

Marketing	the creation and satisfaction of demand for a product or service
Strategy	a set of ideas that outline how a product line or brand will achieve its objectives
Tactic	a specific action or method that contributes to achieving a goal
Things a firm should do in marketing	analyze needs predict wants estimate demand determine where estimate price decide promotion estimate competition provide service
Universal Marketing Functions	Buying Selling Transporting Storing Standardization & Grading Financing Risk Taking Market Information
Buying	looking for and evaluating goods and services
Selling	promoting the product to prospective buyers
Transporting	moving goods from one place to another place
Storing	holding an inventory of goods until needed by customers
Standardization & Grading	sorting products by size and quality
Financing	

	providing necessary cash and credit to produce, transport, store, promote, sell, and buy products
Risk Taking	assuming responsibility for uncertainties
Market Information	the collection, analysis, and distribution of all the information needed to plan, implement, and control marketing activities
Marketing Concept & Customer Value	<p>Take customer's point of view</p> <p>Customer value reflects costs & benefits</p> <p>Customer may not dwell on value</p> <p>Where does competition fit?</p> <p>Customer value builds relationships</p>
Strategy - 5 C's	customer, company, competitors, collaborators, context
Customers	potential buyers with wants and needs that the company aims to fulfill with its offerings (focal point)
Company	organization or business unit providing certain goods or services (the offering); look internally to define positioning, messaging, differentiators, capabilities, etc.
SWOT	strengths, weaknesses, opportunities, threats
Competitors	organizations that offer products or services that aim to fulfill the same wants and needs of the same customers as the company's offering
Competitive Matrix	an analysis tool that captures elements such as features and benefits provided by an organization's competitors
Collaborators	<p>external business entities that work with the company to create value for customers</p> <p>ex. raw material suppliers, distributors, marketing agencies, 3rd party retailers</p>
Context	

environment in which the company operates and it's associated elements:

- regulations or laws
- economic conditions
- cultural norms
- technological factors

PESTEL Analysis	political, economic, social, technological, environmental and legal factors
Company Strategy	SWOT, perceptual and positioning maps, marketing mix differentiation
Marketing Strategy	specifies a target market and a related marketing mix; finding opportunities in developing profitable marketing strategies that the company can use to capitalize on the opportunities they provide
Target Market	group of customers a company wished to reach; fairly homogeneous
Marketing Mix	controllable variables the company uses to satisfy the target market
Customer Marketing Model	(1) Awareness (2) Interest & Engagement (3) Acquisition (4) Customer Segmentation (5) Customer Retention (6) Support & Advocacy
Customer Profile/Personas	semi-fictional depictions of the target audience <ul style="list-style-type: none">-Demographic profiling-Geographic variables-Psychographic profiling

	<ul style="list-style-type: none"> -Behavioral variables -RFM - recency, frequency, monetary
Buyer Journey	Discovery, Consideration, Decision
Discovery	loosening of the status quo --> committing to change
Consideration	exploring possible solutions --> committing to a solution
Decision	justifying the decision --> making the selection
Comprehensive Approach	<ul style="list-style-type: none"> -offer superior customer value -attract customers -satisfy customers -retain customers -increase sales to customers -build profitable customer relationships -*total company effort to satisfy customers*
Marketing Plan	<p>marketing strategy + time-related details</p> <ul style="list-style-type: none"> -what marketing mix will be offered -to whom -for how long -what company resources will be needed -at what rate -what results are expected -control procedures
A Firm's Marketing Program	marketing plan + other marketing plans
Marketing Management Process	refers to the planning, implementation, and control of marketing activities. These activities are continuous, and decisions made in the past in one area can have implications on the other areas as well
Marketing Planning	set objectives, evaluate opportunities, create marketing strategies, prepare marketing plans, develop marketing program

