

cost per sale generated

Professional sales representatives = Territory managers whose primary task is persuasive and creative face-to-face selling and account management

Agents (brokers) = Intermediaries who help bring manufacturers and retailers together and arrange sales for a commission payment; they do not take legal title to products

Broker = A wholesaler who does not take title to goods and whose function is to bring buyers and sellers together and assist in negotiation

Selling agents = Agents who distribute the entire output of a manufacturer

Commission merchants = Merchants who receive goods on consignment from producers, take the merchandise to a central market, sell at the best price possible, deduct their commission, and remit the balance to the producer

Freight forwarders = Agencies which provide a combining service by which partial shipments (usually under 500 pounds) are assembled from several customers

Industrial sales people = People who sell goods and services used for producing other goods or for rendering other services

Manufacturer's sales branches and offices = Wholesaling by sellers or buyers themselves rather than through independent wholesalers

Vending machines = A form of non-store, non-personal selling which takes to the extreme the transaction between consumer and machine

String streets = Major thoroughfares along which are found random collections of almost every kind of store

Support personnel = People who aid efforts of professional sales representatives and order takers

Tying contract = An agreement between a supplier and an intermediary which requires the intermediary to buy product B in order to also get product A

Common carriers = Those transportation providers which offer their services for the use of others, and are under certain governmental regulations concerning the provision of such services

Vertical marketing systems = A system in which the functions of members at different levels in the distribution channel have been integrated under the ownership or influence of one member in order to set shared goals and to achieve effective performance

Backward integration = The approach by which the intermediaries acquire control over manufacturers

Forward integration = The approach in which the manufacturers acquire control over wholesalers and retailers

Promotion

Marketing communications mix (promotion mix) = The specific mix of advertising, personal selling, sales promotion, public relations, and direct-marketing tools a company uses to pursue its advertising and marketing objectives

Advertising = Any paid form of non-personal communication, usually delivered through mass media by an identified sponsor

Personal selling = Personal presentation by the firm's sales force for the purpose of making sales and building customer relationships

Publicity = A form of promotion composed of newsworthy messages sent through the media on a non-paid basis

Direct marketing = Direct communications with carefully targeted individual consumers to obtain an immediate response, and cultivate lasting customer relationships

Sales promotion = Short-term incentives to encourage the purchase or sale of a product or service

Integrated marketing communications (IMC) = The concept under which a company carefully integrates and coordinates its many communications channels to deliver a clear, consistent, and

compelling message about the organization and its products
Buyer-readiness stages = The stages consumers normally pass through on their way to purchase, including awareness, knowledge, liking, preference, conviction, and purchase
Personal communication channels = Channels through which two or more people communicate directly with one another, whether face to face, by telephone, by mail, or via the Internet
Word-of-mouth influence = Personal communication about a product between target buyers and neighbors, friends, family members, and associates
Prospect = A potential (but not yet) customer
Initial approach = The first contact by a salesperson with a prospect, usually to arrange a meeting
Informal information = The mixture of unorganised, irregular daily communications which flows to most of us in contemporary society
Perceptual map = The result of the process when marketers ask a representative group of buyers within a market segment to compare brands in a certain category
Communication = The process of sharing meaning through the use of symbols = The passing of information, exchange of ideas, or processes of establishing shared meaning between a sender and a receiver
Communications flow = The movement of information through the channels of distribution; includes the flow of promotion from manufacturers through intermediaries to consumers, and the flow of market information from consumers back through intermediaries to manufacturers
5-Ws model of communication = A model of the communications process that contains five basic elements" who? (source), says what? (message), in what way? (channel), to whom? (receiver), and with what effect? (feedback).
Cognitive processing = The process by which an individual transforms external information into meaning or patterns of thought and how these meanings are used to form judgements or choices about behavior
Cognitive dissonance = A state of psychological tension or post-purchase doubt that a consumer may experience after making a purchase decision. This tension often leads the consumer to try to reduce it by seeking supportive information
Cognitive responses = Thoughts that occur to a message recipient while reading, viewing, and/or hearing a communication
Compliance = A type of influence process where a receiver accepts the position advocated by a source to obtain favorable outcomes or avoid punishment
Communication objectives = Goals that an organisation seeks to achieve through its promotional program in terms of communication effect such as creating awareness, knowledge, image, attitudes, preferences, or purchase intentions
AIDA model = A model that depicts the successive stages a buyer passes through in the personal selling process including: attention, interest, desire, and action
Classical conditioning = A learning process whereby a conditioned stimulus that elicits a response is paired with a neutral stimulus that does not elicit any particular response. Through repeated exposure, the neutral stimulus becomes to elicit the same response as the conditioned stimulus
Conditioned response = In classical conditioning, a response that occurs as a result of exposure to a conditioned stimulus
Conditioned stimulus = In classical conditioning, a stimulus that becomes associated with and unconditioned stimulus and capable of evoking the same response or reaction as the unconditioned stimulus
Communication task = Under DAGMAR approach to setting advertising goals and objectives, something that can be performed by and attributed to advertising such as awareness, comprehension, conviction and action
DAGMAR = An acronym that stands for defining advertising goals for measured advertising

