

Preface

The 16th edition of *Marketing Management* builds on the classic examples, core concepts, and logical structure that made the first edition a landmark text. Much has changed since the 15th edition was published. Ongoing globalization; the increasing role of corporate social responsibility; advances in technology, e-commerce, and digital communication; the growing impact of social media, and the widespread use of data analytics, marketing automation, and artificial intelligence have disrupted many industries and have opened doors to new business models. Responding to these changes, the 16th edition was redesigned from the ground up to provide managers with the tools necessary to succeed in the new market environment.

Marketing Management owes its success to its maximization of three dimensions of marketing coverage: depth, breadth, and relevance. The *depth* includes its solid academic grounding; its examination of important theoretical concepts, models, and frameworks; and its ability to provide conceptual guidance to solve practical problems. The *breadth* reflects the wide range of topics addressed in the book and its emphasis on those topics that are most crucial to marketing management. The *relevance* is embodied by the ability of this book to identify the issues commonly faced by managers and present the material in a way that enables them to develop successful strategies to address these issues.

The 16th edition builds on the fundamental strengths of past editions that distinguish *Marketing Management* from all other marketing management texts:

- **Managerial orientation.** The book focuses on the major decisions that marketing managers and top management face in their efforts to harmonize the organization's objectives, capabilities, and resources with marketplace needs and opportunities.
- **Analytical approach.** The text presents conceptual tools and frameworks for analyzing recurring problems in marketing management. Cases and examples illustrate effective marketing principles, strategies, and practices.
- **Multidisciplinary perspective.** *Marketing Management* draws on the rich findings of various scientific disciplines—such as economics, behavioral science, and management theory—for fundamental concepts and tools that are directly applicable to marketing challenges.
- **Universal applications.** The book applies strategic thinking to the complete spectrum of marketing: products, services, persons, places, information, ideas, and causes; consumer and business markets; profit and nonprofit organizations; domestic and foreign companies; small and large firms; manufacturing and intermediary businesses; and low- and high-tech industries.
- **Comprehensive and balanced coverage.** *Marketing Management* covers the topics a manager must understand in order to design and execute a successful marketing campaign.

What's New in the 16th Edition

The overriding goal of the revision for the 16th edition of *Marketing Management* was to create a comprehensive, current, and engaging marketing text. We streamlined the organization of the content, added new material, cut or updated older material, and deleted material that was no longer relevant or necessary. The 16th edition allows those instructors who have used previous editions to build on past experience, while at the same time offering a text that is unsurpassed in breadth, depth, and relevance for students experiencing *Marketing Management* for the first time.

To improve the presentation of the material, individual chapters are organized into seven rather than eight major parts, as described next. We retained many of the favorably received within-chapter features that have been introduced through the years, such as topical chapter openers, examples highlighting noteworthy companies or issues, and the Marketing Insight and Marketing Spotlight features that provide in-depth conceptual and company-specific information. Most of the chapter-opening vignettes, in-text examples, and end-of-chapter features are new, reflecting current market developments.

UPDATED CHAPTER CONTENT

The content of the 16th edition has been reorganized to accommodate the introduction of new material and streamline the presentation of material retained from the previous edition. The chapters and the material in the redesigned book better reflect the ways in which marketing management is

currently being taught in most business schools. The organization of the 16th edition and the ways its individual parts and chapters correspond to those from the previous edition are outlined next.

- Part I, “Fundamentals of Marketing Management,” is a retitled version of Part I in the previous edition.
- Chapter 1, “Defining Marketing for the New Realities,” has been substantively rewritten to serve as an introductory chapter that defines the scope of marketing management as a business discipline.
- Chapter 2, “Marketing Planning and Management,” has also been extensively rewritten to provide an actionable framework for marketing management and marketing planning. It includes material from Chapters 2 and 23 of the previous edition, but most of the content—text and figures—is new. For example, the new section entitled “Planning and Managing Marketing Offerings,” covers the G-STIC approach to action planning. New supporting Figure 2.6 illustrates the G-STIC framework and Figure 2.7 illustrates an action-planning flowchart.

will create value for collaborators. Finally, the *company value map* outlines the ways in which the offering will create value for the company's stakeholders. Note that these three value maps are intricately related as they reflect different aspects of the process of creating market value. Only by creating value for target customers, collaborators, and the company can a manager ensure the market success of an offering.

Planning and Managing Market Offerings

A company's future depends on its ability to develop successful market offerings that create superior value for target customers, the company, and its collaborators.²¹ Market success typically results from diligent market analysis, planning, and management; rarely is it a lucky accident. Succeeding in the market requires a company to develop a viable business model and an action plan that allows the business model to become a reality. The process of developing such an action plan is encapsulated in the G-STIC framework described in the following sections.

THE G-STIC APPROACH TO ACTION PLANNING

The action plan, which articulates the company's goal and delineates a course of action to reach this goal, is the backbone of marketing planning. Five key activities guide the development of an action plan: These activities include setting a goal, developing a strategy, designing the tactics, defining an implementation plan, and identifying a set of control metrics to measure the success of the proposed action. The G-STIC (Goal-Strategy-Tactics-Implementation-Control) framework comprises these five activities and acts as the lynchpin of marketing planning and analysis. At the core of the action plan is the business model based on the offering's strategy and tactics.

The individual components of the G-STIC approach to marketing planning and management are as follows:

- The **goal** describes the company's ultimate criterion for success; it specifies the end result that the company plans to achieve. The two components of the goal are its *focus*, which defines the metric (such as net income) used to quantify the intended result of the company's actions, and the *performance benchmarks* that signal movement toward the goal and define the time frame for achieving the goal.
- The **strategy** provides the basis for the company's business model by delineating the company's *target market* and describing the offering's *value proposition* in this market.
- **Tactics** carry out the strategy by defining the key attributes of the company's offering. These seven tactics—*product, service, brand, price, incentives, communication, and distribution*—are the tools used to create value in the company's chosen market.
- **Implementation** consists of the processes involved in readying the company's offering for sale. Implementation includes *developing* the offering and *deploying* the offering in the target market.
- **Control** measures the success of the company's activities over time by monitoring the company's *performance* and the changes in the market *environment* in which the company operates.

The key components of the marketing plan and the key factors describing each component are outlined in Figure 2.7 and are examined in more detail in the following sections.

SETTING A GOAL

Defining the goal that the company aims to achieve sets the marketing plan in motion. The goal can be regarded as the beacon that guides all company activities. Two key decisions are involved in setting a goal: identifying the *focus* of the company's actions and specifying the *performance benchmarks* to be achieved. These decisions are discussed in more detail next.