Marketing-Oriented Manager	sees everyone as different and practices "target marketing"
Production-Oriented Manager	sees everyone as basically similar and practices "mass marketing"
Breakthrough Opportunities	help innovators develop hard-to-copy marketing strategies that will be very profitable for a long time
Competitive Advantage	a marketing mix the target customer sees as better than the competition's mix -viewed from the customer's perspective
Avoid Hit-or-Miss Marketing	following a logical marketing strategy planning process and basing the process on sound marketing research
Market Penetration	drive increased sales of current product in existing markets and enhance customer relationship (LTV)
Customer Lifetime Value (LTV)	total stream of purchases that a customer could contribute to the company over the length of the relationship -relationships that develop satisfied customers + time = returned business
4 P's	developing marketing mixes for target markets -Product, Place, Price, Promotion
3 types of Promotion	personal selling, mass selling, and sales promotion
Direct Marketing Environment	<ul style="list-style-type: none"> - resources and objectives of the firm - customers - competitive environment
External Marketing Environment	economic, technological, political and legal, cultural and social environments
company resources may limit search for opportunities	<ul style="list-style-type: none"> -financial strength -producing capability & flexibility -marketing strengths

Monopoly	one company serves the entire customer base
Monopolistic Competition	a number of different firms offer marketing mixes that at least some customers see as different
Oligopoly	a small number of firms control the market; barriers of entry are high
Pure Competition	exists when a large number of firms compete with essentially similar or commodity-like products; price typically determining factor
Economic Environment Forces	rapid change, interest rates, global economy
Political Environment	trade policy, labor law, political stability
Legal Environment	<p>health & safety, advertising standards, product safety, product labeling, and consumer rights</p> <ul style="list-style-type: none"> -Food and Drug Administration (FDA) -Consumer Product Safety Commission (CPSC)
Cultural and Social Environment	<p>areas that involve the shared beliefs and attitudes of the population in a given area</p> <ul style="list-style-type: none"> -health consciousness -demographic data -career attitudes
Segmentation	<p>clusters people with similar wants and needs into a market segment</p> <ul style="list-style-type: none"> -defining markets -dimensions to use -identifying segments -identifying segments to target -segmentation approaches
Generic Market	

	<p>a market with broadly similar needs and sellers offering various, often diverse, ways of satisfying those needs</p> <p>ex. music concerts, movies, cruises</p>
Product Market	<p>a market with very similar needs and sellers offering various close substitute ways of satisfying those needs</p> <p>ex. digital cameras</p>
Single Target Market Approach	<p>the marketer segments the market and picks one of the homogeneous segments as the firm's target market</p>
Multiple Target Market Approach	<p>the marketer segments the market, chooses two or more segments, and then treats each segment as a separate target market needing a different marketing mix</p>
Combined Target Market Approach	<p>combining two or more submarkets into one larger target market as a basis for one strategy</p>
Demographic Dimensions	<ul style="list-style-type: none"> -income -sex or age -family size or family life cycle -occupation or education -ethnicity or social class
Geographic Dimensions	<ul style="list-style-type: none"> -Region of world, country -Region in a country -Size of city
Behavioral Dimensions	<ul style="list-style-type: none"> -needs -benefits sought -thoughts -rate of use -purchase relationship -brand familiarity -kind of shopping

	-type of problem solving -information required
Segmenting Business Markets	-kind of relationship -type of customer -demographics -how customer will use the product -type of buying situation -purchasing methods
Qualifying Dimensions	relevant to including a customer type in a product-market; help identify "core benefits"
Determining Dimensions	affect the customer's purchase of a specific product or brand; can be further segmented
best practice approach for segmenting product-markets	(1) segment the broad product-market (2) identify potential customers' needs - brainstorming (3) form initial homogeneous submarkets (4) identify determining dimensions (5) name the possible product-markets (6) evaluate product-market segment behaviors (7) estimate the size of each product-market segment
Goal of Marketing	to create a product or service that sells, not to just sell products and services
Basic Functions of Business Enterprise	Marketing and Innovation -they produce results
Customer Value	the difference between the benefits a customer sees from a market offering and the costs of obtaining those benefits -consumer is more satisfied when this is high, meaning the benefits exceed costs by a larger margin
Awareness	the buyer becomes aware of the product
Interest/Engagement	

informing the customer about the company's offerings and encouraging them to interact and learn more, thus answering the question, now that I know you exist, why should I care? Or, how does your organization deliver value to me?

