SYMBOLS

# (Count), 7
$ (Dollar Terms), 6
% (Percentage), 6

A

A.C. Nielsen, 183
Aaker, David, 116
   brand equity ten, 117
AAU (Awareness, Attitudes, and Usage), 34
   attitude, 36-37
   awareness and knowledge, 35
   calculating, 35
   cautions, 38
   data sources, 37
   purpose, 34-35
   usage, 37
abandoned purchases, 302
abandonment, 299
abandonment rate, 302
acceptors, 28
accountability, 2
acquisition versus retention, 152-154
ACV (all commodity volume), 160, 178
   calculating, 180-181
ad awareness, 36
adjusting for periodic changes, 38
advertising. See also impressions
   as a percentage of sales, 81
   price versus cost, 289
advertising effectiveness, 282, 284
advertising exposures, 282
all commodity volume. See ACV
allowances, slotting, 81
apparel retailers, customers, 137
assumptions
   infinite horizon assumption, customer lifetime value, 148
   test markets, 100-101
attitude, AAU, 36-37
attitudes/liking/image, 36
attrition, 135
availability of data, 3
AVC on display, 185
AVC on promotion, 185
average acquisition cost, 152-153
average deal depth, 240
average frequency, 270, 273, 277
average margin, 62-64
average price, 65
average price charged, 200
average price displayed, 200
average price paid, 199
average price per unit, 66-67
   calculating, 67-70
   complications, 70
   purpose, 66-67
average retention cost, 152-153
awareness, 35
   customer awareness, 327
   trial rate, 94
Awareness, Attitudes, and Usage (AAU), 34

B

balancing sales force territories, 163-164
banks, counting customers, 136
baseline sales, 241, 243
calculating, 244-249
complications, 249
profitability, 249
purpose, 243

BAV (brand asset valuator), 116
BCG (Boston Consulting Group) matrix, 20
BDI (brand development index), 23-24
calculating, 24-25
purpose, 24
segments, 25

Big Tobacco Company, 330-331
bonuses. See sales force compensation

Boom
  customer awareness, 327
customer profit, 326
financial statements, 323-324
marketing metrics, 326

Boston Consulting Group matrix, 20
brand asset valuator (BAV), 116
brand development index. See BDI
brand equity methodology (Moran), 117
brand equity metrics, 91, 115, 117-118
  brand equity methodology (Moran), 117
  brand equity ten (David Aaker), 117
  brand valuation model, 118
purpose, 116
  Y&R brand asset valuator, 116

brand equity ten, 117
brand penetration, 26
brand valuation model, 118
brand/product knowledge, 36
brands, number of brands purchased, 31
breadth of distribution, 184
break-even analysis, 81-85
  break-even on incremental investment, 85
  classifying costs, 85
  purpose, 82
break-even number of employees, 171, 173
break-even on incremental investment, 85
break-even point, 82-84
break-even sales level, 48
breakage, 253
Brita water filters, 66
budgeting risk, assessing, 77-78
budgets, 2
buying power, 164

