Index

4Cs, lifestyle segmentation, 343–4
4Ps, marketing mix, 6–7

ABC see activity-based costing
Abell and Hammond’s 3 × 3 model, portfolio analysis, 377
Above-average performance, 484–9
AC Nielsen, shoppers segmentation, 345
Accounting-marketing interface, 687–8
Accounting, responsibility accounting, 734–47
ACM see asset- and competency-based marketing
Action controls, 752
Activity-based costing (ABC), 92–101
ADL model see Arthur D. Little model
Airline industry, competition, 256–7
Aluminium substitutes, competitor analysis, 235–6
Amazon.com, 449
Ansoff’s matrix, marketing objectives, 303–9
Anthony’s approach, control, 747–50
Appraisal:
investment, 610–24
performance, 736
strategy, 608–10
Arrogance:
competitive, 407–9
marketing, 476
The Art of War, 439
Arthur D. Little (ADL) model, portfolio analysis, 376–9
Assessment:
competitor analysis, 237–9
marketing performance assessment model, 648–52
portfolio analysis models, 374
product portfolios, 374–9
Asset- and competency-based marketing (ACM), 67–9
Asset-based thinking, 67–9
Atomized marketing, 319–23
Attitudes, consumer behaviour, 177–82
Attitudinal advantages, competitive advantage, 404
Attractiveness:
markets, 56–7
segment, 352
Auditing see Marketing auditing
Balanced scorecard framework, choice, 580–2
Barriers:
market entry, 410
markets, 309
BBC Worldwide, vision/strategy/values, 289–90
BCG matrix see Boston matrix
Behaviour see buyer behaviour; consumer behaviour; organizational buying behaviour
Behavioural advantages, competitive advantage, 404
Behavioural displacement, control, 758
Behavioural factors, control, 757–62
Behavioural segmentation, 329, 338–41
Beliefs, consumer behaviour, 177–82
Benchmarking:
competitive advantage, 416–17
control, 806–9
Benefits:
buying decision process, 186–7
categories, 186
marketing auditing, 46–7
Big Hairy Audacious Goals (BHAGs), 301–2
Black-box models, 591–2
BMW cars, 274
Boiled frog syndrome, environmental analysis, 130–1
Boston matrix, portfolio analysis model, 367–74
pitfalls, 370–3
pros and cons, 370–3
Boston strategic environment matrix, 397–8
Brand enthusiasm, segmentation, 340–1
Brand stretching, market attractiveness, 507
Brands/branding:
  competitive advantage, 412–15
  developing, 506–8
  strategies, 505–10
  trust brands, 412–15
Breakpoints, industry/market, 149–53
British Airways, competition, 256–7
British Rail, control, 742–3
Bruce, David, 85–6
Budgets/budgeting:
  continuous, 775–6
  control, 774–80
  flexible, 776–8
  format, 780–1
  marketing communications, 526
  periodic, 775–6
  PPBS, 778–9
  rolling, 775–6
  sales, 780–3
  ZBB, 778–9
Business performance, competitive advantage, 399
Buy-grid model, organizational buying behaviour, 197–8, 200
Buyer behaviour, 170–4
  models/modelling, 171–2, 592
  stimulus-response model, 171–2
  see also consumer behaviour;
    organizational buying behaviour
Buying decision process:
  benefits, 186–7
  buyer types, 194–5
  buying behaviour types, 183–4
  buying roles, 183
  customer analysis, 182–8
  decision types, 193–4
  sequential model, 184–5
  Bypass attacks, market challenger strategy, 457
Centralization vs. decentralization, organizational issues, 717–21
Challengers, market see market challengers
Change:
  consumer change drivers, 215–20
  environmental, 124–6
  forces for/against, 27–9
  organizational, 432
  pressures, 682–4
  segmentation, 349
Change patterns, environmental analysis, 134–5
Changing business environment, 119–20
Changing emphases, marketing, 31–2
Channels:
  auditing, 771
  management, 528–33
  marketing communications, 526
  members, 532–3
  strategy, 530
  structure, 530–2
  see also distribution
Charity coffee, segmentation, 349–50
Chartered Institute of Marketing, Manufacturing – The Marketing Solution report, 540–7
China, Heinz beans positioning, 356
Choice:
  criteria, 549–86
  CSFs, 576–85
  financial criteria, 553–65
  functional activities, 584–5
  multiple criteria, 576–85
  non-financial criteria, 553–5, 565–75
  strategic alternatives, 583–4
  success routes, 584
CIS see competitive intelligence system
Closed-loop control, 729–31
Coexistence, competitive relationship, 241–2
Coffee, charity, segmentation, 349–50
Collusion, competitive relationship, 241–2
Commitments, missions, 287–90
Communication:
  information, 692–6
  missions, 284–7
  see also marketing communications
Companies, failure, 33–5
Comparative assessment, competitor analysis, 237–9
Comparisons, interfirm comparison, 109–12
Competency-based thinking, 67–9
Competing for the Future, 410–12
Competition:
  competitive relationship, 241–2
  hypercompetition, 155–7
  negative-sum games, 484
  performance against, 468–9
  pricing, 520–2
  zero-sum games, 484
Competitive advantage, 385–423
  airlines, 400–2
  approaches, 397–9
  attitudinal advantages, 404
  behavioural advantages, 404
  benchmarking, 416–17
  brands/branding, 412–15
  business performance, 399
  choice criterion, 567–8
  commandments, 410–12
  developing, 54–7
  e-business, 417–22
  erosion, 155–7, 412–15
  exploiting, 405–7
  gaining, 405
  Gillette, 567–8
  hypercompetition, 155–7
  industry types, 397–8
  management advantages, 404
  marketing mix advantages, 404
  order winners/qualifiers, 407–9
  organizational paradigms, 410–12
  positioning, 355–9
  rebuilding, 422–3
  role, strategic marketing planning, 396–423
  self-delusion, 405–7
  size, 397–9
  'so what?' test, 406
  sources, 54–7
  staff resources advantages, 404
  sustaining, 405–7, 567–8
  ten most significant, 402–3
  Tesco, 404
  third knowledge revolution, 415–16
  trust brands, 412–15
  value chain, 70–1, 396–8
Competitive arrogance, 407–9
Competitive behaviour, evolutionary cycle, 151–2
Competitive disadvantage, 409–10
Competitive intelligence system (CIS), 251–5
Competitive intensity, 190–1
Competitive knowledge, virtuous circle, 406
Competitive myopia, 407–9
Competitive position, choice criterion, 568–70
Competitive sclerosis, 407–9
Competitive strategy, 481–3
  elements, 20
  as a game, 466–7
see also marketing strategy
Competitiveness, future, marketing strategy, 466–74
Competitor analysis, 221–67
  aluminium substitutes, 235–6
  auditing, 772
  barriers, 224
  character of competition, 245–6
  CIS, 251–5
  comparative assessment, 237–9
  competitive dynamics, 232–3
  competitive stance, 255–61
  competitive status, 243–4
  competitor profiling, 799–806, 808–9
  corporate espionage, 257–8
  cost behaviour, 249–50
  cost structure, 249–50
  Eastman Kodak, 226
  ethical conflict, 255–61
  identifying competitors, 230–6
  industry structure types, 233–4
  intelligence gathering, 251–61
  market perspective, 235–6
  objectives, identifying competitors’, 246–7
  Porter’s approach, 228–30
  product portfolios, 239–41
  questions, 225–8
  reasons, 225
  relationships, competitive, 241–6
  response profiles, 228–30, 248–50
  steps, 227–8
  strategic groups, 242–5
  strategy development, 250–1
  strengths, competitors’, 236–41
  vulnerability, 240–1
  weaknesses, competitors’, 236–41
Competitor profiling, 799–806, 808–9
Competitors’ objectives, 298–300
Complex environments, environmental analysis, 126–7
Complicated simplicity, 190–1
Compounding, time value of money, 614–15
Computers, industry breakpoints, 149–50, 151
Concentrated marketing, 319–23
Conflict, competitive relationship, 241–2
Connective marketing, transaction marketing, 214
INDEX

