Chapter 1: Why Marketing Matters to You

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Use this Instructor’s Manual to facilitate class discussion and incorporate the unique features of the text. Encourage students to follow along using their LEARNING WORKSHEET, which is located in the Instructor’s Online Resources. Students should attempt to complete the Learning Worksheet before class begins, allowing class lecture and discussion to be a review of the material. Students should be able to access these Learning Worksheets via their learning platform (Moodle, Blackboard, etc.). The worksheet key for Chapter 1 is provided in the Instructor’s Online Resources.

chapter FORECAST

This chapter explores the importance of marketing to businesses of all sizes, to nonprofit organizations, and to individuals. It examines what marketing is, how it is affected by global forces, and the importance of corporate social responsibility and ethics in this dynamic field. You will see that marketing matters to each of us, regardless of background, college major, or future plans.

learning objectives

**LO 1-1** Describe a marketer’s role in creating, communicating, and delivering value.

**LO 1-2** Differentiate among the various eras in the history of marketing.

**LO 1-3** Distinguish between consumer needs and consumer wants.

**LO 1-4** Explain the four elements in the marketing mix.

**LO 1-5** Discuss the importance of globalization in the field of marketing.

**LO 1-6** Explain the role of analytics in marketing.

**LO 1-7** Demonstrate the relationship between ethical business practices and marketplace success.

**LO 1-8** Analyze the functions of marketing beyond the for-profit firm.

Key terms

brand

customer value

ethics

exchange

global marketing

logistics

marketing

marketing analytics

marketing concept

marketing mix

needs

place (distribution)

price

product

production orientation

promotion

relationship marketing

sales orientation

social media

supply chain

wants

Thought-Provoking Activity

(This activity is included in the PowerPoint for this chapter.) With each chapter, begin class with a thought-provoking activity (TPA) for 10 minutes. TPAs allow students to pull real-world, current findings into class, and better enable students to partake in class discussion with relation to the chapter’s material in an icebreaker format.

**How It Works:** When class begins, two to three students are called on via random assignment to provide their responses a minimum of one time in the semester. Two sets of activities are provided for either (1) teaching one chapter over two class sessions or (2) allowing more students to partake in the activity. Instructors can either collect the worksheets for a grade or asses a point value when students respond aloud.

**Supporting Materials**: A sample grading rubric is provided in the Instructor’s Online Resources. The Learning Worksheet also references the TPA.

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| Set 1: What are the three marketing philosophies/orientations? Provide one example of a product or service in each. |
| Set 2: What are the 4 Ps? Provide an example for each. |

content outline

The following section provides the flow of information using the LEARNING OBJECTIVES as a guide, FIGURES and TABLES as a visual to elaborate on key areas, KEY TERMS learners will need to take away from the course, and a notation of when to use POWERPOINT SLIDES with LECTURE NOTES to drive home teaching points. There is also a reminder on when CONNECT activities can be used, as well as tying in SOCIAL MEDIA IN ACTION to real-world applications of marketing products. This is created so that you can facilitate in-class or online discussion effectively.