CAGR (compound annual growth rates), 89, 91
calculating, 109
cannibalization, 110-112, 114
  weighted contribution margin, 112
cannibalization rates, 91, 110-111
  complications, 114-115
cash flows, internal rate of return, 317
category development index (CDI), 23, 25
calculating, 25
  purpose, 24
category performance ratio, 178, 183
cautions, AAU, 38
CDI (category development index), 23, 25
calculating, 25
  purpose, 24
  segments, 25
chaining margins, 55
channel margins, 55
  complications, 61
  hybrid channel margins, 61
channel metrics, Prestige Luggage, 329
choosing metrics, 3
churn, 135
classification of variable costs, 76
clickstream, 301-302
clickthrough rates, 291-293
calculating, 292-293
  purpose, 292
cluster analysis, 125
CLV. See customer lifetime value
cohort and incubate, customer lifetime value, 144-145
cold leads, 176
commision. See sales force compensation
commissioned sales costs, 79
cipline profit from new products, 105
comparing sales force territories, 164
compensation, 171, 173. See also sales force compensation
compensatory decisions versus non-compensatory consumer decisions, 121-123
competitor price elasticity, 220, 230
competitor reaction elasticity, 220, 228
complications
- average price per unit, 70
- channel margins, 61
compound annual growth rates. See CAGR
compounding growth, 106, 108-109
concentration ratio, 21
conjoint analysis, 118-119, 204
- calculating, 120-121
- purpose, 119
conjoint utilities, 92, 119, 123
- complications, 123-124
- segmentation, 124
  - complications, 126
  - construction, 124-126
  - purpose, 124
- volume projection and, 126-127
constant elasticity, 212-214
constructing frequency response functions, 282-283
consumer off-take, 190
consumer preference, 119
  - compensatory versus non-compensatory decisions, 121-123
consumer ratings, 36-37
contractual situations, 132
  - counting customers, 133
contribution analysis, 81
contribution margins, 46, 48, 84
contribution per unit, 48, 81-83
converting markups to margins, 60
cookies, 302
cost, total cost per unit, 74
cost effectiveness, Internet marketing, 295
cost of incremental sales, 243
cost per click, 295, 297-298
calculating, 296
cost per customer acquired, 299
cost per impression, 294-295, 297
calculating, 296
cost per order, 295-297
cost per point (CPP), 276
cost per thousand impressions. See CPM
cost-plus pricing, 220, 224
costs
- assigning to customers, 141
- average acquisition cost, 152-153
- average retention cost, 152-153
- classifying for break-even analysis, 85
- commissioned sales costs, 79
- fixed costs, 71, 80
  - calculating, 71-72, 74-75
  - classification of, 76
  - purpose, 71
- overhead costs, 309
- total cost, 72, 75
- total selling costs, 78
- total variable selling costs, 78
- variable costs, 71
  - calculating, 71-72, 74-75
  - classification of, 76
  - purpose, 71
Count (#), 7
counting customers, 132, 135-137
  - contractual situations, 133
  - non-contractual situations, 133-134
  - recency. See recency, 134
  - retention, 134
coupons, 251
evaluating, 254
percentage sales with coupons, 251
profitability, 252
redemption rate, 251-252
calculating, 253
CP. See customer profit
CPM (cost per thousand impressions), 265, 274-275
CPP (cost per point), 276
cross elasticity, 220, 227
cross price elasticity, 220, 228, 230
Cruise
customer awareness, 327
customer profit, 326
financial statements, 323-324
marketing metrics, 326
customer awareness, 327
customer counts, 132
customer lifetime value, 129, 142-143, 150
calculating, 145-146
cohort and incubate, 144-145
discount rate, 147
finite-horizon, 148
infinite horizon assumption, 148
versus prospect lifetime value, 150-152
purpose, 143-144
retention rate, 146
customer lifetime value with initial margin, 147
customer profit (CP), 129, 137-138, 141
Boom, 326
calculating, 138-140
Cruise, 326
purpose, 137-138
quantifying, 143
whale curve, 143
customer responses, separating customer from non-customer responses, 38
customer satisfaction, 39-40
measuring, 40-42
purpose, 40
sample selection, 42
surveys, 42
customer selling price, 55, 57-58
customer service, 170
customer survey data, triangulating, 38
customer time, 135
customers, 132, 135
abandoning, 142
acceptors, 28
acquisition versus retention, 152-154
assessing value of, 143-144
assigning cost to, 141
brand penetration, 26
counting, 132-133, 135-137
non-contractual situations, 133-134
recency. See recency retention, 134
deciding who to serve, 142
defining, 135-136
ever-tried customers, 28
impressions. See impressions
market penetration, 26
purpose, 132
Second Tier customers, 138
surveys. See surveys
Third Tier customers, 138
Top Tier customers, 138
total number of active customers, 28
unprofitable customers, 142

dashboards, 331
data, availability of, 3
data parameters, market share, 18
data sources
AAU, 37
heavy usage index, 34
decline, life cycle, 109
decomposing market share, 27
deductions, 190, 260
demand
  linear demand
    optimal price, 216, 218-222
    price elasticity, 209-212
    reservation prices, 204, 206-207
  price tailoring, 261

demand curves, constant elasticity, 212-214

demand functions, 195

direct product costs, 192

direct product profitability. See DPP
discount rate, 317
  customer lifetime value, 147
  net present value, 317
discounted trial, 104
discounts, 259
distribution, trial rates, 95
distribution chains, 55
distribution channels, calculating selling prices at each level in the distribution channel, 56
distribution metrics, 178
  ACV, 180-181
  data sources, 183-184
  numeric distribution, 179-180
  PCV, 182-183
  purpose, 179
districts, 166
diverted goods, 190
diverted merchandise, 190