Defining the Goal Focus. The goal's focus defines the desired outcome of the company's activities, an important criterion of a firm's success. Based on their focus, goals can be monetary or strategic.

- **Monetary goals** are based on such outcomes as net income, profit margins, earnings per share, and return on investment. For-profit firms use monetary goals as their primary performance metric.

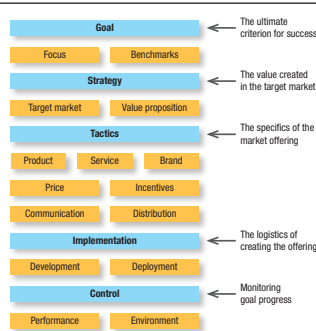


FIGURE 2.7
The G-STIC Action-Planning Flowchart
Source: Alexander Chamev, *Strategic Marketing Management: Theory and Practice* (Chicago, IL: Corbellum Press, 2019).

- **Strategic goals** are centered on nonmonetary outcomes that are of strategic importance to the company. Among the most common strategic goals are increasing sales volume, brand awareness, and social welfare, as well as enhancing the corporate culture and facilitating employee recruitment and retention. Nonprofit companies and for-profit companies looking to support items that are bigger revenue producers than the focal offering have strategic goals as their main performance metric. As an example, Amazon might only break even or actually take a loss on some of its Kindle devices and yet view them as a strategically important platform for its retail business.

Companies are increasingly looking beyond sales revenue and profit to consider the legal, ethical, social, and environmental effects of their marketing activities and programs. The concept of a “triple bottom line”—people, planet, and profits—has gained traction among many companies taking stock of the societal impact of their activities.²² For example, one of Unilever's key initiatives—its Sustainable Living Plan—has three major goals: to improve people's health and well-being, to reduce our environmental impact, and to enhance livelihoods. These goals are underpinned by metrics spanning social, environmental, and economic performance in the company's value chain.²³

Defining Performance Benchmarks. Quantitative and temporal performance benchmarks work in tandem to provide the measurements that track the progress of the company toward reaching its established goal.

- **Quantitative benchmarks** set out the specific milestones to be achieved as the company moves toward its ultimate goal. These benchmarks quantify the company's focal goal, which might, for example, include increasing market share by 5 percent, or improving retention rates by 15 percent, or growing revenues by 10 percent. Quantitative benchmarks can be stated in relative terms, such as aiming to increase market share by 20 percent, or in absolute terms, such as aspiring to achieve sales of one million units per year.
- **Temporal benchmarks** identify the time frame for achieving a specific quantitative or qualitative benchmark—e.g., revamp the company's Web site by the end of the first quarter. The timeline set for achieving a goal is a key decision that can affect the type of strategy used to implement the goal, the number of people involved, and even costs. For example, the goal of maximizing next quarter's profits is likely to require a different strategy and tactics than the goal of ensuring long-term profitability.

Implementing the company goal requires that three main objectives be specified: what the company aims to achieve (goal focus), how much the company wants to achieve (quantitative benchmark), and when the company wants to achieve it (temporal benchmark). Thus, a company might have the goal

- Part II, “Understanding the Market,” includes most of the material from Parts II and III in the previous edition.
- Chapters 3 and 4, “Analyzing Consumer Markets” and “Analyzing Business Markets,” are updated versions of namesake Chapters 6 and 7 in the previous edition. Both chapters have been significantly revised to present a systematic view of market analysis.
- Chapter 5, “Conducting Marketing Research” combines the content outlined in Chapters 3 and 4 in the previous edition to present a streamlined approach for gathering market insights. Chapter 5 includes a new section on “Data Mining” that covers how marketers can gather useful information about consumers, businesses, and markets.

- Part III, “Developing a Winning Marketing Strategy” is a modified version of Part IV of the previous edition.
 - Chapter 6, “Identifying Market Segments and Targets,” is a substantially revised version of Chapter 9 from the previous edition. This chapter offers new content that defines the strategic and tactical aspects of segmenting the market and identifying target customers.
 - Chapter 7, “Crafting a Customer Value Proposition and Positioning,” is a largely revised and updated version of Chapter 10 from the previous edition. This chapter builds on the content presented in Chapter 6 to outline a systematic approach to developing a value proposition of the chosen target market. New content examines how to develop a meaningful value proposition by creating benefits across three domains—functional, psychological, and monetary—and delineates strategies for creating a sustainable competitive advantage.
- Part IV, “Designing Value,” is a modified version of Part V from the previous edition.
 - Chapter 8, “Designing and Managing Products,” Chapter 9, “Designing and Managing Services,” and Chapter 10, “Building Strong Brands,” correspond to Chapters 13, 14, and 11 in the previous edition. All three chapters have been significantly revised to reflect new market realities.

The New Services Realities

Service firms once lagged behind manufacturers in their understanding and use of marketing because they were small or faced large demand or little competition. This has certainly changed. Some of the most skilled marketers now are service firms.

Savvy services marketers are recognizing the new services realities, such as the increasing role of technology, the importance of the increasingly empowered customer, customer coproduction, and the need to engage employees as well as customers.

INCREASING ROLE OF TECHNOLOGY

Technology is changing the rules of the game for services in a very fundamental way. Banking, for instance, is being transformed by the ability to bank online and via mobile apps; some customers rarely see a bank lobby or interact with an employee anymore. The Covid-19 pandemic accelerated the digital transformation of services by forcing many companies to change course and transform their businesses by integrating digital technology to fundamentally change how they deliver value to their customers.

Technology also has great power to make service workers more productive. However, companies must avoid pushing technological efficiency so hard that they reduce perceived quality.²¹ Amazon has some of the most innovative technology in online retailing, but it also keeps customers extremely satisfied when a problem arises, even if they don't actually talk to an Amazon employee. More companies have introduced “live chat” features to blend technology with a human voice. One company that enables enterprises to connect with customers across different touch points—from text messages to emails, phone calls to video, intelligent chatbots and back—is Twilio.

Twilio Twilio, the leading cloud communications platform, is used by millions of developers around the world to “virtualize” the telecommunications infrastructure and improve the human interaction experience. Twilio has over 60,000 business customers, including high-profile clients such as Airbnb, Intuit, Salesforce, Uber, Twitter, eBay, Sony, Yelp, Hulu, and Lyft. Twilio offers its clients a comprehensive, customizable, and easy-to-use platform to automate and streamline communications to customers, collaborators, employees, and coworkers. Coca-Cola uses Twilio to rapidly dispatch service technicians, real estate site Trulia uses Twilio for its click-to-call app that enables potential buyers to connect with an agent, EMC uses Twilio to send texts to



<< To keep both its high-profile business customers and their customers happy, leading cloud communication platform Twilio offers a variety of easy-to-use, customizable services that automate, streamline, and enhance interactions between companies and their customers, collaborators, and employees.