results. An approach to setting goals and objectives developed by Russell Colley
ASI recall test = A day-after recall test of television commercials (formerly known as Burke test)
Central route to persuasion = One of two routes to persuasion recognised by the elaboration likelihood model. The central route to persuasion views a message recipient as very active and involved in the communications process and as having the ability and motivation to attend to and process a message
Absolute costs – The actual total cost of placing an ad in a particular media vehicle.
Follow up = The final selling step which involves actions after the sale to ensure that the order is received on time and as specified
Two-step communication = The notion that communications flow from the media to opinion leaders, and then from opinion leaders to other members of society
Source = The communicator sending a message to other party or parties
Receiver = The person who decodes the message transmitted by the source
Counterargument = A type of thought or cognitive response a receiver has that is counter or opposed to the position advocated in a message
Encoding = The process by which a source chooses signs and symbols to construct a message
Decoding = The process of translating or interpreting the symbols of a message to derive its meaning
Coverage = A measure of potential audience that might receive an advertising message through a media vehicle
Feedback = The response or reaction that a receiver may give the source as a result of messages
Source credibility = The extent to which the source of a communication is believable to the target audience
Channel (medium) = The vehicle for transmitting a message = The method or medium by which communication travels from a source or sender to a receiver
Copy platform = A document that specifies the basic elements of the creative strategy such as the basic problem or issue the advertising must address, the advertising and communication objectives, target audience, major selling idea or key benefits to communicate, campaign theme or appeal, and supportive information or requirements
Copywriters = Individuals who help conceive the ideas for ads and commercials and write the words or copy for them
Body copy = The main text portion of a print ad. Also often referred as a copy
Billings = The amount of client money agencies spend on media purchases and other equivalent activities. Billings are often used as a way of measuring the size of advertising agencies
Cost per rating point = A computation used by media buyers to compare the cost efficiency of broadcast programs that divides the cost of commercial time on a program by the audience rating
Cost per thousand = A computation used in evaluating the relative cost of various media vehicles that represents the cost of exposing 1000 members of target audience to an advertising message
Account executive = The individual who serves as the liaison between the advertising agency and the client. The account executive is responsible for managing all of the services the agency provides to the client and representing the agency's point of view to the client
Reach = The proportion of the target audience who will see an advertisement at least once
Gross ratings point (GRP) = A unit of reach times frequency; thus, a GRP of 1 indicates that 1 percent of target market audience saw the advertisement once
Adjacencies = Commercial spots purchased from local television stations that generally appear during the time periods adjacent to network programs
Frequency = The number of times, on average, that each person reached will see or hear the advertisement
Average frequency = The number of times the average household reached by a media schedule is

exposed to a media vehicle over a specified period
Average quarter-hour figure (AQH) = The average number of persons listening to a particular station for at least five minutes during 15-minute period
Average quarter-hour rating = The average quarter-hour figure estimate expressed as a percentage of the population being measured
Average quarter-hour share = The percentage of the total listening audience tuned to each station as a percentage of the total listening audience in the survey area
Recall tests = Tests of print advertisements which do not assist the respondent's memory by providing the ads themselves
Concave downward function = An advertising /sales response function that views the incremental effects of advertising on sales as decreasing
Creative execution = The process involved in deciding how the message is to be said in an advertisement
Recognition test = Test of effectiveness of print advertising which measures the ability to recognise an advertisement when presented
Reference group = Groups to which people turn in order to measure the acceptability of what they do
Attractiveness = A source characteristic that makes him or her appealing to a message recipient. Source attractiveness can be based on similarity, familiarity, or likability
Influencers = People whose expertise or opinions have a bearing on the purchase decision
Pull strategy = A strategy through which marketers aim mass promotional efforts at consumers and customers with the intent to create demand which pulls the product through the channels = A promotion strategy that calls for spending a lot on advertising and consumer promotion to build up consumer demand, which pulls the product through the channels
Push strategy = A strategy through which personal selling and sales promotion are directed at channel members, who then promote product to consumers = A promotion strategy that calls for using the sales force and trade promotion to push the product through channels
Pulsing (or flighting) = A strategy of unevenly timed exposure of advertisements
Gatekeepers = Those who can control information flow to members of the buying center-and to prospective suppliers
Promotion = All aspects of the marketing mix designed to communicate with and influence target markets
Promotion strategy = A communication plan designed to bring about desired buyer behaviours by employing a mix of the four elements of promotion
Promotion mix = The blend of promotional elements selected and the extent to which each is used to influence product market, push-pull, readiness and a life cycle
All-you-can-afford approach = The strategy of setting the advertising budget as high as possible
Arbitrary allocation = A method for determining the budget for advertising and promotion based on arbitrary decisions of executives
Build-up approach = A method of determining the budget for advertising and promotion by determining the specific tasks that have to be performed and estimating the costs of performing them. See objective and task method
Cost plus system = A method compensating advertising agency whereby the agency receives a fee based on the cost of the work it performs plus an agreed amount for profit
Point-of-purchase (POP) promotion = Display and demonstration that takes place at the point of purchase or sale
Contests, sweepstakes, games = Promotional events that give consumers the chance to win something—such as cash, trips, or goods—by luck or through extra effort
Salesperson = An individual acting for a company by performing one or more of the following

