



Preface to the 6th edition

Marketing is a vibrant, challenging activity that requires an understanding of both principles and how they can be applied in practice. The sixth edition of my book attempts to capture both aspects of the multidiscipline. Marketing concepts and principles are supported by examples of international practice to crystallize those ideas in the minds of students who may have little personal experience of real-life marketing.

My objective, then, was to produce a tightly written textbook supported by a range of international examples and case studies. In my experience, all types of students enjoy applying principles to real-life marketing problems. This is natural, as marketing does not exist in a vacuum; it is through application that students gain a richer understanding of marketing.

Becoming a successful marketing practitioner requires an understanding of the principles of marketing together with practical experience of implementing marketing ideas, processes and techniques in the marketplace. This book provides a framework for understanding important marketing issues such as understanding the consumer, marketing segmentation and positioning, brand building, pricing, innovation and marketing implementation, which form the backbone of marketing practice.

Marketing, as I have said, does not exist in a vacuum: it is a vibrant, sometimes energy-sapping profession that is full of exciting examples of success and failure. Moreover, marketing practitioners need to understand the changes that are taking place in the environment. Marketing-orientated companies are undergoing fundamental readjustments to their structure to cope with the accelerating rate of change. If you wish to enter the marketing profession then an acceptance of change and a willingness to work long hours are essential prerequisites.

Marketing in Europe has never looked stronger. International conferences organized by the European Marketing Academy and national organizations such as the Academy of Marketing in the UK make being a marketing academic challenging, rewarding and enjoyable. We should always value the companionship and pleasure that meeting fellow marketing academics brings. The growth in the number of students wishing to study marketing has brought with it a rise in the number of marketing academics in Europe. Their youth and enthusiasm bode well for the future of marketing as a major social science.

Most students enjoy marketing: they find it relevant and interesting. I hope that this book enhances your enjoyment, understanding and skills.

How to study

This book has been designed to help you to learn and to understand the important principles behind successful marketing and how these are applied in practice. We hope that you find the book easy-to-use and that you are able to follow the ideas and concepts explained in each chapter. As soon as you don't grasp something, go back and read it again. Try to think of *other* examples to which the theory could be applied. To check you really understand the new concepts you are reading about, try completing the exercises and questions at the end of each chapter. You can also test your understanding and expand your knowledge by exploring the Online Learning Centre.

To assist you in working through this text, we have developed a number of distinctive study and design features. To familiarize yourself with these features, please turn to the Guided Tour on pages xxi–xxiii.

New to the 6th edition

As always, recent events are reflected throughout this book. Here is a brief summary of the **key content changes** for this edition:

- **Brand new coverage of marketing metrics:** marketing managers are increasingly being asked to justify their marketing investments. In Chapter 21 Marketing Implementation, Organization and Control, the topic of marketing metrics is covered in detail. Even more information on this hot topic is provided on the website.
- **Fully revised coverage of Marketing Ethics and Corporate Social Responsibility:** ethical issues have become increasingly prevalent across all elements of marketing. In accordance with this, companies are expected to demonstrate corporate social responsibility in all of their business functions. Chapter 6 Understanding Marketing Ethics and Corporate Social Responsibility provides a thorough grounding to these key issues, which are also addressed in specific marketing contexts through dedicated sections found at the end of many chapters in the book and a suite of brand new Marketing Ethics and Corporate Social Responsibility in Action boxes throughout the book.
- **A fully revised and restructured Digital Marketing chapter:** since the previous edition, marketing applications of digital technology have continued to progress. Chapter 19 Digital Marketing has been revised to include all forms of digital marketing, including search engine optimization and affiliate marketing, and an expanded discussion on planning, implementing and evaluating digital marketing strategies. In every chapter there are brand new Digital Marketing vignettes showing how marketers are making use of new opportunities, such as social networking sites, widgets and the enhanced capacities of mobile phones.
- **Brand new vignettes, case studies and advertisements throughout the book:** The principles of marketing cannot be fully grasped without solid examples of how these apply in practice. That is why in every chapter you will find a wealth of examples to support the concepts presented. These include current advertisements, and vignettes spanning Marketing in Action, Digital Marketing and Marketing Ethics and Corporate Social Responsibility in Action, as well as Pause for Thought boxes that ask you to apply the principles learnt for yourself. Two case studies at the end of each chapter provide more in-depth examples. These features will not only help you to absorb the key principles of marketing, but will also allow you to make links between the various topics and demonstrate the marketing mix at work in real-life situations.
- **An exciting new package of supporting online resources,** including new video resources and cases, as well as a rich choice of activities designed to help students develop and apply their understanding of marketing concepts. See pages xxiv–xxvi for further details.