Acquisition	where the company converts a prospect into a customer, meaning they are actually using their offerings and paying for them
Customer Segmentation	grouping customers based on similar needs
Customer Retention	where the firm is focused on convincing existing customers to purchase again
Strategic Management Planning	developing and maintaining a match between an organization's resources and its market opportunities
International Opportunities	<ul style="list-style-type: none">-smaller world-competitive advantage-early start-better trends?-risks involved
Advertising	any paid form of nonpersonal presentation and promotion of ideas, goods, or services by an identified sponsor
Publicity	<p>unpaid, nonpersonal presentation of ideas, goods, or service</p> <p>-includes creating and placing content on the web, for customers to find or pass along to others</p>
Earned Media	a public relations term connoting free media such as mainstream media coverage
Sales Promotion	marketing activities - other than personal selling, advertising, and public relations - that stimulate consumer buying and dealer effectiveness

Price Element of the Marketing Mix	<ul style="list-style-type: none"> -price objectives -price flexibility -price over the life cycle -discounts and allowances -geographic pricing terms -competition
Planning Grid	positions opportunities according to industry attractiveness and business strengths
Industry Attractiveness	market growth, market size, capital requirements, competitive intensity
Business Strengths	resources of the organization like people skills, technological position, growth, market share or profitability, among others
Market	a group of potential customers with similar needs who are willing to exchange something of value with sellers offering various goods or services
Product-Oriented Approach	runs the risk of ignoring customers by fixating on the product rather than the buyer's interest
Market Grid	visual aid to market segmentation and defining homogeneous product market
Criteria for Determining Segments	<ul style="list-style-type: none"> (1) people in the segment are roughly alike, along some important consumer dimension(s) (2) people in the segment are different from people in other segments (3) the segment is large enough to be profitable (4) the segmenting dimensions should be useful for identifying customers and designing the marketing mix (5) if chosen to pursue: the company has the resources

available to adjust its marketing mix to appeal to each segment

Positioning & Differentiation	<ul style="list-style-type: none"> -understanding customer's view -evaluating segment preferences -positioning techniques -differentiating the marketing mix
Positioning	an approach that refers to how customers think about proposed and/or present brands in a market; the image your product/service has in the minds of your target customers
Positioning Statement	For (our target market), (our brand) of all (product type) delivers (key benefits or point of differentiation) because (our brand) is (reasons to believe)
Differentiation	utilizing the marketing mix in a distinct way such that customers see it as different from the competition
Examples of differentiation strategies	<ul style="list-style-type: none"> -owning a product attribute in the mind of the customer -being perceived as an innovator -effectively maximizing user experience -being the first to enter a market -having the lowest price
Adoption Process	awareness, interest, evaluation, trial, decision, confirmation (dissonance may set in after the decision)
Routinized Response Behavior	<ul style="list-style-type: none"> -Low-involvement -Frequently Purchased -Inexpensive -Little Risk -Little Information Needed <p>ex. toothpaste</p>
Extensive Problem Solving	<ul style="list-style-type: none"> -high involvement -infrequently purchased -expensive

	<ul style="list-style-type: none"> -high risk -much information
Economic needs	<p>needs that are concerned with the consumer making the best pf his or her time and money; logical; help marketers to understand the who, what, when, and where</p> <ul style="list-style-type: none"> -economy of purchase -convenience -efficiency -dependability
Psychological variables	<p>things that are going on in the mind of the consumer that affect purchase behavior</p> <ul style="list-style-type: none"> -motivation -perception -learning -attitude -trust -lifestyle
Social Influence	<p>have to do with the associations that the buyer might have with other people</p> <ul style="list-style-type: none"> -family -social class -reference groups -culture -ethnic groups
Purchase Situation	<ul style="list-style-type: none"> -purchase reason -time -surroundings
PSSP Hierarchy of Needs	<p>physiological needs, safety needs, social needs, personal needs</p>

Personal Needs	need for: self-esteem, accomplishment, fun, freedom, and relaxation
Social Needs	Need for: love, friendship, status, esteem, and acceptance by others
Safety Needs	Need for: protection and physical well-being (perhaps involving health, food, drugs, and exercise)
Physiological Needs	need for food, drink, rest, and sex
Selective Exposure	we notice messages that interest us
Selective Retention	we remember messages that are consistent with beliefs & attitudes, but do not remember those that conflict
Selective Perception	we let in messages that are consistent with beliefs, attitudes, etc. and filter those that conflict
Belief	an opinion
Attitude	a point of view; learned
Business & Organizational Customers	<ul style="list-style-type: none"> -Producers -Intermediaries -Government Units -Nonprofits
Buying Center	buyers, users, influencers, gatekeepers, deciders
Buyers	the purchasing managers who are responsible for working with suppliers and arranging for the terms of the sale
Influencers	people whose expertise is used to help determine which products are needed. Influencers are often technical people who help write specifications
Gatekeepers	<p>people in key positions in the organization who control the flow of information</p> <p>ex. receptionist, secretaries, researchers</p>