Source: Gabby Jones/Bloomberg/Getty Images

- Chapter 11, “Managing Pricing and Sales Promotions,” includes material from Chapters 16 and 20 in the previous edition. The discussion of sales promotions is now a part of the pricing chapter rather than being discussed in the chapter on managing mass communications.
- Part V, “Communicating Value,” corresponds to Part VII of the previous edition. Note that the order of Parts VI and VII from the previous edition has been switched so that the topic of communications is introduced before the topic of distribution. This change is made to better align the content with the view of marketing as a process of designing, communicating, and delivering value.
- Chapter 12, “Managing Marketing Communications,” corresponds to Chapter 19 in the previous edition and introduces a streamlined approach to developing a communication campaign that spans different media.
- Chapter 13, “Designing an Integrated Marketing Campaign in the Digital Age,” includes content from Chapters 20 and 21 of the previous edition. This chapter outlines the key decisions involved in managing the media across different communication channels.
- Chapter 14, “Personal Selling and Direct Marketing,” includes substantively revised content from Chapter 22 in the previous edition. The content on personal selling is now organized into three sections: managing the sales process, designing the sales force, and managing the sales force.
- Part VI, “Delivering Value,” corresponds to Part VI in the previous edition
 - Chapter 15, “Designing and Managing Distribution Channels,” corresponds to Chapter 17 in the previous edition and features new chapter organization and content.
 - Chapter 16, “Managing Retailing,” corresponds to Chapter 18 in the previous edition and also includes new coverage on franchising.
- Part VII, “Managing Growth,” is a new capstone section that groups growth-related topics covered across different parts of the previous edition.
 - Chapter 17, “Driving Growth in Competitive Markets,” offers an updated and streamlined version of the content discussed in Chapter 12 of the previous edition.

Business-Model Design

Up to this point, the product has existed only in the form of a description, a drawing, or a prototype. The next step represents a jump in investment that dwarfs the costs incurred so far, requiring the company to determine whether the product idea can be translated into a commercially feasible offering. **Business-model design** also takes the offering's *viability*—its value-creating capacity—into consideration, in addition to concept development's focus on the technological *feasibility* and the *desirability* of the offering. If the business model is validated, the concept can move to the development stage. If the business-model analysis suggests that the offering is unlikely to create market value for the company and its customers, the offering concept (and sometimes the underlying idea) must be revised and reevaluated.

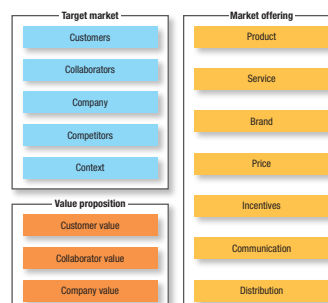
DESIGNING THE BUSINESS MODEL

Designing the business model involves three key components (discussed in detail in Chapter 2): identifying the target market, articulating the offering's value proposition in that market, and delineating the key attributes of the market offering (Figure 18.3):

- The **target market** is the market in which the company has chosen to create value with its offering. Included in the target market are the target customers that the company has identified as potential purchasers of the offering, competitors that are also vying for the target customers, collaborators that will help the company distribute the offering and serve the target customers, the company itself, and the context of the market in which the company operates.
- The **value proposition** details the type of value that the company plans to create for its target customers and collaborators in the market, as well as the way in which the company plans to capture some of this value for itself.
- The **market offering** describes how the company will create, communicate, and deliver value to its target customers, collaborators, and the company stakeholders. This involves specifying the product, service, brand, price, incentives, communication, and distribution aspects of the company's offering.

The creation of market value is the ultimate goal of the business model. Accordingly, the success of an offering is determined by the degree to which it can create value for its target customers, collaborators, and the company. Thus, the design of a business model for a new offering is guided by three key questions: *Does the offering create value for target customers? Does the offering create value for the company collaborators? and Does the offering create value for the company?*

FIGURE 18.3
The Key Components
of a Business Model
of a New Offering
Source: Alexander Chernov,
Strategic Marketing Management:
Theory and Practice (Chicago, IL:
Cengage Learning, 2019).




- Chapter 18, “Developing New Market Offerings,” which was Chapter 15 in the previous edition, is now organized in a way that reflects the key steps of the new-product development process. Specifically, this chapter includes new coverage of idea generation, business model design, implementation of the offering, and market deployment.
- Chapter 19, “Building Customer Loyalty,” covers content discussed in Chapter 5 of the previous edition and focuses on customer relationship management.
- Chapter 20, “Tapping into Global Markets,” covers content discussed in Chapter 8 of the previous edition.
- Chapter 21, “Socially Responsible Marketing,” is a new chapter that reflects the growing importance of corporate social responsibility in marketing management. As more companies are defining their purpose beyond profits, conducting business in a socially responsible manner becomes a key aspect of creating market value.

CHAPTER

21

Socially Responsible Marketing



United Way supplements its fund-raising activities by partnering with corporations to deliver meaningful services that address the needs of specific communities.
Source: Courtesy of United Way

Healthy long-term growth for a brand requires marketers to engage in a host of marketing activities and satisfy a broad set of constituents and objectives. In doing so, marketers must also consider the societal impact of their actions. Corporate social responsibility has become a priority for many organizations and is ingrained in their business models. Some organizations, such as United Way, fully embrace this vision of social responsibility.

>>> The nation's largest charity by donations received, United Way is a network of locally governed and funded affiliates operating in nearly 1,800 communities across more than 40 countries and territories. Founded in Denver, Colorado, in 1887 with the primary goal of collecting funds for local charities, United Way has expanded its operations, partnering with other organizations that share its vision to make a lasting difference and achieve a meaningful impact. United Way focuses its efforts on programs delivering measurable outcomes that benefit specific communities, rather than merely raising funds to support various activities. To achieve its mission, United Way brings people, organizations, and communities together around a common cause, a common vision, and a common path forward. For example, United Way joined forces with H&R Block, the Walmart Foundation, Goodwill Industries, and the National Disability Institute to launch a campaign connecting low-income households with free tax preparation services and now helps more people file taxes for free than any other organization. United Way also successfully petitioned the Federal Communications Commission to designate 2-1-1 as a health and human services information hotline to help people find local support and services in times of crisis. Over time, 2-1-1 has become an essential resource, providing emergency assistance for victims and relief for U.S. communities devastated by hurricanes, floods,

UPDATED CHAPTER FEATURES

In addition to the new core content, all chapters include a number of features—chapter openers, in-text examples, Marketing Insights, and Marketing Spotlights—that aim to illustrate the key concepts and enhance the relevance of the theoretical discussion. Many of these features in the 16th edition are new, and all of those that appeared in the previous edition have been updated to better reflect the current marketing environment. Some of the companies and topics highlighted in features new to the current edition are listed next.

