.jsp, October 2006.
- #### CHAPTER 10
1. Thomas T. Nagle and John E. Hogan, *The Strategy and Tactics of Pricing*, 4th ed. (Upper Saddle River, NJ: Prentice Hall, 2006), p. 1.
 2. Extracts and quotes from Nanette Byrnes, "Toys 'R' Us: Beaten at Its Own Game," *BusinessWeek*, March 29, 2004, pp. 89–90; and Jeffrey Gold, "Toys 'R' Us Is Due for a Makeover," *Raleigh News & Observer*, July 5, 2006, p. 8C. Also see Joan Verdon, "Toys 'R' Us Closes Deal to Go Private," *Knight Ridder Tribune Business News*, July 22, 2005, p. 1; and Doug Desjardins, "Babies 'R' Us Ready for Growth Spurt," *DSNRetailing Today*, May 8, 2006, p. 6.
 3. George Mannes, "The Urge to Unbundle," *Fast Company*, February 27, 2005, pp. 23–24.
 4. Linda Tischler, "The Price Is Right," *Fast Company*, November 2003, pp. 83–91. See also Wendy Melillo, "The Gold Standard," *Brandweek*, June 5, 2006, pp. 18–20.
 5. Paul S. Hunt, "Seizing the Fourth P," *Marketing Management*, May–June 2005, pp. 40–44.
 6. John Tayman, "The Six-Figure Steal," *Business 2.0*, June 2005, pp. 148–150.
 7. See Claudia H. Deutsch, "Name Brands Embrace Some Less-Well-Off Kinfolk," *New York Times*, June 24, 2005, p. C7; and information from www.charmin.com/en_us/pages/prod_basic.shtml, August 2006.
 8. See Tracy Turner, "Lowering the Bar," *The Columbus Dispatch*, October 26, 2005, p. 1C; and Ruth N. Bolton, Detra Y. Montoya, and Venkatesh Shankar, "Beyond EDLP and HiLo: A New Customized Approach to Retail Pricing," *European Retail Digest*, Spring 2006, pp. 7–10.
 9. William F. Kendy, "The Price Is Too High," *Selling Power*, April 2006, pp. 30–33.
 10. Erin Stout, "Keep Them Coming Back for More," *Sales & Marketing Management*, February 2002, pp. 51–52. Also see Gerald E. Smith and Thomas T. Nagle, "A Question of Value," *Marketing Management*, July–August 2005, pp. 39–44; and William F. Kendy, "Value as a Sales Tool," *Selling Power*, July–August 2006, pp. 39–41.
 11. Here accumulated production is drawn on a semilog scale so that equal distances represent the same percentage increase in output.
 12. The arithmetic of markups and margins is discussed in Appendix 2, "Marketing by the Numbers."
 13. See Robert Berner, "Why P&G's Smile Is So Bright," *BusinessWeek*, August 12, 2002, pp. 58–60; Jack Neff, "Power Brushes a Hit at Every Level," *Advertising Age*, May 26, 2003, p. 10; Matt Phillips, "Sales of Toothbrushes Decline as Consumers Look to Electric Models," *Knight Ridder Tribune Business News*, November 12, 2004, p. 1; Robert Brenner and William C. Symonds, "Welcome to Procter & Gadget," *Business Week*, February 7, 2005, p. 76; and information accessed at www.spinbrush.com, August 2005.
 14. Joshua Rosenbaum, "Guitar Maker Looks for a New Key," *Wall Street Journal*, February 11, 1998, p. B1; and information accessed online at www.gibson.com, October 2006.
 15. See Nagle and Hogan, *The Strategy and Tactics of Pricing*, chapter 7.
 16. Information and quotes accessed at www.greenmountain.com, December 2004.
 17. See Robert J. Dolan, "Pricing: A Value-Based Approach," *Harvard Business School Publishing*, 9-500-071, November 3, 2003.
- #### CHAPTER 11
1. Adapted from Matthew Maier, "A Radical Fix for Airlines: Make Flying Free," *Business 2.0*, April 2006, pp. 32–34. Also see Greg Lindsey, "Airworld Wars," *Advertising Age*, October 24, 2005, pp. 12, 16; "Singapore Airlines Still Flying High," transcript from *Weekend Edition Saturday*, NPR, May 27, 2006; Scott McCartney, "Competition Heats Up over Luxury Flights," *Wall Street Journal*, April 4, 2006, p. D1; and Brian Hindo, "Satisfaction Not Guaranteed," *BusinessWeek*, June 19, 2006, pp. 32–36.
 2. For comprehensive discussions of pricing strategies, see Thomas T. Nagle and John E. Hogan, *The Strategy and Tactics of Pricing*, 4th ed. (Upper Saddle River, NJ: Prentice Hall, 2006).
 3. See Philip Kotler and Kevin Lane Keller, *Marketing Management*, 12th ed. (Upper Saddle River, NJ: Prentice Hall, 2006), p. 438; and Robert Evatt, "Video Fans Tuning in to HDTV Experience: Prices of High-Definition Television Sets Continue to Fall," *Tulsa World*, July 16, 2006, p. 1.
 4. "Shortage of New Xboxes Puts Drag on U.S. Game Industry," *Toronto Star*, January 15, 2006, p. A21.
 5. Michael Buettner, "Charleston, S.C.-Based Asphalt Innovations Turns Waste into Helpful Product," *Knight Ridder Tribune Business News*, October 18, 2004, p. 1; and www.meadwestvaco.com, accessed October 2006.
 6. Susan Krafft, "Love, Love Me Doo," *American Demographics*, June 1994, pp. 15–18; "That Zoo Doo that You Do So Well," accessed at www.csis.org/states/expzoodoo.html, March 2004; "Time Again for Zoo's Annual Spring Fecal Fest!" Woodland Park Zoo Press Release, February 27, 2004, accessed at www.zoo.org; and "Woodland Park Zoo Doo," accessed at http://zoo.org/zoo_info/special/zoodoo.htm, November 2006.
 7. See Nagle and Holden, *The Strategy and Tactics of Pricing*, pp. 244–247; Stefan Stremersch and Gerard J. Tellis,

- "Strategic Bundling of Products and Prices: A New Synthesis for Marketing," *Journal of Marketing Research*, January 2002, pp. 55-72; Chris Janiszewski and Marcus Cunha, Jr., "The Influence of Price Discount Framing on the Evaluation of a Product Bundle," *Journal of Marketing Research*, March 2004, pp. 534-546; and "Save a Bundle, Comcast Says," *Tacoma News Tribune*, July 23, 2006.
8. Example adapted from Charles Fishman, "Which Price Is Right?" *Fast Company*, March 2003, pp. 92-96. Additional data from "Continental Airlines Reports July 2006 Operational Performance," Continental Financial and Traffic Releases, accessed at www.continental.com/company/investor/news.asp.
 9. For more discussion, see Manoj Thomas and Vicki Morvitz, "Penny Wise and Pound Foolish: The Double-Digit Effect in Price Cognition," *Journal of Consumer Research*, June 2005, pp. 54-64; and Heyong Min Kim and Luke Kachersky, "Dimensions of Price Salience: A Conceptual Framework for Perceptions of Multi-Dimensional Prices," *Journal of Product and Brand Management*, 2006, vol. 15, no. 2, pp. 139-147.
 10. Tim Ambler, "Kicking Price Promotion Habit Is Like Getting Off Heroin—Hard," *Marketing*, May 27, 1999, p. 24. Also see Robert Gray, "Driving Sales at Any Price?" *Marketing*, April 11, 2002, p. 24; and Lauren Kellere Johnson, "Dueling Pricing Strategies," *MIT Sloan Management Review*, Spring 2003, pp. 10-11; and Peter R. Darke and Cindy M. Y. Chung, "Effects of Pricing and Promotion on Consumer Perceptions: It Depends of How You Frame It," *Journal of Retailing*, 2005, pp. 35-47.
 11. See "Dell, the Conqueror," *BusinessWeek*, September 24, 2001, pp. 92-102; Andy Serwer, "Dell Does Domination," *Fortune*, January 21, 2002, pp. 70-75; and Pui-Wing Tam, "H-P Gains Applause as It Cedes PC Market Share to Dell," *Wall Street Journal*, January 18, 2005, p. C1; Andrea Orr, "Doors Closing on Creaky Gateway," *Daily Deal*, February 10, 2006; Richard Waters, "HP Sees Unexpected Jump in Profits for PCs Computer Technology," *Financial Times*, February 16, 2006, p. 25; and "The Merits of A Diverse Portfolio," *Business Today*, July 2, 2006, p. 10.
 12. Robert D. Hof, "Going, Going, Gone," *BusinessWeek*, April 12, 1999, pp. 30-32. Also see Philip Kotler and Kevin Lane Keller, *Marketing Management*, 12th ed. (Upper Saddle River, NJ: Prentice Hall, 2006), pp. 432-433.
 13. Thomas L. Friedman, *The World Is Flat: A Brief History of the Twenty-First Century* (New York: Farrar, Straus and Giroux, 2005), pp. 417-418.
 14. See Melissa Campanelli, "Getting Personal," *Entrepreneur*, October 2005, pp. 44-46.
 15. Philip R. Cateora, *International Marketing*, 7th ed. (Homewood, IL: Irwin, 1990), p. 540. Also see Barbara Stottinger, "Strategic Export Pricing: A Long and Winding Road," *Journal of International Marketing*, 2001, pp. 40-63; and Warren J. Keegan and Mark C. Green, *Global Marketing*, 4th ed. (Upper Saddle River, NJ: Prentice Hall, 2005), chapter 11.
 16. For discussions of these issues, see Dhruv Grewel and Larry D. Compeau, "Pricing and Public Policy: A Research Agenda and Overview of Special Issue," *Journal of Public Policy and Marketing*, Spring 1999, pp. 3-10; and Michael V. Marn, Eric V. Roegner, and Craig C. Zawada, *The Price Advantage* (Hoboken, NJ: John Wiley & Sons, 2004), Appendix 2.
 17. "Three Chipmakers Settle Antitrust Lawsuit," *Financial Wire*, May 11, 2006, p. 1; and Kevin Allison, "Chipmakers Face Suit over Price-Fixing," *Financial Times*, July 14, 2006, p. 23.
 18. "Predatory-Pricing Law Passed by New York Governor," *National Petroleum News*, December 2003, p. 7; and Brenden Timpe, "House Rejects Bill to Protect Gas Stations from Wal-Mart-Style Competition," *Knight Ridder Tribune Business News*, March 26, 2005, p. 1.
 19. "FTC Guides Against Deceptive Pricing," accessed at www.ftc.gov/bcp/guides/deceptprc.htm, December 2006.
- ## CHAPTER 12
1. Quotes and other information from Donald V. Fites, "Make Your Dealers Your Partners," *Harvard Business Review*, March-April 1996, pp. 84-95; Sandra Ward, "The Cat Comes Back," *Barron's*, February 25, 2002, pp. 21-24; Michael Arndt, "Cat Claws Its Way into Services," *BusinessWeek*, December 5, 2005, pp. 56-59; "Global Construction & Farm Machinery: Industry Profile," *Datamonitor*, June 2006, accessed at www.datamonitor.com; Ian Brat, "Caterpillar Posts 88% Profit Rise, Raises Outlook on Strong Demand," *Wall Street Journal*, July 22, 2006, p. A2; "Caterpillar, Inc.," *BusinessWeek*, April 3, 2006, p. 100; and information accessed at www.caterpillar.com, October 2006.
 2. Based on information from Stephanie Thompson and Kack Neff, "Retailer Revolt Causes \$40M Loss at Revlon," *Advertising Age*, July 17, 2006, pp. 3, 28.
 3. Matthew Boyle, "Brand Killers," *Fortune*, August 11, 2003, pp. 89-100; and information accessed at www.giantfood.com and www.luxottica.com/english/profilo_azienale/index_keyfacts.html, October 2006.
 4. Miguel Helft, "Fashion Fast Forward," *Business 2.0*, May 2002, p. 60; John Tagliabue, "A Rival to Gap That Operates Like Dell," *New York Times*, May 30, 2003, p. W-1; Kasra Ferdows, Michael A. Lewis, and Jose A. D. Machuca, "Rapid-Fire Fulfillment," *Harvard Business Review*, November 2004, pp. 104-110; Brian Dunn, "Inside the Zara Business Model," *DNR*, March 20, 2006, p. 11; Rachael Tiplady, "ZARA: Taking the Lead in Fast-Fashion," *BusinessWeek Online*, April 4, 2006, accessed at www.businessweek.com/globalbiz/content/apr2006/gb20060404_167078.htm; and annual reports and other information from www.inditex.com; October 2006.
 5. See Ian Alon, "The Use of Franchising by U.S.-Based Retailers," *Journal of Small Business Management*, April 2001, pp. 111-122; John Reynolds, "Economics 101: How Franchising Makes Music for the U.S. Economy," *Franchising World*, May 2004, pp. 37-40; Stacy Perman, "Extending the Front Lines of Franchising," *BusinessWeek Online*, April 12, 2005, accessed at www.bwonline.com; and "Answers to the 21 Most Commonly Asked Questions About Franchising," accessed online at the International Franchise Association Web Site, www.franchise.org/content.asp?contentid=379, October 2006.