Deciders	people in the organization that have the actual power to select or approve the supplier
New-Task Buying	occurs when a customer organization has a new need and wants a great deal of information; often involves setting product specifications, evaluating sources of supply, and establishing an order routine to follow in the future
Modified Rebuy	a business buying situation in which the buyer wants to modify product specifications, prices, terms, or suppliers
Straight Rebuy	a routine repurchase that uses existing suppliers to fill a standard order; often use e-commerce order systems
The Government Market	competitive bids, "approved" supplier list, learning wants difficult, foreign governments, FCPA, size and diversity
Negotiated contract buying	agreeing to a contract that allows for changes in the purchase arrangements (preferred)
Operational linkages	direct ties between the internal operations of the buyer and seller firms
FCPA	Foreign Corrupt Practices Act
Elements of Product Planning for Goods & Services	<ul style="list-style-type: none"> -product idea -branding -packaging -warranty -product classes
Branding	the use of a name, term, symbol, or design—or a combination of these—to identify a product and create an emotional response
Service Mark	a trademark for a service
Brand Rejection	

	potential customers won't buy a brand unless its image is changed or something is done to alter the buyer's perception of the brand
Brand Non-Recognition	final consumers don't recognize a brand at all
Brand Recognition	customers recognize the brand
Brand Preference	target customers usually choose the brand over other brands, perhaps because of habit or favorable past experience
Brand Insistence	customers insist on a firm's branded product and are willing to search for it
Family Brand	the same brand name for several products ex. sunkist
Licensed Brand	sellers pay a fee to use a well-known brand
Individual Brand	used for unrelated products that require a separate identity to avoid confusion
Generic "Brand"	no brand other than identification with the contents
Magnuson-Moss Act 1975	producers must provide a clearly written warranty if they choose to offer any warranty
Business product classes	<ul style="list-style-type: none"> -installations -accessories -raw materials -components -MRO supplies -professional services
Convenience Products	<p>purchased quickly with little effort</p> <ul style="list-style-type: none"> -staples, impulse, emergency
Shopping Products	<p>compared with competing products</p> <ul style="list-style-type: none"> -homogeneous and heterogeneous

Specialty Products	items that the consumer makes a special effort to search out and buy
Unsought Products	products that potential customers don't yet want or know they can buy; require promotion to create awareness
Product Life Cycle	introduction, growth, maturity, decline
market introduction stage	sales are low as a new idea is first introduced to a market -market research, heavy advertising (costs)
Market growth stage	industry sales grow fast while industry profits rise and then start falling as a result of growing competition and/or substitute products; industry profits reach peak - Innovation attracts competition - Monopolistic Competition develops - Competition increases, profits peak & then decline
Market Maturity Stage	sales level off and competition continues to increase -Persuasive, more costly promotion -Brands are more similar -Greater price competition/price sensitivity -Maturity may last a long time -Must have developed competitive advantage
Market Decline Stage	new products replace older ones Sales: Declining Profits: Declining Virtually no new customers Dominate replacement products
New Product Development Process	idea generation, screening, idea evaluation, development, commercialization
	-ideas from customers and users -marketing research