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| Executive Perspective    Photo provided by Steve DeVore | | | | | | **Steve DeVore**  *Senior Vice President and General Manager,***Twin Oaks Integrated Marketing**  Through a nontraditional path, motivation, and personal selling, Steve DeVore worked in marketing with some of the world’s largest companies. He uses his background to provide insight in answering the following questions:   1. What has been the most important thing in making you successful at your job? 2. What advice would you give soon-to-be graduates? 3. How is marketing relevant to your role at Twin Oaks? 4. What do you consider your personal brand to be?     Woven in the chapter, you see how Steve later elaborates on:   * Which marketing mix element is most important in his role. * How he uses an ethical framework when making decisions.   **Review with students:**   * How is marketing relevant in his role? * How value is communicated though his personal brand. |
| **LO 1-1** | Describe a marketer’s role in creating, communicating, and delivering value.   * The Value of Marketing   + Creating Value   + Communicating Value   + Delivering Value | | | | | **Key Terms:**   * **Marketing** * **Customer value** * **Supply chain** * **Logistics** |
| **PowerPoint Slides**  PPt 1.6 | | **Lecture Notes:**  THINK LIKE A MARKETER  How have organizations created value for its customers?  Once value is created, how do you communicate it?  Why is it important to communicate value?   * Marketing, by definition and application – An organizational function and set of processes that consists of 3 components: * Creating value   + Perceived benefits known as customer value     - Monetary and nonmonetary       * Examples:         + Make a home safe (ADT)         + Save money (GEICO)         + Make life easier (iPhone)     - Key ingredient is providing consumers with benefits that meet their needs and wants, and satisfy demand       * Over 80% of all new products fail * Communicating value – marketing itself; what the product is and the value the customers can expect * Delivering value   + Supply chain – set of three or more companies linked by one or more of the upstream and downstream flows of products, services, finances, and information from source to customer   + Logistics – flow of goods, information, and services between the point of origin and final customer * Providing value to customers and managing customer relationships in ways that benefit the organization and its employees, customers, investors, and society as a whole | | | | |
| **LO 1-2** | Differentiate among the various eras in the history of marketing.   * History of Marketing   + Production Orientation   + Sales Orientation   + Marketing Concept   + The Future of Marketing | | | | | **Key Terms:**   * **Production orientation** * **Sales orientation** * **Marketing concept** * **Relationship marketing** |
| **PowerPoint Slides**  PPt 1.9 | | | **Lecture Notes:**   * Production Orientation   + Prior to the 1920s   + Efficient processes and production to create quality products and reduce unit costs   + *Build and they will come*   + Just because you can?   + Mid-1920s – growth and production outpaced consumer demand, and effective sales forces were needed (new strategy)   + Henry Ford’s production line innovation and success manufacturing the Model A automobile represents perhaps the height of the production orientation, during which firms believed that quality products would sell themselves. * Sales Orientation   + Especially important during Great Depression to WW2 – customers didn’t have much money and firms competed for their dollars   + Personal selling and advertising to persuade   + Hire aggressive salespeople * Marketing Concept   + Era of expansion beginning in the 1950s; limited supply of products now flooded the market and increased demand   + Company-wide effort to satisfy customer needs   + Continues to evolve, especially with technology   + Customer orientation – everyone in a firm should assess and satisfy customer needs (company-wide effort)   + Relationship marketing – attracting, maintaining, and enhancing customer relationships * The Future of Marketing   + It is exciting to think how marketing will develop in the years ahead   + Technology changes – affects the business world and firms evolve   + Firms will need to explore new models that address what customers want and how they prefer to receive information   + 2013 – # of Americans who pay for TV service through cable, satellite, or fiber optics declined by over a quarter of a million   + # of Americans using the Internet or online streaming services (Netflix or Hulu) is at an all-time high   + Newspaper circulation has decreased significantly in the past decade   + Amount of news consumers get through social media platforms (Facebook and Twitter) is at an all-time high   + In the coming years, marketers will no longer automatically think of TV, newspaper, or magazine advertising as the first choice for reaching customers | | | |
