

Preface

The complexity of the decisions faced by Canadian marketers in today's technology intensive, hyper-competitive, global business environment is both exciting and challenging. The main goal of this textbook is to help students develop the skills necessary to meet that challenge, and to capture the excitement of the challenge by immersing students in authentic decision-making experiences.

Unlike other introductory marketing textbooks, *Marketing: Real People, Real Decisions* focuses on the decision *maker*, not just on decision making. Students are encouraged to assume the role of a marketing manager and practise making *real* marketing decisions supported by key theories, concepts, and principles. Students also learn from decisions made by others—experienced, successful Canadian marketers in a variety of industries, companies, and contexts. We believe that this combination of learning by doing and learning from others will engage students in active learning and excite them about careers in marketing, both in Canada and internationally.

We have undertaken a significant revision of the US text to reflect the Canadian decision environment and its international perspective. We believe that marketing in the Canadian context is not simply a scaled down version of US practices, so we have attempted in this book to capture the uniqueness of the Canadian decision environment in which students will be working. The discussion of multicultural marketing in Chapters 6 and 8, for instance, presents a uniquely Canadian perspective. Similarly, the text has been updated to reflect the rapidly changing technological context of marketing decisions—particularly as it relates to the way Canadian companies are using the Internet. Additionally, the role of marketing in small and medium-sized businesses is well integrated throughout the book in recognition of the importance of these businesses to the Canadian economy. The examples, vignettes, and cases in the book provide a broad array of Canadian and international decision environments and represent a variety of industries: for-profit and not-for-profit; large established firms and entrepreneurial start-ups; and services, durable goods, packaged goods, retail and e-tail businesses.

Much has happened since the initial printing of the first Canadian edition. The events of September 11, 2001, for example, have had a profound effect on how we think about marketing and on the marketing decisions we make. In this updated edition we revisit key people and issues and introduce new ones, to ensure the book's currency and, where possible, to deepen its Canadian perspective. Here are the highlights:

- We have updated our *Real People, Real Decisions* profiles of key decision makers at Army & Navy (Chapter 1), Meal Exchange (Chapter 2), SurveySite (Chapter 5), Ford Motor Company of Canada (Chapter 8), Canada Cutlery (Chapter 10), IKEA (Chapter 15), and Raincoast Books (Chapter 18)
- We have introduced two new decision makers in our series of *Real People, Real Decisions* profiles, Michel Bendayan of Ritvik Holdings Inc. (Chapter 7), and Ryan Hobenshield of HARTMANN Group (Chapter 14)
- We have updated our *Spotlight on Real People* features on JobDirect, Daydream Software, NRG Group, and Shenetworks.com
- New to *Spotlight on Real People* are features on Worldbid.com's efforts to become the leading global B2B web portal (Chapter 7), pricing strategies adopted by General Motors in the wake of "9/11" (Chapter 12), and Canadian Tire's latest integrated marketing communications campaign (Chapter 1)
- Six new *Marketing in Action* cases discuss such subjects as the strategic issues facing companies entering Ontario's deregulated energy market (Chapter 2), how to conduct market research effectively using surveys (Chapter 5), Airborne Entertainment's target marketing of wireless content (Chapter 6), Microsoft's development and positioning of Xbox (Chapter 9), the competitive pricing of Ekati Diamonds (Chapter 12), and the challenges of marketing "Brand Canada" (Chapter 17)
- We have significantly updated the e-tailing discussion to reflect the recent "dot.bomb" fallout and more recent e-tailing statistics (Chapter 15)

- We have rewritten existing *Marketing in Action* cases that deal with such topical issues as genetically modified foods (Chapter 3), Krispy Kreme's entry into the Canadian market (Chapter 4), Krave's Candy's re-branding strategy (Chapter 10), the fortunes of WestJet Airlines since the terrorist attacks of September 11 (Chapter 13), the current positioning crisis faced by the Gap (Chapter 15), and Molson's post-"Rant" ad campaigns (Chapter 18)

To complement the updates to the text, we are also pleased to offer the following:

- *Real Marketing* CD-ROM, containing 16 video segments and written cases, together with a guide that matches the cases by topic with the chapters in the book
- A more robust package of supplements, completely revised to reflect the changes to the updated edition, and now available together in a box