Guided Tour

Real marketing


Throughout the text, marketing principles are illustrated with examples of real marketing practice. The following features encourage you to pause to consider the decisions taken by a rich variety of companies.

 **3.2 Digital Marketing**

Twittering Around the World

Twitter is a free-to-join social networking group, created in 2006. It has rapidly and currently has roughly 4–5 million users. Twitter enables members of the network through quick and frequent online exchanges called 'tweets'. Tweets are text-based (140 characters), which are displayed on the user's profile page and sent to others as 'followers'. A typical tweet might explain what I am doing right now (e.g. 'S...').


Digital Marketing vignettes demonstrate how organizations have used new technologies in their marketing strategies.

 **9.1 Marketing Ethics and Corporate Social Responsibility in Action**

Offsetting the Offsets


In an attempt to maintain positive brand associations, and to cope with new and old regulations, corporations are currently trying to reduce their environmental footprint through various methods such as carbon offsetting, energy efficiency and 'take-back' schemes. For example, a system, on a trial basis, that asks consumers to dispose of excessive packaging waste aims to help consumers reduce household waste as well as examine what types of packaging are most common.

Marketing Ethics and CSR in Action vignettes examine ethical dilemmas and examples of how companies can engage in corporate social responsibility.

 **1.2 Pause for Thought**

Think of a product that you consider is successful in the marketplace. Is its marketing sense that product, price, promotion and distribution send a consistent, well-thought message to consumers?

Pause for thought boxes ask you to stop and think how you would act if faced with a real decision, typical real-life marketing practices.

 **16.1 Marketing in Action**

Money-Off Promotional Blunders

Some of the world's best-known retail names have been caught up in promotional errors: where a £287 iPaq handheld computer was mistakenly priced at £7.32; and on its DX3700 digital cameras advertised on its website was mispriced at £10. Perhaps the most renowned promotional blunder was Argos's £2.99 television.

Marketing in Action vignettes provide additional practical examples to highlight the application of concepts, and encourage you to critically analyse and discuss real-world issues.



▲ Green & Black's defends its position in the organic chocolate market by supplying Milk, Dark 70%, White and Creamy Milk brand varieties.

Real advertisements demonstrate how marketers have presented their products in real promotions and campaigns.

Full colour advertisements are included in every chapter and videoclips from television and online campaigns are available on the Online Learning Centre. Look out for the **Ad Insight** boxes.

Ad insight

Go to the website to see Honda's TV ad promoting its environmentally-friendly credentials

Each chapter concludes with two **case studies**. These up-to-date examples encourage you to apply what you have learned in each chapter to a real-life marketing problem.

You can test yourself by trying out the **questions** at the end of each case study section.

Questions

- 1 Make a list of the range of features offered by a smartphone and then consider how many different devices you might use to achieve the same level of functionality in your daily life.
- 2 How do the new features of the 3G S iPhone provide superior customer benefits compared to the earlier model?
- 3 Explain how smartphones are changing our daily lives and business activities.
- 4 Discuss how convergence might influence the development of future models of the iPhone.

This case was written by Fiona Ellis-Chadwick, Senior Lecturer in Retail Management, Open University.

iPhone

Is the Apple Smartphone a World-Beater?

CASE 17

Background: design is everything

Apple is a company that is good at creating markets. The iPod revolutionized popular youth culture and turned out to be the biggest trend in music markets since the launch of the Sony Walkman. In addition to changing the way we listen to music, the iPod rescued Apple's fortunes. Steve Jobs, chief executive of Apple, is the visionary leader who is responsible for identifying and developing products like the iPod and the iMac. Reportedly, his guiding mantra for success is being able to *focus* and say 'no' to a product unless he feels it has world-beating qualities.

Arguably, design is fundamental to the success of Apple products, and the iPod's phenomenal success was no exception (it is, for example, sleek and has been said to be the antidote to our overly complicated modern lifestyle). The design enabled the iPod to become highly differentiated from other high-tech consumer products that have a tendency to be overloaded with buttons, switches and a multitude of functions that only a few dedicated users ever manage to understand and, ultimately, use. Steve Jobs has been quoted as saying 'most people make the mistake of thinking design is just a veneer', but at Apple designers are interested in how a design works for the user as well as what a product looks and feels like. In his quest for the next world-beating product, Steve turned to another mobile high-tech product: the cell phone.