| **Figure 1.1**    **Figure Information:** *Social Media as a Pathway to News: Facebook Leads the Way*  The percentage of U.S. adults who use each social networking site and percentage of U.S. adults who get news from each social networking site is conveyed. In the coming years, marketers will no longer automatically think of television, newspaper, or magazine advertising as the first choice for reaching customers. | | | | | | **Insight Questions:**   1. Why do you think Facebook is the top-ranking social networking site for receiving news? (Answer: open ended, student answers will vary; for example, it appeals to multiple demographics and has been around the longest of the most used platforms) 2. Do you think this percentage will change in the next three years? How so? (Answer: open ended, student answers will vary; social media is constantly evolving so as long as the platform also evolves and consumers use it a go-to source, anything is possible) 3. How does this relate to how and where you receive news? (Answer: open ended, student answers will vary; simply liking a local, national, or global news page can add it in the social feed, which makes information more easily available) |
| **LO 1-3** | Distinguish between consumer needs and consumer wants.   * Needs versus Wants   + Distinguishing Needs from Wants   + The Ethical Implications of Needs versus Wants | | | | | **Key Terms:**   * **Exchange** * **Needs** * **Wants** |
| **PowerPoint Slides**  PPt 1.12  PPt 1.13 | | | **Lecture Notes:**   * Marketing’s role is to match your need with a want * Value is created when consumer wants and needs are satisfied through exchange relationships * Exchange: * Trade things of value so that each is better off/satisfied * Conditions of an exchange: at least two parties, something that might be of value, capable of communication and delivery, free to accept or reject, wants to deal with the other part * Needs:   + States of felt deprivation (food, shelter, clothing, transportation, safety)   + Marketers do not create needs – they are a basic part of our human makeup * Wants:   + Take shape by personality, culture, and buying situation, and are influenced by family, job, and background * Satisfying needs and wants can be challenging for firms that do not fully appreciate the difference between the two * The distinction of needs and wants is important, and there is often a gray area. When a firm understands the difference, it can effectively target a message that meets the customer’s needs and wants, and convinces the consumer that their product is better than the competition. * Marketers seek to convince customers that the firm’s offering will meet their needs and wants better than the competition   THINK LIKE A MARKETER  What do marketers do with value?   * Most people need transportation of one kind or another; it’s marketing’s job to satisfy that need in a way that also meets the customer’s wants, perhaps for a luxury car. * To avoid potential problems for the firm, evaluating customer needs and wants must be done through an ethical framework.   + Ex: buying a house that you want, but is more than you can afford. | | | |
| **LO 1-4** | Explain the four elements in the marketing mix.   * The Marketing Mix: The Four Ps   + Product   + Price   + Place   + Promotion * Trends Affecting Marketing | | | | | **Key Terms:**   * **Marketing mix** * **Product** * **Price** * **Place** * **Promotion** * **Social media** |
| **PowerPoint Slides**  PPt 1.15 | | | **Lecture Notes:**   * The marketing mix represents everything that a firm can do to influence demand for its good, service, or idea. * With which “P” do we start? | | | |
| **Figure 1.2**    **Figure Information:** *The Marketing Mix and Decisions That Affect It*  The combination of activities that comprise the marketing mix, or four Ps, highlight some of the strategic decisions that can affect each of the marketing mix elements. Beginning with the product, the marketing mix flows clockwise to uncover communication made to consumers. | | | | | | **Insight Questions:**   1. Why must the marketing mix begin with decisions made relating to the product? (Answer: All other pieces of the marketing mix cannot be determined until the product is determined.) 2. What are the key areas of consideration for determining the product? (Answer: what the product is, its features, and whether it is new or revamped) 3. What are the key areas of consideration for determining the price? (Answer: what price should be charged domestically and internationally, and potential discounts) 4. What are the key areas of consideration for determining the place? (Answer: suppliers, delivery, inventory) 5. What are the key areas of consideration for determining the promotion? (Answer: where to advertise, use of sales promotion, hiring salespeople, and how the public perceives the product) |