activities: prospecting, communicating, servicing, and information gathering
Territorial sales force structure = A sales force organization that assigns each salesperson to an exclusive geographic territory in which that salesperson sells the company's full line
Product sales force structure = A sales force organization under which salespeople specialize in selling only a portion of the company's products or lines
Customer sales force structure = A sales force organization under which salespeople specialize in selling only to certain customers or industries
Workload approach = An approach to setting sales force size in which the company groups accounts into different size classes and then determines how many salespeople are needed to call on each class of accounts the desired number of times
Outside sales force = Outside salespeople who travel to call on customers. Also known as <i>field sales force</i>
Inside sales force = Inside salespeople who conduct business from their offices via telephone or visits from prospective buyers
Telemarketing = Using the telephone to sell directly to customers
Team selling = Using teams of people from sales, marketing, engineering, finance, technical support, and even upper management to service large, complex accounts
Sales quotas = Standards set for salespeople, stating the amount they should sell and how sales should be divided among the company's products
Selling process = The steps that the salesperson follows when selling, which include prospecting and qualifying, preapproach, approach, presentation and demonstration, handling objections, closing, and follow-up
Prospecting = The step in the selling process in which the salesperson identifies qualified potential customers
Preapproach = The step in the selling process in which the salesperson learns as much as possible about a prospective customer before making a sales call
Approach = The step in the selling process in which the salesperson meets and greets the buyer to get the relationship off to a good start
Presentation = The step in the selling process in which the salesperson tells the product "story" to the buyer, showing how the product will make or save money for the buyer
Handling objections = The step in the selling process in which the salesperson seeks out, clarifies, and overcomes customer objections to buying
Closing = The step in the selling process in which the salesperson asks the customer for an order
Follow-up = The last step in the selling process in which the salesperson follows up after the sale to ensure customer satisfaction and repeat business
Relationship marketing = The process of creating, maintaining, and enhancing strong, value-laden relationships with customers and other stakeholders
Consumer-oriented sales promotion = Sales promotion techniques that are targeted to the ultimate consumer such as coupons, samples, contests, rebates, sweepstakes, and premium offers
Clients = The organisations with the products, services, or causes to be marketed and for which advertising agencies and other marketing promotional firms provide services
Advertising objective = A specific communication <i>task</i> to be accomplished with a specific <i>target</i> audience during a specific period of <i>time</i>
Business-to-business advertising = Advertising used by one business to promote the products and/or services it sells to another business
Attitude toward the ad = A message recipient's affective feelings of favorability or unfavorability toward an advertisement
Advertising appeal = The basis or approach used in an advertising message to attract the attention or interest of consumers and / or influence their feelings toward the product, service, or cause

Creative execution style = The manner in which a particular advertising appeal is transformed into a message
Affect referral decision rule = A type of decision rule where selections are made on the basis of an overall impression or affective summary evaluation of the various alternatives under consideration
Consent order = A settlement between a company and the Federal Trade Commission whereby an advertiser agrees to stop the advertising or practice in question. A consent order is for settlement purposes only and does not constitute an admission of guilt
Carryover effect = Delayed or lagged effect whereby the impact of advertising on sales can occur during a subsequent time period
Advertising campaign = a comprehensive advertising plan that consists of a series of messages in a variety of media that centre on a single theme or idea
Advertisers = The identified sponsors who pay to promote their goods, services, and ideas to target audiences
Advertising agency = A firm that specialises in the creation, production, and placement of advertising messages and may provide other services that facilitate the marketing communication process
Clipping service = A service which clips competitors' advertising from local print media allowing the company to monitor the types of advertising they are running or to estimate their advertising expenditures
Advertising creativity = The ability to generate fresh, unique, and appropriate ideas that can be used as solutions to communication problems
Advertising manager = The individual in the organisation who is responsible for the planning, co-ordinating, budgeting, and implementing of the advertising program
Big idea = A unique idea for an advertisement or campaign that attracts consumers' attention, gets a reaction, and sets the advertiser's product or service apart from the competition
Advertising specialities = Items used as giveaways to serve as a reminder or stimulate remembrance of a company or brand such as calendars, T-shirts, pens, key tags, and the like. Specialities are usually imprinted with a company or brand name or other identifying marks such as address and phone number
Advertising substantiation = A Federal Trade Commission regulatory program that requires advertisers to have documentation to support the claims made in their advertisements
Affirmative disclosure = A U.S. Federal Trade Commission program whereby advertisers may be required to include certain types of information in their advertisements so consumers will be aware of all consequences, conditions, and limitations associated with the use of product or service
Image advertising = Advertising which aims to establish a positive identity for the corporation or to rebut criticism
Advocacy or issue advertising = Advertising which takes a stand on some issue on behalf of the advertiser; is not designed to promote products
Advocacy advertising = Advertising that is concerned with the propagation of ideas and elucidation of social issues of public importance in a manner that supports the position and interest of the sponsor
Continuity = The strategy of scheduling the advertising evenly over the weeks and months of the year = Media scheduling strategy where a continuous pattern of advertising is used over the time span of the advertising campaign
Characterisation attributes = Those attributes used in advertising which associate the product with the kind of people who use it
Pioneer advertisements = Advertisements that that increase primary demand for the product that bring nonusers into the users category
Direct action advertisements = Advertisements designed to move consumers and customers to take