Consumer behaviour:
- attitudes, 177–82
- beliefs, 177–82
- cultural factors, 175
- factors influencing, 174–82
- family influences, 176–7
- learning, 177–82
- models, 187–8
- motivation, 177–82
- opinion leaders, 176
- perception, 177–82
- perception issues, 180–2
- personal influences, 177
- psychological influences, 177–82
- reference groups, 175–7
- selection attention, 180–2
- social factors, 175–7

see also buyer behaviour

Consumer change, drivers, 215–20

Consumer franchise, choice criterion, 575

Consumers:
- new, 172–4, 188–92
- super-powered consumers, 191

Continuous budgets/budgeting, 775–6

Contraction defence, market share, 441–2

Contribution margin, control, 744

Contribution, marketing, 88–9

Contribution to management, marketing, 29–31

Control, 723–811
- action controls, 752
- Anthony’s approach, 747–50
- approaches, 747–57
- auditing, 771–4
- behavioural displacement, 758
- behavioural factors, 757–62
- benchmarking, 806–9
- British Rail, 742–3
- budgets/budgeting, 774–80
- closed-loop control, 729–31
- competitor profiling, 799–806
- concepts, 728–34
- contribution margin, 744
- corrective action, 798–809
- cost centres, 742
- cultural control, 770
- defining, 726–8
- entrapment, 759–62
- escalation, 759–62
- expense centres, 742
- feedback control, 729–34
- feedforward control, 729–34
- financial controls, 753
- forms, 767–71
- gamesmanship, 758
- information, 804
- input controls, 770
- investment centres, 745–7