| **PowerPoint Slides**  PPt 1.15 | | | **Lecture Notes:**   * The Marketing Mix and Decisions That Affect It   + Key areas of consideration for determining product – specific combination of goods, services, or ideas that the firm offers to consumers     - What the product is     - Its features     - How long has my product existed?     - New? Or revamped?   + Key areas of consideration for determining promotion – all the activities that communicate the value of a product and persuade customers to buy it     - Where to advertise     - Use of sales promotion     - Hiring salespeople     - How the public perceives the product     - Advertising, public relations, personal selling and sales promotion are effectively integrated to communicate value     - Whole promotional strategy is better than the sum of its parts (Gestalt Theory)     - Examples:       * Seen TV commercials for car insurance, resorts, or another product (advertising)       * Used a coupon to purchase something (sales promotion)       * Talked with a sales person (personal selling)       * Attended an event sponsored by a company (public relations)   + Key areas of consideration for determining price – the amount of something—money, time, or effort—that a buyer exchanges with a seller to obtain a product     - At what price should I sell my product?     - Should I offer customers a discount?     - Should I price my product differently in another country?     - Domestic versus international prices     - Relates the value consumers place on a product     - Typically the easiest element to change and therefore is a powerful tool if wanting to quickly adjust market share or revenue     - Not the right price? Consumers will find a substitute     - New technology like smartphone barcode scanners makes pricing a more complicated and influential component of the marketing mix because consumers can quickly compare prices from firm to firm and from store to store.     - Revenue Example       * REVENUE = The price of a product x The number of units sold       * If the price is too high ($65.99), fewer units will sell       * If the price is too low ($12.99), more units will sell… but there could still be an overall reduction in revenue if the money earned from the additional units sold isn’t enough to offset the lowest price   THINK LIKE A MARKETER  How does McDonald’s sell sausage McGriddles for $1?   * Key areas of consideration for determining place – includes the activities the firm undertakes to make its product available to potential customers (also known as distribution)   + Suppliers   + Delivery   + Inventory   + Making a product available to consumers when and where they want to purchase/consume it without difficulty * Social Media   + A group of Internet-based applications that allow the creation and exchange of user-generated content.   + Goal: create content that attracts attention and encourages readers to share the content with social networks   + A company that uses social media hopes its message resonates because it comes from a trusted, third party source.   + Driven by: word of mouth, resulting in free media rather than paid media   + Easily accessible to anyone with Internet access   + Minimal in cost compared to its alternatives: easily fits into the budget   + Marketers expect the use of social media to continue to explode | | | |
| **Connect Application Exercise 1-1**    **Social Media in Action** | | | **Topic:** Social Media  The role of social media in marketing entered a new phase in 2015 when Domino's Pizza began allowing customers to order using Twitter. The company became the first major restaurant chain to use Twitter as an ongoing way for customers to place and complete an order. Domino's customers were able to order a pizza by simply tweeting the pizza emoji to @Dominos.  The move was part of Domino's marketing strategy for attracting young, busy consumers who are active across social media platforms. Domino's marketers received a flurry of free media following the announcement. As a result, they developed a unique competitive advantage for their products using social media.  *The Social Media in Action* Connect *exercise in Chapter 1 asks you to choose how best to use social media to successfully market a fast-food product. By understanding the power of social media marketing, you will be able to apply using social media strategies to create buzz for your organization in the years ahead.*  **Source:** See Bruce Horovitz, “Domino's to roll out Tweet-a-Pizza,” *USA Today*, May 14, 2015, <http://www.usatoday.com/story/money/2015/05/12/dominos-pizza-tweet-a-pizza-twitter-tweet-to-order-fast-food-restaurants/27175005/>  **CONNECT BACK Insight Questions:**   1. How did Domino’s Pizza use social media to better reach its customer? (Answer: The company became the first major restaurant chain to use Twitter as an ongoing way for customers to place and complete an order. Domino's customers were able to order a pizza by simply tweeting the pizza emoji to @Dominos.) 2. Did this give them competitive advantage? (Answer: open ended, student answers will vary; innovation is always an opportunity for competitive advantage) | | | |
| **PowerPoint Slides** | | | **Lecture Notes:**   * Trends Affecting Marketing   + Expanding reach to international consumers means marketers will face new challenges that result from global competition.   + Meanwhile, consumers seek out firms that emphasize social responsibility and ethical practices. | | | |
| **LO 1-5** | Discuss the importance of globalization in the field of marketing.   * Global Marketing   + The Interconnected World   + Marketing on a Global Scale | | | | | **Key Terms:**   * **Global marketing** * **Brand** |