Dollar Terms ($), 6
double jeopardy, 31
DPP (direct product profitability), 158, 162, 191, 194
  calculating, 192-193
Drucker, Peter, 45
durability/loyalty, 117

earning before interest taxes, depreciation, and amortization (EBITDA), 309
eBay, active users, 134

EBITDA (earning before interest taxes, depreciation, and amortization), 309
economic profit, 306, 310, 312
  calculating, 312
  purpose, 311
economic value added (EVA), 305, 310-311
EDLP (everyday low prices), 260
effective frequency, 266, 285-287
effective market share, 117
effective reach, 285-286
  calculating, 286-287
  Internet, 287
  purpose, 285-286
effectiveness. See sales force effectiveness
elasticity. See also price elasticity
cross elasticity, 220, 227
EVA (economic value added), 305, 310-311
evaluating
  coupon programs, 254
  inventories, 189
  multi-period investments, 313
  sales goals, 167
  temporary price promotions, 240
  workload distribution, 174
ever-tried customers, 28
ever-tried, 104
everyday low prices (EDLP), 260
evoked set, 105
examples
  Big Tobacco Company, 330-331
  Boom. See Boom
  Cruise. See Cruise
  Prestige Luggage. See Prestige Luggage
expenses, sales force effectiveness, 170
exposures, 269

F
facings, 184
fair share draw, 91, 110, 112-114
features in store, 184
Federal Trade Commission, 261
FIFO (First In, First Out), 189
financial statements, Boom and Cruise, 323-324
finite-horizon, customer lifetime value, 148
first channel member’s selling price, 58-59
First In, First Out (FIFO), 189
first-time triers in period, 93
fixed costs, 71, 80
calculating, 71-72, 74-75
classification of, 76
purpose, 71
forced trial, 104
forecasting
marketing spending, 77-78
trial volume, 96
upcoming sales, 174
Fortune, 135
frequency, 276
average frequency, 277
effective frequency. See effective frequency
frequency response functions, 265, 280, 284-285
construction, 282-283
learning curve response model, 280-281
linear response model, 280-281
purpose, 281-282
threshold response model, 281
gross margin return on inventory investment. See GMROII
gross rating points. See GRPs
growth, 106
CAGR, 109
compounding, 106, 108-109
life cycle, 109
percentage growth, 106
adjusting, 109
same stores growth, 106-108
value of future period, 108-109
year-on-year growth, 105
GRPs (gross rating points), 264, 269-271
calculating, 271-273, 277
heavy usage index, 28, 32-33
calculating, 33-34
data sources, 34
purpose, 33
Herfindahl Index, 22-23
HI-LO (high-low), 260
hierarchy of effects, 38
hits, 289-290
hybrid channel margins, 61
identifying profitability of individual customers, 137-138
impressions, 269
calculating, 270-271
clickthrough rates, 291-293
complications, 274
cost per click, 295-298
cost per impression, 294-297
cost per order, 295-297
CPM. See CPM
data sources, 273-274
frequency response functions. See frequency response functions
geo-clustering, 39
globalization, 3
GM (General Motors), retail sales, 45
GMROII (gross margin return on inventory investment), 158, 162, 191-193
goals, sales goals
calculating, 166-167
purpose, 165-166
goodwill, 116
gross margin, 55, 215
indices

brand development index, 23-25
CDI (category development index), 23-25
heavy usage index, 28
Herfindahl Index, 22-23
indicators, separating leading from lagging indicators, 38
infinite horizon assumption, customer
lifetime value, 148
inflation, estimating, 70
intention to purchase, 37
intentions, 37
Interbrand, 116
brand valuation model, 118
interest creation, 176
internal rate of return (IRR), 307, 313, 316
calculating, 315-316
cash flows, 317
Internet, 264. See also web pages
assessing cost effectiveness, 295
effective reach, 287
search engine marketers, 299
search engines, 297-298
introductory life cycle, 109
inventories, evaluating, 189
inventory, 184
inventory days, 187-188
inventory tracking, 187
inventory turns, 185, 187
investments, evaluating multi-period
investments, 313
invoice price, 257-258
IRR. See internal rate of return