some immediate action
Emotional advertisements = Advertisements that attempt to create moods that will subsequently be associated with the product
Financial-relation advertising = Advertising which portrays the corporation as fiscally sound and run by forward-looking management
Competitive advertisements = Advertisements that create selective demand-that is, a preference for the advertiser's brand as opposed to a competitors
Comparative advertising = The practice of either or indirectly naming one or more competitors in advertising message and usually making a comparison on one or more specific attributes or characteristics
Reinforcement advertisements = Advertisements that booster and enhance satisfaction with purchases already made
Reminder advertisements = Advertisements that aim at reinforcement by keeping the product in the buyers' minds
Delayed-action advertising = The advertisements which attempt to influence consumer attitudes and preferences, thus helping to set the stage for a purchase
Slice-of-life advertisements = Advertisements that show the product being used by 'ordinary people' in very common settings or engaged in everyday activities
Trade advertisements = Advertisements for the purpose of influencing intermediaries either to stock a product or to advance it through distribution channels on its way to ultimate consumers
Informative advertisements = Advertising for the purpose of creating knowledge of the product
Testimonial advertisements = Advertisements that attempt to get consumer to identify with someone who claims that he or she uses and likes the product
Flighting (or pulsing) = The strategy of unevenly timed exposures of advertising
Aerial advertising = A form of outdoor advertising where messages appear in the sky in the form of banners pulled by aeroplanes, skywriting, and on blimps
Vehicles = Specific outlets within a larger advertising medium
Industrial advertisements = Advertising to promote goods and services for business and organisational use
Co-operative advertising = A form of promotion in which the manufacturer makes available to the wholesaler-or more commonly to the retailer- a fund intended to help cover the costs of the channel member's advertising which features the manufacturer's brand
Corporate advertising = Campaigns formerly known as public opinion, image, or institutional advertising-media space or time bought for the benefit of the corporation rather than of any of its products
Creative strategy = The primary message to be communicated by the advertising campaign. This is the major responsibility of the advertising agency
Creative tactics = A determination of how and advertising message will be implemented so as to execute the creative strategy
Creative boutiques = Small agencies specialising in the creative work for an advertising campaign
Creative service department = The section of an advertising agency which is responsible for the creation, design, and production of whatever will appear or be heard on radio or television or in print
Full-service advertising agency = The type of advertising agency that has the resources to offer its clients a wide range of services, including the four most basic services: account management/marketing, creative, media, and research
Agency evaluation process = The process by which a company evaluates the performance of its advertising agency. This process includes both financial and qualitative aspects
In-house agencies = Advertising agencies owned by the advertiser, which perform the functions of

a full-service advertising agency
Costs per thousand (CPM) = The media cost of reaching 1000 persons, used to compare across media vehicles
Copyright = The exclusive legal right to reproduce, publish, and sell a literary, musical, dramatic, or artistic work
Labels = A label encompasses any printed information on the packaging that describes the product
Informative labels = Labels that tell the consumer about the product's ingredients, use, dating, and so on
Brand = A name, term, symbol, or design or a combination of them that is intended to identify the goods or services of one seller or group of sellers and to differentiate them from products of competitors
Brand equity = The value of a brand, based on the extent to which it has high brand loyalty, name awareness, perceived quality, strong brand associations, and other assets such as patents, trademarks, and channel relationships
Brand extension = Using a successful brand name to launch a new or modified product in a new category
Co-branding = The practice of using the established brand names of two different companies on the same product
Forms of fighting brands = national, own, private, product, family, blanket
Brand development index (BDI) = An index that is calculated by taking the percentage of a brand's total sales that occur in a given market as compared to the percentage of the total population in the market
Brand extension strategy = The strategy of applying an existing brand name to a new product
Brand loyalty = Preferences by a consumer for a particular brand that results in continual purchase of it
Evoked set = The subset of available brands of a product class which a consumer considers appropriate alternatives, and from which a choice is made
Family brands = The assignment of the same or similar names to multiple products made by the same company in which the name of the company is often employed
Brand manager = The individual in an organisation responsible for planning, implementing, and controlling the marketing program for a particular brand. Brand managers are sometimes referred to as product managers
Brand competitors = Other companies which also manufacture the same product
Brand image = The overall concept of the product as perceived by consumers
Brand insistence = The phenomenon that occurs when consumers demand a certain product and will go out of their way to get it
Brand mark = The part of a brand which can be recognised but is not utterable
Brand name = The part of a brand which can be vocalised-the utterable
Brand non-recognition = The fact that people do not know the existence of the brand
Brand recognition = The simple awareness that a product exists, apart from competing products
Brand preference = The attitude taken by consumers who have tried a brand and have at least moderately positive attitudes toward it
Brand rejection = The rejection of a brand by a consumer who has negative experience with it
Individual brands = Brands which have no obvious connection with the parent company
Business libel = Making an unfair or untrue written statement about a competitor
Business slander = Making an unfair or untrue oral statement about a competitor
Trade character = A brand mark that represents a human being or an animal associated with a product
Trade name = The name under which a company chooses to conduct its business, which may or