Johnson and Schole’s approach, 753–5

Luck and Ferrell’s approach, 755–7

mechanisms, 767–71

Merchant’s approach, 750–3

negative attitudes, 758–9

open-loop control, 728–9

output controls, 770

personnel controls, 752–3

planning and, 747–50

process, 726–8

process control, 770

profit centres, 742–5

railways, 742–3

response model, 799–801

results controls, 751–2

self-control, 769

short-termism, 759

social control, 769–70

standards, 740–1

strategic, 667–75

strategic triangle, 804–5

systems, 726–8

variance analysis, 780–92

see also performance; planning

Controllable profit, 744

Cooperation, competitive relationship, 241–2

Core competencies, 473–4

Corporate espionage, 257–8

Corporate planning, 45

Corrective action, control, 798–809

Corruption, organizational buying behaviour, 202, 203

Cost analysis, marketing see marketing cost analysis

Cost behaviour, competitor analysis, 249–50

Cost categories, clarification, 80–1

Cost centres, control, 742

Cost leadership, 556–7

Cost leadership strategy, 388–96

Cost problems, 697–703

Cost structure, competitor analysis, 249–50

Cost-volume-profit (CVP) analysis, 593–610

examples, 601–10

Costs:
- experience effect, 558–60
- over time, 557–60

Counter-offensive defence, market share, 443

CPA see critical path analysis; customer profitability analysis

Critical events, segmentation, 341

Critical path analysis (CPA), models/modelling, 661–3
Critical success factors (CSFs), choice criterion, 576–85
Criticisms, marketing, 36–7
CRM see customer relationship management
Cross-Cultural Consumer Characterization (4Cs), lifestyle segmentation, 343–4
CSFs see critical success factors
Cultural control, 770
Cultural environment, 142–7
corruption, 202, 203
see also organizational culture; social analysis
Cultural factors, consumer behaviour, 175
Customer analysis, 167–220
buyer behaviour, 170–4
buying decision process, 182–8
consumer behaviour, 174–82
marketing planning, 188–92
new consumers, 188–92
organizational buying behaviour, 192–202
relationship marketing, 202–14
Customer community, 212–13
Customer focus, 3–7, 155, 169–70
market leaders, 444–6
market research, 444–6
see also customer analysis
Customer loyalty chain, relationship marketing, 206–7
Customer marketing, 32–3, 34
Customer needs, understanding, 169–70
Customer profitability analysis (CPA), 89–101
defining, 89
illustration, 90–2
implementation, 90
Customer promiscuity, 213
Customer relationship management (CRM), 210–12
Customer service audit, 772–4
Customers:
categorization, 205–6, 210–12
new, 172–4
CVP analysis see cost-volume-profit analysis

Laplace criterion, 639–42
models/modelling, 592
NPD, 640–2
pay-off matrix, 631–2, 636
probability theory, 629–30
profitability, 560–5
risk analysis, 630–7
see also buying decision process; risk; strategic decisions
Defending market share see market share
Demographic environment, 142–7
consumer change driver, 216–17
see also social analysis
Demographic segmentation, 329, 332–7
industrial markets, 346
Design, organizational, 713–17
Differentiated marketing, 319–23
Differentiation strategy, 388–96
Direct profit, 744–5
Directional policy matrix (DPM), 642–3
portfolio analysis, 376–7
Discounting:
financial evaluation, 616–18
time value of money, 614–15
Distribution:
planning, 528
strategy, 528
see also channels
Distribution audit, 771–4
Distribution cost control, variance analysis, 788–90
Diversification, market share, 441
Dogs, Boston matrix, 369
Domination, market, 157–9
DPM see directional policy matrix
Dynamic environments, environmental analysis, 126–7
Dyson, market challenger, 449–53

E-business:
competitive advantage, 417–22
strategic thinking, 417–18
Eastman Kodak, competitor analysis, 226
EasyJet, competitive advantage, 400–2
Eating the Big Fish, 459–60
Economic analysis, 122–3, 136–48, 608–11
Economic appraisal, strategy, 608–10
Effectiveness:
vs. efficiency, 14–15, 553–5
marketing, 18, 50–3
marketing auditing, 71–5
SWOT analysis, 62–3
Efficiency:
criteria, 554
vs. effectiveness, 14–15, 553–5
variance analysis, 792
Electronic marketing, 34
Encirclement attacks, market challenger strategy, 456–7
Entrainment, control, 759–62
Environmental analysis, 117–66
  approaches, 136–9, 159–65
  boiled frog syndrome, 130–1
  change patterns, 134–5
  complex environments, 126–7
  dynamic environments, 126–7
  environment types, 124
  evolution, 136–9
  future issues, 134–6
  implications, environmental change, 124–6
  macro-environment, 129–30
  marketing environment, nature of, 128–36
  micro-environment, 129–30
  new marketing environment, 133–5
  PEST analysis, 122–3, 136–48
  scanning, 159–65
  stages, 121–2, 136–9
  static environments, 126–7
  strategic windows, 130–3
  trends, 154
Escalation, control, 759–62
Espionage, corporate, 257–8
Ethical conflict, competitor analysis, 255–61
Ethical consumerism, consumer change driver, 219
Evaluation:
  financial, 615–22
  strategic, 539–47
Evolution, environmental analysis, 136–9
Evolution, product, strategy, 478–84
Evolutionary cycle, competitive behaviour, 151–2
Excellence, above-average, 484–9
Excellence framework, 541–2
Expanding market share, market leaders, 431
Expense centres, control, 742
Experience effect:
  costs, 558–60
  pricing, 558–60
  profitability, 558–60
Experimentation, marketing, 101–2, 653–6
External influences:
  objectives, 291–2
  pressures, 680–4
  see also PEST analysis

