Endnotes

Chapter 1


**Chapter 2**


2. Nirmalya Kumar, *Marketing as Strategy: The CEO’s Agenda for Driving Growth and Innovation* (Boston:


14. Kawasaki also humorously suggests checking out comic strip character Dilbert’s mission statement generator first if one has to be developed by the organization: dilbert.com.


31. Ibid.


Chapter 3

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24. Indata, IN (June 2006), p. 27.


Chapter 4


10. For a discussion of the decision-theory approach to the value of research, see Donald R. Lehmann, Sunil Gupta, and Joel Steckel, Market Research (Reading, MA: Addison-Wesley, 1997).
27. Bradley Johnson, “Forget Phone and Mail: Online’s the Best Place to Administer Surveys,” Advertising Age, July 17, 2006, p. 23.
41. Marketing News can be found at www.marketingpower.com.

Chapter 5


10. Irwin P. Levin and Richard D. Johnson, “Estimating Price–Quality Tradeoffs Using Comparative Judgments,” *Journal of Consumer Research* 11 (June 1984), pp. 593–600. Customer-perceived value can be measured as a difference or as a ratio. If total customer value is $20,000 and total customer cost is $16,000, then the customer-perceived value is $4,000 (measured as a difference) or 1.25 (measured as a ratio). Ratios that are used to compare offers are often called *value–price ratios*.


18. For some provocative analysis and discussion, see Praveen K. Kopalle and Donald R. Lehmann, “Setting


27. Companies should also note that managers and salespeople can manipulate customer satisfaction ratings. They can be especially nice to customers just before the survey. They can also try to exclude unhappy customers. Another danger is that if customers know the company will go out of its way to please them, some may express high dissatisfaction in order to receive more concessions.


47. V. Kumar, “Profitable Relationships,” *Marketing Research* 18 (Fall 2006), pp. 41–46.


82. Mike White and Teresa Siles, email message, July 14, 2008.


Chapter 6


31. For a review of academic research on consumer behavior, see Barbara Loken, “Consumer Psychology: Categorization, Inferences, Affect, and Persuasion,” *Annual Review of Psychology* 57 (2006), pp. 453–95. To learn more about how consumer behavior theory can be applied to policy decisions, see “Special Issue on Helping Consumers Help Themselves: Improving the Quality of Judgments and Choices,” *Journal of Public Policy & Marketing* 25 (Spring 2006).


42. Florida’s Chris Janiszewski has conducted fascinating research looking at preconscious processing effects. See Chris Janiszewski, “Preattentive Mere Exposure Effects,” *Journal of Consumer Research* 20 (December 1993), pp. 376–92, as well as some of his earlier and subsequent research. For more perspectives, see also John A. Bargh and Tanya L. Chartrand, “The Unbearable Automaticity of Being,” *American Psychologist* 54 (1999), pp. 462–79 and the research programs of both authors. For lively academic debate, see the “Research Dialogue” section of the July 2005 issue of the *Journal of Consumer Psychology*.

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61. This expectancy-value model was originally developed by Martin Fishbein, “Attitudes and Prediction of Behavior,” Martin Fishbein, ed., *Readings in Attitude*


76. For a detailed review of the practical significance of consumer decision making, see Itamar Simonson, “Get Close to Your Customers by Understanding How They Make Their Choices,” *California Management Review* 35 (Summer 1993), pp. 78–79.


Chapter 7


12. To learn more about how business-to-business firms can improve their branding, see Philip Kotler and Waldemar Pfoertsch, B2B Brand Management (Berlin, Germany: Springer, 2006).


49. Ibid.


Chapter 8


4. By visiting the company’s sponsored site, MyBestSegments.com, you can enter in a zip code and discover the top five clusters for that area. Note that another leading supplier of geodemographic data is ClusterPlus (Strategic Mapping).


Chapter 9


9. The power of branding is not without its critics, however, some of whom reject the commercialism associated with branding activities. See Naomi Klein, No Logo: Taking Aim at the Brand Bullies (New York: Picador, 2000).