Approach and Organization

The text is organized into 18 chapters grouped into six Parts. Part I (Making Marketing Decisions) provides an overview of the world of marketing (Chapter 1), marketing decisions (Chapter 2), and the environment in which these decisions are made (Chapters 3 and 4). Part II (Understanding and Identifying Markets) explores the heart of marketing decision making: market research (Chapter 5), consumer behaviour (Chapter 6), organizational buying behaviour (Chapter 7), and market segmentation (Chapter 8). These chapters help students identify creative segmentation schemes, develop rich segment profiles, and evaluate the appropriateness of alternative targeting strategies. Once armed with tools for detailed market segmentation, students are introduced to marketing mix decisions. Part III (Creating and Managing a Product: Goods and Services) includes separate chapters on product creation (Chapter 9) and management (Chapter 10) and on services marketing (Chapter 11). Part IV (Assigning Value to the Product) offers two pricing chapters that help students to recognize the strategic role of pricing (Chapter 12) and to make strategic pricing decisions (Chapter 13). Part V (Delivering the Product) consists of two chapters: one on channel management and physical distribution (Chapter 14), and one on retailing that includes in-depth coverage of e-tailing as a distribution alternative (Chapter 15). Part VI (Communicating about the Product) focuses on marketing communications, taking an integrated marketing communications perspective. Chapter 16 provides the foundation in terms of theory and concepts of the integrated marketing communications approach. Chapter 17 focuses on advertising strategy, a key element of an integrated marketing communications strategy. Chapter 18 discusses other key tools including sales promotion, public relations, and personal selling. Significant attention is paid throughout Part VI to electronic media and their communication implications.

Each chapter starts with a profile of a marketing decision maker who occupies a position students might expect to have within a few years after graduation. Midway through the chapter a decision is described that this marketer has recently faced and alternative courses of action are proposed. At this point students are asked to step into the shoes of the profiled marketer, evaluate the alternatives, and recommend and defend a course of action. At the end of the chapter we discuss what decision the marketer made and why, and provide a summary of the known consequences of that decision. We have attempted to make it clear that the decision made by the marketer is not necessarily the most appropriate one. Our aim is to show the rationale underpinning the decision and to help students understand how that rationale is informed by the decision maker's perspective. This format allows students to take an active role in applying the marketing concepts they are reading about, such as deciding what target market(s) to choose (Army & Navy Department Stores, Chapter 1; Ford of Canada, Chapter 8; Charity.ca, Chapter 11), whether to use a company brand or co-branding strategy (Canada Cutlery, Chapter 10) or whether or not a company should open a new retail concept (Roots, Chapter 9) or a new distribution channel (HARTMANN Group, Chapter 14).

We have chosen to include decision makers from a variety of organizations, ranging from large, well-known companies like Roots and Ford of Canada, to small not-for-profit organizations like Meal Exchange, and from family businesses like Army & Navy Department

Stores to Internet-based businesses like Chapters Online Inc. and Charity.ca. This allows students to see how marketing issues and decisions change across organizations, and also how they are similar.

One of our objectives for this book was to be as up to date as possible so that the content is relevant for the marketplace that students will face when they graduate. To that end, we have integrated Internet marketing throughout the book in addition to devoting a major part of Chapter 15 (Retail and E-tail) to business to consumer electronic commerce.

Key Features

This book contains many special features that will facilitate learning and enhance understanding of core concepts and their applications.

- **Chapter Objectives** at the beginning of each chapter clearly summarize the core concepts explored in that chapter.
- **Key Terms** are boldfaced where they are defined in the text, and are listed at the end of each chapter for easy reference.



- **Figures, Tables, and Exhibits** throughout the book each carry explanatory captions.

- **Real People, Real Decisions** vignettes frame each chapter, introducing a decision maker at the beginning, presenting a dilemma faced in the middle, and discussing the decision reached at the end.



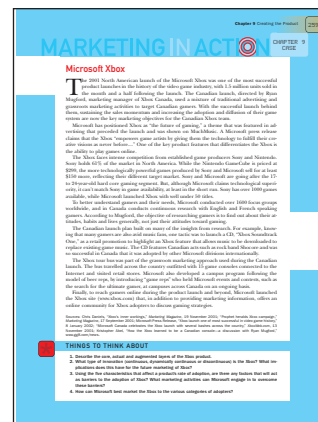
- **Spotlight on Real People** boxes profile entrepreneurs in small and medium-sized businesses. Wherever possible we have highlighted the activities of young Canadian entrepreneurs to whom students can relate as peers.