K
Kaplan, Robert, 139
Keller, Kevin, 116
Kelvin, Lord, 2
key assumptions, test markets, 100-101
knowledge, brand/product knowledge, 36

L
Last In, First Out (LIFO), 189
leading national advertisers (LNA), 288
learning curve, 266
learning curve response model, frequency response functions, 280-281
life cycle, 109
LIFO (Last In, First Out), 189
likeability, 38
linear cost model, 76
linear demand
optimal price, 216, 218-222
price elasticity, 209-212
reservation prices, 204, 206-207
linear response model, frequency response functions, 280-281
list price, 257
LNA (leading national advertisers), 288
loyalty, 102, 325
double jeopardy, 31
number of brands purchased, 31
willingness to search, 43-44

M
mail-in rebates, 253
make-goods on promotions, 190
margin on new products, 105
margins, 45, 49
  average margin, 62-64
  chaining, 55
  channel margins. See channel margins
  contribution margins, 46, 48
  converting from markups, 60
  costs, including or excluding, 55
  customer lifetime value with initial
  margin, 147
  gross margin, 55, 215
  versus markup, 53-55
  as percentage of costs, 52
  percentage margins, 49
    calculating, 50-51, 62
  purpose, 49
  reported margins, 52
  reporting, 54
  selling prices, defining, 52
  unit margins, 49-51
  weighted contribution margins, canni-
  balance, 112
markdowns, 190-192
market concentration, 19, 21
market penetration, 26
market share, 12, 16
  bias in reported shares, 19
  data parameters, 18
  decomposing, 27
  effective market share, 117
  measuring over time, 19
  purpose of, 17
  quantifying, 18
  relative market share, 19-21
  revenue market share, 17
  served market, 18
  unit market share, 17
market share rank, 23
marketing as a percentage of sales, 81
marketing budgets, developing, 80
marketing dashboards, 331, 333
marketing metrics, 333-334
  Prestige Luggage, 329
marketing spending, 77
  calculating, 79-80
  fixed costs, 80
  purpose, 77-78
  slotting allowances, 81
markup
  converting to margins, 60
  versus margins, 53-55
Marlboro Friday, 331
mastering metrics, 4
mature, life cycle, 109
maximum reservation price (MRP),
  205, 216
maximum willing to buy (MWB), 205-206,
  220, 222
measuring
  customer satisfaction, 40-42
  market share, over time, 19
media exposure return on marketing
  investment, 321-322
media plans, net reach, 278
metrics
  defined, 1
  reasons for having, 2
middlemen, 254
misshipments, 190
Moran, Bill, 116
MRP (maximum reservation price), 205,
  216, 220, 222
multi-period investments, evaluating, 313
MWB (maximum willing to buy), 205-206,
  220, 222