Idea Generation	<ul style="list-style-type: none"> -competitors -other markets -company people, intermediaries, etc.
Screening	<ul style="list-style-type: none"> -strengths and weaknesses (SWOT) -fit with objectives -market trends -rough ROI estimate
Idea Evaluation	<ul style="list-style-type: none"> -Concept testing -Reactions from customers -Rough estimates of costs, sales, and profits
Development	<ul style="list-style-type: none"> -R&D -Develop model or service -Test marketing mix (can be costly & time consuming) -Revise plans as needed -ROI estimate
Commercialization	<ul style="list-style-type: none"> -Finalize product and marketing plan -Start production and marketing -"Roll out" in select markets -Final ROI estimate
Customer Value	<p>a result of the customer's perceived benefits minus the customer's perceived costs</p> <ul style="list-style-type: none"> -benefits may or may not be tangible
Perceptual Mapping	<p>offers marketing managers a useful technique for measuring and developing a product's position</p>
Awareness Stage	<p>the buyer first learns about the existence of a product but may lack more details to consider it further</p>
Interest Stage	<p>the consumer will gather general information and facts about the product, thus better understanding the stated benefits</p>
Evaluation Stage	

the consumer gives the product a mental trial, applying it to his or her own personal situation	
Trial Stage	the consumer may buy the product to experiment with it in use
Decision Stage	the consumer makes a decision on either adoption and continued use or rejection of the product from further consideration
Consideration Stage	the adopter continues to rethink the decision and searches for further support that it was correct
Dissonance	tension caused by uncertainty about the rightness of a decision
Drive	strong internal stimulus that encourages action to reduce or eliminate a need
Cues	stimuli in the environment that trigger a drive or response
Response	an effort to satisfy a drive
Reinforcement	occurs when the response is followed by satisfaction
Economist's idea of an Economic Buyer	a consumer who has all of the facts and makes logical choices to purchase goods and services that will best fulfill their needs
Need	basic forces that motivate consumers to do something
Wants	learned needs
Key Issues of Attitudes	<ul style="list-style-type: none"> -belief -"Green" attitudes and beliefs -changing negative attitudes -ethical issues may arise -building consumer trust -meeting expectations -attitude

psychographics/lifestyle analysis	used to help assess personalities
Personality	<p>how people see things</p> <ul style="list-style-type: none"> -activities -interests -opinions
Activities	identify what people do and are objectively observable
Interest	tend to create stronger drives that may pinpoint market opportunities
Reference Group	the people to whom an individual looks when forming attitudes about a particular topic
Opinion Leaders	People who influence others through word of mouth
Organizational Consumer Market	often referred to as the industrial market or B2B market; focus more on quality and exacting purchase specifications
Key differences between organizational customers & final customers	<ul style="list-style-type: none"> -purchase criteria & specifications -multiple buying influences -problem solving process -buyer-seller relationships -B2B e-commerce
Vendor Analysis	<p>a formal rating of suppliers on all relevant areas of performance</p> <p>-goal: lower the total cost of a purchase</p>
New-Task Buying Requires Information	<ul style="list-style-type: none"> -search engines -web sites -online communities -competitive bids
Operational Linkages	direct ties between the internal operations of the buyer and seller firms; reduces inventory as well as carrying costs
Federal Trade Commission (FTC)	

federal government agency that polices antimonopoly laws

-a product is only new for six months

Ideal Place Objectives	product classes suggest place objectives place decisions have long-run effects place system may be complex
Reasons for choosing direct channels	-greater control -lower cost -internet makes direct distribution easier -direct contact with customers -quicker response or change in marketing mix -suitable intermediaries not available
Sorting	separating products into grades and qualities desired by different target markets
Assorting	assembling a variety of products that are likely to appeal to customer wants
Accumulating	collecting products from many small producers
Bulk-breaking	dividing larger quantities into smaller quantities
Intensive Distribution	selling a product through all responsible and suitable wholesalers or retailers who will stock or sell the product; sell it where they buy it; appropriate for convenience products
Selective Distribution	selling through only those intermediaries who will give the product special attention; sell it where it sells best; shopping products; can reduce costs and obtain better partners; moves to intensive as market demand grows
Exclusive Distribution	selling through only one intermediary in a particular geographic area; specialty products
Storing Function	-needed when production doesn't match consumption -keeps prices steady -achieves production economies of scale -builds channel flexibility