- New chapter openers: Bird (Chapter 1), Slack (Chapter 2), Pantanjali (Chapter 3), Qualtrics (Chapter 5), T-Mobile (Chapter 7), Tesla (Chapter 8), Publix (Chapter 9), Netflix (Chapter 11), Dove (Chapter 12), Net-a-Porter (Chapter 16), Dyson (Chapter 18), SoulCycle (Chapter 19), and United Way (Chapter 20).

CHAPTER 8

PART 4 DESIGNING VALUE

Designing and Managing Products



Tesla's Model 3 set out to prove that mass-produced, environmentally sound electric cars can successfully and profitably offer market share from producers of traditional gasoline-powered vehicles. Source: imageBROKER/Alamy Stock Photo

At the heart of a great brand is a great product. To achieve market leadership, firms must offer products and services of superior quality that provide unsurpassed customer value. Tesla has conquered the electric car market in the United States, thanks in part to a relentless focus on product innovation and performance.

>>> In March 2016, Tesla revealed the long-awaited Model 3, the vehicle that the company hopes will ultimately take the electric car to the mass consumer. Priced starting at \$35,000 (after \$8,000 credits and fuel savings were factored in), Model 3 aimed to disrupt the auto industry by proving that mass producing an environmentally friendly vehicle is both feasible and profitable. Tesla's new mass market car created a lot of excitement, generating over half a million pre-orders, 100,000 of which were placed before the Model 3 was revealed. The customer appeal of Model 3 stemmed from several factors. Perhaps the most important was the lack of direct competition. The combination of Tesla's image as a luxury brand and the (relatively) low price point made it the only option for customers who were looking for an all-electric sedan priced around \$40,000. To achieve its goal of building 5,000 vehicles a week, Tesla invested close to \$1 billion to build its first Gigafactory—a lithium-ion battery and vehicle assembly factory near Reno, Nevada. Tesla's efforts to scale up

production of Model 3 paid off. In 2018, it became the best-selling luxury vehicle in the United States, despite the fact that electric cars made up only 1.12% of total vehicle sales. Despite its success, Tesla faces growing competition from other car manufacturers that are revamping their product lines to include an increasing number of all-electric vehicles. Yet Tesla's focus is on gaining share from the traditional car market. "Our true competition is not the small trickle of non-Tesla electric cars being produced," argued Tesla's CEO Elon Musk, "but rather the enormous flood of gasoline cars pouring out of the world's factories every day." In the fall of 2020, Elon Musk laid out a plan for Tesla to build a \$25,000 electric car using drastically lower-cost batteries to potentially turn the company into the world's largest car manufacturer.¹

Marketing planning begins with formulating an offering to meet target customers' needs or wants. The customer will judge the offering's benefits on three basic elements: product, service, and brand. In this chapter we examine product; in Chapter 9, services; and in Chapter 10, brand. All three elements—product, service, and brand—must be fused into a competitively attractive market offering.

Product Differentiation

To successfully compete in the market, products must be differentiated. At one extreme are products that allow little variation: chicken, aspirin, and steel. Yet even here some differentiation is possible: Perdue chickens, Bayer aspirin, and India's Tata Steel have carved out distinct identities in their categories. Procter & Gamble makes Tide, Cheer, and Gain laundry detergents, each with a separate brand identity. At the other extreme are products that lend themselves to high differentiation, such as automobiles, commercial buildings, and furniture. Here the seller faces an abundance of differentiation possibilities.

Well-differentiated products can create significant competitive advantages. Crafting a distinctive aura for a product that helps distance it from competitors can involve moves that range from impressive technological advances like Intuitive Surgical's da Vinci robotic system for minimally invasive surgery to simple tweaks like putting a Chiquita sticker on a banana. Some brands, such as DeBeers, differentiate their products by tying them to special occasions. Others, including Tropicana and Tiffany, use packaging to ensure that they stand out from their respective competitors.

Attributes on the basis of which to differentiate include core functionality, features, performance quality, conformance quality, durability, reliability, form, style, and customization.² Design has become an increasingly important differentiator, and we discuss it separately later in the chapter.

- **Core functionality.** To create customer value, products must deliver on their core benefit. Products that fail to deliver on their core value proposition will inevitably fail in the market. Consider the plight of one-time highflier Nokia.

Learning Objectives After studying this chapter you should be able to:

- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>8.1 Explain how companies use product differentiation to create market value.</p> <p>8.2 Explain the role of product design in differentiating market offerings.</p> <p>8.3 Discuss the key aspects of designing product portfolios and product lines.</p> | <p>8.4 Describe the key decisions involved in managing product packaging.</p> <p>8.5 Explain how companies design and manage product guarantees and warranties.</p> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

- New in-text examples integrated into various chapters: Geico (Chapter 7), Haagen-Dazs (Chapter 8), Twilio (Chapter 11), Tupperware (Chapter 14), Ambit Energy (Chapter 14), Wegmans (Chapter 19), Starbucks (Chapter 20), Uniqlo (Chapter 20), and Faguo (Chapter 21).
- New Marketing Insights: Behavioral Decision Theory (Chapter 3), Chasing the Long Tail (Chapter 6), Ethical Issues in Prescription Drug Pricing (Chapter 11), Managing the Price Image of a Retailer (Chapter 16), and Understanding the Adoption of Innovations (Chapter 18).
- New Marketing Spotlights: Careem (Chapter 2), Alibaba (Chapter 4), Tesco (Chapter 5), LEGO (Chapter 5), Chase Sapphire (Chapter 6), Superdry (Chapter 6), First Direct (Chapter 7), Transport for London (Chapter 9), Priceline (Chapter 11), Uber (Chapter 11), Cadbury (Chapter 12), Honda (Chapter 13), Avon (Chapter 14), Airbnb (Chapter 17), Honest Tea (Chapter 18), WeChat (Chapter 18), Stitch Fix (Chapter 19), Emirates (Chapter 19), Sephora (Chapter 20), Mandarin Oriental (Chapter 20), Ben & Jerry's (Chapter 21), and Tiffany & Co. (Chapter 21).