6. Andrew Yeh, "McDonald's Seeks Heavy Traffic Fast-Food Expansion," *Financial Times*, June 21, 2006, p. 12.
7. Information accessed at www.mind-advertising.com/ch/nestea_ch.htm and www.nestle.com/Our_Brands/Breakfast_Cereals/Overview/Breakfast+Cereals.htm, September 2006. Also see Andrew McMains, "Anomaly to Introduce Gold Peak Tea," July 25, 2006, accessed at www.adweek.com.
8. Quotes and information from Normandy Madden, "Two Chinas," *Advertising Age*, August 16, 2004, pp. 1, 22; Dana James, "Dark Clouds Should Part for International Marketers," *Marketing News*, January 7, 2002, pp. 9, 13; Russell Flannery, "Red Tape," *Forbes*, March 3, 2003, pp. 97-100; and Russell Flannery, "China: The Slow Boat," *Forbes*, April 12, 2004, p. 76.
9. Nanette Byrnes, "Avon Calls. China Opens the Door," *BusinessWeek Online*, February 28, 2006, p. 19.
10. Mitch Betts, "GE Appliance Park Still an IT Innovator," *Computerworld*, January 29, 2001, pp. 20-21; and "What Is GE CustomerNet?" accessed online at www.geappliances.com/buildwithge/index_cnet.htm, October 2006.
11. For a full discussion of laws affecting marketing channels, see Anne Coughlin, Erin Anderson, Louis W. Stern, and Adel El-Ansary, *Marketing Channels*, 7th ed. (Upper Saddle River, NJ: Prentice Hall, 2006), chapter 10.
12. Martin Piszczalksi, "Logistics: A Difference Between Winning and Losing," *Automotive Manufacturing & Production*, May 2001, pp. 16-18; Neil Shister, "Redesigned Supply Chain Positions Ford for Global Competition," *World Trade*, May 2005, pp. 20-26; and "Logistics Costs on the Rise," *Modern Materials Handling*, July 2006, p. 11.
13. Shlomo Maital, "The Last Frontier of Cost Reduction," *Across the Board*, February 1994, pp. 51-52; "Wal-Mart to Expand Supercenters to California," *Business Journal*, May 15, 2002, accessed online at <http://sanjose.bizjournals.com>; and information accessed online at www.walmartstores.com, October 2006.
14. Gail Braccidiferno, "One Town's Rejection Is Another's 'Let's Do Business,'" *New York Times*, June 15, 2003, p. 2; Christopher Dinsmore, "Wal-Mart to Add 1 Million Square Feet to Virginia Import Distribution Center," *Knight Ridder Tribune Business News*, May 29, 2004, p. 1; *Hoover's Company Capsules*, August 2006, p. 11600; Dan Scheraga, "Wal-Mart's Muscle," *Chain Store Age*, June 2005, pp. 64-65; and Dan Scheraga, "Wal-Smart," *Chain Store Age*, January 2006 supplement, pp. 16A-21A.
15. "Adding a Day to Dell," *Traffic World*, February 21, 2005, p. 1; William Hoffman, "Dell Ramps Up RFID," *Traffic World*, April 18, 2005, p. 1; and William Hofman, "Dell Beats the Clock," *Traffic World*, October 24, 2005, p. 1.
16. See Ann Bednarz, "IBM Has Some Tall RFID Plans," *Network World*, May 2, 2005, pp. 17-18; "RFID: From Potential to Reality," *Frozen Food Age*, April 2005, p. 40; Jack Neff, "P&G Products to Wear Wire," *Advertising Age*, December 15, 2004, pp. 1, 32; Tom Van Riper, "Retailers Eye RFID Technology to Make Shopping Easier," *Knight Ridder Tribune Business News*, May 23, 2005, p. 1; John S. McClenahan, "Wal-Mart's Big Gamble," *Industry Week*, April 2005, pp. 42-46; and Mark Roberti, "Using RFID at Item Level," *Chain Store Age*, July 2006, pp. 56-57.
17. Transportation percentages and other figures in this section are from Bureau of Transportation Statistics, "Freight in America," January 2006, accessed at www.bts.gov/publications; and Bureau of Transportation Statistics, "Pocket Guide to Transportation 2006," January 2006, accessed at www.bts.gov/publications/pocket_guide_to_transportation/2006/.
18. Ann Bednarz, "Internet EDI: Blending Old and New," *Network World*, February 23, 2004, pp. 29-31; Laurie Sullivan, "Hey, Wal-Mart, A New Case of Pampers Is on the Way," *InformationWeek*, January 23, 2006, p. 28; and Connie Robbins Gentry, "No More Holes at Krispy Kreme," *Chain Store Age*, July 2006, pp. 64-65.
19. See "Supply Chain Management Systems," *Logistics Today*, 2006, pp. 34-42; and Sarah Murray and Andrew K. Reese, "The 2006 Supply & Demand Chain Executive 100," *Supply & Demand Chain Executive*, July 2006; accessed at www.sdcexec.com/article.asp?article_id=8812.
20. Michael Barbaro, "Upscale Tastes Invade Wal-Mart's Hometown," *Washington Post*, June 27, 2005, p. A1; and Michelle Bradford, "Vendor Families Propel Region's Shift to Affluence," *Arkansas Democrat-Gazette*, February 5, 2006.
21. John Paul Quinn, "3PLs Hit Their Stride," *Logistics Management/Supply Chain Management Review*, July 2006, pp. 3T-8T.

CHAPTER 13

1. Based on quotes and information from Diane Brady, "Eating Too Fast at Whole Foods," *BusinessWeek*, October 24, 2005, pp. 82-84; Samantha Thompson Smith, "Grocer's Success Seems Entirely Natural," *The News & Observer*, May 21, 2004, p. D1; Marianne Wilson, "Retail as Theater, Naturally," *Chain Store Age*, May 25, 2005, p. 182; Julie Schlosser, "After a Dip, Whole Foods Looks Tasty," *Fortune*, April 3, 2006, p. 115; and www.wholefoods.com, October 2006.
2. "Supermarkets' Shrinking Share in Food Retailing Marketing Sparks Opportunities for Alternative Food Retail Channels," *M2PressWIRE*, March 31, 2006.
3. See Robert Manor, "Online Grocers Seek Method that Clicks," *Chicago Tribune*, August 22, 2006, accessed at www.chicagotribune.com; Christopher Conkey, "Green Thumb: Internet Grocers Can Help You Avoid Supermarket, but Is It Worth the Price?" *Wall Street Journal*, July 22, 2006, p. B1; and Justin Hibbard, "Put Your Money Where Your Mouth Is," *BusinessWeek*, September 18, 2006, pp. 61-62.
4. "Convenience Store Industry Sales Hit New Highs in 2005," April 5, 2006, accessed online at www.nacsonline.com/.
5. Adapted from Elizabeth Esfahani, "7-Eleven Gets Sophisticated," *Business 2.0*, January-February 2005, pp. 93-100. Also see Tatiana Serafin, "Smokes and Sandwiches," *Forbes*, February 13, 2006, p. 120.
6. Patricia Callahan and Ann Zimmerman, "Price War in Aisle 3—Wal-Mart Tops Grocery List with Supercenter

- Format." *Wall Street Journal*, May 27, 2003, p. B-1; Mike Troy, "What Setback? Supercenters Proliferate." *DSN Retailing Today*, May 17, 2004, p. 1; Elliot Zwiebach, "Wal-Mart's Next Weapon." *Supermarket News*, March 7, 2005, p. 14; Lucia Moses, "Supermarkets' Share Seen Fading." *Supermarket News*, February 6, 2006, p. 8; and Wal-Mart 2006 Annual Report, accessed at www.walmartstores.com.
7. Adapted from John Helyar, "The Only Company Wal-Mart Fears," *Fortune*, November 24, 2003, pp. 158-166. Also see Susan Reda, "Filling My Cart at Costco," *Stores*, February 2005, p. 8; David Moin, "The Simple Life: Warehouse Clubs Go Beyond the Basics," *WWD*, July 10, 2006, p. 20B; and Costco Wholesale Corporation, *Hoover's Company Records*, Austin, August 2006, p. 17060.
 8. See "Quick Franchise, Franchising, Facts and Statistics," accessed at www.azfranchises.com/franchisefacts.htm, September 2006; and information accessed at www.subway.com and www.mcdonalds.com/corp.html, November 2006.
 9. "Who Said That?" *Marketing Management*, January-February 2005, p. 4.
 10. Portions adapted from Bridget Finn, "For Petco, Success Is a Bitch," *Business 2.0*, November 2003, p. 54. Also see Petco Animal Supplies, Inc., *Hoover's Company Records*, Austin, August 2006, p. 17256.
 11. Laurie Sullivan, "Brand This: Department Stores Capitalize on Their Names," *InformationWeek*, April 18, 2005, pp. 61-67; and David Moin, "Private Label Redux: SFA Plans to Roll Out Three Women's Lines," *WWD*, June 6, 2006, pp. 1, 14.
 12. Leander Kahney, "The Genius of Apple's Stores," *WiredNews*, May 2, 2006, accessed at www.wired.com/news/columns/0,70787-0.html.
 13. Adapted from "At Home in the Apple Store: A Welcoming Temple to a Devout Member of the Cult," *Saint Paul Pioneer Press*, June 19, 2006.
 14. See Lorrie Grant, "Maytag Stores Let Shoppers Try Before They Buy," *USA Today*, June 7, 2004, p. 7B; and Alison Neumer Lara, "Chance to Do Laundry Puts Brand Loyalty to the Test," *Knight Ridder Tribune Business News*, November 16, 2005, p. 1.
 15. Information drawn from "The History of Mall of America," accessed online at www.mallofamerica.com, October 2006.
 16. Andrea Bermudez, "Bijan Dresses the Wealthy for Success," *Apparel News.Net*, December 1-7, 2000, accessed online at www.apparelnews.net/Archive/120100/News/newsfeat.htm; Mimi Avins, "FASHION: More is More; Over-the-Top Isn't High Enough for Bijan, Whose Boutique Embraces Excess," *Los Angeles Times*, January 5, 2003, p. E.1; and information accessed at www.bijan.com/boutique, August 2006.
 17. For a good discussion of retail pricing and promotion strategies, see Kathleen Seiders and Glenn B. Voss, "From Price to Purchase," *Marketing Management*, November-December 2005, pp. 38-43.
 18. Paul Lukas, "Our Malls, Ourselves," *Fortune*, October 18, 2004, pp. 243-256; Ryan Chittum, "Mall-Building Industry Takes Stock," *Wall Street Journal*, May 17, 2006, p. B7; and information accessed on the International Council of Shopping Centers Web site, www.icsc.org, October 2006.
 19. Dean Starkman, "The Mall, Without the Haul—'Lifestyle Centers' Slip Quietly into Upscale Areas, Mixing Cachet and 'Curb Appeal,'" *Wall Street Journal*, July 25, 2001, p. B1; "To Mall or Not to Mall?" *Buildings*, June 2004, p. 99; Arlyn Tobian Gajilan, "Wolves in Shops' Clothing," *Fortune Small Business*, February 2005, pp. 17-18; Jenny Kincaid, "An Inside Look at Outdoor Malls," *Roanoke Times*, April 9, 2006; and information accessed on the International Council of Shopping Centers Web site, www.icsc.org, October 2006.
 20. See Amy Barrett, "A Retailing Pacesetter Pulls Up Lane," *BusinessWeek*, July 12, 1993, pp. 122-123; and John Helyar, "The Only Company Wal-Mart Fears," *Fortune*, November 24, 2003, pp. 158-166; Heather Todd, "Club Stores Pack 'Em In," *Beverage World*, April 15, 2005, pp. 44-45.
 21. See Malcolm P. McNair and Eleanor G. May, "The Next Revolution of the Retailing Wheel," *Harvard Business Review*, September-October 1978, pp. 81-91; Stephen Brown, "The Wheel of Retailing: Past and Future," *Journal of Retailing*, Summer 1990, pp. 143-147; Stephen Brown, "Variations on a Marketing Enigma: The Wheel of Retailing Theory," *Journal of Marketing Management*, 7, no. 2, 1991, pp. 131-155; Jennifer Negley, "Retrenching, Reinventing and Remaining Relevant," *Discount Store News*, April 5, 1999, p. 11; and Don E. Schultz, "Another Turn of the Wheel," *Marketing Management*, March-April 2002, pp. 8-9; and Carol Krol, "Staples Preps Easier E-Commerce Site," *BtoB*, March 14, 2005, pp. 3-4.
 22. See "Best of the Web—The Top 50 Retailing Sites," *Internet Retailer*, December 2004, accessed at www.internetretailer.com; Sungwook Min and Mary Wolfingbarger, "Market Share, Profit Margin, and Marketing Efficiency of Early Movers, Bricks and Clicks, and Specialists in E-Commerce," *Journal of Business Research*, August 2005, pp. 1030+; and "Peapod and Scholastic Deliver Highest Consistency Rate," *Internet Retailer*, May 10, 2006, accessed at www.internetretailer.com.
 23. "Online Sales to Surpass \$200 Billion This Year," May 23, 2006, accessed at www.shop.org/press/06/052306.asp.
 24. Joseph Pereira, "Staples Posts Strong Earnings on High-Margin Internet Sales," *Wall Street Journal*, March 5, 2004, p. A13; "The BusinessWeek 50: Staples, Inc.," *BusinessWeek*, April 3, 2006, p. 97; and information accessed online at www.staples.com, October 2006.
 25. Alice Z. Cuneo, "What's in Store?" *Advertising Age*, February 25, 2002, pp. 1, 30-31. Also see Robert Berner, "Dark Days in White Goods for Sears," *Business Week*, March 10, 2003, pp. 78-79.
 26. See "The Fortune 500," *Fortune*, April 17, 2006, p. F.1.
 27. Adapted from information found in Christina Rexrode, "Concept Store in Bloom," *Herald-Sun*, June 6, 2004, pp. F1, F3; "Food Lion Opens First Bloom Concept Store," press release, May 25, 2004, accessed at www.foodlion.com/news.asp?parm=323; Richard Shulman, "Applied Science," *Progressive Grocer*, April 1, 2005, pp. 22-24; "Food Lion 'Blooms' Outside of North Carolina," *Gourmet Retailer*, June 2006, pp. 12-13; and www.shopbloom.com, December 2006.