Retailer's Strategy	<ul style="list-style-type: none"> -product selection -place decisions -promotion -prices -emotional needs -shopping atmosphere
single/limited line stores	specialize in certain lines of related products rather than a wide assortment; most stores in the US; have to stock some slow moving items in order to satisfy the stores target market by providing that wide array of assortment
Internet Retailing	<ul style="list-style-type: none"> - brick and mortar stores add online capabilities - online costs for retailers and customers - big data - showrooming - new meaning of convenience
Service Merchant Wholesaler	<ul style="list-style-type: none"> -general merchandise wholesaler -single line or general line wholesalers -specialty wholesalers
Limited-Function Merchant Wholesaler	<ul style="list-style-type: none"> -cash and carry wholesaler -drop shippers -truck wholesalers -rack jobbers -catalog wholesalers
Agent Wholesaler	<p>does not own the products it sells</p> <ul style="list-style-type: none"> -auction companies -brokers -manufacturers' agents -selling agents

Key Pricing Policies	<ul style="list-style-type: none"> -price flexibility -price levels over product cycle -discounts & allowances - to whole & when -transportation costs - who pays & how
Profit Oriented	<ul style="list-style-type: none"> -target return -maximize profits
Sales Oriented	<ul style="list-style-type: none"> -dollar or unit sales growth -growth in market share (not mutually exclusive)
Status Quo Oriented	<ul style="list-style-type: none"> -nonprice competition (used when focusing on prestige image or high quality) -meeting competition (used when total market for a product is not growing)
Pricing Objectives	profit oriented, sales oriented, status quo
Discount Policies	<ul style="list-style-type: none"> -quantity -seasonal -cash -trade -sale
Skimming price policy	trying to sell the top of the market—the top of the demand curve—at a high price before aiming at more price-sensitive customers; may maximize profits in market introduction if there are a few substitutes or if customers are not price sensitive
Penetration pricing policy	tries to sell the whole market at one low price; typically aims at setting a price low enough to discourage competition
	<ul style="list-style-type: none"> -total fixed cost -total variable cost

Kinds of Cost	<ul style="list-style-type: none"> -total cost -average unit cost = total costs / related quantity -average fixed cost = total fixed cost / related quantity -average variable cost = total VC / related quantity
Demand Estimation	<ul style="list-style-type: none"> -substitute -ease of comparison -who pays -total expenditure -end benefits -switching costs
Methods of Promotion	Personal selling, mass selling (advertising and publicity), and sales promotion
Types of Advertising	product advertising and institutional advertising
Types of Product Advertising	pioneering, competitive, reminder
Bid Pricing	<p>offering a specific price for each possible job rather than setting a price that applies for all customers</p> <ul style="list-style-type: none"> -cost estimation is the biggest challenge
Negotiated Pricing	establishing a final price through bargaining between seller and customer
Regrouping Activities	activities that adjust discrepancies in quantity or assortment
Discrepancy of Quantity	means the difference between the quantity of products it is economical for a producer to make and the quantity final users or consumers normally want
Physical Distribution Concept	dictates that all transporting, storing and product handling activities of a business and the whole channel system should be coordinated as one system that seeks to minimize the cost of distribution for a given customer service level

Factors Affecting Physical Distribution Service Levels	<ul style="list-style-type: none"> -info on product availability -online status information -advance info on delays -delivery time and reliability -compliance with customers -defect free deliveries -handling adjustments/returns -damage in transit -order accuracy -inventory/storage -backorder procedures -order processing time
Total Cost Approach	involves evaluating each possible PD system and identifying all of the costs of each alternative
Specialty Shops	type of conventional limited line store it is usually small and has a distinct personality or shopping environment; usually sell shopping products and focus on a narrow target market with better service, knowledgeable salespeople and a unique assortment this combination generally supports higher prices for products
Department Store	combine many limited line stores and specialty shops into a single location
Supermarkets	large stores specializing in groceries with self-service and wide assortments, survival is based on efficiency, meaning high volume and low costs
Discount Stores	by offering wide assortment of name brand goods at 20 to 30% off the list price
Mass Merchandisers	large, self-service stores with many departments that emphasize soft goods and staples with low prices and lower margins to obtain faster turnover; led the way in stream-