Solving Learning and Teaching Challenges

Many students who take a marketing management course are creative and have strong communication skills. However, students often have difficulty developing marketing plans that blend time-tested marketing approaches with modern marketing tools to both generate new customers and maintain existing customers. The 16th edition of *Marketing Management* addresses these challenges by reflecting changes in marketing theory and practice and providing relevant examples from a variety of industries.

This edition prepares students to work in today's environment as companies increasingly (1) shift gears from managing product and service portfolios to managing *customer* portfolios; (2) move from

stand-alone mass products to integrated and customized service solutions; (3) use data analytics and artificial intelligence to better create and capture customer value; (4) rely on social media rather than traditional advertising to promote their offerings; (5) improve their methods of measuring customer profitability and customer lifetime value; (6) focus on measuring the return on their marketing investment and its impact on shareholder value; and (7) concern themselves with the ethical and social implications of their marketing decisions.

To address all these different shifts, the 16th edition is organized to specifically describe and interpret the following eight functions that constitute modern marketing management in the 21st century.

1. Developing a strategic marketing plan
2. Understanding the market and capturing market insights
3. Crafting winning marketing strategies
4. Designing market value
5. Communicating market value
6. Delivering market value
7. Managing growth in a socially responsible way

As companies change, so does their marketing organization. Marketing is no longer a company department charged with a limited number of tasks; it is a company-wide undertaking. It drives the company's vision, mission, and strategic planning. Marketing includes decisions like deciding whom the company wants as its customers, which customer needs to satisfy, what products and services to offer, what prices to set, what communications to send and receive, what channels of distribution to use, and what partnerships to develop.

PEDAGOGY THAT EMPHASIZES REAL-WORLD, RELEVANT MARKETING EXAMPLES

Effective learning occurs when sound theory is complemented by relevant practical examples. To this end, the 16th edition includes a variety of features—chapter-opening vignettes, in-text examples, Marketing Insights, and Marketing Spotlights—designed to engage students by highlighting the practical application of the concepts covered in each chapter.

- Each chapter opens with a relevant real-world marketing example that engages students and sets the context of the chapter.
- Each chapter includes several in-text features with additional real-world and engaging marketing examples to illustrate key concepts within sections.
- Each chapter includes at least one Marketing Insight feature that addresses a specific marketing topic in greater detail to provide in-depth coverage and foster better understanding of this topic.

marketing INSIGHT

Managing the Price Image of a Retailer

Price image reflects the general perception that consumers have about the level of prices at a given retailer. For example, Walmart is often regarded as being rather inexpensive, whereas Target is usually considered to be moderately priced. Price image differs from price, which is quantitatively expressed; price image is qualitative in nature. This means that consumers regard a retailer's pricing in categorical terms such as "expensive" or "inexpensive." Price image resides in the minds of the buyers; thus, it is based on consumers' perception of prices at a particular retailer compared to other retailers and may not be an accurate reflection of the actual level of a retailer's prices.

Many managers mistakenly believe that price image is based solely on the prices within a specific store and that managing price image is as simple as adjusting the prices of items the store carries. This results in the theory that a retailer can lower its price image by lowering the prices of items in its assortment.

However, this method of resetting price image has not proved effective. Low or high prices are an important factor in the formation of a retailer's price image, but prices are not the only things that consumers consider when forming a judgment about price image. Figure 16.1

depicts the key drivers of price image and their related impact on consumer behavior.

- **Average price level.** Price image does indeed hinge on the actual prices of the items carried by a particular retailer, although not entirely. A store in which prices are substantially above those of its competitors will find it difficult to convince customers that it is not high priced, regardless of other measures it may take to change its price image.
- **Known-value items.** Consumers typically do not examine all prices at a store; instead, they tend to focus on items whose prices they are familiar with, which are referred to as known-value or signpost items. Because shoppers are aware of the prices for these items at other stores, they use them to determine whether or not a particular price is competitive. Known-value items usually fall into the category of frequently purchased items like milk, soda, and snacks, allowing consumers to readily compare prices across different stores.
- **Price range.** Consumers form an assessment of price image not just from the average level of prices at a retailer, but also from the range of prices within

- Each chapter includes two Marketing Spotlight (formerly Marketing Excellence) features that use a relevant real-world company to illustrate the marketing concepts covered in the chapter. Questions give students an opportunity to confirm their understanding and apply critical thinking. Professors can assign the questions as homework or use them for class discussion.

marketing SPOTLIGHT

First Direct

Back in the 1980s, banking in the United Kingdom was dominated by four conservative and traditional big banks. Getting a loan, a mortgage, or discussing an overdraft meant a visit to your local branch and an interview with a manager, who was often seen as a rather intimidating authority figure by many customers. Noticing that some customers rarely or never visited their branch, which removed the opportunity for upselling and cross-selling, the UK-based Midland



Source: Craig Stannett/Alamy Stock Photo

The preceding features capture many of the significant changes and trends in the marketplace and can greatly enhance comprehension of the material by illustrating the key marketing concepts. In addition, these real-world examples can help to stimulate student interest and engagement with the material.

INSTRUCTOR TEACHING RESOURCES

Detailed information and resources are available at www.pearsonglobaleditions.com.

Acknowledgments

The 16th edition of *Marketing Management* bears the imprint of many people.

From Philip Kotler and Kevin Lane Keller: We are thrilled to introduce Professor Alexander Chernev as coauthor of the 16th edition of *Marketing Management*. Alex has contributed to the field of marketing in many ways—as an accomplished researcher, a widely acclaimed teacher, a prolific writer, and a trusted source of expert insight to many firms and organizations. He is that rare marketing scholar who skillfully blends rigor and relevance in all he does. Alex has made a name for himself through his unique ability to develop and disseminate relevant marketing knowledge, and we couldn't be more pleased to have had the opportunity to work with him on this new edition. At the top of this game, he has brought new ideas, new thinking, and new energy that have significantly transformed and improved the book. We thank Alex for his contribution and look forward to working with him on many more editions to come.

From Philip Kotler: My colleagues and associates at the Kellogg School of Management at Northwestern University continue to have an important impact on my thinking: Eric Anderson, Jim Anderson, Robert Blattberg, Ulf Böckenholt, Bobby Calder, Gregory Carpenter, Moran Cerf, Alexander Chernev, Anne Coughlan, David Gal, Kelly Goldsmith, Kent Grayson, Karsten Hansen, Lakshman Krishnamurthi, Angela Lee, Sidney Levy, Vincent Nijs, Neil Roese, Mohan Sawhney, John Sherry Jr., Louis Stern, Brian Sternthal, Alice Tybout, Florian Zettelmeyer, and Andris Zoltners. I also want to thank the S. C. Johnson Family for its generous support of my chair at the Kellogg School. Completing the Northwestern team are my former deans, Donald P. Jacobs, Dipak Jain, and Sally Blount, who have provided generous support for my research and writing.