| **PowerPoint Slides**  PPt 1.18  PPt 1.19 | | | | **Lecture Notes:**   * Broad focus = Global Marketing   + Global forces impact every marketing decision     - Supply chains can be disrupted (development and delivery affected, too)     - Connected global economy (globalization) → ripple effect   + Facts:     - 11.7 million jobs in the U.S. are supported by exports     - In 2014, U.S. exports were worth more than $2.35 trillion     - U.S. is world’s leading exporter of beef, wheat, corn, and copyrighted material     - Exports account for 13% of total U.S. economy * Globalization   + Different reactions from different people, positive and negative perspectives   + International trade agreements (NAFTA – relaxing trade restrictions between U.S., Canada, and Mexico)     - Easier for companies to move jobs to lower wage areas on the continent     - EFFECT: endangering local job prospects and threatening community existence   + Global vision needed to proactively recognize and respond to international marketing opportunities * Less than 5% of the world’s population lives in the Unites States   + Opportunity to sell beyond the states with access to billions of customers   + Global marketing – consciously addressing customers, markets, and competition throughout the world   + Brand – name, term, symbol, design, or any combination of these that identifies and differentiates a firm’s products through advertising and social media     - Make pricing decisions based on economic and competitive factors in each region the firm does business * Coca-Cola has demonstrated a commitment to using each of the four Ps—product, price, place, and promotion—to drive global success with over 40% of the firm’s sales coming from international markets. | | |
| **Marketing Analytics**  **marketing analytics icon.png** | | | | **Insight Questions:**   1. Firms that want to market on a global scale must pay close attention to whether the benefits exceed the costs. Why is this so? (Answer: open ended, student answers will vary; for example, if the benefits can generate a consumer following, create interest, and generate revenue, globalization may be ideal for growth and expansion) 2. What kinds of things should a firm look at in the data? (Answer: sales over time periods, marketing return on investment, spikes in unusual areas, correlating factors) | | |
| **LO 1-6** | Explain the role of analytics in marketing.   * Marketing Analytics | | | | | **Key Terms:**   * **Marketing analytics** |
| **PowerPoint Slides**  PPt 1.20 | | | **Lecture Notes:**   * Marketing analytics is the practice of measuring, managing, and analyzing market performance * Processes and technologies that enable marketers to evaluate the success of marketing initiatives by measuring performance using business metrics * Can be used for making better decisions, like justifying advertising dollars * The percentage of marketing budgets allocated for marketing analytics is expected to almost double in the next three years | | | |
| **LO 1-7** | Demonstrate the relationship between ethical business practices and marketplace success.   * Ethics in Marketing   + The Impact of Ethics on Business * Ethical Decision-Making Framework | | | | **Key Terms:**   * **Ethics** | |
| **PowerPoint Slides**  PPt 1.21 | | | **Lecture Notes:**   * Key component of a successful marketing approach * Ethics – moral standards expected by society * Marketers must understand the norms and values expected of them * This reflects their company, profession, and themselves (WANT to be seen as ethical) | | | |
| **Figure 1.3**    **Figure Information:** *American Marketing Association Code of Ethics*  The AMA addresses six key areas of ethical values (honesty, responsibility, fairness, respect, transparency, and citizenship). Use this information as a guide as you develop your marketing knowledge throughout this text and beyond the course. | | | | | **Insight Questions:**   1. Justly balancing the needs of the buyer with the interests of the seller relates to which ethical value? (Answer: fairness) 2. What does it mean to be transparent? (Answer: to create a spirit of openness in marketing operations) 3. Contributing to the overall betterment of marketing and its reputation is part of which ethical value? (Answer: citizenship) | |
| **PowerPoint Slides**  PPt 1.21 | | | **Lecture Notes:**   * The Impact of Ethics on Business   + Relationship between ethical business practices and marketplace success   + Serious consequences (Enron, WorldCom, Arthur Anderson, AIG)   + Effects more than the company – can cause harm to society as a whole   + Can generate profits, even during a recession | | | |
| **Figure 1.4**    **Figure Information:** *Performance Comparison of the World’s Most Ethical Companies and the MSCI All Country World Index*  Ethical decisions can also lead to profits. This graph illustrates the relationship between ethical business practices and marketplace success. The WME Index measures the stock returns of all publicly traded World’s Most Ethical Company honorees, portrayed here (years 2007 – 2015). Compare the WME Index to the MSCI ACWI Index above, which offers a comprehensive view of equity returns in 23 developed and 23 emerging markets. As you can see, firms that were identified as ethical outperformed the mix of companies included in the MSCI ACWI Index through both positive and negative economic circumstances. | | | | | **Insight Questions:**   1. Were the world’s most ethical firms still profitable with positive and negative economic circumstances? (Answer: yes) 2. What, specifically, do think are the contributing factors to the most ethical firms making positive returns even in times of a recession? (Answer: open ended, student answers will vary; for example, being an organization that consumers can depend on creates value in their mindset) | |