N
net operating profit after tax (NOPAT),
  309
net present value (NPV), 307, 313, 316
  calculating, 314-315
  discount rate, 317
net price, 257-258
net profit, 306, 308
  calculating, 308-309
  overhead costs, 309
net reach, 273, 276, 278
complications, 280
overlap, 279-280
purpose, 276-279
noise, 38
non-compensatory consumer decisions versus compensatory decisions, 121-123
non-contractual situations, 132
    counting customers, 133-134
NOPAT (net operating profit after tax), 309
NPV. See net present value
number of complaints, 43
number of new products, 105
numeric distribution, 160, 178
    calculating, 179-180
O
obsolescence, 190
opportunities-to-see (OTS), 269
optimal price, 215
    calculating, 220, 222-224
    complications, 220, 224
    purpose, 216
        linear demand, 216, 218-222
        slope, 220
optimal price, relative to gross margin, 220, 223
optimality condition, 220, 223
OTS (opportunities-to-see), 269
out-of-stock, 161, 185-186
    PCV net out-of-stocks, 186
over-servicing, 163
overhead costs, 309
overlap, assessing, 280
overlap effects, 279-280
own price elasticity, 220, 228, 230
P
pageviews, 289-291, 300
pass-through, 242, 254
    calculating, 255
    complications, 255-256
payback, 313-314
payback period, 86
PCV (product category volume), 160, 178
    calculating, 182-183
PCV net out-of-stocks, 186
penetration, 26, 92
    brand penetration, 26
    calculating, 26, 93-94
    cautions, 28
    market penetration, 26
    share, 26
penetration rate, 26
penetration share, 26-28
Peppers, Don, 143
perceived quality/esteem, 37
perceived value for money, 36
percent good value, 202
Percentage (%), 6
percentage growth, 106
    adjusting, 109
percentage margins, 49
    calculating, 50-51, 62
percentage of unit sales, 62
percentage sales on deal, 254
    calculating, 255
percentage sales with coupons, 251
performance, 2
    monitoring firm performance in attracting and retaining customers, 132
performance reviews. See sales force effectiveness
periodic changes, adjusting for, 38
Philips Consumer Electronics, 116
pipeline analysis, 174
    construction, 175-177
    purpose, 174-175
    sales funnel, 177-178
pipeline sales, 190
PLV. See prospect lifetime value
post-purchases, 176
pre-purchase, 176
Prestige Luggage, 329
    income statement, 328
    marketing and channel metrics, 329
    retail margins, 328
    retail profit, 329
price discrimination, 220, 224, 226-227, 260
  regulation, 220, 227, 261
price elasticity, 196, 208-209, 215
  calculating, 209-212
  constant elasticity, 212-214
  linear demand, 209-212
  purpose, 209
price increases, evaluating, 70
price of a specified competitor, 198
price per statistical unit, 47, 66, 68
  calculating, 68-69
price premiums, 198
  calculating, 198-201
  complications, 201
  purpose, 198
price promotions. See promotions
price tailoring, 220, 224, 226-227, 260
  demand, 261
  regulation, 220, 227
  regulations, 261
price waterfalls, 240, 242, 256-257
  calculating, 258
  complications, 259
  purpose, 257
prices
average price charged, 200
average price displayed, 200
average price paid, 199
average price per unit, 66-67
  calculating, 67-70
  complications, 70
  purpose, 66-67
average price, 65
  competitor price elasticity, 220, 230
cost-plus pricing, 220, 224
cross elasticity, 220, 227
cross price elasticity, 220, 230
customer selling price, 55, 57
  calculating, 57-58
  first channel member’s selling price, 58-59
invoice price, 257-258
list price, 257
net price, 257-258
optimal price, 215
  calculating, 220, 222-224
  complications, 220, 224
  linear demand, 216, 218-222
  purpose, 216
  relative to gross margins, 220, 223
  slope, 220
own price elasticity, 220, 230
percent good value, 202
price discrimination, 260
price elasticity, 208-209, 215
  calculating, 209-212
  constant elasticity, 212-214
  linear demand, 209-212
  purpose, 209
price of a specified competitor, 198
price per statistical unit, 66, 68
  calculating, 68-69
price premiums, 198
  calculating, 198-201
  complications, 201
  purpose, 198