may not also be a brand name
Trade promotions = Promotional methods that spur action on the part of channel members, such as additional orders from retailers or a special push by a wholesaler to promote one manufacturer's products
Trade shows = Special gathering of buyers and sellers of a line of products, usually once per year, where new products can be shown and orders taken for a selling season
Trademark = A brand or part of a brand that is given legal protection because it is capable of exclusive appropriation
Private(store) brands = Brands of products made by manufacturers for sale by intermediaries under a label of the intermediary's own choice = A brand created and owned by a reseller of a product or service
Persuasive labels = Labels which have promotional intent
Affordable method = A method determining the budget for advertising and promotion where all other budget areas are covered and remaining monies are available for allocation
Percentage-of-sales method = Setting the promotion budget at a certain percentage of current or forecasted sales or as a percentage of the unit sales price
Competitive-parity method = Setting the promotion budget to match competitors' outlays
Objective-and-task approach = An approach in which marketers establish advertising objectives, then calculate the costs of the methods selected to achieve these goals in order to arrive at a budget
Combination rates = A special rate discount offered for advertising in two or more periodicals. Combination rates are often offered by publishers who own both morning
Commission system = A method of compensating advertising agencies whereby the agency receives a specified commission (traditionally 15 percent) from the media on any advertising time or space it purchases
Selling position = The specific promotional idea used to present the product to buyers in the target market
Storyboards = Sketches, written copy, and directions used to communicate a television commercial's message
Sweepstakes = A promotional method in which consumers fill out a form to enter a random drawing for prizes
Bait-and-switch promotion = A practice through which the retailer brings buyers to the store with advertising for a bargain price on a product which is not in adequate supply with the intent of switching the buyer to a higher priced product
Coupon = Certificate that gives buyers a saving when they purchase a specified product
In-pack coupons = coupons that are affixed to the product and allow savings on a future purchase
Affiliates = Local television stations that are associated with a major network. Affiliates agree to preempt time during specified hours for programming provided by the network and carry the advertising contained in the program
Barter syndication = The offering of television programs to local stations free or at a reduced rate but with some of the advertising time pre-sold to national advertisers. The remaining advertising time can be sold to local advertisers
Animatic = A preliminary version of a commercial whereby a videotape of the frames of a storyboard is produced along with an audio soundtrack
Broadcast media = Media that use the airwaves to transmit their signal and programming. Radio and television are examples of broadcast media
Agate line = Unit of newspaper space measurement, 1 column wide by 1/14 inch deep. Thus 14 agate lines = 1 column inch
Alternative media = A term commonly used in advertising to describe support media
Audiotex = The use of telephone and voice information services to market, advertise, promote,

entertain, and inform consumers
Clutter = The non-program material that appears in a broadcast environment, including commercials, promotional messages for shows, public service announcements, and the like
Bleed pages = Magazine advertisements where the printed area extends to the edge of the page, eliminating any white margin or border around the ad
Classified advertising = Advertising that runs in newspapers and magazines that generally contains text only and is arranged under subheadings according to the product, service, or offering. Employment, real estate, and automotive ads are the major forms of classified advertising
Formal sales training = A process used to give new salespeople product knowledge, skill in selling, information about markets and competition, and guidance on company policies and practices
Close = Obtaining the commitment of the prospect in a personal selling transaction
Consumer-franchise-building promotions = Sales promotion activities that communicate distinctive brand attributes and contribute to the development and reinforcement of brand identity
Direct-mail marketing = Direct marketing through single mailings that include letters, ads, samples, foldouts, and other "salespeople with wings" sent to prospects on mailing lists
Direct-response television marketing = Direct marketing via television, including <i>direct-response television advertising</i> or <i>infomercials</i> and <i>home shopping channels</i>
Online marketing = Marketing conducted through interactive online computer systems, which link consumers with sellers electronically
Commercial online services = Services that offer online information and marketing services to subscribers who pay a monthly fee
Electronic commerce (e-commerce) = The general term for a buying and selling process that is supported by electronic means
Corporate Web site = Web site that seeks to build customer goodwill and to supplement other sales channels rather than to sell the company's products directly
Marketing Web site = Web site designed to engage consumers in an interaction that will move them closer to a purchase or other marketing outcome
Online ads = Ads that appear while subscribers are surfing online services or Web sites, including banners, pop-up windows, "tickers," and "roadblocks."
Webcasting = The automatic downloading of customized information of interest to recipients' PCs, affording an attractive channel for delivering Internet advertising or other information content
Integrated direct marketing = Direct-marketing campaigns that use multiple vehicles and multiple stages to improve response rates and profits
Cost per order (CPO) = A measure used in direct marketing to determine the number of orders generated relative to the cost of running the advertisement
Controlled circulation basis = Distribution of a publication free to individuals a publisher believes are of importance and responsible for making purchase decisions or are prescreened for qualification on some other basis
Product
<u>Product</u> = Anything and organisation or individual offers for exchange that may satisfy customers' or consumers' needs or the marketer's own needs
<u>Consumer product</u> = Product bought by final consumer for personal consumption
<u>Convenience products</u> = Products that are widely available, usually inexpensive, and frequently purchased = Consumer product that the customer usually buys frequently, immediately, and with a minimum of comparison and buying effort
<u>Shopping products</u> = Goods and services that consumers shop for, comparing quality, suitability, style, price, and other factors
<u>Specialty products</u> = Products perceived by consumers as having unique qualities, to the point that