| **PowerPoint Slides**  PPt 1.23 | | | **Lecture Notes:**   * Systematic framework to solving ethical problem   + The ethical choice is not always clear   + Systematic framework incorporates the following steps:     - Determine the facts in an unbiased manner     - Identify the ethical issue at hand     - Identify the stakeholders affected by the decision     - Consider all available alternatives     - Consider how the decision will affect the stakeholders     - Discuss the pending decision with the stakeholders     - Make the decision     - Monitor and assess the quality of the decision   + Marketers may confront decisions that will boost short-term sales at the expense of the long-term reputation of the company * Some common ethical questions that marketers may face with each element of the marketing mix in a career include:   + Product     - What default privacy settings should be built into a website?     - What safety risks, especially for children and the elderly, might a product pose?     - Should environmentally friendly packaging be used even if it costs more?   + Place     - Should jobs be outsourced to other members of the supply chain?     - Are the relationships between wholesalers and retailers inappropriate?     - What opportunities for personal gain might tempt a firm’s suppliers?   + Price     - Should the firm charge customers different prices based on their ability to pay?     - Should the firm increase prices due to a lack of local competition?     - Should the firm lower prices on soft drinks and fast food to attract a greater customer following, even if those products present potential health risks?   + Promotion     - Does the advertising message represent the product’s benefits honestly?     - Does the promotion strategy incorporate violence, sex, or profanity that may be inappropriate for some members of society?     - Does the advertising message attack competing products rather than highlight the benefits of the firm’s product?   THINK LIKE A MARKETER  Think of the ethical questions you will encounter in your job. What are they? | | | |
| **Figure 1.5**    **Figure Information:** *Ethical Decision-Making Framework*  Illustrating an ethical decision-making framework that you can use in your future career and in almost any marketing challenge you will encounter, the eight-step process of ethical decision-making is made clear. | | | | | **Insight Questions:**   1. Despite the positive impact ethical decision making can have on a firm, is the ethical choice always clear? (Answer: no, and there may be many personal and professional factors to consider) 2. Which step do you think is most important? (Answer: open ended, student answers will vary) | |
| **Connect Application Exercise 1-2** | | | **Topic:** Ethics  Applying the ethical decision-making framework to an actual scenario will provide insight into how to evaluate ethical challenges and the potential risks involved when an ethical approach is not selected.  **CONNECT BACK Insight Questions:**   1. Which area did you have the hardest time relating to an actual scenario? (Answer: open ended, student answers will vary) 2. What are the potential risks of not selecting an ethical approach to business and marketing decisions? (Answer: open ended, student answers will vary; for example, consumer buy-in and support can be negatively affected) | | | |
| **LO 1-8** | Analyze the functions of marketing beyond the for-profit firm.   * Marketing for Nonprofit Organizations * Marketing Yourself | | | | **Key Terms:**  (none) | |
| **PowerPoint Slides**  PPt 1.24 | | | **Lecture Notes:**   * Nonprofit organizations are those whose motive is something other than making a profit for owners   + Nonprofits employ about 11 million people   + Represent the third-largest employment sector in the U.S.   + Economic turmoil of the recession meant increased competition for support, membership, and donations   + Successful marketing helps nonprofits attract membership and much-needed funds | | | |
| **Today’s Professional**  Photo provided by Jodie Cherry | | | **Jodie Cherry**  *SR Specialist–Talent Acquisition, Human Resources*, **ALSAC / St. Jude Children's Research Hospital**  Balancing a multi-faceted job, Jodie Cherry has used relationship marketing as an opportunity to learn and grow. Young and successful, she provides insight in answering the following questions:   1. Describe your job. 2. How did you get your job? 3. What has been the most important thing in making you successful at your job? 4. What advice would you give soon-to-be graduates? 5. What do you consider your personal brand to be?   **Review with students:**   * **What makes her a “connector”?** | | | |
| **PowerPoint Slides**  PPt 1.27 | | | **Lecture Notes:**   * Your ability to market yourself will be critical to your success after you leave college   + Don’t look at the information this book provides as a collection of random concepts that you can forget about once your final exam is taken   + Instead, think about how it will help you position yourself relative to others competing for the same job | | | |