Failure, companies, 33–5
Family influences:
  consumer behaviour, 176–7
  consumer change driver, 216–17
Family life cycle, segmentation, 332–4
Feedback:
  control, 729–34
  marketing, problems, 688–90
Feedforward, control, 729–34
Fiat Group, operational/strategic issues, balancing, 17
Financial controls, 753
Financial criteria, choice, 553–65
Financial evaluation, 615–22
  alternative proposals, 618
  capital rationing, 618–19
  discounting, 616–18
  IRR, 616
  key financial factors, 697
  NPV, 616
  traditional, 615–16
Flank attacks, market challenger strategy, 455–6
Flanking defence, market share, 441
Flexible budgets/budgeting, 776–8
Focus:
  customers, 3–7, 155, 169–70
  marketing, 32–3
  marketing auditing, 47–8
  marketing planning, 310–13
  segmentation, 351–3
  strategic planning, 310–13
  strategy, 388–96
Followers, market see market followers
Forces for/against change, 27–9
Four Cs, lifestyle segmentation, 343–4
Four Ps, marketing mix, 6–7
Freudian theory, motivation, 178–9
Frogs (boiled frog syndrome), 130–1
Frontal attacks, market challenger strategy, 454–5
Full market coverage, segmentation, 351
Functional activities, choice, 584–5
Future:
  choice criterion, 574–5
  see also risk
Future issues:
  environmental analysis, 134–6
  planning, 153–9
Gamesmanship, control, 758
Gap analysis, growth, 566–7
General Electric (GE):
  key success factors, 582–3
  multifactor portfolio matrix, 375–6, 643–6
Geodemographic segmentation, 329, 330–2
Geographic segmentation, 329, 330–2
Gillette:
  competitive advantage, 567–8
  CVP analysis, 608–10
  economic analysis, 608–11
  Globalization, 27
Goals:
  BHAGs, 301–2
  setting, 294–309
  see also objectives
Grey market, 144–5
Growth:
  choice criterion, 565–7
  gap analysis, 566–7
Growth rates, products/markets, 504
Growth-share matrix, portfolio analysis model, 367–74
Guerrilla attacks, market challenger strategy, 458–9

Häagen-Dazs ice-cream, 471–3
Harley Davidson:
  competitor analysis, 231–2
  customer analysis, 170
Health, consumer change driver, 219–20
Heinz beans, positioning, 356
Herzberg's theory, motivation, 179
Honda, 456–7
Hypercompetition, 155–7
IBM Corporation, organizational buying behaviour, 200
Ice-cream, Häagen-Dazs, 471–3
Identifying competitors, competitor analysis, 230–6
Illustrations:
  CPA, 90–2
  marketing cost analysis, 85–6, 90–2
  segmental analysis, 86–8
Implementation:
  problems, 673
  strategic, 667–75
  tactical, 673–5
Income, segmentation, 334–6
Income statement, marketing-oriented, 561–2
Individuality, law of increasing individuality, 190–1
Indulgence, consumer change driver, 220
Industrial buying see organizational buying behaviour
Industrial markets, segmentation, 345–7
Industry breakpoints, 149–53
Industry structure types, competitor analysis, 233–4
Industry types, competitive advantage, 397–8

Information:
  adequacy, 690–7
  CIS, 251–5
  control, 804
  cost/value, 637
Initiatives, marketing, 444–6
Input controls, 770
Intelligence gathering:
  CIS, 251–5
  competitor analysis, 251–61
Interest groups, 15–16
Interfirm comparison, ratio analysis, 109–12
Internal marketing, 708–10
Internal rate of return (IRR), financial evaluation, 616
Internet see e-business
 Interruption marketing, 418–19
Investment, appraisal, 610–24
Investment centres, control, 745–7
IRR see internal rate of return
JICNARS, segmentation, 336–7
Johnson and Schole's approach, control, 753–5
Key financial factors, marketing performance, 697
Key success factors, 582–3
Kodak, competitor analysis, 226
Laplace criterion, decision-making, 639–42
Law of increasing individuality, 190–1
Law of marketing gravity, 474–8
Leaders, market see market leaders
Leadership, missions, 287–90
Learning, consumer behaviour, 177–82
Learning, market, 164–5
Learning process, organizations, 164–5
Left-handed organizations, 21–2
Legal environment, 140–1
see also political analysis
Levi's:
  differentiation strategy, 394–5
  one-to-one marketing, 322
Life cycle, product see product life cycle
Lifestyle segmentation, 341–5
4Cs, 343–4
VALS framework, 342–3
Linear programming, models/modelling, 656–61
Liquidity, choice criterion, 573–4
Loyalty marketing:
customer loyalty chain, 206–7
relationship marketing, 209–12
Loyalty status, segmentation, 340–1
Luck and Ferrell’s approach, control, 755–7