The launch of the iPhone

In 2007, at the Macworld Expo, Steve Jobs launched the

US\$599 for the 8GB. By July 2007, the iPhone had captured 1.8 per cent of the US mobile phone market, which was nearly double the sales goal set for the period, and was reported to be the best-selling mobile model on the market.

World-beating qualities?

Studying effectively

At the beginning of each chapter, the main **learning objectives** are listed to show you what topics are covered in the chapter. Keep these aims in mind to help focus your reading and then check your understanding in the **review** at the end of the chapter.

Review

1 **The nature of the marketing environment**

- The marketing environment consists of the microenvironment (customers and suppliers) and the macroenvironment (economic, social, political, legal, technological forces). These shape the character of the opportunities and threats, but they are largely uncontrollable.

LEARNING OBJECTIVES

After reading this chapter, you should be able to:

- describe the nature of the marketing environment
- explain the distinction between the microenvironment and the macroenvironment
- discuss the impact of political and legal, economic, ecological/physical environmental, social/cultural and technological forces on marketing decisions
- explain how to conduct environmental scanning

Key Terms

consumerism organized action against business practices that are not in the interests of consumers

ecology the study of life and the environment

corporate social responsibility the ethical principle that an organization should be accountable for how its actions affect society

environmental scanning analysing the market environment to identify opportunities and threats

Use the **Key Terms** list at the end of each chapter to look up any unfamiliar words, and as a handy aid for quick revision and review.

Study Questions

- What are the advantages of market segmentation? Can you see any advantage in marketing to a homogeneous market as opposed to marketing to the whole market with one market?
- Choose a market you are familiar with and use benefit segmentation to identify likely profiles of the resulting segments?

Use the **study questions** to review and apply the knowledge you have acquired from each chapter. These questions can be undertaken either individually or as a focus for group discussion in seminars or tutorials.

References

- Berkowitz, E. N., R. A. Kerin, S. W. Hartley and W. Rudelius (2004) *Marketing*, Boston, MA: McGraw-Hill.
- Business for Social Responsibility Issue Briefs (2003) Overview of Business Ethics, www.bsr.org.
- Anonymous (2008) The Good Consumer, Economist Special Report on Corporate Social Responsibility.
- Bokaie, J. (2008) Behavioural Economics, 21 May, 14.
- Franklin, D. (2008) Jointly Owned Brands: A Report on Corporate Social Responsibility.
- Naughton, J. (2006) The Great Firewall of China.

Use the **references** at the end of the chapter to research an idea in greater depth.

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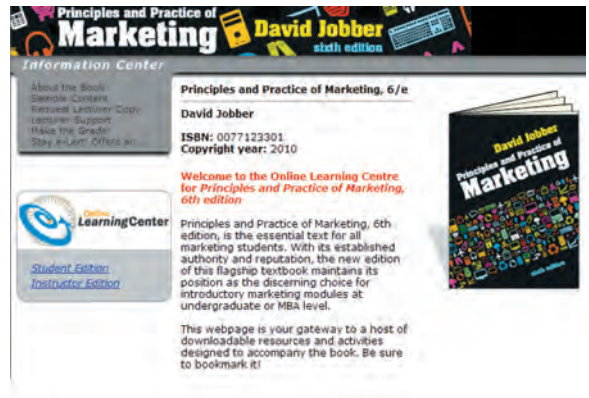
The Online Learning Centre (OLC) is your gateway to a host of downloadable resources and activities designed to accompany the book.

Help achieving top grades

- **Marketing skills personal development plan:** to help develop your marketing skills in four core areas: decision-making, communication, analysing and team working.
- **Tools to improve your study skills:** tips and book suggestions to help you write better essays, manage your time effectively and revise for exams.

Help for class assignments

- **Ad Insight video clips:** over 40 TV and cinema adverts, linked directly to topics in the book. Look out for the Ad Insight margin notes that refer you to the relevant clip, and answer the questions to develop your understanding of how these campaigns employ the concepts explained in the chapter.