28. "Wal-Mart International Operations," September 2006, accessed online at www.walmartstores.com.
 29. See "2006 Global Powers of Retailing," *Stores*, January 2006, accessed at www.nxtbook.com/nxtbooks/nrfe/stores0106-globalretail/index.php.
 30. See Dexter Roberts, Wendy Zellner, and Carol Matlack, "Let the Retail Wars Begin," *BusinessWeek*, January 17, 2005, pp. 44-45; "Carrefour: At the Intersection of Global," *DSN Retailing Today*, September 18, 2000, p. 16; "Top 250 Global Retailers," *Stores*, January 2006, accessed at www.nxtbook.com/nxtbooks/nrfe/stores0106-globalretail/index.php; and information from www.walmartstores.com and www.carrefour.com, accessed October 2006.
 31. Adapted from information in "Nike Will Outfit U.S. Men's National Soccer Team in Germany This Summer," *Business Wire*, May 2, 2006; and Stanley Holmes, "Nike: It's Not a Shoe It's a Community," *BusinessWeek*, July 24, 2006, p. 50.
 32. See the Grainger 2006 Fact Book and other information accessed at www.grainger.com, October 2006.
 33. See Dale Buss, "The New Deal," *Sales & Marketing Management*, June 2002, pp. 25-30; and Colleen Courley, "Redefining Distribution," *Warehousing Management*, October 2000, pp. 28-30; Steve Konicki and Eileen Colkin, "Altitude Adjustment," *InformationWeek*, March 25, 2002, pp. 20-22; and Stewart Scharf, "Grainger: Tooled Up for Growth," *BusinessWeek Online*, April 25, 2006, p. 8.
 34. "McKesson: Raising Expectations," *Modern Materials Handling*, February 2004, p. 53; and information from "About Us" and "Supply Management Online," accessed online at www.mckesson.com, October 2006.
 35. Facts accessed at www.supervalu.com, October 2006.
- CHAPTER 14**
1. Portions adapted from Warren Berger, "Dare-Devils," *Business 2.0*, April 2004, p. 110; with quotes and other information from David Kiley, "The Craziest Ad Guys in America," *BusinessWeek*, May 22, 2006, pp. 73-80; Matthew Creamer, "Agency of the Year," *Advertising Age*, January 10, 2005, pp. S1-S2; Mac Anderson, "Crispin, Burger King Win Grand Clio," May 24, 2005, accessed at www.adweek.com; "Blood, Sweat, and the Agency of the Year," *Creativity*, December 2005; and Kate MacArthur, "BK Rebels Fall in Love with King," *Advertising Age*, May 1, 2006, pp. 1-2.
 2. The first four of these definitions are adapted from Peter D. Bennett, *The AMA Dictionary of Marketing Terms*, 2nd ed. (New York: McGraw-Hill, 1995). Other definitions can be found at www.marketingpower.com/live/mg-dictionary.php?, August 2006.
 3. Bob Garfield, "The Chaos Scenario," *Advertising Age*, April 4, 2005, pp. 1, 57+; and "Readers Respond to 'Chaos Scenario'," *Advertising Age*, April 18, 2005, pp. 1-7.
 4. Chase Squires and Dave Gussow, "The Ways in which We Watch TV Are Changing Right Before Our Eyes," *St. Petersburg Times*, April 27, 2006.
 5. Abbey Klaassen, "Study: Only One in Four Teens Can Name Broadcast Networks," *Advertising Age*, May 15, 2006.
 6. Abbey Klaassen, "Marketers Lose Confidence in TV Advertising," *Advertising Age*, March 22, 2006, accessed at adage.com/mediaworks/article?article_id=107965.
 7. Brian Steinberg and Suzanne Vranica, "As 30-Second Spot Fades, What Will Advertisers Do Next?" *Wall Street Journal*, January 3, 2006, p. A15.
 8. Mike Shaw, "Direct Your Advertising Dollars Away from TV at Your Own Risk," *Advertising Age*, February 27, 2006, p. 29. Also see John Consoli, "2005 Spending Rose 4.2 Percent, Says Nielsen Monitor-Plus," *MediaWeek*, March 15, 2006, accessed at www.mediaweek.com; and Claire Atkinson, "Measured Network TV Ad Spending Fell Last Year," *Advertising Age*, March 6, 2006, accessed at www.adage.com.
 9. Jack Neff, "P&G Chief: We Need New Model Now," *Advertising Age*, November 15, 2004, pp. 1, 53.
 10. Don E. Schultz, "New Media, Old Problem: Keep Marcom Integrated," *Marketing News*, March 29, 1999, p. 11. Also see Don E. Schultz, Stanley I. Tannenbaum, and Robert F. Lauterborn, *Integrated Marketing Communications* (Chicago, IL: NTC, 1992); Claire Atkinson, "Integration Still a Pipe Dream for Many," *Advertising Age*, March 10, 2003, pp. 1, 47; and Randall Rothenberg, "Despite All the Talk, Ad and Media Shops Still Aren't Truly Integrated," *Advertising Age*, March 27, 2006, p. 24.
 11. See Don E. Schultz and Philip J. Kitchen, *Communication Globally: An Integrated Marketing Approach* (New York: McGraw-Hill, 2000); and Don E. Schultz and Heidi Schultz, *IMC: The Next Generation* (New York: McGraw-Hill, 2004).
 12. Carolyn Setlow, "Humorous, Feel-Good Advertising Hits Home with Consumers," *DSN Retailing Today*, April 22, 2002, p. 14. Also see Fred K. Beard, "One Hundred Years of Humor in American Advertising," *Journal of Macromarketing*, June 1, 2005, pp. 54+.
 13. See "Magic Fridge of Bud Lite Ices a Win," *USA Today*, February 6, 2006, p. 5B.
 14. Quotes and other information found in Hillary Chura, "A Creative Low Point," *Advertising Age*, February 9, 2004, p. 49; Stuart Elliott, "Can Beer Ads Extol Great Taste in Good Taste?" *New York Times*, April 2004, p. C2; and Heather Landi, "Madison Avenue's Greatest Hits," *Beverage World*, December 15, 2005, pp. 28-29.
 15. For these and other examples, see Pamela Paul, "Color by Numbers," *American Demographics*, February 2002, pp. 31-35; and Arundhati Parmar, "Marketers Ask: Hues on First?" *Marketing News*, February 15, 2004, pp. 8-10.
 16. Jonah Bloom, "The Truth Is: Consumers Trust Fellow Buyers Before Marketers," *Advertising Age*, February 13, 2006, p. 25.
 17. Example adapted from Linda Tischler, "What's the Buzz?" *Fast Company*, May 2004, p. 76; with information from Matthew Creamer, "BzzAgent Seeks to Turn Word of Mouth into a Saleable Medium," *Advertising Age*, February 2006, p. 12.
 18. Eugenia Levenson, "When Celebrity Endorsements Attack," *Fortune*, October 17, 2005, p. 42; and Charlie Gillis, "Thee Skill of Victory," *Maclean's*, February 27, 2006, p. 40.

19. For more on advertising spending by company and industry, see the Advertising Age, "Ad to Sales Ratios 2005 Edition," March 1, 2006, accessed at http://adage.com/datacenter/article.php?article_id=106936.
 20. For more on setting promotion budgets, see W. Ronald Lane, Karen Whitehill King, and J. Thomas Russell, *Kleppner's Advertising Procedure*, 16th ed. (Upper Saddle River, NJ: Prentice Hall, 2005), Chap. 6.
 21. See David Barron, "TV Ratings Beat Last Year's," *Knight Ridder Tribune Business News*, February 7, 2006, p. 1; Nick Madigan and Rob Haaesen, "Oscar Host Is One Tough Gig," *Knight Ridder Tribune Business News*, March 7, 2006, p. 1; and Lisa de Moraes, "'American Idol' Belts Out a Huge Opening Number: 33.6 Million," *Washington Post*, January 20, 2006, p. C1.
 22. Roy Chitwood, "Making the Most Out of Each Outside Sales Call," February 4, 2005, accessed at <http://seattle.bizjournals.com/seattle/stories/2005/02/07/smallb3.html>; and "The Cost of the Average Sales Call Today is More Than \$400," *Business Wire*, February 28, 2006.
 23. Based on Matthew P. Gonring, "Putting Integrated Marketing Communications to Work Today," *Public Relations Quarterly*, Fall 1994, pp. 45-48. Also see Philip Kotler, *Marketing Management*, 12th ed. (Upper Saddle River, NJ: Prentice Hall, 2006), pp. 558-561.
 24. Information accessed at www.tropicalforestfoundation.org/about.html and www.avoncompany.com/women/avoncrusade/, August 2006.
 25. For more on the legal aspects of promotion, see Lane, King, and Russell, *Kleppner's Advertising Procedure*, chapter 25; and William L. Cron and Thomas E. DeCarlo, *Dalrymple's Sales Management*, 9th ed. (New York: Wiley, 2006), chapter 10.
- CHAPTER 13**
1. Quotes and other information from "A Legend in Its Time," *Best's Review*, January 2006, p. 53; Jim Lovel, "Loving the Lizard," *Adweek*, October 24, 2005, pp. 32-33; and Mya Frazier, "Ad Spending Booms in War of Car Insurers," *Advertising Age*, March 13, 2006, p. 4.
 2. For information on U.S. and international advertising spending, see Lisa Sanders, "Global Ad Spend to Rise to 6 Percent in 2006," *Advertising Age*, December 5, 2005, p. 1; and "100 Leading National Advertisers," special issue of *Advertising Age*, June 26, 2006.
 3. For more on advertising budgets, see W. Ronald Lane, Karen Whitehill King, and J. Thomas Russell, *Kleppner's Advertising Procedure*, 16th ed. (Upper Saddle River, NJ: Prentice Hall, 2005), chapter 6.
 4. Adapted from Brian Steinberg and Suzanne Vranica, "Agencies Rethink Wall Between Creative, Media; Fragmentation of Audience Undercuts the Rationale for Separate Buying Units," *Wall Street Journal*, March 1, 2006, p. B3.
 5. See the Q&A section at www.absolut.com, August 2006; and "Record Year for Absolut Vodka," press release, January 31, 2006, accessed at www.absolut.com.
 6. "Commercial Conundrum," *Marketing Management*, April 2006, p. 6; and "Number of Magazines by Category," accessed at www.magazine.org/editorial/editorial_trends_and_magazine_handbook/1145.cfm, August 2006.
 7. Charles Pappas, "Ad Nauseam," *Advertising Age*, July 10, 2000, pp. 16-18; Mark Ritson, "Marketers Need to Find a Way to Control the Contagion of Clutter," *Marketing*, March 8, 2003, p. 16; and David H. Freedman, "The Future of Advertising Is here," *Inc.*, August 2005, pp. 70-78.
 8. See Steve McClellan, "American Idol No. 1 with a \$705k Bullet," *Mediaweek*, September 12, 2005, pp. 4-5; Abbey Klaassen and Claire Atkinson, "Super Bowl Spots Lose Their Luster," *Advertising Age*, February 13, 2006, p. 1; Roberta Bernstein, "Actors' Digital Destiny," *Adweek*, April 10, 2006, pp. 22-23; and Claire Atkinson, "'Idol' Finale Hits \$1.3M High Note," *Advertising Age*, April 17, 2006, pp. 1, 14.
 9. Paul Holmes, "Programs that Demonstrate the Value of Public Relations," *Advertising Age*, January 24, 2005, pp. C12-C16; Gary Levin, "Ad Glut Turns Off Viewers," *USA Today*, October 11, 2005, accessed at www.usatoday.com; and John Consoli, "Broadcast, Cable Ad Clutter Continues to Rise," *MediaWeek*, May 4, 2006, accessed at www.mediaweek.com.
 10. John Consoli, "Broadcast, Cable Ad Clutter Continues to Rise," *MediaWeek*, May 4, 2006, accessed at www.mediaweek.com.
 11. Ronald Grover, "The Sound of Many Hands Zapping," *BusinessWeek*, May 22, 2006, p. 38; David Kigley, "Learning to Love the Dreader TiVo," *BusinessWeek*, April 17, 2006, p. 88; and Randall Stross, "Someone Has to Pay. But Who? And How?" *New York Times*, May 7, 2006, p. 3.3.
 12. See Theresa Howard, "'Viral' Advertising Spreads through Marketing Plans," *USA Today*, June 6, 2005, accessed at www.usatoday.com/money/advertising/2005-06-22-viral-usat_x.htm; and Steve McKee, "Advertising: Less Is Much More," *BusinessWeek Online*, May 10, 2006, accessed at www.businessweek.com.
 13. Stuart Elliot, "New Rules of Engagement," *New York Times*, March 21, 2006, p. C7; and Abbey Klaassen, "New Wins Early Battle in Viewer-Engagement War," *Advertising Age*, March 20, 2006, p. 10.
 14. See David Kiley, "Cable's Big Bet on Hyper-Targeting," *BusinessWeek*, July 4, 2005, pp. 58-59; and David H. Freedman, "The Future of Advertising Is Here," *Inc.*, August 2005, pp. 70-78.
 15. Adapted from information found in "Multi-Taskers," *Journal of Marketing Management*, May-June 2004, p. 6; "Kids Today: Media Multitaskers," March 9, 2005, accessed at www.cbsnews.com/stories/2005/03/09/tech/main678999.shtml; and Claudia Wallis, "The Multitasking Generation," *Time*, March 27, 2006, accessed at www.time.com.
 16. *Newsweek* and *BusinessWeek* cost and circulation data accessed online at <http://mediakit.businessweek.com> and www.newsweekmediakit.com, August 2006.
 17. See Marty Bernstein, "Why TV Commercials Are So Costly," *Automotive News*, May 10, 2004, p. 30H; and Simon Yeaman, "Up Late," *The Advertiser*, November 10, 2004, p. D5.