Macro-environment, environmental
analysis, 129–30
Management advantages, competitive
advantage, 404
Management control see control
Management, marketing’s contribution,
29–31
Management process, 7–10
Management reports, 809–10
Managers, types, 136
Manufacturing – The Marketing Solution,
Chartered Institute of Marketing
report, 540–7
Market analysis, 117–66
Market attractiveness:
brand stretching, 507
product portfolios, 374–9
Market boundaries, market share,
437–8
Market breakpoints, 149–53
Market challengers, 427–8
strategies, 447–61, 481–3
Market coverage, segmentation, 350–3
Market domination, 157–9
Market followers, 427–8
strategies, 461–3, 481–3
Market leaders:
customer focus, 444–6
defending market share, 430–1
discipline, 487–8
expanding market share, 431
organizational change, 432
strategies, 428–38, 481–3
Market learning, 164–5
Market nichers, 428
segmentation, 351–3
strategies, 463–5
supernichers, 464–5
Market position, strategy, 427–8
Market research:
customer focus, 444–6
Sony, 444
Market share:
broadening, 438
choice criterion, 570–1
contraction defence, 441–2
counter-offensive defence, 443
defence strategies, 430–1, 439–43
diversification, 441
flanking defence, 441
market boundaries, 437–8
market challengers, 447–61
market followers, 461–3
market leaders defence, 430–1
market nichers, 463–5
mindset, 460
mobile defence, 440–1
PIMS, 432–7
position defence, 439–40
pre-emptive defence, 442
profitability, 432–7
redefining, 438
strategies, 425–90
unconventional behaviour defence, 443
variance analysis, 784–5
Market specialization, segmentation, 351
Marketing:
changing emphases, 31–2
contribution to management, 29–31
criticisms, 36–7
defining, 3–7
dimensions, 287
focus, 32–3
‘mid-life crisis’, 22–5
nature of, 3–7
paradigms, 32–3, 34
redefining, 25–31
results, 24
viewpoints, 7–10
Marketing ability, performance, 545–6
Marketing arrogance, 476
competitive arrogance, 407–9
Marketing auditing, 43–76
benefits, 46–7
components, 74–5
comprehensive, 71–2
developing, 771–4
defining, 46–7
distribution audit, 771–4
effectiveness, 71–5
elements, 46–7
focus, 47–8
independent, 72–3
process, 74
reasons, 73–4
regular, 73
results, 75
stages, 48–50
structure, 47–8
systematic, 72
Marketing communications, 523–7
budgets/budgeting, 526
channels, 526
messages, 525
objectives, 524–5
response-hierarchy models, 524–5
target audiences, 524
tools, 526–7
Marketing contribution, 88–9
Marketing cost analysis:
ABCD, 92–101
aims, 81–6
CPA, 89–101
illustrations, 85–6, 90–2
methods, 81–6
pubs, 85–6
segmental analysis, 86–9
segmental costs, 83–4
Marketing effectiveness:
dimensions, 18
reviewing, 50–3
Marketing environment:
marketing mix, 497–8
see also environmental analysis
Marketing experimentation, 101–2, 653–6
Marketing feedback, problems, 688–90
Marketing gravity, law of, 474–8
Marketing mix, 6–7, 127–8
brand strategies, 505–10
channels, 528–33
competitive advantage, 404
distribution, 528
integrating, 536
marketing communications, 523–7
marketing environment, 497–8
new products, 510–15
pricing policies/strategies, 515–23
product decisions/strategy, 497–8
product policy, 500–5
products, defining, 497–500
products development, 510–15
promotion, 523–7
relationship marketing, 208–9
soft elements, 534–5
strategic management, 495–547
Marketing myopia, 210–12, 407–9
Marketing objectives, 302–9
Marketing organization, structure, 738
Marketing orientation, 703–10
defining, 704–5
developing, 706–7
internal marketing, 708–10
recognizing, 705–6
Marketing performance assessment model, 648–52
Marketing planning:
competitive advantage, 396–423
customer analysis, 188–92
focus, 310–13
problems, 276–7
strategic, 396–423
cf. strategic planning, 19
Marketing processes, performance, 544–5
Marketing strategy:
competitiveness, future, 466–74
market share, 425–90
military analogies, 438–74
process, 20
valuing, 622–4
Marketing/strategy interface, 19–37
Marketing structures, 717–21
Marketing subsystem, problems, 684–8
Markets:
attraction, 56–7
barriers, 309
profitability, 309
volatile, 27
Marks & Spencer, competitive advantage, 407–9
Marshallian model, motivation, 178
Maslow’s theory, motivation, 179–80
Mass customization, 90–2
Mass marketing, 32–3, 34
Matrix models, 642–8
Mature markets, 482–3
Mercedes-Benz, TOWS matrix, 66
Merchant’s approach, control, 750–3
Messages, marketing communications, 525
Micro-environment, environmental analysis, 129–30
‘Mid-life crisis’, marketing’s, 22–5
Military analogies:
marketing strategy, 438–74
summary, 465–74
Sun Tzu, 439
Mindset, market share, 460
Mini cars, positioning, 357–8
Missions, 269–314
characteristics, 79–80, 280–1
commitments, 287–90
communication, 284–7
developing, 281
establishing, 277–90
examples, 279–80, 284
influences, 281–2
leadership, 287–90
modifying, 281
starting point, 283
visioning, 284–7
Mobile defence, market share, 440–1
Monitor, lifestyle segmentation, 344
Monopolies, competitor analysis, 233–4
Motivation, consumer behaviour, 177–82
Multifactor portfolio matrix, 375–6, 643–6
Myopia:
competitive, 407–9
marketing, 476
relationship marketing, 210–12
National Statistics Socio-Economic Classification (NS-SEC), 336–7
Negative attitudes, control, 758–9
Negative-sum games, competition, 484
Neo-marketing organizations, 36–7
Net present value (NPV): examples, 619–22
financial evaluation, 616
Network analysis, models/modelling, 661–3
New consumers, 172–4
customer analysis, 188–92
New product development (NPD):
decision-making, 640–2
marketing mix, 510–15
role, 512–14
strategies, 514–15
Nichers, market see market nichers
Non-financial criteria, choice, 553–5, 565–75
NPD see new product development
NPV see net present value
NS-SEC see National Statistics Socio-Economic Classification