- **23 extra cases** and advice on how to approach assignments based on case studies and why this is a useful way to learn.
- **Internet marketing exercises** show you how to use companies' websites to gain insights into their digital marketing strategies and activities.
- **Ethical dilemma exercises** that enable you to test your understanding of ethical issues in marketing.
- **Marketing accountability and metrics:** provides an extended guide to this hot topic.
- **Marketing plan:** a template and completed example.
- **Weblinks** to the organisations mentioned in each chapter to support further research.

Revision aids

- **Self test questions** provide immediate feedback on your understanding
- **Audio summaries** of each chapter can be downloaded to help you revise key concepts.
- **Searchable glossary** to help you learn essential marketing terminology.

For Lecturers

Online Learning Centre

This collection of resources has been put together to help lecturers adopting this text save time when preparing their teaching and to help them engage and challenge their students so that they get more out of their course.

Visit www.mhhe.com/textbooks/jobber to access to a wealth of media to use in your lectures and tutorials, and ideas to use in assignments and assessments.

- **Teaching notes for all 69 cases** help guide discussion around the case questions
- **Video Ads:** recent TV and cinema adverts highlight marketing practice. Questions and suggested answers are provided to help stimulate student discussion.
- **Tutorial activities** designed to be completed and discussed within an hour – ideal for use in small groups and fully supported by teaching notes.
- **Exam questions and solutions**
- **Example solutions** to the study questions at the end of each chapter, case study questions and the Internet exercises.
- **Extra marketing examples** illustrating the concepts covered in each chapter.
- **PowerPoint slides** covering the main concepts in each chapter and supporting each of the end-of-chapter cases.
- **Artwork from the book** to illustrate lecture presentations or handouts.
- **Marketing skills personal development plan** provides ideas to help students develop core marketing skills and improve their employability.
- **Market research project:** can be used or adapted as an ongoing project over several tutorials.

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This easy-to-use online testing tool accessible to busy academics virtually anywhere – in their office, at home or while travelling – and eliminates the need for software installation.

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Marketing Showcase

We are excited to offer an exclusive set of new video cases to lecturers adopting this text. Each video illustrates a number of core marketing concepts linked to the book to help students see how marketing works in the real world. This fantastic video resource will add real value to lectures, providing attention-grabbing content that helps students to make the connection between theory and practice.



What do the videos cover?

The videos offer students insights into how different organizations have successfully harnessed the elements of the marketing mix, including discussions about new product development, pricing, promotion, packaging, market research, relationship and digital marketing.



How can I use them?

To ensure maximum flexibility for teaching purposes, the videos have been edited to focus on key topics so that short extracts can be easily integrated into a lecture presentation or be delivered in a tutorial setting to spark class discussion. Each video is accompanied by teaching notes and discussion questions to ensure painless preparation for teaching.



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About the Author

David Jobber is an internationally recognized marketing academic. He is Professor of Marketing at the University of Bradford School of Management. He holds an honours degree in Economics from the University of Manchester, a master's degree from the University of Warwick and a doctorate from the University of Bradford.

Before joining the faculty at the Bradford Management Centre, David worked for the TI Group in marketing and sales, and was Senior Lecturer in Marketing at the University of Huddersfield. He has wide experience of teaching core marketing courses at undergraduate, postgraduate and post-experience levels. His specialisms are industrial marketing, sales management and marketing research. He has a proven, ratings-based record of teaching achievements at all levels. His competence in teaching is reflected in visiting appointments at the universities of Aston, Lancaster, Loughborough and Warwick in the UK, and the University of Wellington, New Zealand. He has taught marketing to executives of such international companies as BP, Allied Domecq, the BBC, Bass, Croda International, Rolls-Royce, Royal & Sun Alliance and Rio Tinto.

Supporting his teaching is a record of achievement in academic research. David has over 150 publications in the marketing area in such journals as the *International Journal of Research in Marketing*, *MIS Quarterly*, *Strategic Management Journal*, *Journal of International Business Studies*, *Journal of Management*, *Journal of Business Research*, *Journal of Product Innovation Management* and the *Journal of Personal Selling and Sales Management*. David has served on the editorial boards of the *International Journal of Research in Marketing*, *Journal of Personal Selling and Sales Management*, *European Journal of Marketing* and the *Journal of Marketing Management*. He has also acted as Special Adviser to the Research Assessment Exercise panel that rated research output from business and management schools throughout the UK. In 2008, he received the Academy of Marketing's Life Achievement award for distinguished and extraordinary services to marketing.