Several former faculty members of the marketing department had a great influence on my thinking: Stuart Henderson Britt, Richard M. Clewett, Ralph Westfall, Harper W. Boyd, Sidney J. Levy,

John Sherry, and John Hauser. I also want to acknowledge Gary Armstrong for our work on *Principles of Marketing*.

I am indebted to the following coauthors of international editions of *Marketing Management* and *Principles of Marketing*, who have taught me a great deal in adapting marketing management thinking to the problems of different nations: Swee-Hoon Ang and Siew-Meng Leong (National University of Singapore), Chin-Tiong Tan (Singapore Management University), Marc Oliver Opresnik (University of Luebeck, Germany), Linden Brown and Stewart Adam (Deakin University, Australia), Suzan Burton (Macquarie Graduate School of Management, Australia), Sara Denize (University of Western Sydney, Australia), Delphine Manceau (ESCP-EAP European School of Management, France), John Saunders (Loughborough University, United Kingdom), Veronica Wong (Warwick University, United Kingdom), Jacob Hornick (Tel Aviv University, Israel), Walter Giorgio Scott (Universita Cattolica del Sacro Cuore, Italy), Peggy Cunningham (Queen's University, Canada), and Taihong Lu (Sun Yat-sen University, China).

I also want to acknowledge how much I have learned from working with coauthors on more specialized marketing subjects: Alan Andreasen, Christer Asplund, Paul N. Bloom, John Bowen, Roberta C. Clarke, Karen Fox, David Gertner, Evert Gummesson, Michael Hamlin, Thomas Hayes, Donald Haider, David Houle, Hooi Den Hua, Dipak Jain, Somkid Jatusripitak, Hermawan Kartajaya, Milton Kotler, Neil Kotler, Nancy Lee, Sandra Liu, Suvit Maesincee, James Maken, Waldemar Pfoertsch, Gustave Rath, Irving Rein, Eduardo Roberto, Christian Sarkar, Joanne Scheff, Joel Shalowitz, Ben Shields, Francois Simon, Robert Stevens, Fernando Trias de Bes, Walter Vieira, Bruce Wrenn, and David Young.

My overriding debt continues to be to my lovely wife, Nancy, who provided me with the time, support, and inspiration needed to prepare this edition. It is truly our book.

From Kevin Lane Keller: I continually benefit from the wisdom of my marketing colleagues at Tuck. I also gratefully acknowledge the invaluable research and teaching contributions from my faculty colleagues and collaborators through the years. I owe a considerable debt of gratitude to Duke University's Jim Bettman and Rick Staelin for helping to get my academic career started and serving as positive role models to this day. I am also appreciative of all that I have learned from working with many industry executives who have generously shared their insights and experiences. Finally, I give special thanks to Punam, my wife, and Carolyn and Allison, my daughters, who make it all happen and make it all worthwhile.

From Alexander Chernev: This book has benefited from the wisdom of many of my current and former colleagues at the Kellogg School of Management at Northwestern University. I owe a considerable debt of gratitude to Philip Kotler, who sparked my interest in marketing management. I am also indebted to Jim Bettman, Julie Edell Britton, Joel Huber, John Lynch, John Payne, and Rick Staelin at the Fuqua School of Business at Duke University for their advice and support at the outset of my academic career. I also would like to thank my current and former MBA and PhD students, who helped shape many of the conceptual insights and practical examples presented in this text. Special thanks are due to Alexander Moore (University of Chicago) for his valuable input and insightful comments, and to Joanne Freeman for her creative editing of the content of this text.

We are all indebted to the following colleagues at other universities who reviewed this new edition of *Marketing Management*:

Susan Baxter, LIM College
Courtney Cothren, University of Missouri
Jacqueline Eastman, Georgia Southern University
Cristina Farmus, Purdue University
Dr. Kelli Lynn Fellows, Pfeiffer University
David Fleming, Indiana State University
William Foxx, Troy University
Paul Galvani, University of Houston
John Gironda, Nova Southeastern University
Anne Hamby, Hofstra University

Hal Kingsley, Erie County Community College
Jennifer Landis, Wilmington University
Dian O'Leary, Wilmington University
Danielle C. Pienkowski, Bryant & Stratton College
Elizabeth Purinton-Johnson, Marist College
Raj Sachdev, Columbia College
Christina Simmers, Missouri State University
Sunil Jumar Singh, University of Nebraska-Lincoln
Raphael Thomadsen, Washington University in St. Louis
George Young, Liberty University

We would also like to thank colleagues who have reviewed previous editions of *Marketing Management*:

Homero Aguirre, TAMIU	Lewis Hershey, Fayetteville State University
Alan Au, University of Hong Kong	Thomas Hewett, Kaplan University
Hiram Barksdale, University of Georgia	Mary Higby, University of Detroit–Mercy
Jennifer Barr, Richard Stockton College	John A. Hobbs, University of Oklahoma
Boris Becker, Oregon State University	Arun Jain, State University of New York, Buffalo
Sandy Becker, Rutgers University	Michelle Kunz, Morehead State University
Parimal Bhagat, Indiana University of Pennsylvania	Eric Langer, Johns Hopkins University
Sunil Bhatla, Case Western Reserve University	Even Lanseng, Norwegian School of Management
Michael Bruce, Anderson University	Brian Larson, Widener University
Frederic Brunel, Boston University	Ron Lennon, Barry University
John Burnett, University of Denver	Michael Lodato, California Lutheran University
Lisa Cain, University of California at Berkeley and Mills College	Henry Loehr, Pfeiffer University–Charlotte
Surjit Chhabra, DePaul University	Bart Macchiette, Plymouth University
Yun Chu, Frostburg State University	Susan Mann, Bluefield State College
Dennis Clayson, University of Northern Iowa	Charles Martin, Wichita State University
Bob Cline, University of Iowa	H. Lee Matthews, Ohio State University
Brent Cunningham, Jacksonville State University	Paul McDevitt, University of Illinois at Springfield
Hugh Daubek, Purdue University	Mary Ann McGrath, Loyola University, Chicago
John Deighton, University of Chicago	John McKeever, University of Houston
Kathleen Dominick, Rider University	Kenneth P. Mead, Central Connecticut State University
Tad Duffy, Golden Gate University	Henry Metzner, University of Missouri, Rolla
Lawrence Kenneth Duke, Drexel University	Robert Mika, Monmouth University
Mohan Dutta, Purdue University	Mark Mitchell, Coastal Carolina University
Barbara Dyer, University of North Carolina at Greensboro	Francis Mulhern, Northwestern University
Jackie Eastman, Georgia Southern University	Pat Murphy, University of Notre Dame
Steve Edison, University of Arkansas–Little Rock	Jim Murrow, Drury College
Alton Erdem, University of Houston at Clear Lake	Zhou Nan, University of Hong Kong
Elizabeth Evans, Concordia University	Nicholas Nugent, Boston College
Barbara S. Faries, Mission College	Nnamdi Osakwe, Bryant & Stratton College
William E. Fillner, Hiram College	Donald Outland, University of Texas, Austin
Barb Finer, Suffolk University	Albert Page, University of Illinois, Chicago
Chic Fojtik, Pepperdine University	Young-Hoon Park, Cornell University
Renee Foster, Delta State University	Koen Pauwels, Dartmouth College
Frank J. Franzak, Virginia Commonwealth University	Lisa Klein Pearo, Cornell University
Ralph Gaedeke, California State University, Sacramento	Keith Penney, Webster University
Robert Galka, DePaul University	Patricia Perry, University of Alabama
Betsy Gelb, University of Houston at Clear Lake	Mike Powell, North Georgia College and State University
Dennis Gensch, University of Wisconsin, Milwaukee	Hank Pruden, Golden Gate University
David Georgoff, Florida Atlantic University	Christopher Puto, Arizona State University
Rashi Glazer, University of California, Berkeley	Abe Qstin, Lakeland University
Bill Gray, Keller Graduate School of Management	Anthony Racka, Oakland Community College
Albert N. Greco, Fordham University	Lopo Rego, University of Iowa
Barbara Gross, California State University at Northridge	Jamie Ressler, Palm Beach Atlantic University