Objectives, 269–314
BHAGs, 301–2
competitors', 298–300
corporate, 297–8
establishing, 294–309
external influences, 291–2
identifying competitors', 246–7
influences, 290–4
marketing, 302–9
marketing communications, 524–5
offensive corporate, 300–1
pricing, 518–19
primary, 295
secondary, 295
three Ps, 295–6
time horizons, 296
Observable data, competitor analysis, 252–3
Occupation, segmentation, 334–6
Oligopolies, competitor analysis, 233–4
One-to-one marketing, 32–3
Levi’s, 322
Open-loop control, 728–9
Operating variables, industrial markets segmentation, 346
Operational/strategic issues, balancing, 17–18
Opinion leaders, consumer behaviour, 176
Opportunistic data, competitor analysis, 252–3
Opportunities:
marketing, 444–6
see also SWOT analysis
Opportunity cost, 82
Order winners/qualifiers, competitive advantage, 407–9
Organizational buying behaviour, 192–202
buy-grid model, 197–8, 200
corruption, 202, 203
influences, 195–7
interaction model, 201–2
risk, 198–9
stages, 197–8
Organizational change, market leaders, 432
Organizational culture:
implications, 292–4
significance, 292–4
Organizational design, 713–17
Organizational issues, 713–21
centralization vs. decentralization, 717–21
organizational design, 713–17
Organizational paradigms, competitive advantage, 410–12
Organizations:
learning process, 164–5
left-handed, 21–2
market learning, 164–5
neo-marketing, 36–7
right-handed, 21–2
right-side-up, 22, 23
types, 21–2
wrong-side-up, 22, 23
Orientation, marketing see marketing orientation
Output budgeting, 779–80
Output controls, 770
Overall cost leadership strategy, 388–96
Paradigms, marketing, 32–3, 34
Partnerships, marketing mix, 127–8
Pay-off matrix, decision-making, 631–2, 636
PDM audit, 772
Perception:
consumer behaviour, 177–82
issues, 180–2
Performance:
above-average, 484–9
appraisal, 736
balanced scorecard framework, 580–2
business, competitive advantage, 399
against competition, 468–9
key success factors, 582–3
leveraging, 470
marketing ability, 545–6
marketing performance assessment
model, 648–52
marketing processes, 544–5
products, 792–3
see also choice; control
Performance-importance matrix, 57–60
Periodic budgets/budgeting, 775–6
Permission marketing, 418–19
Personal characteristics, industrial
markets segmentation, 346
Personal influences, consumer
behaviour, 177
Personnel controls, 752–3
Personnel-marketing interface, 686–7
PERT see programme evaluation and
review technique
PEST analysis, environmental analysis,
122–3, 136–48
PIMS see Profit Impact of Market Strategy
Planning:
control and, 747–50
corporate, 45
distribution, 528
elements, 274–5
future issues, 153–9
orientation, 711–12
purpose, 274–7
stages, 275–6
strategic cf. marketing, 19
strategic planning process, 271–3
see also control; marketing planning
Planning-programming-budgeting
system (PPBS), 778–9
PLC see product life cycle
Political analysis, 122–3, 136–48
Porter’s approach, competitor analysis,
228–30
Porter’s five-force model, 348
Porter’s strategy types, 387–96
Portfolio analysis:
pricing, 557
product policy, 502
Portfolio analysis models:
Abell and Hammond’s 3 × 3 model, 377
ADL model, 376–9
assessment, 374
Boston matrix, 367–74
criticisms, 379–82
DPM, 376–7
multifactor portfolio matrix, 375–6,
643–6
pitfalls, 370–3
product portfolios, 367–79
Position defence, market share, 439–40
Positioning, 315–60
breakfast cereals, 354–5
competitive advantage, 355–9
errors, 355–6
Heinz, 356
influences, 353–4
Mini cars, 357–8
pricing, 358
product positioning, 353–9
product positioning matrix, 646–8
repositioning strategies, 359
stages, 317–18
Wal-Mart, 358
PPBS see planning-programming-
budgeting system
Pre-emptive defence, market share, 442
Pressures:
change, 682–4
marketing organizations, 680–4
Price variance, variance analysis, 792
Pricing:
approaches, 517–18
choice criterion, 572–3
competition, 520–2
cuts, 557
decisions, 557
experience effect, 558–60
information, 696
methods, 520–2
objectives, 518–19
policies, 515–23
portfolio analysis, 557
positioning, 358
price/quality strategies, 556–7
strategies, 515–23
tactical weapon, 522–3
zero-sum games, 557
Probability theory, decision-making,
629–30
Process control, 770
Product decisions/strategy, 497–8
Product evolution, strategy, 478–84
Product life cycle (PLC), 250
CVP analysis, 604–7
product policy, 500–2
strategy, 478–84
Product line, CVP analysis, 604–7
Product management, information, 696
Product policy:
dimensions, 500–5
PLC, 500–2
portfolio analysis, 502
Product portfolios, 361–83
business position assessment, 374–9
competitor analysis, 239–41
market attractiveness, 374–9
portfolio analysis models, 367–79
strategic perspectives, 363–7
Product positioning see positioning
Product positioning matrix, 646–8
see also positioning
Product specialization, segmentation, 350
INDEX