price tailoring, 220, 224, 226-227, 260
  demand, 261
  regulation, 220, 227
  regulations, 261
price waterfalls. See price waterfalls
prisoner’s dilemma pricing, 220, 232-234, 236-237
  deciding if you face this situation, 220, 237-238
relative price, 117
reservation price, 202
  calculating, 202, 204
  finding, 204
  linear demand, 204, 206-207
residual price elasticity, 220, 227
  calculating, 230-231
complications, 231-232
purpose, 228-230
selling price, 56
defining, 52
calculating prices at each level in the distribution channel, 56
supplier selling price, 55
calculating, 57
calculating average, 65
theoretical price premiums, 202
primary line competitive injury, 220, 227
prisoner's dilemma pricing, 220, 232-234, 236-237
deciding if you face this situation, 220, 237-238
Prizm, geo-clustering, 39
product category volume. See PCV
Professional Pricing Society, 259
profit-based sales targets, 86-87
profitability
baseline sales, 249
coupons, 252
price tailoring, 260
redemption rates, 252
profitability metrics, 190
complications, 193-194
DPP, 191
calculating, 192-193
GMROII, 191-192
markdowns, 191-192
purpose, 191
profitability or promotions, 247
projected volume, repeat volume, 97-98
promotional discount, 255
promotions, 239
baseline sales. See baseline sales complications, 255-256
coupons. See coupons
evaluating temporary price promotions, 240
long-term effects of, 250-251
profitability, 247
rebates, 251
mail-in rebates, 253
re redemption rates. See redemption rates
short-term promotional objectives, 239
prospect lifetime value (PLV), 149
calculating, 149-150
complications, 150-152
versus customer lifetime value, 150-152
purpose, 149
prospects, 176
pull marketing, 179
purchases, 176
push marketing, 179
Q
quantifying
customer profit, 143
market share, 18
R
R (Rating), 7
rain checks, 190
Ramsellar, Leon, 116
Rating (R), 7
rating point, 269
reach, 276-278. See also net reach
rebates, 251
mail-in rebates, 253
recency, 132, 134
redemption rates, 251
calculating, 253
coupon redemption rate, 252
profitability, 252
purpose, 251
regulations, price discrimination, 220, 227, 261
relationships, 136
relative market share, 19
calculating, 20-21
purpose, 19-20
relative perceived quality, 37
relative prices. See price premiums
repeat, 104
repeat rate, 32, 101
repeat volume, 97-98
reported margins, 52
reporting margins, 54
repurchase rate, 32
resellers, 255
reservation prices, 202
  calculating, 202, 204
  finding, 204
  linear demand, 204, 206-207
  purpose, 202
residual price elasticity, 220, 227
  calculating, 220, 230-231
  complications, 220, 231-232
  purpose, 220, 228-230
response bias, 42
responses, customer survey responses, 96
retail margins, 328
retail profit, 329
retailers, apparel retailers (customers), 137
retention, 32, 134-135
  versus acquisition, 152-154
retention rate, 132, 135
  customer lifetime value, 146
return, 305
return on assets (ROA), 309
return on capital (ROC), 309
return on incremental marketing
  investment (ROIMI), 319
return on invested capital (ROIC), 309
return on investment (ROI), 306,
  309-310, 323
return on marketing investment, 307
return on marketing investment (ROMI),
  306, 318
  budgeting, 321
  calculating, 318-320
  complications, 321
  media exposure return on marketing
  investment, 321-322
  purpose, 318
return on net assets (RONA), 309
return on sales (ROS), 306, 308-309, 323
returns and target, 88
revenue attributable to marketing, 319
revenue from new products, 105
revenue market share, calculating, 17
revenue return to incremental
  marketing, 319
revenue return to total marketing, 319
revenue share of requirements, 29
reward structures, supply chain
  metrics, 189
ROA (return on assets), 309
Robinson-Patman Act, 220, 227, 261
ROC (return on capital), 309
Rogers, Martha, 143
ROI (return on investment), 306,
  309-310, 323
ROIC (return on invested capital), 309
ROIMI (return on incremental marketing
  investment), 319
ROMI. See return on marketing
  investment
RONA (return on net assets), 309
ROS (return on sales), 323