18. Stuart Elliot, "How Effective Is This Ad, in Real Numbers? Beats Me," *New York Times*, July 20, 2005, p. C8.
 19. Elliot, "How Effective Is This Ad, in Real Numbers? Beats Me," p. C8. Also see, Dan Lippe, "Media Scorecard: How ROI Adds Up," *Advertising Age*, June 20, 2005, p. S6; and Pat LaPointe, "For Better ROI, Think Sailing, Not Driving," *Brandweek*, January 30, 2006, pp. 17-18.
 20. Information on advertising agency revenues from "Advertising Age's Special Agency Report," *Advertising Age*, May 1, 2006.
 21. See Alexandra Jardine and Laurel Wentz, "It's a Fat World After All," *Advertising Age*, March 7, 2005, p. 3; George E. Belch and Michael A. Belch, *Advertising and Promotion*, (New York: McGraw-Hill/Irwin, 2004), pp. 666-668; Jonathan Cheng, "China Demands Concrete Proof of Ads," *Wall Street Journal*, July 8, 2005, p. B1; Cris Prystay, "India's Brewers Cleverly Dodge Alcohol-Ad Ban," *Wall Street Journal*, June 15, 2005, p. B1; and Dean Visser, "China Puts New Restrictions on Cell Phone, E-Mail Advertising," *Marketing News*, March 15, 2006, p. 23.
 22. Adapted from Scott Cutlip, Allen Center, and Glen Broom, *Effective Public Relations*, 9th ed. (Upper Saddle River, NJ: Prentice Hall, 2006), chapter 1.
 23. Adapted from information found in Diane Brady, "Wizard of Marketing," *BusinessWeek*, July 24, 2000, pp. 84-87; Mira Serrill-Robins, "Harry Potter and the Cyberpirates," *BusinessWeek*, August 1, 2005, p. 9; Keith O'Brien, "Publisher Puts Fans First for New Harry Potter Release," *PRWeek*, July 18, 2005, p. 3; and "Harry Potter Tops U.S. Best-Seller List for 2005," *China Daily*, January 11, 2006, p. 14.
 24. Al Ries and Laura Ries, "First Do Some Publicity," *Advertising Age*, February 8, 1999, p. 42. Also see Al Ries and Laura Ries, *The Fall of Advertising and the Rise of PR* (New York: HarperBusiness, 2002). For points and counterpoints and discussions of the role of public relations, see O. Burtch Drake, "'Fall' of Advertising? I Differ," *Advertising Age*, January 13, 2003, p. 23; Robert E. Brown, "Book Review: The Fall of Advertising & the Rise of PR," *Public Relations Review*, March 2003, pp. 91-93; Mark Cheshire, "Roundtable Discussion—Making & Moving the Message," *The Daily Record*, January 30, 2004, p. 1; and David Robinson, "Public Relations Comes of Age," *Business Horizons*, May-June 2006, pp. 247+.
 25. Adapted from Todd Wasserman, "Word Games," *Brandweek*, April 24, 2006, pp. 24-28.
 26. See Corey Washington, "Software Stops for Corona Demonstration," *Business Press*, February 27, 2006, p. 5; Lucas Conley, "On a Roll," *Fast Company*, February 2005, p. 28; and information from www.microsoft.com/mscorp/acrossamerica/, August 2006.
 27. See "Butterball Turkey Talk-Line Fact Sheet," accessed at www.butterball.com/en/files/PDF/Fact_Sheet_2005.PDF, September 2006.
 28. Paul Holmes, "Senior Marketers Are Sharply Divided About the Role of PR in the Overall Mix," *Advertising Age*, January 24, 2005, pp. C1-C2.
- CHAPTER 16
1. Quotes and other information from Jeff O'Heir, "Michael Krasny—IT Sales Innovator," *Computer Reseller News*, November 18, 2002; Ed Lawler, "Integrated Campaign Winner: CDW Computer Centers," *BtoB*, December 9, 2002, p. 20; "CDW Chooses Richardson to Strengthen Customer Focus," *Business Wire*, July 23, 2003, p. 5397; Scott Campbell, "CDW Snags Companywide Cisco Premier Status," *CRN*, April 12, 2004, p. 12; Chuck Salter, "The Soft Sell," *Fast Company*, January 2005, pp. 72-73; "CDW Corporation," *Hoover's Company Records*, May 15, 2006, p. 16199; Mike Hughlett, "Results Boost CDW's Shares," *Knight Ridder Tribune Business News*, April 26, 2006, p. 1; and www.cdw.com, September 2006.
 2. Quote from Laurence Zuckerman, "Selling Airplanes with a Smile," *New York Times*, February 17, 2002, p. 3.2. Also see Joann Muller, "7 Digital 7," *Forbes*, June 21, 2004, p. 117; and Perry Flint, "What Will They Do for an Encore?" *Air Transport World*, March 2006, pp. 22-25.
 3. See "Lear Corp. Honored by GM as Supplier of the Year," *St. Charles County Business Record*, May 10, 2006, p. 1; Andy Cohen, "Top of the Charts: Lear Corporation," *Sales & Marketing Management*, July 1998, p. 40; and "Lear Corporation," *Hoover's Company Records*, May 15, 2006, p. 17213.
 4. "Selling Power 500," accessed at www.sellingpower.com/sp500/index.asp, October 2006.
 5. For more on this and other methods for determining sales force size, see William L. Cron and Thomas E. DeCarlo, *Sales Management*, 9th ed. (New York: John Wiley & Sons, 2006), pp. 84-85.
 6. Roy Chitwood, "Making the Most Out of Each Outside Sales Call," February 4, 2005, accessed at <http://seattle.bizjournals.com/seattle/stories/2005/02/07/smallb3.html>; and "The Cost of the Average Sales Call Today is More Than \$400," *Business Wire*, February 28, 2006.
 7. Carol Krol, "Telemarketing Team Rings Up Sales for Avaya," *BtoB*, October 10, 2005, p. 34.
 8. See Martin Everett, "It's Jerry Hale on the Line," *Sales & Marketing Management*, December 1993, pp. 75-79. Also see Terry Arnold, "Telemarketing Strategy," *Target Marketing*, January 2002, pp. 47-48.
 9. Adapted from Chuck Salter, "The Soft Sell," *Fast Company*, January 2005, pp. 72-73. See also "Minding Our Business," *Multichannel Merchant*, March 2006, p. 1.
 10. William F. Kendy, "No More Lone Rangers," *Selling Power*, April 2004, pp. 70-74. Also see Michelle Nichols, "Pull Together - Or Fall Apart," *BusinessWeek Online*, December 2, 2005, accessed at www.businessweek.com.
 11. "Customer Business Development," accessed at www.pg.com/jobs/jobs_us/work_we_offer/advisor_overview.jhtml?sl=jobs_advisor_business_development, September 2006.
 12. Quotes and other information in this section on super salespeople are from Geoffrey Brewer, "Mind Reading: What Drives Top Salespeople to Greatness?" *Sales &*

- Marketing Management*, May 1994, pp. 82-88; Andy Cohen, "The Traits of Great Sales Forces," *Sales & Marketing Management*, October 2000, pp. 67-72; Julia Chang, "Born to Sell?" *Sales & Marketing Management*, July 2003, pp. 34-38; Henry Canaday, "Recruiting the Right Stuff," *Selling Power*, April 2004, pp. 94-96. Also see Tom Andel, "How to Cultivate Sales Talent," *Official Board Markets*, April 23, 2005, pp. 14-16; and Kevin McDonald, "Therapist, Social Worker or Consultant?" *CRN*, December 2005-January 2006, p. 24.
13. Robert Klein, "Nabisco Sales Soar after Sales Training," *Marketing News*, January 6, 1997, p. 23; and Geoffrey James, "The Return of Sales Training," *Selling Power*, May 2004, pp. 86-91. See also, Anita Sirianni, "How to Build a Sales Training Program That Actually Improves Performance," *Proofs*, January 2005, pp. 66-68.
 14. David Chelan, "Revving Up E-Learning to Drive Sales," *EContent*, March 2006, pp. 28-32; and "E-Learning Evolves Into Mature Training Tool," *T + D*, April 2006, p. 20.
 15. From David Chelan, "Revving Up E-Learning to Drive Sales," *EContent*, March 2006, pp. 28-32; and "International Rectifier Drives Sales with Global E-Learning Initiative," GeoLearning case study, accessed at www.geolearning.com/main/customers/ir.cfm, June 2006.
 16. See *Dartnell's 30th Sales Force Compensation Survey*, Dartnell Corporation, August 1999; and Galea "2006 Compensation Survey," *Sales & Marketing Management*, May 2006, pp. 30-35.
 17. See Henry Canady, "How to Increase the Times Reps Spend Selling," *Selling Power*, March 2005, p. 112; George Reinhold, "8 Tips to Help Control the Hand of Time," *Printing News*, January 9, 2006, p. 10; and David J. Cichelli, "Plugging Sales Time Leaks," *Sales & Marketing Management*, April 2006, p. 23.
 18. See Gary H. Anthes, "Portal Powers GE Sales," *Computerworld*, June 2, 2003, pp. 31-32. Also see Betsy Cummings, "Increasing Face Time," *Sales & Marketing Management*, January 2004, p. 12; and David J. Cichelli, "Plugging Sales Time Leaks," *Sales & Marketing Management*, April 2006, p. 23.
 19. For extensive discussions of sales force automation, see the May 2005 issue of *Industrial Marketing Management*, which is devoted to the subject.
 20. Irwin Speizer, "Incentives Catch on Overseas, But Value of Awards Can Too Easily Get Lost in Translation," *Workforce Management*, November 21, 2005.
 21. For more on return on sales investment, see Tim Lukes and Jennifer Stanley, "Bringing Science to Sales," *Marketing Management*, September-October 2004, pp. 36-41.
 22. Quotes from Bob Donath, "Delivering Value Starts with Proper Prospecting," *Marketing News*, November 10, 1997, p. 5; and Bill Brooks, "Power-Packed Prospecting Pointers," *Agency Sales*, March 2004, p. 37. See also the audio slide presentation by Mike Trigg and others, "Best Practices for Sales Prospecting," Salesforce.com User & Development Conference 2005, accessed at www.spoke.com/bestpractices, April 2006.
 23. Quotes and other information from Dana Ray, "Are You Listening?" *Selling Power*, October 2004, pp. 24-27; Erin Stout, "Throwing the Right Pitch," *Sales & Marketing Management*, April 2001, pp. 61-63; Betsy Cummings, "Listening for Deals," *Sales & Marketing Management*, August 2005, p. 8; and William Kendy, "Learning to Listen," *Selling Power*, July-August 2006, p. 25. Also see Geoffrey James, "Solution Selling," *Selling Power*, May 2006, pp. 45-48.
 24. Betsy Cummings, "Listening for Deals," *Sales & Marketing Management*, August 2005, p. 8.
 25. Adapted from Rebecca Aronauer, "Looking Good," *Sales and Marketing Management*, April 2006, pp. 41-45.
 26. *2005 Trade Promotion Spending & Merchandising Industry Study* (Cannondale Associates, Wilton, CT, May 2006), p. 13.
 27. Adapted from Mike Beirne, "Scoring Points, Having Fun," *Brandweek*, October 18, 2004, pp. 18-19. Also see Jessica Mintz, "Travel Watch," *Wall Street Journal*, March 15, 2005, p. D5.
 28. "Casting the Net Wider," *Candy Industry*, February 2005, p. 24; Damian J. Troise, "Fisherman's Friend Coughs Up MINI Cooper for Slogan Contest Winner," *Knight Ridder Tribune Business News*, February 25, 2005, p. 1; and www.fishermansfriendusa.com, accessed August 2006.
 29. See Betsy Spethmann, "Clipping Slows," *Promo Magazine*, April 1, 2006; and Direct Marketing Association, "The DMA 2006 Statistical Fact Book," June 2006, p. 90.
 30. See Leo Jakobson, "Coupons on the Go," *Incentive*, February 2005, p. 16; and Aman Batheja, "Show Your Text Message, Get a Discount," *Knight Ridder Tribune Business News*, April 22, 2006, p. 1.
 31. See "Promotional Products—Impact, Exposure, and Influence" at Promotional Products Association International Web site, www.ppai.org, accessed May 2006; and Stacey Burling, "Your Logo Sells Here," *Philadelphia Enquirer*, May 31, 2006, accessed at www.philly.com/mlid/philly/business/14702529.htm.
 32. *2005 Trade Promotion Spending & Merchandising Industry Study* (Cannondale Associates, Wilton, CT, May 2006), p. 13.
 33. See "Nearly Half a Million Attend Bauma Trade Show," *Pit & Quarry*, May 2004, p. 16; and "Record Breaking 2006 International CES Reflects Strength of Computer Technology Industry," press release at Consumer Electronics Association Web site, www.cesweb.org, January 8, 2006.