Production-marketing interface, 686
Productivity analysis, 77–116
Productivity, nature of, 102–4
Products:
  defining, 498–500
  developing, 510–15
  elements, 498–500
  new, 510–15, 640–2
  performance, 792–3
  as strategic variable, 502–5
Profit centres, control, 742–5
Profit Impact of Market Strategy (PIMS), 112–15
market share, 432–7
ROI, 434
Profit statement, marketing-oriented, 561–3
Profitability:
  analysis, 560–5
  choice criterion, 571–2
  controllable profit, 744
cost-volume-profit analysis, 593–610
CPA, 89–101
decision-making, 560–5
defining, 560
direct profit, 744–5
experience effect, 558–60
market share, 432–7
markets, 309
models/modelling, 593
sales, 700
Programme evaluation and review technique (PERT), models/modelling, 661–3
Programming, models/modelling, 656–61
Promotion:
  integrating, 527
  marketing mix, 523–7
Psychographic segmentation, 329, 341–5
Psychological influences, consumer behaviour, 177–82
Psychological life cycle, segmentation, 334
Pubs, marketing cost analysis, 85–6
Purchasing approaches, industrial markets segmentation, 346
Purchasing-marketing interface, 686
Quality assurance:
  marketing, 670
  TQM, 669
Question marks, Boston matrix, 369
Railways, control, 742–3
Ratio analysis, 77–116
  interfirm comparison, 109–12
  ratio pyramid, 106–7
trends, 107–9
  use of, 104–7
Recorded data, competitor analysis, 252–3
Redefining marketing, 25–31
Reference groups, consumer behaviour, 175–7
Relationship marketing, 202–14
  customer categorization, 210–12
  customer loyalty chain, 206–7
  loyalty marketing, 209–12
  marketing mix, 208–9
  myopia, 210–12
  SAS, 206–8
  strategy, 205–8
cf. transaction marketing, 203–4
Relationships, competitive, 241–6
Reports:
  management reports, 809–10
  Manufacturing – The Marketing Solution, 540–7
Resource availability, choice criterion, 573–4
Response-hierarchy models, marketing communications, 524–5
Response model, control, 799–801
Response profiles, competitor analysis, 228–30, 248–50
Responsibility accounting, 734–47
Responsibility issues, strategic planning, 364–5
Results:
  controls, 751–2
  marketing, 24
  marketing auditing, 75
Return on investment (ROI), 104–7
  PIMS, 434
Return on sales, choice criterion, 571–2
Right-handed organizations, 21–2
Right-side-up organizations, 22, 23
Risk, 7
  models/modelling, 627–42
  NPD, 511–12
  organizational buying behaviour, 198–9
  risk analysis, 630–7
ROI see return on investment
Rolling budgets/budgeting, 775–6
Royal Society of Arts (RSA), ‘Tomorrow’s Company’ inquiry, 552–3
Safeway, market challenger strategy, 458
SAGACITY, segmentation, 334
Sales:
  budgets/budgeting, 780–3
  choice criterion, 570–1
  models/modelling, 593
  profitability, 700
  variance analysis, 780–3, 794–5
Sales operations, information, 696–7
Salesforce, benchmarking, 806–7
SAS see Scandinavian Airlines System
SBUs see strategic business units
Scandinavian Airlines System (SAS), relationship marketing, 206–8
Scanning, environmental analysis, 159–65
Segmental analysis, 77–116
ABC, 92–101
alternative approach, 88–9
exercise, 92–101
illustration, 86–8
Segmental costs, marketing cost analysis, 83–4
Segmentation, 315–60
approaches, 323–8
bases, 328–9
behavioural, 329, 338–41
brand enthusiasm, 340–1
change, 349
changing nature of, 325–6
charity coffee, 349–50
critical events, 341
dialogue of the deaf, 347
feasibility, 326–7
full market coverage, 351
industrial markets, 345–7
lifestyle, 341–5
loyalty status, 340–1
market coverage, 350–3
market niching, 351–3
market specialization, 351
market targeting, 347–50
nature of, 318–23
product positioning, 353–9
product specialization, 350
purpose, 318–23
segment attractiveness, 352
selective specialization, 350
single segment concentration, 350
stages, 317–18
structural attractiveness, 348
user status, 339–40
Selection attention, consumer behaviour, 180–2
Selective specialization, segmentation, 350
Self-control, 769
Self-delusion, competitive advantage, 405–7
Sensitivity analyses, models/modelling, 590
Sex, segmentation, 337
Shareholder value, 565, 622–4
Shoppers segmentation, 345
Short-termism, control, 759
Single-parent families, 142–3
Single segment concentration, segmentation, 350
Situational factors, industrial markets segmentation, 346
Skoda cars, 181–2
‘So what?’ test, competitive advantage, 406
Social analysis, 122–3, 136–48
Social classification, segmentation, 332–6