Richard Rexeisen, University of St. Thomas
 William Rice, California State University–Fresno
 Scott D. Roberts, Northern Arizona University
 Bill Robinson, Purdue University
 Robert Roe, University of Wyoming
 Jan Napoleon Saykiewicz, Duquesne University
 Larry Schramm, Oakland University
 James E. Shapiro, University of New Haven
 Alex Sharland, Hofstra University
 George David Shows, Louisiana Tech University
 Dean Siewers, Rochester Institute of Technology
 Anusorn Singhapakdi, Old Dominion University
 Jim Skertich, Upper Iowa University
 Allen Smith, Florida Atlantic University

Joe Spencer, Anderson University
 Mark Spriggs, University of St. Thomas
 Nancy Stephens, Arizona State University
 Michael Swenso, Brigham Young University, Marriott School
 Thomas Tellefsen, The College of Staten Island–CUNY
 Daniel Turner, University of Washington
 Sean Valentine, University of Wyoming
 Ann Veeck, West Michigan University
 R. Venkatesh, University of Pittsburgh
 Edward Volchok, Stevens Institute of Management
 D. J. Wasmer, St. Mary-of-the-Woods College
 Zac Williams, Mississippi State University
 Greg Wood, Canisius College
 Kevin Zeng Zhou, University of Hong Kong

The talented staff at Pearson deserves praise for their role in shaping the 16th edition. We want to thank our editor, Lynn Haddon, for her contribution to this revision, as well as our product manager, Krista Mastroianni. We also want to thank our content producer, Claudia Fernandes, and our project manager, Kelly Murphy, for making sure everything moved along and fell into place in such a personable way, both with the book and with the supplements. We benefited greatly from the superb editorial help of Lena Buonanno, whose insights considerably enhanced this edition. We also thank our marketing team, Nayke Heine and Mellissa Yokell.

Philip Kotler

Professor Emeritus of Marketing
 Kellogg School of Management
 Northwestern University
 Evanston, Illinois

Kevin Lane Keller

E. B. Osborn Professor of Marketing
 Tuck School of Business
 Dartmouth College
 Hanover, New Hampshire

Alexander Chernev

Professor of Marketing
 Kellogg School of Management
 Northwestern University
 Evanston, Illinois

Pearson would like to thank the following people for their work on the Global Edition:

CONTRIBUTORS

Muneeza Shoaib, Lincoln University of Business and
 Management

Stephen Tustain
 Karan Vishwanath, University of London

REVIEWERS

Michael Grund, HWZ University of
 Applied Sciences
 Jie Liu, Manchester Metropolitan University

Nina von Arx-Steiner, University of Applied Sciences
 Northwestern Switzerland
 Anna Wos, Lancaster University

About the Authors



Philip Kotler is one of the world's leading authorities on marketing. He is the S. C. Johnson & Son Distinguished Professor of International Marketing at the Kellogg School of Management, Northwestern University (emeritus). He received his master's degree at the University of Chicago and his PhD at MIT, both in economics. He did postdoctoral work in mathematics at Harvard University and in behavioral science at the University of Chicago.

Dr. Kotler is the author or coauthor of *Principles of Marketing*; *Marketing: An Introduction*; *Strategic Marketing for Nonprofit Organizations*; *Marketing Models*; *The New Competition*; *Marketing Professional Services*; *Strategic Marketing for Educational Institutions*; *Marketing for Health Care Organizations*; *High Visibility*;

Social Marketing; *Marketing Places*; *The Marketing of Nations*; *Marketing for Hospitality and Tourism*; *Standing Room Only*; *Museum Strategy and Marketing*; *Marketing Moves*; *Kotler on Marketing*; *Lateral Marketing*; *Winning at Innovation*; *Ten Deadly Marketing Sins*; *Chaotics*; *Winning Global Markets*; *Corporate Social Responsibility*; *Confronting Capitalism*; *Democracy in Decline*; *Advancing the Common Good*; *Social Media Marketing*; *Brand Activism*; *Marketing 3.0*; *Marketing 4.0*; and *My Adventures in Marketing*.

In addition, he has published over 150 articles in leading journals, including *Harvard Business Review*, *Sloan Management Review*, *Business Horizons*, *California Management Review*, *Journal of Marketing*, *Journal of Marketing Research*, *Management Science*, *Journal of Business Strategy*, and *Futurist*. He is the only three-time winner of the Alpha Kappa Psi award for the best annual article published in the *Journal of Marketing*.

Professor Kotler was the first recipient of the American Marketing Association's (AMA) Distinguished Marketing Educator Award (1985); he was chosen as the Leader in Marketing Thought by academic members of the AMA (1975) and received the Paul Converse Award (1978). Other honors include the Prize for Marketing Excellence from the European Association of Marketing Consultants and Sales Trainers; Sales and Marketing Executives International's (SMEI) Marketer of the Year (1995); the Distinguished Educator Award from the Academy of Marketing Science (2002); the William L. Wilkie "Marketing for a Better World" Award (2013); the Sheth Foundation Medal for Exceptional Contribution to Marketing Scholarship and Practice (2013); and induction into the Marketing Hall of Fame (2014).