CHAPTER 17

1. Quotes and other information from Louise Lee, "It's Dell vs. The Dell Way," *BusinessWeek*, March 6, 2006, pp. 61-62; Andy Serwer, "Dell's Midlife Crisis," *Fortune*, November 28, 2005, pp. 147-152; Kathryn Jones, "The Dell Way," *Business 2.0*, February 2003, pp. 60-66; Serwer, "Dell Does Domination," *Fortune*, January 21, 2002, pp. 71-75; Serwer, "The Education of Michael Dell," *Fortune*, March 7, 2005, pp. 73-78; "Dell Inc.," *Hoover's Company Records*, Austin, May 1, 2006, p. 132692; "Top PC Vendors by Market Share," *Interactive Marketing & Media*, supplement to *Advertising Age*, April 17, 2006, p. 50; Luisa Kroll and Allison Fass, "The World's Billionaires," *Forbes*, March 9, 2006, accessed at www.forbes.com/billionaires; and www.dell.com/us/en/

- gen/corporate/access_company_direct_model.htm, December 2006.
2. "Growth Trends Continue for Direct Marketing," press release, Direct Marketing Association, September 29, 2005, accessed at www.the-dma.org.
 3. For these and other direct marketing statistics in this section, see Direct Marketing Association, "The DMA 2006 Statistical Fact Book," June 2006, pp. 249–250; Direct Marketing Association, "U.S. Direct Marketing Today: Economic Impact 2005," October, 2005, various pages; and a wealth of other information accessed at www.the-dma.org, September 2006.
 4. Portions adapted from Christopher Elliott, "Your Very Own Personal Air Fare," *New York Times*, August 9, 2005, p. C5. Also see "Southwest Airlines Makes DING! Available to MAC Users," *Telecomworldwire*, March 21, 2006, p. 1; and "What Is DING!?" accessed at www.southwest.com/ding/, September 2006.
 5. Alicia Orr Suman, "Ideas You Can Take to the Bank! 10 Big Things All Direct Marketers Should Be Doing Now," *Target Marketing*, February 2003, pp. 31–33; and Mary Ann Kleinfelder, "Know Your Customer," *Target Marketing*, January 2005, pp. 28–31.
 6. Daniel Lyons, "Too Much Information," *Forbes*, December 13, 2004, p. 110; and Mike Freeman, "Data Company Helps Wal-Mart, Casinos, Airlines Analyze Data," *Knight Ridder Business Tribune News*, February 24, 2006, p. 1.
 7. Quotes from Scott Horstein, "Use Care with the Database," *Sales & Marketing Management*, May 2006, p. 22. Also see Geoffrey Brewer, "The Customer Stops Here," *Sales & Marketing Management*, March 1998, pp. 31–36; "The Art of Service," *Fast Company*, October 2005, pp. 47–59; *Hoover's Company Records*, May 1, 2006, p. 40508; and information from www.usaa.com, September 2006.
 8. Direct Marketing Association, "The DMA 2006 Statistical Fact Book," June 2006, p. 250.
 9. David Ranii, "Compact Discs, DVDs Get More Use as Promotional Tool," *Knight Ridder Tribune Business News*, May 5, 2004, p. 1.
 10. Jim Emerson, "Print and the Internet Go Hand-in-Hand," *Printing News*, June 20, 2005, p. 2; and "Abacus Report: Web Sales Soon to Overtake Catalog Sales," August 3, 2005, accessed at <http://multichannelmerchant.com/news/Abacus-trend-report-080305/>.
 11. Direct Marketing Association, "The DMA 2006 Statistical Fact Book," June 2006, p. 250.
 12. "Catalog Study Now Available," *Business Forms, Labels, and Systems*, June 20, 2001, p. 24; Richard S. Hodgson, "It's Still the Catalog Age," *Catalog Age*, June 2001, p. 156; and Sherry Chiger, "It's Raining Catalogs," *Catalog Age*, June 2004, p. 12.
 13. See "About Lillian Vernon," accessed at www.lillianvernon.com, August 2006; and "Lillian Vernon Corporation," *Hoover's Company Records*, Austin, May 11, 2006, p. 12111.
 14. Janie Curtis, "Catalogs as Portals: Why You Should Keep on Mailing," *Multichannel Merchant*, November 30, 2005, accessed at http://multichannelmerchant.com/news/catalogs_portal_1130/index.html.
 15. Andrea Coombes, "MarketWatch: Hello . . . It's the Do-Not-Call List," *Wall Street Journal*, January 1, 2006, p. 4.
 16. Ira Teinowitz, "'Do Not Call' Does Not Hurt Direct Marketing," *Advertising Age*, April 11, 2005, pp. 3, 95.
 17. Teinowitz, "'Do Not Call' Does Not Hurt Direct Marketing," p. 3.
 18. Ron Donoho, "One-Man Show," *Sales & Marketing Management*, June 2001, pp. 36–42; and information accessed at www.ronco.com, March 2004; and Brian Steinberg, "Read This Now!; But Wait! There's More! The Infomercial King Explains," *Wall Street Journal*, March 9, 2005, p. 1.
 19. Jack Neff, "What Procter & Gamble Learned from Veg-O-Matic," *Advertising Age*, April 10, 2006, pp. 1, 65.
 20. Steve McLellan, "For a Whole New DRTV Experience. Call Now," *Adweek*, September 5, 2005, p. 10; and Jack Neff, "What Procter & Gamble Learned from Veg-O-Matic," p. 1.
 21. Adapted from portions of Elizabeth Esfahani, "A Sales Channel They Can't Resist," *Business 2.0*, September 2005, pp. 91–96.
 22. Diane Anderson, "HP Developing Retail Kiosks to Reach 'iMoms,'" *Brandweek*, March 6, 2006, p. 12; Chris Jones, "Kiosks Put Shopper in Touch," *Knight Ridder Tribune Business News*, April 11, 2006, p. 1; and David Eisen, "Hilton Debuts Air Checkin Kiosk," *Business Travel News*, May 1, 2006, p. 8.
 23. "Interactive: Ad Age Names Finalists," *Advertising Age*, February 27, 1995, pp. 12–14.
 24. Alice Z. Cuneo, "Scramble for Content Drives Mobile," *Advertising Age*, October 24, 2005, p. S6.
 25. "Mobile Marketing," *Marketing News*, April 1, 2006, p. 4.
 26. For these and other examples, see Alice Z. Cuneo, "Marketers Get Serious about the Third Screen," *Advertising Age*, July 11, 2005, p. 6; and Theresa Howard, "Burger King to Send Extended Ad to Customers of Sprint Phone Video," *USA Today.com*, January 20, 2006, accessed at www.usatoday.com/moneyadvertising/2006-01-20-burger-king-usat_x.htm.
 27. Adapted from information found in Normandy Madden, "Cellphones Spawn New 'Fast' Promotions in Japan," *Advertising Age*, November 7, 2005, p. 14.
 28. See Abbey Klaassen and Leslie Taylor, "Few Compete to Settle Podcasting's Wild West," *Advertising Age*, April 24, 2006, p. 13; and "E-Marketer Sees Big Future for Podcast Ads," *BtoB*, March 13, 2006, p. 6; Jim Pollock, "Suddenly, It's the Podcast Era," *Des Moines Business Record*, April 17, 2006, p. 1.
 29. For these and other examples, see Karyn Strauss and Derek Gale, *Hotels*, March 2006, p. 22; and "Disneyland Offers Behind-the-Scenes Podcast," *Wireless News*, February 19, 2006, p. 1.
 30. Susie Haywood, "Honda Scores First with Civic 'Vodcast,'" *Revolution*, February 2006, p. 11.
 31. Adapted from David Liley, "Learning to Love the Dreaded TiVo," *BusinessWeek*, April 17, 2006, p. 88. Also see Daisy Whitney, "Marketers Quick to Say 'Yes' to Opt-In TV Fare," *Advertising Age*, October 24, 2005, p. S4; and "Nickelodeon Runs SeaWord iTV Ads," *New Media Age*, April 27, 2006, p. 3.

32. For these and other statistics on Internet usage, see "United States: Average Web Usage," Nielsen/NetRatings, April 2006, accessed at www.nielsen-netratings.com; Antony Bruno, "Web Adoption Slows, Broadband Grows," *Billboard*, April 15, 2006, p. 16; and Enid Burns, "Global Internet Adoption Slows While Involvement Deepens," *ClickZ Stats*, April 3, 2006, accessed at www.clickz.com.
33. "JupiterResearch Forecasts Online Retail Spending Will Reach \$144 Billion in 2010, a CAGR of 12% from 2005," February 6, 2006, accessed at www.jupitermedia.com/corporate/releases/06.02.06-newjupresearch.html. For other estimates, see "Online Retail Sales Grew in 2005," January 5, 2006, accessed at www.clickz.com; and "Consumer Internet Usage," *Interactive Marketing & Media*, a supplement to *Advertising Age*, April 17, 2006, p. 28.
34. "JupiterResearch Forecasts Online Retail Spending Will Reach \$144 Billion in 2010, a CAGR of 12% from 2005," February 6, 2006, accessed at www.jupitermedia.com/corporate/releases/06.02.06-newjupresearch.html.
35. Information for this example accessed at <http://quickenloans.quicken.com>, September 2006.
36. Information for this example accessed at www.dell.com/html/us/segments/pub/premier/tutorial/users_guide.html, September 2006.
37. See Kim Wright Wiley, "Meg Whitman: The \$40 Billion eBay Sales Story," *Selling Power*, November–December, 2005, pp. 63–70; "eBay Inc.," *Hoover's Company Records*, May 1, 2006, p. 56307; and facts from eBay annual reports and other information accessed at www.ebay.com, September 2006.
38. Stephen Baker and Heather Green, "Blogs Will Change Your Business," *BusinessWeek*, May 2, 2005, pp. 57–67; and Alan Scott, "Guard Your Rep: Ignore Blogs at the Peril of Brand Image," *Marketing News*, February 15, 2006, pp. 21–22.
39. Michael Barbaro, "Wal-Mart Enlists Bloggers in Its Public Relations Campaign," *New York Times*, March 7, 2006, p. C1.
40. Gavin O'Malley, "Coca-Cola Sends Bloggers to Olympics," *MediaPost Publications*, February 10, 2006, accessed at <http://publications.mediapost.com>.
41. Pete Blackshaw, "Irrational Exuberance? I Hope We're Not Guilty," *Barcode Blog*, August 26, 2005, accessed at www.barcodefactory.com/wordpress/?p=72.
42. Michelle Slatalla, "Toll-Free Apology Soothes Savage Beast," *New York Times*, February 12, 2004, p. G4; and information from www.planetfeedback.com/consumer, August 2006.
43. "Mass Merchants/Department Stores: Winning by Leveraging More of What the Web Can Do," *Internet Retailer*, December 2004, accessed at www.internetretailer.com; and information from www.officedepot.com, September 2006.
44. See "Best of the Web—The Top 50 Retailing Sites," *Internet Retailer*, December 2004, accessed at www.internetretailer.com; and "Peapod and Scholastic Deliver Highest Consistency Rate," *Internet Retailer*, May 10, 2006, accessed at www.internetretailer.com.
45. Adapted from Jena McGregor, "High-Tech Achiever: MINI USA," *Fast Company*, October 2004, p. 86, with information from www.miniusa.com, September 2006.
46. Jeffrey F. Rayport and Bernard J. Jaworski, *e-Commerce* (New York: McGraw-Hill, 2001), p. 116. Also see Goutam Chakraborty, "What Do Customers Consider Important in B2B Web sites?" *Journal of Advertising*, March 2003, p. 50; and "Looks Are Everything," *Marketing Management*, March/April 2006, p. 7.
47. See Wendy Davis, "Jupiter Research: Internet Ad Spend to Reach \$18.9 Billion by 2010," August 9, 2005, accessed at publications.mediapost.com; and "Internet Advertising Revenues Grow 30% to a Record \$12.5 Billion in '05," Internet Advertising Bureau, April 20, 2006, accessed at www.iab.net.
48. Ellis Booker, "Vivid 'Experiences' as the New Frontier," *BtoB*, March 14, 2005, p. 14; and Karen J Bannan, "Rich Media Rule Book," *BtoB*, March 13, 2006, pp. 27–30.
49. See Mike Shields, "Google Faces New Rivals," August 22, 2005, accessed at www.mediaweek.com; and "Internet Advertising Revenues Grow 30% to a Record \$12.5 Billion in '05," Internet Advertising Bureau, April 20, 2006, accessed at www.iab.net.
50. Adapted from Jon Fine, "Rise of the Lowly Search Ad," *BusinessWeek*, April 24, 2006, p. 24.
51. Kris Oser, "Video in Demand," *Advertising Age*, April 4, 2005, pp. S1–S5.
52. Adapted from information found in Bob Garfield, "War & Peace and Subservient Chicken," April 26, 2004, accessed at www.adage.com; Gregg Cebrzynski, "Burger King Says It's OK to Have Your Way with the Chicken," *Nation's Restaurant News*, May 10, 2004, p. 16; and Ryan Underwood, "Ruling the Roost," *Fast Company*, April 2005, pp. 70–78.
53. Jack Neff, "Taking Package Goods to the Net," *Advertising Age*, July 11, 2005, pp. S1–S3.
54. Information from the iVillage Top-Line Metrics section of www.ivillage.com, October 2006; and www.MyFamily.com, September 2006.
55. Direct Marketing Association, "The DMA 2006 Statistical Fact Book," June 2006, p. 250; and "Jupiter: Email Marketing to Grow, Spam to Drop," February 6, 2006, accessed at www.jupitercommunications.com.
56. Heidi Anderson, "Nintendo Case Study: Rules Are Made to Be Broken," *E-Mail Marketing Case Studies*, March 6, 2003, accessed online at www.clickz.com.
57. Enid Burns, "The Deadly Duo: Spam and Viruses," March 2006," *ClickZ Stats*, April 28, 2006, accessed at www.clickz.com.
58. Adapted from information found in Carol Krol, "E-Mail Marketing Gains Ground with Integration," *BtoB*, April 3, 2006, p. 1.
59. "Sweepstakes Group Settles with States," *New York Times*, June 27, 2001, p. A14; and "PCH Reaches \$34 Million Sweepstakes Settlement with 26 States," *Direct Marketing*, September 2001, p. 6.
60. See National White Collar Crime Center "IC3 2005 Internet Crime Report," 2005, accessed at www.ic3.gov/