marketing plan exercise

**Your Marketing Plan.** As a professional in any field, it is important to have a comprehensive understanding of what a marketing plan is and why it is there. A marketing plan is an action-oriented document or playbook that guides the analysis, implementation, and control of all marketing activities. Throughout this book, you will develop a professional marketing plan. The twist is that your marketing plan will focus on how to *market yourself* to achieve your career goals.

Many businesses fail to execute on their marketing plans because they did not spend adequate time clearly identifying what they wanted or expected to do. As a first step in developing your personal marketing plan, you will need to identify the specific objectives that you want to achieve. In developing these objectives, you should ask yourself several questions, such as:

* Do I want to attend graduate school? If so, where and what program?
* Where do I want to work?
* Where do I want to live?
* What kind of life do I want to have?
* How much will I need to earn to have that life?

Such questions will help you focus on what specific things you need to do to achieve your goals. The more clearly you define your objectives, the more likely you are to realize them.

**Student Task:** First, clearly define who you are and summarize a few major things that make you – you. Next, respond to the above questions by outlining your future objectives. Think about both your personal and professional goals.

**How It Works:** Host a series of Personal Marketing Plan classes succeeding course exams. Each student should build a Personal Marketing Plan and realize that everyone is a marketer.

**Supporting Materials:** At the end of each chapter’s Learning Worksheet is a place for students to immediately relate the course content to their Personal Marketing Plan. Additionally, a Personal Marketing Plan Worksheet is provided in the Instructor’s Online Resources. The worksheet recaps the chapter’s content and outlines the supporting topics for reference. It is recommended that the Personal Marketing Plan be a semester-long, graded project and outcome for the course.

discussion questions

1. Identify a firm that you think effectively markets its goods, services, or ideas and describe how the firm creates, communicates, and delivers value. (Answer: open ended, student answers will vary; for example, Smoothie King is an international franchise that competes in a health-driven society while also being challenged to increase revenue, innovate, and build its brand. Smoothie King continues to grow, and now has almost 800 locations in five different countries. A focus on value allows Smoothie King to expand and grow its customer base and communicate its value through marketing plans that relate specifically to the demographics.)
2. Reflect on the evolution of marketing over the past century. Then describe three major changes that you think will affect the field of marketing over the next decade. (Answer: open ended, student answers will vary; for example, social media, globalization, and e-commerce)
3. Ask five people you know to list their needs and wants. Are their lists accurate reflections of the definition of each? Are there any differences due to age or gender? (Answer: open ended, student answers will vary)
4. Illustrate each step of the ethical decision-making framework by examining whether the state you live in should use a lottery to help pay for part of your college tuition. What are the ethical issues? Who are the relevant stakeholders? How are those stakeholders affected by potential outcomes? What decision would you make? (Answer: open ended, student answers will vary; Gambling may be considered a sin for some religions, and there are some that abuse gambling. Enabling gambling when there are known issues can cause new issues in the population.)
5. Describe three examples of promotion that caught your attention in your hometown. Why do you think each worked well? (Answer: open ended, student answers will vary)

social media application

Choose three products that you currently use—for example, clothes that you wear, restaurants where you eat, or the car that you drive. Analyze the social media presence of these products using the following questions and activities as a guide:

1. What is being done to market each product on social media?
2. What are people saying about each product on social media?
3. Give each of the three products a grade (A–F) based on how effective you feel its social media presence is.
4. Describe why you gave each the grade that you did, and make recommendations for how the product’s firm could improve its social media marketing activities (e.g., modifying content or utilizing a different social media platform).