no substitutes are acceptable
<u>Unsought products</u> = Those products that consumers do not consciously want or actively seek out
<u>Industrial products</u> = Products purchased by an organisation for use either in other products or in its own operations
Product levels = potential, augmented, expected generic, core benefit
<u>Core product</u> = The basic good or service purchased, aside from its packaging or accompanying services <i>main benefit</i>
Functional attributes = Things that a product or service does for consumers
Total quality management (TQM) = Programs designed to constantly improve the quality of products, services, and marketing processes
Emergency products = Those products that are usually purchased as the result of urgent needs
Staple = Goods which buyers give little thought when purchasing, other than noting the need for the item and picking it up
Generic products = Products which are not branded, are simply packed, and usually are priced well below both manufacturer's and private brands
<u>Augmented product</u> = A good, service, or idea enhanced by its accompanying benefits; synthesis of what the seller intends and the buyer perceives
Product quality = The ability of a product to perform its functions; it includes the product's overall durability, reliability, precision, ease of operation and repair, and other valued attributes
Innovation = A product which is perceived in the marketplace as being innovative
Impulse products = Those products which the consumer buys without having established intention to buy, often feature on racks arranged prominently and enticingly around checkout counters in supermarkets, drugstores, and variety stores
Homogeneous shopping products = Products among which consumers perceive little difference in the core benefits
Heterogeneous shopping products = Products that differ from each other on important dimensions, such as style, design, and personal taste, for which such dimensions tend to outweigh price in the purchasing decision
Durable goods = The tangible items that can be expected to survive multiple use
Loss leaders = (or price leaders) = Products advertised below the retailer's costs to increase customer traffic
Implied warranties = Unwritten warranties that indicate that the product is in good condition and is suitable for the purpose for which it was bought
Services = Activities, benefits, or satisfactions that are offered to satisfy consumers' and customers' needs
<u>Service intangibility</u> = A major characteristic of services—they cannot be seen, tasted, felt, heard, or smelled before they are bought
<u>Service inseparability</u> = A major characteristic of services—they are produced and consumed at the same time and cannot be separated from their providers, whether the providers are people or machines
<u>Service variability</u> = A major characteristic of services—their quality may vary greatly, depending on who provides them and when, where, and how
<u>Service perishability</u> = A major characteristic of services—they cannot be stored for later sale or use
Service-profit chain = The chain that links service firm profits with employee and customer satisfaction
<u>Internal marketing</u> = Marketing by a service firm to train and effectively motivate its customer-contact employees and all the supporting service people to work as a team to provide customer satisfaction

Interactive marketing = Marketing by a service firm that recognizes that perceived service quality depends heavily on the quality of buyer–seller interaction
Servicing = The maintenance of the product in working order so that its benefits are not diminished
Industrial services = Services purchased for use in producing the buyer's products or, more frequently, for use in general operation
Product orientation = A philosophy of business which focuses primarily on a firm's own resources and products
 <u>Product line</u> = A grouping of products managed and marketed as a unit because they have similar functions, are distributed in similar ways, or fall within the certain price range. Length, breadth, depth and kontinuum is distinguished.
Product line breadth = The number of product lines in the product mix of an organisation
Product line depth = The number of individual items within each product line
Line extension = Using a successful brand name to introduce additional items in a given product category under the same brand name, such as new flavors, forms, colors, added ingredients, or package sizes
Product class = All the brands of a good and service offered by all competitors to meet a basic consumer need
Balanced product portfolio = A proper mix of new, growing, and mature products whose sales provide the cash flow to ensure long-term prosperity
Variety discrepancy = The difference between the number of different products produced by marketers and the variety desired by consumers
Product competitors = Companies which are filling the same market needs with a slightly different offering
New product development = The development of original products, product improvements, product modifications, and new brands through the firm's own R&D efforts
Idea generation = The systematic search for new-product ideas
Idea screening = Screening new-product ideas in order to spot good ideas and drop poor ones as soon as possible
New product concept = A detailed version of the new-product idea stated in meaningful consumer terms
Concept testing = Testing new-product concepts with a group of target consumers to find out if the concepts have strong consumer appeal
Marketing strategy development = Designing an initial marketing strategy for a new product based on the product concept
Business analysis = A review of the sales, costs, and profit projections for a new product to find out whether these factors satisfy the company's objectives
Product development = A strategy for company growth by offering modified or new products to current market segments. Developing the product concept into a physical product in order to ensure that the product idea can be turned into a workable product
Test marketing = The stage of new-product development in which the product and marketing program are tested in more realistic market settings = The process in which the product is actually introduced into selected geographical markets where developers can observe how consumers and dealers react to the handling, use, and promotion of the product
Commercialization = Introducing a new product into the market
Product development process = The process comprising of series of steps involved in getting a product on the market: idea generation, screening, feasibility studies, prototype development, test marketing, and commercialisation
Sequential product development = A new-product development approach in which one company department works to complete its stage of the process before passing the new product along to the