- media/annualreport/2005_IC3Report.pdf, June 2006; and Federal Trade Commission, "Consumer Fraud & Identity Theft Complaint Data," January 2006, accessed at www.ftc.gov.
61. See Don Oldenburg, "Hook, Line and Sinker: Personalized Phishing Scams Use Customers' Names to Attract Attention," *Washington Post*, April 2, 2006, p. F05; and "How Not to Get Caught by a Phishing Scam," accessed at www.ftc.gov/bcp/online/pubs/alerts/phishingalt.htm, June 2006.
 62. Rob McCann, "Concerns over Online Threats This Holiday Season," *ClickZ Stats*, November 24, 2004, accessed at www.clickz.com. Also see Ann E. Schlosser, Tiffany Barnett White, and Susan M. Lloyd, "Converting Web Site Visitors into Buyers: How Web Site Investment Increases Consumer Trusting Beliefs and Online Purchase Intentions," *Journal of Marketing*, April 2006, pp. 133-148.
 63. See "Seventy Percent of US Consumers Worry About Online Privacy, But Few Take Protective Action, Reports Jupiter Media Metrix," Jupiter Media Metrix press release, June 3, 2002, accessed online at www.jup.com; Rob McCann, "Concerns Over Online Threats This Holiday Season," *ClickZ Stats*, November 24, 2004, accessed at www.clickz.com; and Desiree J. Hanford, "Fraud Fears Slow Online Shopping," *Wall Street Journal*, April 13, 2005, p. 1.
 64. "14-Year-Old Bids over \$3M for Items in eBay Auctions," *USA Today*, April 30, 1999, p. 10B.
 65. Jennifer Lee, "Welcome to the Database Lounge," *New York Times*, March 21, 2002, p. G1.
 66. See Jaikumar Vijayan, "First Online Data Privacy Law Looms in California," *Computerworld*, June 28, 2004, p. 12; and "Does Your Privacy Policy Comply with the California Online Privacy Protection Act?" Banking and Financial Services Policy Report, January 2005, p. 7.
 67. See Jennifer DiSabatino, "FTC OKs Self-Regulation to Protect Children's Privacy," *Computerworld*, February 12, 2001, p. 32; Ann Mack, "Marketers Challenged On Youth Safeguards," *Adweek*, June 14, 2004, p. 12; and Hiawatha Bray, "Google Faces Order to Give Up Records," *Knight Ridder Tribune Business News*, March 15, 2006, p. 1.
 68. Information on TRUSTe accessed at www.truste.com, September 2006.
 69. Information on the DMA Privacy Promise obtained at www.dmaconsumers.org/privacy.html, September 2006.
 70. Debbie A. Connon, "The Ethics of Database Marketing," *Information Management Journal*, May-June 2002, pp. 42-44.
- CHAPTER 18**
1. Extracts adapted from Linda Tischler, "Bank of (Middle) America," *Fast Company*, March 2003, pp. 104-110. Quotes and other information from Mellissa Allison, "Customers Like WaMu, They Really Do," *Knight Ridder Tribune Business News*, March 1, 2006, p. 1; Michael Sisk, "WaMu Goes after the Middle Man," *USBanker*, November 2003, p. 60; Jacob Ward, "Should a Bank Be a Store?" *USBanker*, April 2004, pp. 36-40; "Washington Mutual, Inc." *Hoover's Company Records*, May 15, 2006, p. 15119; Mary McGarity, "WaMu's Back," *Mortgage Banking*, October 2005, pp. 104-113; and "The WaMu Difference," accessed at www.wamu.com/about, September 2006.
 2. Leon Lazaroff, "Kodak Big Picture Focusing on Image Change," *Knight Ridder Tribune Business News*, January 26, 2006. Also see Brad Stone, "What's Kodak's Strategy?" *Newsweek*, January 16, 2006, p. 25.
 3. Adapted from Jeffrey F. Rayport and Bernard J. Jaworski, *e-Commerce* (New York: McGraw-Hill, 2001), p. 53.
 4. Johanna Bennett, "Turn Around, Bright Eyes," *Barron's*, May 16, 2005, p. 48.
 5. Edward F. Moltzen, "Intel, AMD Go At It Again," *CRN*, March 29, 2004, p. 80; Jon Birger, "Second-Mover Advantage," *Fortune*, March 20, 2006, pp. 20-21; and "Advanced Micro Devices," *Hoover's Company Records*, May 15, 2006, p. 10037.
 6. See Michael Porter, *Competitive Advantage: Creating and Sustaining Superior Performance* (New York: Free Press, 1998), chap. 6.
 7. Adapted from Devin Leonard, "The Player," *Fortune*, March 20, 2006, p. 54.
 8. See Philip Kotler and Kevin Lane Keller, *Marketing Management*, 12th ed. (Upper Saddle River, NJ: Prentice Hall, 2006), pp. 13-14; Sam Hill and Glenn Rifkin, *Radical Marketing* (New York: HarperBusiness, 1999); Gerry Khermouch, "Keeping the Froth on Sam Adams," *BusinessWeek*, September 1, 2003, p. 54; and information accessed at www.bostonbeer.com, September 2006.
 9. The Stonyfield Story is adapted from Margaret Menge, "Guerilla Marketing Works for NH's Stonyfield Farms," *New Hampshire Union Leader*, November 7, 2005; with information from www.stonyfield.com, September 2006.
 10. Michael E. Porter, *Competitive Strategy: Techniques for Analyzing Industries and Competitors* (New York: Free Press, 1980), chap. 2; and Porter, "What Is Strategy?" *Harvard Business Review*, November-December 1996, pp. 61-78. Also see Richard Allen and others, "A Comparison of Competitive Strategies in Japan and the United States," *S.A.M. Advanced Management Journal*, Winter 2006, pp. 24-36.
 11. Philip Kotler and Kevin Lane Keller, *Marketing Management*, 12th ed. (Upper Saddle River, NJ: Prentice Hall, 2006), p. 243.
 12. See Michael Treacy and Fred Wiersema, "Customer Intimacy and Other Value Disciplines," *Harvard Business Review*, January-February 1993, pp. 84-93; Michael Treacy and Mike Wiersema, *The Discipline of Market Leaders: Choose Your Customers, Narrow Your Focus, Dominate Your Market* (Perseus Press, 1997); Fred Wiersema, *Customer Intimacy: Pick Your Partners, Shape Your Culture, Win Together* (Knowledge Exchange, 1998); and Wiersema, *Double-Digit Growth: How Great Companies Achieve It—No Matter What* (Portfolio, 2003).
 13. For more discussion, see Philip Kotler and Kevin Lane Keller, *Marketing Management*, 12th ed., chap. 11.
 14. Adapted from an example found in George Stalk, Jr., and Rob Lachenaur, "Hardball: Five Killer Strategies for Trouncing the Competition," *Harvard Business Review*,

- April 2004, pp. 62–71. For a discussion of additional defensive marketing strategies, see John H. Roberts, "Defensive Marketing: How a Strong Incumbent Can Protect Its Position," *Harvard Business Review*, November 2005, pp. 150–157.
15. See "U.S. Digital Camera Market to Reach 6.8 Billion in 2006," www.blogs.zdnet.com, March 6, 2006; and Steve Matthews and Mary Jane Credeur, "Soft-Drink Sales Lag for First Time in Decades," *Chicago Sun Times*, December 13, 2005, p. 57.
 16. Adapted from Jon Birger, "Second-Mover Advantage," *Fortune*, March 20, 2006, pp. 20–21; with information from "Fortune 500: Largest U.S. Corporations," *Fortune*, April 17, 2006, p. F1.
 17. Jack Neff, "Unilever Cedes Laundry War," *Advertising Age*, May 27, 2002, pp. 1, 47; Veronica Mac Donald, "Soaps and Detergents: Going the World Over to Clean," *Chemical Week*, January 26, 2005, pp. 21–23; Jack Neff, "Unilever 3.0: CEO Not Afraid to Copy from P&G," *Advertising Age*, October 23, 2005, p. 8; and Kerri Walsh, "Brand Extensions Clean Up," *Chemical Week*, February 1, 2006, pp. 24+.
 18. "Logitech Aims at Convergence for New Growth," *Wall Street Journal*, June 16, 2004, p. 1; Logitech Annual Report, www.logitech.com, April 1, 2006; and "Logitech International S.A.," *Hoover's Company Records*, June 1, 2006, p. 42459.
 19. Jim Kirk, "Company Finds Itself, Finds Success: Alberto-Culver Adopts Strategy of Knowing Its Strengths and Promoting Small Brands, Rather Than Tackling Giants," *Chicago Tribune*, January 22, 1998, Business Section, p. 1; "Alberto-Culver Company," *Hoover's Company Records*, June 1, 2006, p. 10048; and www.alberto.com, September 2006.
- CHAPTER 10**
1. Quotes and other information from John Dorschner, "World Catches NBA Fever," *Miami Herald*, June 15, 2006, accessed online at www.miamiherald.com; Jerry Crowe, "Outside Influence; NBA Finals Being Broadcast in 39 Languages Translates into Big-Time International Drawing Power," *Los Angeles Times*, June 15, 2004; Marc Gunther, "They All Want to Be Like Mike," *Fortune*, July 21, 1997, pp. 51–53; Jon Robinson, "EA Sports Sponsors the NBA's Euroleague Invasion," accessed online at www.sports.ign.com, June 14, 2005; Janny Hu, "Europe Beckons, League Follows," *San Francisco Chronicle*, December 25, 2005, p. C5; and Carol Mallack, "Le Basket Struggles to Score," *BusinessWeek*, May 22, 2006, p. 45.
 2. Data from "Fortune 500," *Fortune*, April 17, 2006, p. F-1; United Nations Conference on Trade and Development, World Investment Report 2005, New York and Geneva: United Nations, 2005; the World Bank, "Total GDP 2004," World Development Indicators Database, www.worldbank.org, accessed April 2, 2006; and "List of Countries by GDP," *Wikipedia*, accessed at http://en.wikipedia.org/wiki/List_of_countries_by_GDP_%28nominal%29, September 2006.
 3. *Global Economic Prospects, 2006*, World Bank, June 3, 2005, accessed at www.worldbank.org; CIA, *The World Factbook*, accessed at www.cia.gov, June 2006; and WTO, "World Trade Picks Up in Mid-2005; But 2006 Picture Is Uncertain," WTO press release, April 11, 2006, accessed at www.wto.org/english/news_e/pres06_e/pr437_e.htm.
 4. Information from www.michelin.com/corporate and www.jnj.com, July 2006.
 5. Steve Hamm, "Borders Are So 20th Century," *Business Week*, September 22, 2003, pp. 68–73.
 6. "The Unique Japanese," *Fortune*, November 24, 1986, p. 8. Also see James D. Southwick, "Addressing Market Access Barriers in Japan Through the WTO," *Law and Policy in International Business*, Spring 2000, pp. 923–976; U.S. Commercial Service, *Country Commercial Guide Japan, FY 2005*, chap. 5, accessed at www.buyusa.gov, June 18, 2005; and "Japan-U.S. Beef Row Tip of Iceberg: U.S. Lawmaker," *Jiji Press English News Service*, February 16, 2006, p. 1.
 7. "What Is the WTO?" accessed at www.wto.org/english/thewto_e/whatis_e/whatis_e.htm, September 2006.
 8. See *WTO Annual Report 2005*, accessed at www.wto.org, September 2006; and World Trade Organization, "10 Benefits of the WTO Trading System," accessed at www.wto.org/english/thewto_e/whatis_e/whatis_e.htm, September 2006.
 9. "Finance and Economics: In the Rough; World Trade Talks," *Economist*, November 5, 2005, p. 102; and Peter Coy, "Why Free-Trade Talks Are in Free Fall," *BusinessWeek*, May 22, 2006, p. 44.
 10. "The European Union at a Glance," accessed online at <http://europa.eu.int>, September 2006.
 11. "Overviews of European Union Activities: Economic and Monetary Affairs," accessed at http://europa.eu.int/pol/emn/overview_en.htm, September 2006.
 12. See "European Union's Heated Budget Negotiations Collapse," *New York Times*, June 18, 2005, p. A3; "Europe: Desperately Seeking a Policy; France and the European Union," *Economist*, January 21, 2006; CIA, *The World Factbook*, accessed at www.cia.gov, June 2006; and Vito Breda, "A European Constitution in a Multinational Europe or a Multinational Constitution for Europe?" *European Law Journal*, May 2006, pp. 330+.
 13. Statistics and other information from "List of Countries by GDP," *Wikipedia*, accessed at http://en.wikipedia.org/wiki/List_of_countries_by_GDP_%28nominal%29, July 2006; "Area and Population of Countries," infoplease, accessed at www.infoplease.com/ipa/A0004379.html, July 2006; and "Trade Facts: NAFTA—A Strong Record of Success," Office of the United States Trade Representative, March 2006, accessed at www.ustr.gov/assets/Document_Library/Fact_Sheets/2006/assot_upload_file242_9156.pdf.
 14. See Angela Greiling Keane, "Counting on CAFTA," *Traffic World*, August 8, 2005, p. 1; Gilberto Meza, "Is the FTAA Floundering," *Business Mexico*, February 2005, pp. 46–48; Peter Robson, "Integrating the Americas: FTAA and Beyond," *Journal of Common Market Studies*, June 2005, p. 430; Diana Kinch, "Latin America: Mercosul Boosted," *Metal Bulletin Monthly*, February 2006, p. 1; "Foreign Trade Statistics," accessed at www.census.gov, June 2006; and Kevin Z. Jiang, "Americas: Trading Up?" *Harvard International Review*, Spring 2006, pp. 10–12.