	lining distribution with technology, they are now trying to be more convenient as well
Convenient Stores	carry limited assortment of fast moving items and are located conveniently near people's homes; goods typically cost 10 to 20% more than at supermarkets; limited amount of space
Showrooming	the practice of examining merchandise in a physical retail location without purchasing it, and then shopping online for a better deal on the same item
One-Price Policy	<p>offering the same price to all customers who purchase products under essentially the same conditions and in the same quantities</p> <ul style="list-style-type: none"> -frequently purchased items -convenient -low cost -maintains goodwill
Flexible Price Policy	<p>offering the same product and quantities to different customers at different prices</p> <ul style="list-style-type: none"> -databases make it easier -sales people can adjust prices -too much cutting can hurt profits
Cash Discount	<p>reductions in the net</p> <p>ex. 2/10 net 30. So 2% off the price if the invoice is paid in 10 days, with the net due within 30 days. And an additional interest charge after 30 days</p>
Volume Discounts	encourage volume buying, so the customer pays less per unit
Trade Discounts	given to channel members that perform one or more marketing functions for the producer

	ex. signage, sales promotion, sorting & regrouping activities, performing storing functions, etc.
Markup Percent	percentage of the selling price that is added to the cost to get the selling price ex. a \$0.50 addition to a \$1 item, leading to a \$1.50 price is a 33.3% markup
Average Cost Pricing	Adding a reasonable markup to the average cost ex. average cost per unit by dividing the total cost for the year by all the units produced and sold in that period
Break-even Analysis	evaluates whether the firm will be able to cover all its costs at a particular price level; help find the break-even point also known simply as BEP, which is the point where the total revenue from the quantity sold just equals the firm's total costs; COST ORIENTED TOOL
Break-even Point	fixed cost contribution per unit = selling price per unit - VC per unit BEP in units = total fixed costs/ contribution per unit BEP \$ = BEP in unites x selling price per unit
Marginal Analysis	helps find the right price that maximizes profit
AIDA Model	Attention, Interest, Desire, Action
Adoption Process	innovators, early adopters, early majority, late majority, laggards
Innovators	first adopters; search out product information and rely on impersonal and scientific sources, or other innovators, when making decisions
Early Adopters	typically well respected by their peers, and also often serve as opinion leaders for others

Early Majority	wants to avoid risk, and waits to consider a new idea until many new early adopters have tried a product and like it; group of deliberate decision makers
Late majority	cautious; people in this group are often, but not always, older than the early majority group, and are more set in their ways
Laggards	non-adopters; hang on to tradition and are very suspicious of new ideas, they tend to be older and less well educated than the other groups
Task Method	zero-based budgeting; links the promotion budget to a careful determination of what must be done to reach the promotion and sales objectives; most embodies the marketing concept, and is customer oriented
Missionary Salespeople	supporting salespeople who work for producers by calling on intermediaries and their customers; can increase sales by creating goodwill, providing training, and performing other activities; is often used as a training ground for new salespeople
Supporting Salespeople	help the order-oriented salespeople, but they don't try to get orders themselves
Technical Specialists	provide technical know-how in support of order oriented salespeople; experts who know product applications, and they often have science or engineering backgrounds
Customer Service Reps	work with customers to resolve problems that arise with a purchase, usually after the purchase has been made
Advertising Objectives	<ul style="list-style-type: none"> -Position Brands -Introduce New Products -Obtain Outlets -Ongoing Contact

	<ul style="list-style-type: none"> -Support Sales Force -Get Immediate Action -Maintain Relationships
Institutional Advertising	tries to promote the organization's image, reputation or ideas; supports the overall objective of developing goodwill, or improving an organization's relations with various important groups
Product Advertising	tries to sell a product and can be targeted to channel members or final consumers; designed to get consumers to know, and remember in organizations products or services
Pioneering Advertising	tries to develop primary demand for a product category rather than demand for a specific product
Competitive Advertising	<p>tries to develop selective demand for a specific brand</p> <ul style="list-style-type: none"> -direct: aims for immediate buying action -indirect: points out product advantages to affect future buying decisions -Comparative: makes specific brand comparisons using actual product names
Reminder Advertising	keeps the company's name before the public and the products and services top of mind for the consumer
Search Engine Optimization	organic search; focused on optimizing web pages and information, such that it displays highly on a search engine results page
Paid Search	search allows marketers to bid on placement of ads within a search engine's results page
Measuring Advertising Effectiveness	<ul style="list-style-type: none"> -consider the total mix -research and testing may improve odds -hindsight may lead to foresight

marketing activities - other than personal selling, advertising, and public relations - that stimulate consumer buying and dealer effectiveness; can be launched quickly and lead to immediate results