He has received 22 honorary doctoral degrees, among them from Stockholm University, the University of Zurich, Athens University of Economics and Business, DePaul University, the Cracow School of Business and Economics, Groupe H.E.C. in Paris, the Budapest School of Economic Science and Public Administration, the University of Economics and Business Administration in Vienna, and Plekhanov Russian Academy of Economics.

Professor Kotler has been a consultant to many major U.S. and foreign companies, including IBM, General Electric, AT&T, Honeywell, Bank of America, Merck, SAS Airlines, and Michelin. In addition, he has served as chairman of the College of Marketing of the Institute of Management Sciences, a director of the American Marketing Association, a trustee of the Marketing Science Institute, a director of the MAC Group, a member of the Yankelovich Advisory Board, and a member of the Copernicus Advisory Board. He was a member of the Board of Governors of the School of the Art Institute of Chicago and a member of the Advisory Board of the Drucker Foundation. He has traveled extensively throughout Europe, Asia, and South America, advising many companies about global marketing opportunities.



Kevin Lane Keller is the E. B. Osborn Professor of Marketing and Senior Associate Dean for Marketing and Communications at the Tuck School of Business at Dartmouth College. Professor Keller has an AB degree in math and economics from Cornell University, an MBA from Carnegie-Mellon, and a PhD in marketing from Duke University. At Dartmouth, he teaches MBA courses on strategic brand management and lectures in executive programs on those topics.

Previously, Professor Keller was on the faculty at Stanford University, where he also served as head of the marketing group. Additionally, he has been on the faculty at the University of California at Berkeley and the University of North Carolina at Chapel Hill, was a visiting professor at Duke University and the Australian Graduate School of Management, and has two years of industry experience as marketing consultant for Bank of America.

Professor Keller's general area of expertise is in understanding how theories and concepts related to consumer psychology can improve branding and marketing strategies. His research has been published numerous times in each of the four of the major marketing journals: the *Journal of Marketing*, *Journal of Marketing Research*, *Journal of Consumer Research*, and *Marketing Science*. With over 120 published papers, he is also one of the most heavily cited of all marketing academics, and he has received numerous awards for his research accomplishments.

Actively involved with industry, Professor Keller has worked on a host of different types of marketing projects. He has served as a consultant and advisor to marketers for some of the world's most successful brands, including Accenture, American Express, Disney, Ford, Intel, Levi Strauss, L.L. Bean, Nike, Procter & Gamble, and Samsung. He is a popular and highly sought-after speaker and has given keynote speeches and conducted workshops with top executives in a wide variety of forums. He has lectured all over the world, from Seoul to Johannesburg, from Sydney to Stockholm, and from Sao Paulo to Mumbai.

Professor Keller is currently conducting a variety of research studies that address strategies to build, measure, and manage brand equity. His text on those subjects, *Strategic Brand Management*, added coauthor Vanitha Swaminathan for its 5th edition. It has been adopted at top business schools and leading firms around the world and has been heralded as the "bible of branding." He has also served as an academic trustee, executive director, and executive committee member for the Marketing Science Institute.

An avid sports, music, and film enthusiast in his so-called spare time, Professor Keller has helped to manage, market, and serve as executive producer for one of Australia's great rock and roll treasures, The Church, as well as American power-pop legends Tommy Keene and Dwight Twilley. He currently serves on the Board of Directors for the Lebanon Opera House and the Doug Flutie, Jr. Foundation for Autism. He lives in Etna, New Hampshire, with his wife Punam (also a Tuck marketing professor) and two daughters, Carolyn and Allison.



Alexander Chernev is a professor of marketing at the Kellogg School of Management, Northwestern University. He holds an MA and a PhD in psychology from Sofia University and a PhD in business administration from Duke University. He is an academic thought leader, speaker, and advisor in the area of marketing strategy, brand management, consumer decision making, and behavioral economics.

Professor Chernev has written numerous articles focused on business strategy, brand management, consumer behavior, and market planning. His research has been published in the leading marketing journals and has been frequently quoted in the business and popular press, including the *Wall Street Journal*, the *Financial Times*, the *New York Times*, the *Washington Post*, *Harvard Business Review*, *Scientific American*, the *Associated Press*, *Forbes*, and *Bloomberg Businessweek*. He was ranked among the top ten most prolific scholars in the leading marketing journals by the *Journal of Marketing* and among the top five marketing faculty in the area of consumer behavior by a global survey of marketing faculty published by the *Journal of Marketing Education*.

In addition to academic and managerial articles, Professor Chernev has published a number of impactful books—*Strategic Marketing Management: Theory and Practice*, *Strategic Marketing Management: The Framework*, *Strategic Brand Management*, *The Marketing Plan Handbook*, and *The Business Model: How to Develop New Products, Create Market Value, and Make the Competition Irrelevant*—that have been translated into multiple languages and are used in top business schools around the world.

Professor Chernev has served as an area editor for the *Journal of Marketing* and the *Journal of Consumer Psychology* and on the editorial boards of leading research journals, including the *Journal of Marketing Research*, *Journal of Consumer Research*, *International Journal of Research in Marketing*, *Journal of the Academy of Marketing Science*, and *Journal of Marketing Behavior*.

At the Kellogg School of Management, Professor Chernev teaches marketing strategy, brand management, and behavioral decision theory in MBA, PhD, and executive education programs. He has also taught in executive programs at INSEAD in France and Singapore, at the Institute for Management Development (IMD) in Switzerland, and at Hong Kong University of Science and Technology. He has received numerous teaching awards, including the Core Course Teaching Award, the Kellogg Faculty Impact Award, and the Kellogg Executive MBA Program's Top Professor Award, which he has received 13 times.

In addition to research and teaching, Professor Chernev has served as an academic trustee, and is currently a fellow, of the *Marketing Science Institute*. He has served as an expert on numerous legal cases dealing with issues pertaining to intellectual property, consumer behavior, and marketing strategy. A consummate educator and presenter, Professor Chernev has keynoted presentations at conferences and corporate events around the globe. He advises companies worldwide—from Fortune 500 firms to start-ups—on issues of marketing strategy, brand management, strategic planning, and new-product development, as well as on ways to craft their business models, build strong brands, uncover market opportunities, develop new products and services, and gain competitive advantage.

Marketing Management