This activity is located in an additional worksheet that can be used with group interaction, and can be found in the Instructor’s Online Resources. A sample grading rubric for this activity is also provided.

**How It Works:** Host a series of Social Media Application classes preceding course exams. This serves as a review for exams and emphasizes social media as a major marketing focus in today’s environment. Put students in learning groups, and have them complete the worksheets together. After 20–30 minutes of facilitated learning, call on students to respond to the questions and discuss responses as a class.

**Supporting Materials**: Social Media Application Worksheets and a sample grading rubric are provided in the Instructor’s Online Resources. The worksheets recap the chapter’s content and outline the supporting topics for reference. It is important for students to be able to connect social media to real world examples as it is conveyed in the chapter; therefore, the grading rubric focuses on this.

Marketing Analytics Exercise

Have students complete the *Connect* exercise in Chapter 1 that introduces the topic of marketing analytics. The exercise gives you a basic overview of an Excel model used in marketing analytics activities.

ethical challenge

Marketing decisions are driven increasingly by analytics produced from massive amounts of consumer data. Think about the information that is captured when you shop online or post on social media. While this information is very helpful to marketers, it also comes with a host of challenges.

A Facebook study in 2012 sparked criticism from the media and users when researchers from Facebook and Cornell University manipulated the news feeds of nearly 700,000 Facebook users for a week to gauge whether emotions spread on social media. The research finding was that users who saw more positive posts tended to write more positive posts themselves. Those results were interesting and helpful to marketers using social media. However, Facebook admitted that the study may have included users younger than 18. The company said it had revised its guidelines since the research was conducted; proposed studies now undergo three internal reviews, including one centered on privacy for user data.

The incident shines a light on how marketers tap the vast amount of data created online. Internet companies, including Facebook and Google, routinely test adjustments to their sites. These changes include prompts to users to click on more links, or more advertisements, which are the companies' main source of revenue.

The trade-offs between marketing information and consumer privacy are likely to be a strongly debated issue in the decade ahead. Use the ethical decision-making framework to answer the following questions:

1. What are the major ethical issues surrounding Facebook’s study? Who are the affected stakeholders? How will those stakeholders be affected? (Answer: While it provides lots of consumer insight on a “free” platform, consumers should be made aware of what their actions on social media are providing insight into. Firms, in turn, can use this information to target consumers who may not appreciate the added communication.)
2. Reviewing this case years later, monitor and assess the quality of Facebook’s decision. (Answer: Open ended, student answers will vary; It may become an expectation that marketers receive data and consumers willingly share it.)
3. As a consumer, how do you personally feel about the information that is captured about you and used to market products to you? Do your feelings affect your online buying behavior? (Answer: Open ended, student answers will vary)

Source: See Reed Albergotti and Elizabeth Dwoskin, “Facebook Study Sparks Soul-Searching and Ethical Questions,” *The Wall Street Journal*, June 30, 2014, <http://www.wsj.com/articles/facebook-study-sparks-ethical-questions-1404172292>.

video case

Have students go to Connect to access the video case featuring Steve DeVore that accompanies this chapter.

career tips

To help students think about how to market themselves and develop their own personal brand, follow these tips.

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| Photo provided by Steve DeVore | **Steve DeVore,** *Senior Vice President and General Manager* at **Twin Oaks Integrated Marketing,** provides 10 marketing tips for landing the  job of your dreams.   1. Realize what your resume is and isn’t. 2. Break all the rules…in a smart way. 3. Customize your approach. 4. Be concise, but be meaningful. 5. Make your resume visually appealing. (Consider adding color, for example.) 6. Know what you want. 7. Go beyond Google. 8. Understand as much as you can about the people interviewing you. 9. Be prepared with unobvious answers. 10. Know what message you want to leave behind.   **Review with students:**   * How will you customize your interview materials, including your elevator speech? * What sources will you consult to do research on an organization prior to an interview? * What kinds of questions will you ask the interviewers? |