next department and stage
Simultaneous (or team-based) product development = An approach to developing new products in which various company departments work closely together, overlapping the steps in the product-development process to save time and increase effectiveness
New-product business plan = A plan that includes estimates for new-product development, submitted by marketing, production, and accounting personnel
New-task buying = The situation generated by an unfamiliar problem with an old product or the need for a new product in the buying process
Worldwide product division = A form of organisation under which each of the company's major product lines, or business units, is responsible for the marketing of its product throughout the world
Product ladder = The concept that states that consumers perceive brands of a product to be arrayed from top to bottom in terms of their familiarity and preference
Product disparagements = Making false or deceptive comparisons or distorted claims concerning a competitor's product, services, or property
Product adaptation = A global marketing strategy whereby the product is adapted to foreign market needs, but the promotional program used in the domestic market is used in foreign markets
Product invention = A global marketing strategy whereby a new product is created specifically for the needs of the foreign market, and is then promoted to this market
Adoption process = A process which is made up of the stages that individuals, households, or organisations go through in accepting an innovation
Product elimination = Withdrawal of a product from the normal market place
Product line extension = Development of greater depth by adding new product varieties
Product manager (brand manager) = The person who is responsible for initiating, developing, and implementing product or product line plans
Product-market matrix = A visual means of defining a business by its markets and by the products directed towards those markets
Product mix = A company's total offering of individual products
Creative selling = A type of sales position where the primary emphasis is on generating new business
<i>International Marketing</i>
Customer lifetime value = The amount by which revenues from a given customer over time will exceed the company's costs of attracting, selling, and servicing that customer
Customer delivered value = The difference between total customer value and total customer cost of a marketing offer—"profit" to the customer
Total customer cost = The total of all the monetary, time, energy, and psychic costs associated with a marketing offer
Value chain = A major tool for identifying ways to create more customer value
Value-delivery network = The network made up of the company, suppliers, distributors, and ultimately customers who "partner" with each other to improve the performance of the entire system
Quality = The totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs
Competitor analysis = The process of identifying key competitors; assessing their objectives, strategies, strengths and weaknesses, and reaction patterns; and selecting which competitors to attack or avoid
Competitive marketing strategies = Strategies that strongly position the company against competitors and that give the company the strongest possible strategic advantage
Benchmarking = The process of comparing the company's products and processes to those of

competitors or leading firms in other industries to find ways to improve quality and performance
Market leader = The firm in an industry with the largest market share; it usually leads other firms in price changes, new product introductions, distribution coverage, and promotion spending
Market challenger = A runner-up firm in an industry that is fighting hard to increase its market share
Market follower = A runner-up firm in an industry that wants to hold its share without rocking the boat
Market nicher = A firm in an industry that serves small segments that other firms overlook or ignore
Competitor-centered company = A company whose moves are mainly based on competitors' actions and reactions
Customer-centered company = A company that focuses on customer developments in designing its marketing strategies and on delivering superior value to its target customers
Market-centered company = A company that pays balanced attention to both customers and competitors in designing its marketing strategies
Marketing company = A form of subsidiary organisation which markets, sell, and service the firm's products in the host country
Derived demand = The demand based on expectations of upcoming demand for other industrial or consumer products
Better Business Bureau (BBB) = An organisation established and funded by businesses that operates primarily at the local level to monitor activities of companies and promote fair advertising and selling practices
Promotion adaptation = A global marketing strategy whereby the product sold in domestic markets is not altered in any important ways, but market communications are adapted to local conditions
Dual adaptation = A global strategy whereby both the product and the promotional programs are adapted to foreign market conditions <i>rather than</i>
<u>Dumping</u> = Selling a product in a market other than a home market at prices below the cost of making and delivering them to that market
Product invention = A global marketing strategy whereby a new product is created specifically for the needs of the foreign market, and is then promoted to that market
Discontinuous innovation = An innovation which truly changes how we do what we have long been doing
Diffusion process = A process consisting of communication about, and acceptance of, the innovation throughout the social system over a period of time
Income distribution = How thoroughly the income in a nation is spread through the population
Direct exporting = Refers to the marketing firm's active efforts to sell its products, made domestically, in foreign markets
Direct investments = An arrangement under which an international marketer invests the funds necessary to build or purchase its own facilities in the host country
Diseconomies of scale = The effort to increase production results in inefficiencies, such as having to pay higher labour costs for overtime or having to pay more for scarce resources
Economies of scale = More efficient operations and multiple uses of resources result in decreasing costs; average variable costs and thus average total costs also decline
Environmental monitoring = A systematic group of activities designed to anticipate changes in external variables that will affect the organisation's ability to meet its goals
Geographical organisation = The organisation method based on management by region, state, area, nation, or global sector
<u>Global marketing</u> = Refers to any marketing that involves two or more nations
Government markets = The purchasing or leasing of goods and services in order to carry out