Social control, 769–70
Sony, market research, 444
Staff resources advantages, competitive advantage, 404
Stars, Boston matrix, 369
Static environments, environmental analysis, 126–7
Stimulus-response model, buyer behaviour, 171–2
Strategic alternatives, choice, 583–4
Strategic analysis, 11, 41
Strategic business units (SBUs), 365–74
Strategic choice, 11
Strategic control, 667–75
Strategic decisions, 11–18
see also decision-making
Strategic direction, 265–6, 303–4
Strategic evaluation, 539–47
Strategic groups, competitor analysis, 242–5
Strategic implementation, 12, 667–75
Strategic management, marketing mix, 495–547
Strategic/operational issues, balancing, 17–18
Strategic perspectives, product portfolios, 363–7
Strategic planning:
focus, 310–13
cf. marketing planning, 19
process, 271–3
responsibility issues, 364–5
Strategic triangle, control, 804–5
Strategic wear-out, 474–8
Strategic windows, environmental analysis, 130–3
Strategies:
brands/branding, 505–10
channels, 530
cost leadership, 388–96
defining, 13–14
developing, 310–13
differentiation, 388–96
distribution, 528
economic appraisal, 608–10
elements, 13–14
focus, 388–96
formulation, 265–6
Strategies (Continued)
generic, 387–96
influences, 290–4
levels, 12–13
market challengers, 447–61
market followers, 461–3
market leaders, 428–38
market nichers, 463–5
market position, 427–8
market share, 425–90
nature of, 11–18
PLC, 478–84
pricing, 515–23
product evolution, 478–84
pursuing, 389
relationship marketing, 205–8
repositioning, 359
selecting, 389
types, 387–90
Strategy/marketing interface, 19–37
Strengths:
competitors’, 236–41
identifying, 57–60, 236–41
interdepartmental, 60–2
see also SWOT analysis
Structural attractiveness, segmentation, 348
Subsystems, marketing, problems, 684–8
Success routes, choice, 584
Sun Tzu, military analogies, 439
Supernichers, market nichers, 464–5
Swatch, visioning, 286
Swiss watch industry, 131–3, 286
SWOT analysis:
criticism, 63–4
effectiveness, 62–3
post-modern SWOT, 67, 68
role, 53–69
TOWS matrix, 63–7
value, 65–7
Target audiences, marketing communications, 524
Target marketing, 32–3, 34
Targeting, 315–60
stages, 317–18
Targets:
setting, 294–309
see also objectives
Taylor Nelson, Monitor, lifestyle segmentation, 344
Technological analysis, 122–3, 147–8
Technological change, 27, 147–8
mass customization, 90–2
Tesco, competitive advantage, 404
Third knowledge revolution, competitive advantage, 415–16
Third-wave companies, 157–9
Threats see SWOT analysis
Three P’s, objectives, 295–6
Thriving on Chaos, 551–2
Time horizons, objectives, 296
Time value of money, 614–15
‘Tomorrow’s Company’ inquiry, RSA, 552–3
Total quality management (TQM), 669
Tower Records, CPA, 90–2
TOWS matrix:
SWOT analysis, 63–7
value, 65–7
TQM see total quality management
Transaction marketing, 210–12
connective marketing, 214
cf. relationship marketing, 203–4
Treats, consumer change driver, 220
Trends:
analysing, 107–9
environmental analysis, 154
world-changing megatrends, 148
Trust brands, competitive advantage, 412–15
Uncertainty:
models/modelling, 627–42
see also risk
Unconventional behaviour defence, market share, 443
Undifferentiated marketing, 319–23
User status, segmentation, 339–40
VALS framework, lifestyle segmentation, 342–3
Value:
consumer change driver, 218–19
shareholder value, 565, 622–4
Value chain, competitive advantage, 70–1, 396–8
Valuing market strategies, shareholder value, 622–4
Variance analysis:
control, 780–92
distribution cost control, 788–90
efficiency variance, 792
examples, 790–2
market share, 784–5
price variance, 792
sales, 780–3, 794–5
variance investigation decision, 795–8
Veblen’s model, motivation, 179
Virgin Atlantic airways, competition, 256–7
Visioning, missions, 284–7
Volatility, markets, 27
Volume:
  choice criterion, 572, 573
  cost-volume-profit analysis, 593–610
Vulnerability, competitor analysis, 240–1

Waitrose, competitive advantage, 416
Wal-Mart:
  competitive advantage, 416
  positioning, 358
War see military analogies
Watch industry, 131–3
Weaknesses:
  competitors', 236–41
  identifying, 57–60, 236–41

interdepartmental, 60–2
see also SWOT analysis
Whitbread company, 278
Women, changing face of, 145–6
Wrong-side-up organizations, 22, 23

Yamaha, 456–7
Young & Rubicam, 4Cs, lifestyle segmentation, 343–4
Youth market, 173–4

Zero-base budgeting (ZBB), 778–9
Zero-sum games:
  competition, 484
  price cuts, 557