- Recognizing that ethics play an increasing role in marketing, we have included **Good or Bad Decision?** boxes in each chapter that prompt students to consider ethical dilemmas faced by decision makers.



- A **Running Case** at the end of each of Part charts the development of **Computer Friendly Stuff (CFS)**, a small toy and software company now in its fifth year of operation. This case, written by the CFS management team, allows students to follow the progress of a small start-up company as it grapples with marketing issues such as choice of target market, business to business marketing, pricing, packaging, selling on the Internet, promotion, and sales force decisions. The CFS Marketing Plan is included in Appendix A and in the CFS cases throughout the book students use this Plan to determine what changes are necessary in the future in order to cope with environmental and internal changes.

- “**Marketing in Action**” cases at the end of each chapter provide an opportunity for students to make marketing decisions related to key chapter concepts in up-to-date, relevant decision situations.



- **Video cases**, two at the end of each Part, are based on segments from the CBC shows *Venture* and *Undercurrents* that deal topically with the practice of marketing, often in a small business context. A supplementary video case is included in the Instructor's Manual.



- **Weblinks** in the margins direct users to useful and relevant Internet sites.
- Extensive **Chapter Review** material helps students understand chapter concepts and issues. **Testing Your Knowledge** and **Choices and Issues** stimulate recall and critical thinking. **Applying What You've Learned** exercises ask students to assume the role of the marketing professional and apply concepts and theory to marketing decisions. **Learning by Doing** invites the student to learn outside the classroom by talking with marketing professionals, observing phenomena in the marketplace, or conducting primary and secondary research.
- **Real People, Real Surfers** exercises help students learn about resources available on the Internet and encourage them to explore first-hand the many permutations of Web-based marketing.
- **Appendix A** offers a sample marketing plan integrated with the CFS case that runs throughout the text.
- **Appendix B**, Marketing Math, supplements the pricing chapters by summarizing the basic financial analyses and calculations that marketers use in determining price decisions.

Supplements

The following outstanding supplements have been prepared to accompany this book:

- The *Instructor's Manual* provides an overview of each chapter's suggested activities, projects, and topics for class discussions. It also includes teaching notes for the end-of-chapter and CBC video cases.
- **NEW!** *Faculty Activities and Classroom Teaching Strategies (F.A.C.T.S.) Guide*, a complete set of supplemental learning and teaching aids to support the instructor's preparation and enhance the lecture experience. It provides helpful hints on overcoming barriers to effective learning, assigning in-class projects, working with the PowerPoint presentations, and developing class plans.
- *Study Guide*, organized by chapter, provides students with outlines, overviews, review questions and application exercises to aid in understanding of the textbook and encourage class discussion.
- *Electronic Transparencies in PowerPoint* incorporate exhibits from the text, weblinks, and video clips.
- The *Test Item File*, containing over 2700 questions, has been thoroughly revised to provide the optimum number of questions of each format (true/false, multiple choice, and short answer), degree of difficulty (easy, moderate, difficult), and type of cognitive skill tested (recall/application).
- *Pearson Education Canada TestGen*, a special computerized version of the Test Item File, enables instructors to edit existing questions, add new questions, and generate tests.
- *CBC/Pearson Education Canada Video Library* is a compilation of 13 video segments drawn from the CBC's *Venture* and *Undercurrents* programs upon which the video cases in the book and Instructor's Manual are based.
- **NEW!** *Bessies Video*. The 2000–2001 Bessies, featuring all the award-winning entries in the 2000–2001 Canadian Television Commercial Festival.
- *Companion Website* contains numerous resources for students, including review exercises and quizzes, online access to the transparencies, hyperlinks to the text's weblinks, and search tools that facilitate further research into key organizations and topics discussed in the text. For instructors, it additionally provides access to the Instructor's Resource Manual and TestGen, and contains a syllabus builder as well as other materials.
- A *Course Management System (CMS)* is available in WebCT, BlackBoard, and CourseCompass. Instructors can use our CMS to enhance traditional course content with an online component, or to deliver the entire course online. The CMS created for this text features a number of study resources for students (review questions and exercises, weblinks), and valuable teaching and course administration tools for instructors

(all instructor's supplements that accompany this text, including the Test Item File for online testing, Communication Tools including threaded discussion areas and e-mail accounts for each student instructor.

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Auleen Carson
Wilfrid Laurier University

J. Brock Smith
University of Victoria