12. For an academic discussion of how consumers become so strongly attached to people as brands, see Matthew Thomson, “Human Brands: Investigating Antecedents to Consumers’ Stronger Attachments to Celebrities,” Journal of Marketing 70 (July 2006), pp. 104–19; For some practical branding tips from the world of rock and roll, see Roger Blackwell and Tina Stephan, Brands That Rock (Hoboken, NJ: John Wiley & Sons, 2004); and from the world of sports, see Irving


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97. Much of this section is based on: Robert Leone, Vithala Rao, Kevin Lane Keller, Man Luo, Leigh McAlister, and Rajendra Srivatstava, “Linking Brand Equity to Customer Equity,” *Journal of Service Research* 9 (November 2006), pp. 125–38. This special issue is devoted to customer equity and has a number of thought-provoking articles.

**Chapter 10**

16. Professor Brian Sternthal, “Miller Lite Case,” *Kellogg Graduate School of Management, Northwestern University*.
29. William C. Copacino, Supply Chain Management (Boca Raton, FL: St. Lucie Press, 1997).

Chapter 11

2. For a detailed academic treatment of a number of issues on competition, see the Special Issue on Competitive Responsiveness, Marketing Science 24 (Winter 2005).
13. This paragraph is based on a talk by John Bello at the Tuck School of Business at Dartmouth College on November 18, 2010.


42. Ibid.


76. Ibid.


Chapter 12

2. This discussion is adapted from a classic article: Theodore Levitt, “Marketing Success through Differentiation: Of Anything,” Harvard Business Review, January–February 1980, pp. 83–91. The first level, core benefit, has been added to Levitt’s discussion.


27. In reality, Tide’s product line is actually deeper and more complex. There are 9 powder products, 16 liquid products, 1 Stain Release product, 1 Tide to Go product, 1 Tide Washing Machine Cleaner, and 9 Tide accessories.


Chapter 13


15. For some emerging research results on the effects of creating time and place service separation, see Hean Tat Keh and Jun Pang, “Customer Reaction to Service Separation,” *Journal of Marketing Research* 74 (March 2010), pp. 55–70.


**Chapter 14**


15. For a discussion of how “incidental” prices outside the category can serve as contextual reference prices, see Joseph C. Nunes and Peter Boatwright, “Incidental Prices and Their Effect on Willingness to Pay,” *Journal of Marketing Research* 41 (November 2004), pp. 457–66.


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66. Using expected profit for setting price makes sense for the seller that makes many bids. The seller who bids only occasionally or who needs a particular contract badly will not find it advantageous to use expected profit. This criterion does not distinguish between a $1,000 profit with a 0.10 probability and a $125 profit with a 0.80 probability. Yet the firm that wants to keep production going would prefer the second contract to the first.


80. For more information on specific types of price discrimination that are illegal, see Henry Cheeseman, Business Law, 6th ed. (Upper Saddle River, NJ: Prentice Hall, 2007).


Chapter 15


53. Rajkumar Venkatesan, V. Kumar, and Nalini Ravishanker, “Multichannel Shopping: Causes and


**Chapter 16**


57. William C. Copacino, Supply Chain Management (Boca Raton, FL: St. Lucie Press, 1997); Robert Shaw and Philip Kotler, “Rethinking the Chain: Making Marketing Leaner, Faster, and Better,” Marketing Management (July/August 2009), pp. 18–23.


62. The optimal order quantity is given by the formula $Q^* = \frac{DS}{IC}$, where $D$ = annual demand, $S$ = cost to place one order, and $I$ = annual carrying cost per unit. Known as the economic-order quantity formula, it assumes a constant ordering cost, a constant cost of carrying an additional unit in inventory, a known demand, and no quantity discounts. For further reading on this subject, see Richard J. Tersine, Principles of Inventory and Materials Management, 4th ed. (Upper Saddle River, NJ: Prentice Hall, 1994).


Chapter 17


7. Some of these definitions are adapted from Peter D. Bennett, ed., Dictionary of Marketing Terms (Chicago: American Marketing Association, 1995).


44. Bruce Horovitz, “Super Bowl Marketers Go All Out to Create Hype, Online Buzz,” USA Today, February 8, 2010.

Chapter 18


Chapter 19


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4. www.the-dma.org homepage


11. The average customer longevity (N) is related to the customer retention rate (CR). Suppose the company retains 80 percent of its customers each year. Then the average customer longevity is given by:

\[ N = \frac{1}{1 - CR} = \frac{1}{0.2} = 5 \text{ years}. \]


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Chapter 20


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Chapter 21
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Appendix

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