15. Richard Lapper, "South American Unity Still a Distant Dream," *Financial Times*, December 9, 2004, accessed at www.news.ft.com; Alan Clendenning, "Venezuela's Entry May Shake Up Mercosur," *AP Financial Wire*, November 30, 2005, p. 1; and Mary Turck, "South American Community of Nations," *Resource Center of the Americas.org*, accessed at www.americas.org, September 2006.
16. See Shanti Gamper-Rabindran, "NAFTA and the Environment: What Can the Data Tell Us?" *Economic Development and Cultural Change*, April 2006, pp. 605-634.
17. Adapted from information found in Clay Chandler, "China Deluxe," *Fortune*, July 26, 2004, pp. 148-156. Also see "Selling to China's Rich and Not So Rich," *Strategic Directions*, June 2005, pp. 5-8; Lisa Movius, "Luxury's China Puzzle," *WWD*, June 15, 2005, p. 1; and Normandy Madden, "After Slow Start, Porsche Cranks Its Chinese Marketing Plan into Top Gear," *Advertising Age*, May 8, 2006, p. 28.
18. See Om Malik, "The New Land of Opportunity," *Business 2.0*, July 2004, pp. 72-79; and "India Economy: South Asia's Worst Business Environment," *ETU ViewsWire*, January 2006.
19. Ricky Griffin and Michael Pustay, *International Business*, 4th ed. (Upper Saddle River, NJ: Prentice Hall, 2005), pp. 522-523.
20. Rebecca Piirto Heath, "Think Globally," *Marketing Tools*, October 1996, pp. 49-54; "The Power of Writing," *National Geographic*, August 1999, p. 128-129; and Jamie Bryan, "The Mintz Dynasty," *Fast Company*, April 2006, pp. 56-61.
21. For other examples and discussion, see www.executiveplanet.com, December 2006; *Dun & Bradstreet's Guide to Doing Business Around the World* (Upper Saddle River, NJ: Prentice Hall, 2000); Ellen Neuborne, "Bridging the Culture Gap," *Sales & Marketing Management*, July 2003, p. 22; Richard Pooley, "When Cultures Collide," *Management Services*, Spring 2005, pp. 28-31; and Helen Deresky, *International Management*, 5th ed. (Upper Saddle River, NJ: Prentice Hall, 2006).
22. Pete Engardio, Manjeet Kripalani, and Alysha Webb, "Smart Globalization," *BusinessWeek*, August 27, 2001, pp. 132-136.
23. Adapted from Mark Rice-Oxley, "In 2,000 Years, Will the World Remember Disney or Plato?" *Christian Science Monitor*, January 15, 2004, p. 16.
24. Thomas L. Friedman, *The Lexus and the Olive Tree: Understanding Globalization* (New York: Anchor Books, 2000).
25. Robert Berner and David Kiley, "Global Brands," *BusinessWeek*, August 1, 2005, pp. 86-94.
26. Portions adapted from information found in Mark Rice-Oxley, "In 2,000 Years, Will the World Remember Disney or Plato?" *Christian Science Monitor*, January 15, 2004, p. 16.
27. Paulo Prada and Bruce Orwall, "A Certain 'Je Ne Sais Quoi' at Disney's New Park—Movie-Themed Site Near Paris Is Multilingual, Serves Wine—and Better Sausage Variety," *Wall Street Journal*, March 12, 2002, p. B1. Also see "Euro Disney S. C. A.," *Hoover's Company Records*, June 15, 2006, p. 90721.
28. See Jack Neff, "Submerged," *Advertising Age*, March 4, 2002, p. 14; Ann Chen and Vijay Vishwanath, "Expanding in China," *Harvard Business Review*, March 2005, pp. 19-21; and information accessed at www.colgate.com, September 2006.
29. For a good discussion of joint venturing, see James Bamford, David Ernst, and David G. Fubini, "Launching a World-Class Joint Venture," *Harvard Business Review*, February 2004, pp. 91-100.
30. Vanessa O'Connell and Mei Fong, "Saks to Follow Luxury Brands into China," *Wall Street Journal*, April 18, 2006, p. B1.
31. See Cynthia Kemper, "KFC Tradition Sold Japan on Chicken," *Denver Post*, June 7, 1998, p. J4; Milford Prewitt, "Chains Look for Links Overseas," *Nation's Restaurant News*, February 18, 2002, pp. 1, 6; and Yum Brands, Inc. restaurant count, accessed at www.yum.com, September 2006.
32. Quotes from Pankaj Ghemawat, "Regional Strategies for Global Leadership," *Harvard Business Review*, December 2005, pp. 97-108; Douglas B. Holt, John A. Quelch, and Earl L. Taylor, "How Global Brands Compete," *Harvard Business Review*, September 2004, pp. 68-75; and Simon Sherwood, "Building an Advertising Factory," accessed at www.inter-national-ist.com/commentary/commentary%2020+21%202-18.1.pdf, June 16, 2006.
33. Warren J. Keegan, *Global Marketing Management*, 7th ed. (Upper Saddle River, NJ: Prentice Hall, 2002), pp. 346-351. Also see Phillip Kotler and Kevin Lane Keller, *Marketing Management*, 12th ed. (Upper Saddle River, NJ: 2006), pp. 677-684.
34. Adapted from Normandy Madden, "P&G Launches Cover Girl in China," *Advertising Age*, October 31, 2005, p. 22.
35. See Douglas McGray, "Translating Sony into English," *Fast Company*, January 2003, p. 38; and James Coates, "Chicago Tribune Binary Beat Column," *Chicago Tribune*, January 9, 2005, p. 1.
36. For further information on color and culture see Mubeen M. Aslam, "Are You Selling the Right Colour? A Cross-Cultural Review of Colour as a Marketing Cue," *Journal of Marketing Communications*, March 2006, pp. 15-20.
37. See "Naming Products Is No Game," *BusinessWeek Online*, April 9, 2004, accessed at www.businessweek.com; and Ross Thomson, "Lost in Translation," *Medical Marketing and Media*, March 2005, p. 82.
38. Kate MacArthur, "Coca-Cola Light Employs Local Edge," *Advertising Age*, August 21, 2000, pp. 18-19; and "Case Studies: Coke Light Hottest Guy," Advantage Marketing, msn India, accessed at <http://advantage.msn.co.in>, March 15, 2004.
39. See Alicia Clogg, "One Ad One World?" *Marketing Week*, June 20, 2002, pp. 51-52; and George E. Belch and Michael A. Belch, *Advertising and Promotion: An Integrated Marketing Communications Perspective*, 7th ed. (New York, NY: McGraw Hill, 2007), Chapter 20.
40. Michael Schroeder, "The Economy: Shrimp Imports to U.S. May Face Antidumping Levy," *Wall Street Journal*, February 18, 2004, p. A.2; Woranuj Manerungsee, "Shrimpers Suspect Rivals of Foul Play," *Knight Ridder*