S
salaries. See sales force compensation
sales force compensation, 171
  calculating, 172-173
  incentive plans, 173-174
  purpose, 172
sales force effectiveness, 168
  calculating, 168-171
  customer service, 170
  expenses, 170
  purpose, 168
sales force funnel, 175
sales force objectives, 165, 167
  calculating, 166-167
  purpose, 165-166
sales force territories, 162
  balancing, 163-164
  comparing, 164
  estimating size of, 165
sales force tracking. See pipeline analysis
sales goal, 166
evaluating, 167
sales pipeline, 160
sales potential, 158, 162-165
goals, 165, 167
calculating, 166-167
purpose, 165
same stores growth, 106-108
sample selection, customer satisfaction, 42
search engine marketers, 299
search engines, 297-299
seasonal variations, return on investment, 310
second-price auctions, 204
secondary line competitive injury, 220, 227
segment utilities, 92
segmentation by geography, 39
segments
BDI, 24
CDI, 25
conjoint utilities, 124-126
selling price, 56
calculating at each level in the distribution channel, 56
defining, 52
separating customer responses from non-customer response, 38
served market, 18-19
service levels, 185-186
Shames, Erv, 330
share of category, 23
share of requirements, 27, 29
calculating, 29-30
double jeopardy, 31
purpose, 29
share of shelf, 184
share of voice, 288
share of wallet. See share of requirements
shopping basket margin, 194
shrinkage, 190
signals, 38
SKU (stock keeping unit), 66, 191
slope, optimal price, 220
slotting allowances, 81
sole usage, 31
sole usage percentage, 31
spreadsheets, calculating NPV, 317
State Farm, 133
statistical units, 68, 70
stepped payments, 80
stock keeping unit (SKU), 66, 191
store versus brand measures, 184
supplier selling price, 55
calculating, 57
calculating average, 65
supply chain metrics, 185
complications, 188-189
inventories, evaluating, 189
inventory days, 187-188
inventory tracking, 187
inventory turns, 187
out-of-stocks, 186
purpose, 185
reward structures, 189
service levels, 186
surveys, 94
customer satisfaction, 42
customer survey responses, 96
T
target market fit, 105
target rating points. See TRPs
target revenue, 86-87
target volume, 48, 86
target volumes not based on target profit, 88
targets, profit-based sales targets, 86-87
terminal values, 317
territories, sales force territories. See sales force territories
test markets. See also trials
  assumptions, 100-101
  awareness, 94
  distribution, 95
  simulated results and volume
  projections, trial volume, 94
“the trade,” 254
theoretical price premiums, 202
three (four) firm concentration ratio, 21-22
threshold, 265
threshold response model, frequency
response functions, 281
time, measuring market share over, 19
tolerable discrimination, 261
top of mind, 36
total cost, 72, 75
total cost per unit, 74
  versus variable cost per unit, 76
total coupon cost, 252
total distribution, 160, 183
total number of active customers, 28
total outlet sales, 184
total selling costs, 78
total variable selling costs, 78
total volume, 98-99
trade satisfaction, 43
trial rates, 93-94
  distribution, 95
trial volume, 96-97
trial-repeat model, 104
trials, 92, 101, 104
  discounted trials, 104
  forced trials, 104
  purpose, 93
  repeat volume, 97
  total volume, 98-99
TRPs (target rating points), 264, 271-273

\( U \)
under-servicing, 163
unit margin, 49
  calculating, 50-51
unit market share, 17
unit share of requirements, 29-30
units, 49
USAA, 133
usage, AAU, 37
user behavior, web sites, 299-302

\( V \)
value of future period, 108-109
variable cost per unit versus total cost per unit, 76
variable costs, 71
  calculating, 71-72, 74-75
  classification of, 76
  purpose, 71
Venn Diagram, 279
visitors, 299, 302-303
visits, 268, 299-300, 303
volume projection, 92-93
  conjoint utilities, 126-127
volume projection spreadsheet, 99

\( W \)
Wal-Mart, 11
  economic profit, 313
warm leads, 176
wear-in, 285
wear-out, 285
web pages. See also Internet
  hits, 289-290
  pageviews, 289-291, 300
  visitors, 299, 303
  visits, 299, 303
web sites, user behavior, 299-302
website traffic, assessing, 289-290
weighted contribution margin,
cannibalization, 112
weighted share of sales allotment, 166
whale curve, customer profit, 143
willingness to recommend, 39-40
willingness to search, 43-44
workload, 162-163
  evaluating workload distribution, 174

X-Y-Z

Y&R (Young and Rubicam), 116
year-on-year growth, 91, 105