- Tribune Business News*, April 28, 2005, p. 1; and David Bierderman, "Tough Journey," *Journal of Commerce*, March 13, 2006, p. 1.
41. Sarah Ellison, "Revealing Price Disparities, the Euro Aids Bargain-Hunters," *Wall Street Journal*, January 30, 2002, p. A15.
 42. See Patrick Powers, "Distribution in China: The End of the Beginning," *China Business Review*, July–August, 2001, pp. 8–12; Drake Weisert, "Coca-Cola in China: Quenching the Thirst of a Billion," *China Business Review*, July–August 2001, pp. 52–55; Gabriel Kahn, "Coke Works Harder at Being the Real Thing in Hinterland," *Wall Street Journal*, November 26, 2002, p. B1; Leslie Chang, Chad Terhune, and Betsy McKay, "A Global Journal Report: Rural Thing—Coke's Big Gamble in Asia," *Wall Street Journal*, August 11, 2004, p. A1; and Ann Chen and Vijay Vishwanath, "Expanding in China," *Harvard Business Review*, March 1, 2005.
- ## CHAPTER 20
1. Adapted from Jennifer Reingold, "Walking the Walk," *Fast Company*, November 2005, pp. 81–85. Also see Thomas J. Ryan, "Timberland Introduces 'Nutrition Labels,'" *SGB*, March 2006, p. 14; and Anita Pati, "Timberland Chief Call on Business to Do More," *Third Sector*, May 3, 2006, p. 17.
 2. Adapted from Kevin DeMarras, "You Can't Believe Airlines' Ticket Ads," *Knight Ridder Tribune Business News*, April 2, 2006, p. 1.
 3. Theodore Levitt, "The Morality (?) of Advertising," *Harvard Business Review*, July–August 1970, pp. 84–92. For counterpoints, see Heckman, "Don't Shoot the Messenger," pp. 1, 9.
 4. Lane Jennings, "Hype, Spin, Puffery, and Lies: Should We Be Scared?" *The Futurist*, January–February 2004, p. 16. For recent examples of deceptive advertising, see "Mobile Providers Sued by New York City," *Telecomworldwire*, July 22, 2005, p. 1; Chad Bray, "Federated to Pay Civil Penalty," *Wall Street Journal*, March 15, 2006, p. B3; and "Pfizer Sues P&G Over Crest Ads," *Wall Street Journal*, March 6, 2006, p. 1.
 5. Roger Parloff, "Is Fat the Next Tobacco?" *Fortune*, February 3, 2003, pp. 51–54; " 'Big Food' Get the Obesity Message," *New York Times*, July 10, 2003, p. A22; Carl Hulse, "Vote in House Offers Shield in Obesity Suits," *New York Times*, March 11, 2004, p. A1; Amy Garber, "Twice-Tossed McD Obesity Suit Back on Docket," *Nation's Restaurant News*, February 7, 2005, pp. 11; Marguerite Higgins, "Obesity-Lawsuit Bill Passes in House," *Washington Times*, October 20, 2005, p. C8; and Lisa Bertagnoli, "Capitol Concerns," *Restaurants and Institutions*, January 1, 2006, pp. 47–48.
 6. "McDonald's to Cut 'Super Size' Option," *Advertising Age*, March 8, 2004, p. 13; Dave Carpenter, "Hold the Fries, Take a Walk," *News & Observer*, April 16, 2004, p. D1; Michael V. Copeland, "Ronald Gets Back in Shape," *Business 2.0*, January/February 2005, pp. 46–47; David P. Callet and Cheryl A. Falvey, "Is Restaurant Food the New Tobacco?" *Restaurant Hospitality*, May 2005, pp. 94–96; and Kate McArthur, "BK Offers Fat to the Land," *Advertising Age*, April 4, 2005, p. 1, 60.
 7. Gary Bagin, "Products Liability Verdict—Study Releases," press release, Jury Verdict Research, January 15, 2004, accessed at www.juryverdictresearch.com; and Kara Sissell, "Senate Bill Would Allow Criminal Charges in Product Liability Suits," *Chemical Week*, March 22, 2006, p. 43.
 8. Adapted from information found in Mark Fagan, "Commodity Driven Market," *Lawrence Journal-World*, May 4, 2005, p. 1. Also see Clint Swett, "High Prices on Printer Cartridges Feeds Marketing for Alternative Industry," *Knight Ridder Tribune Business News*, February 15, 2006, p. 1.
 9. Cliff Edwards, "Where Have All the Edsels Gone?" *Greensboro News Record*, May 24, 1999, p. B6. Also see Joel Dryfuss, "Planned Obsolescence Is Alive and Well," *Fortune*, February 15, 1999, p. 192; Tim Cooper, "Inadequate Life? Evidence of Consumer Attitudes to Product Obsolescence," *Journal of Consumer Policy*, December 2004, pp. 421–448; David Hunter, "Planned Obsolescence Well Entrenched in Society," *Knoxville News-Sentinel*, August 15, 2005, p. B5; and Atsuo Utaka, "Planned Obsolescence and Social Welfare," *The Journal of Business*, January 2006, pp. 137–147.
 10. For more discussion, see Denver D'Rozario and Jerome D. Williams, "Retail Redlining: Definition, Theory, Typology, and Measurement," *Journal of Macromarketing*, December 2005, pp. 175–.
 11. See Brian Grow and Pallavi Gogoi, "A New Way to Squeeze the Weak?" *BusinessWeek*, January 28, 2002, p. 92; Marc Lifsher, "Allstate Settles Over Use of Credit Scores," *Los Angeles Times*, March 2, 2004, p. C.1; Judith Burns, "Study Finds Links in Credit Scores, Insurance Claims," *Wall Street Journal*, February 28, 2005, p. D3; and Erik Eckholm, "Black and Hispanic Home Buyers Pay Higher Interest on Mortgages, Study Finds," *New York Times*, June 1, 2006, p. A22.
 12. "Increasing Incomes and Reducing the Rapid Refund Rip-Off," A report from the ACORN Financial Justice Center, September 2004, pp. 3–4; Tracy Turner, "H&R Block Makes Changes in Rapid-Refund Program," *Knight Ridder Tribune Business News*, January 29, 2005, p. 1; Candice Heckman, "Poor Often Fall Victim to Fee on Tax Refund Loans," *Seattle Post-Intelligencer*, February 21, 2005, p. B1; and "California Sues H&R Block," *Knight-Ridder Tribune Business News*, February 16, 2006.
 13. Information from "Shop 'til They Drop?" *Christian Science Monitor*, December 1, 2003, p. 8; Gregg Easterbrook, "The Real Truth About MONEY," *Time*, January 17, 2005, pp. 32–35; Bradley Johnson, "Day in the Life: How Consumers Divvy Up All the Time They Have," *Advertising Age*, May 2, 2005; Rich Miller, "Too Much Money," *BusinessWeek*, July 11, 2005, pp. 59–66; and "Bankers Encourage 'Consumer Generation' to Save," *Texas Banking*, March 2006, pp. 25–26.
 14. Portions adapted from Constance L. Hays, "Preaching to Save Shoppers from 'Evil' of Consumerism," *New York Times*, January 1, 2003, p. C1. Also see Jo Littler, "Beyond the Boycott," *Cultural Studies*, March 2005, pp. 227–252; and www.revilly.com, accessed September 2006.
 15. See Michael Cabanatuan, "Toll Lanes Could Help Drivers Buy Time," *San Francisco Chronicle*, December 28, 2004, accessed at www.sfgate.com; and "London Mayor Increases

- Traffic Toll, Angers Drivers, Retailers," July 3, 2005, accessed at www.bloomberg.com; and Dan Sturges, Gregg Moscoe, and Cliff Henke, "Innovations at Work: Transit and the Changing Urban Landscapes," *Mass Transit*, July/August 2006, pp. 34–38.
16. "Marketing Under Fire," *Marketing Management*, July/August 2004, p. 5. Also see "Media: The Public Wants a Permanent Break from Ad Bombardment," *Marketing Week*, December 1, 2005, p. 27.
 17. For more discussion, see Jeremiah McWilliams, "Big-Box Retailer Takes Issue with Small Documentary," *Knight Ridder Tribune Business News*, November 15, 2005, p. 1; Nicole Kauffman, "Movie Paints a Dark Picture of Wal-Mart's Impact on Communities," *Knight Ridder Tribune Business News*, January 19, 2006, p. 1; and John Reid Blackwell, "Documentarian Defends Wal-Mart," *Knight Ridder Tribune Business News*, May 12, 2006, p. 1.
 18. See "Sustainability Key to UPS Environmental Initiatives," UPS press release, accessed at www.pressroom.ups.com, July 2006.
 19. Information from "Xerox Equipment Remanufacture and Parts Reuse," accessed at www.xerox.com, September 2006.
 20. Adapted from information found in Joseph Tarnowski, "Green Monster," *Progressive Grocer*, April 1, 2006, pp. 20–26.
 21. Adapted from "The Top 3 in 2005," *Global 100*, accessed at www.global100.org, July 2005. See also, "Alcoa Named One of the Most Sustainable Corporations in the World for Second Straight Year," January 27, 2006, accessed at www.alcoa.com. For further information on Alcoa's sustainability program see Alcoa's Sustainability Report found at www.alcoa.com.
 22. See "EMAS: What's New?" accessed at <http://europa.eu.int/comm/environment/emas>, August 2005; "Special Report: Free Trade on Trial—Ten Years of NAFTA," *The Economist*, January 3, 2004, p. 13; Daniel J. Tschopp, "Corporate Social Responsibility: A Comparison between the United States and Europe," *Corporate Social Responsibility and Environmental Management*, March 2005, pp. 55–59; and www.epa.gov, accessed September 2006.
 23. Information and quotes from Andy Milligan, "Samsung Points the Way for Asian Firms in Global Brand Race," *Media*, August 8, 2003, p. 8; Gerry Khermouch, "The Best Global Brands," *BusinessWeek*, August 5, 2002, p. 92; Leslie P. Norton, "Value Brand," *Barron's*, September 22, 2003, p. 19; "Cult Brands," *BusinessWeek Online*, August 2, 2004, accessed at www.businessweek.com; Bill Breen, "The Seoul of Design," *Fast Company*, December 2005, pp. 91–98; and Samsung Annual Reports and other information accessed at www.samsung.com, September 2006.
 24. Information from Mike Hoffman, "Ben Cohen: Ben & Jerry's Homemade, Established in 1978," *Inc.*, April 30, 2001, p. 68; and the Ben & Jerry's Web site at www.benjerrys.com, September 2006.
 25. Quotes and other information from Thea Singer, "Can Business Still Save the World?" *Inc.*, April 30, 2001, pp. 58–71; and www.honesttea.com, September, 2006. Also see Elizabeth Fuhrman, "Honest Tea Inc.: Social and Environmental Sinceri-Tea," *Beverage Industry*, April 2005, p. 44.
 26. Adapted from Chip Giller and David Roberts, "Resources: The Revolution Begins," *Fast Company*, March 2006, pp. 73–78. Also see Joseph Ogando, "Green Engineering," *Design News*, January 9, 2006, p. 65; and information accessed online at www.haworth.com, August 2006.
 27. Joseph Webber, "3M's Big Cleanup," *BusinessWeek*, June 5, 2000, pp. 96–98. Also see Kara Sissell, "3M Defends Timing of Scotchgard Phaseout," *Chemical Week*, April 11, 2001, p. 33; Peck Hwee Sim, "Ausimont Targets Former Scotchgard Markets," *Chemical Week*, August 7, 2002, p. 32; Jennifer Lee, "E.P.A. Orders Companies to Examine Effect of Chemicals," *New York Times*, April 15, 2003, p. F2; and Kara Sissell, "Swedish Officials Propose Global Ban on PFOS," *Chemical Week*, June 22, 2005, p. 35.
 28. See "Transparency International Bribe Payers Index" and "Transparency International Corruption Perception Index," accessed at www.transparency.org, August 2006; "Minxin Pei, "The Dark Side of China's Rise," *Foreign Policy*, March/April 2006, pp. 32–40; and "Everybody's Doing It," *Middle East*, April 2006, pp. 20–21.
 29. John F. McGee and P. Tanganath Nayak, "Leaders' Perspectives on Business Ethics," *Prizm*, Arthur D. Little, Inc., Cambridge, MA, first quarter 1994, pp. 71–72. Also see Adrian Henriques, "Good Decision—Bad Business?" *International Journal of Management & Decision Making*, 2005, p. 273; and Marylyn Carrigan, Svetla Marinova, and Isabelle Szinigin, "Ethics and International Marketing: Research Background and Challenges," *International Marketing Review*, 2005, pp. 481–494.
 30. See Samuel A. DiPiazza, "Ethics in Action," *Executive Excellence*, January 2002, pp. 15–16; Samuel A. DiPiazza, Jr., "It's All Down to Personal Values," accessed online at www.pwcglobal.com, August 2003; and "Code of Conduct: The Way We Do Business," accessed at www.pwcglobal.com/gx/eng/ins-sol/spec-int/ethics/index.html, September 2006. PricewaterhouseCoopers (www.pwc.com) provides industry-focused assurance, tax, and advisory services to build public trust and enhance value for its clients and their stakeholders. More than 130,000 people in 148 countries across its network share their thinking, experience, and solutions to develop fresh perspectives and practical advice. PricewaterhouseCoopers refers to the network of member firms of PricewaterhouseCoopers International limited, each of which is a separate and independent legal entity.
 31. DiPiazza, "Ethics in Action," p. 15.

APPENDIX B

1. This is derived by rearranging the following equation and solving for price: Percentage markup = (price – cost) ÷ price.
2. The equation is derived from the basic profit = total revenue – total cost equation. Profit is set to equal the return on investment times the investment (ROI × I), total revenue equals price times quantity (P × Q), and total costs equals quantity times unit cost (Q × UC): ROI × I = (P × Q) – (Q × UC). Solving for P gives P = ((ROI × I) ÷ Q) + UC.

3. The breakeven volume equation can also be derived from the basic profit = total revenue - total cost equation. At the breakeven point, profit is equal to zero, and it is best to separate fixed and variable costs: $0 = (P \times Q) - TFC - (Q \times UVC)$. Solving for Q gives $Q = TFC \div (P - UVC)$.
4. As in the previous note, this equation is derived from the basic profit = total revenue - total cost equation. However, unlike the break-even calculation, in which profit was set to equal zero, we set the profit equal to the dollar profit goal: Dollar profit goal = $(P \times Q) - TFC - (Q \times UVC)$. Solving for Q gives $Q = (TFC + \text{dollar profit goal}) \div (P - UVC)$.
5. Again, using the basic profit equation, we set profit equal to $ROI \times I$: $ROI \times I = (P \times Q) - TFC - (Q \times UVC)$. Solving for Q gives $Q = (TFC + (ROI \times I)) \div (P - UVC)$.
6. Again, using the basic profit equation, we set profit equal to 25% of sales, which is $0.25 \times P \times Q$: $0.25 \times P \times Q = (P \times Q) - TFC - (Q \times UVC)$. Solving for Q gives $Q = TFC \div (P - UVC - (0.25 \times P))$ or $TFC \div ((0.75 \times P) - UVC)$.
7. "Nielson Finds More TVs; Hispanics Top 11 Million," *Advertising Age*, August 29, 2005, p. 1.
8. Consumer Electronics Association available at www.ce.org, accessed July 25, 2006.
9. Daisy Whitney, "'06 HUTV Sales to Outpace Analog," *Television Week*, October 31, 2005, pp. 19-24.

10. See Roger J. Best, *Market-Based Management*, 4th ed. (Upper Saddle River, NJ: Prentice Hall, 2005).
11. Total contribution can also be determined from the unit contribution and unit volume: Total contribution = unit contribution \times unit sales. Total units sold in 2006 were 297,619 units, which can be determined by dividing total sales by price per unit ($\$100 \text{ million} \div \336). Total contribution = $\$70 \text{ contribution per unit} \times 297,619 \text{ units} = \$20,833,330$ (difference due to rounding).
12. Recall that the contribution margin of 21% was based on variable costs representing 79% of sales. Therefore, if we do not know price, we can set it equal to \$1.00. If price equals \$1.00, 79 cents represents variable costs and 21 cents represents unit contribution. If price is decreased by 10%, the new price is \$0.90. However, variable costs do not change just because price decreased, so the unit contribution and contribution margin decrease as follows:

	Old	New (reduced 10%)
Price	\$1.00	\$0.90
- Unit variable cost	\$0.79	\$0.79
= Unit contribution	\$0.21	\$0.11
Contribution margin	$\$0.21/\$1.00 = 0.21$ or 21%	$\$0.11/\$0.90 = 0.12$ or 12%