government functions and to further the public purpose
Exporting = Entering a foreign market by sending products and selling them through international marketing intermediaries (indirect exporting) or through the company's own department, branch, or sales representatives or agents (direct exporting).
Joint venturing = Entering foreign markets by joining with foreign companies to produce or market a product or service
Licensing = A method of entering a foreign market in which the company enters into an agreement with a licensee in the foreign market, offering the right to use a manufacturing process, trademark, patent, trade secret, or other item of value for a fee or royalty
Contract manufacturing = A joint venture in which a company contracts with manufacturers in a foreign market to produce its product or provide its service
Management contracting = A joint venture in which the domestic firm supplies the management know-how to a foreign company that supplies the capital; the domestic firm exports management services rather than products
Joint ownership = A joint venture in which a company joins investors in a foreign market to create a local business in which the company shares joint ownership and control
Direct investment = Entering a foreign market by developing foreign-based assembly or manufacturing facilities
Standardized marketing mix = An international marketing strategy for using basically the same product, advertising, distribution channels, and other elements of the marketing mix in all the company's international markets
Adapted marketing mix = An international marketing strategy for adjusting the marketing mix elements to each international target market, bearing more costs but hoping for a larger market share and return
Straight product extension = Marketing a product in a foreign market without any change
Product adaptation = Adapting a product to meet local conditions or wants in foreign markets
Product invention = Creating new products or services for foreign markets
Communication adaptation = A global communication strategy of fully adapting advertising messages to local markets
Whole-channel view = Designing international channels that take into account all the necessary links in distributing the seller's products to final buyers, including the seller's headquarters organization, channels among nations, and channels within nations
Export department = An organisational for used by firms which are primarily exporting their products to foreign markets, rather than maintaining marketing organisations abroad
Export trading company = An organisation which provides its exporting expertise and facilities to many small and medium-size firms that could not otherwise engage in multinational marketing
Indirect exporting = A form of global marketing that takes the least effort on the part of the seller; relies on the efforts of export agents who sell the product abroad, often without the specific knowledge of the manufacturer
Tariff = A tax levied by a government against certain imported products. Tariffs are designed to raise revenue or to protect domestic firms
Quota = A limit on the amount of goods that an importing country will accept in certain product categories
Embargo = A ban on the import of a certain product
Exchange controls = Government limits on the amount of foreign exchange with other countries and on the exchange rate against other currencies
Nontariff trade barriers = Nonmonetary barriers to foreign products, such as biases against a foreign company's bids or product standards that go against a foreign company's product features
Economic community = A group of nations organized to work toward common goals in the

regulation of international trade
Countertrade = International trade involving the direct or indirect exchange of goods for other goods instead of cash
Collateral services = Companies that provide companies with specialised services such as package design, advertising production, and marketing research
Central organisational structure = A method of organising for international advertising along with other marketing activities such as sales, marketing research, and planning are divided along functional lines and are run from one central marketing department
Express warranty = A warranty written in terms that specify exactly what claims and guarantees the producer is offering
Foreign sales force = An organisational form for global marketing in which the marketer maintains a sales organisation abroad to sell to foreign markets, but not have its own subsidiary companies abroad
Foreign subsidiaries = An organisational form in which the global marketer establishes its own companies in foreign markets in order to market, and sometimes manufacture, in those markets
International division = A form of organisation under which a special division of the company is responsible for the marketing of all the firm's products throughout the world
Joint ownership = An arrangement whereby an international marketer and an organisation in the host country create third organisation which they own jointly
Joint venture = An agreement between a marketing organisation and another organisation, in the host country, through which the tasks of producing and marketing a product are shared
Licensing agreement = An agreement under which an organisation in the host country is given the right to make the marketer's patented (or patentable) product for sale in that market
Consumerism = An organized movement of citizens and government agencies to improve the rights and power of buyers in relation to sellers
Environmentalism = An organized movement of concerned citizens, businesses, and government agencies to protect and improve people's living environment
Environmental sustainability = A management approach that involves developing strategies that both sustain the environment and produce profits for the company
Enlightened marketing = A marketing philosophy holding that a company's marketing should support the best long-run performance of the marketing system
Consumer-oriented marketing = A principle of enlightened marketing that holds that the company should view and organize its marketing activities from the consumer's point of view
Innovative marketing = A principle of enlightened marketing that requires that a company seek real product and marketing improvements
Value marketing = A principle of enlightened marketing that holds that a company should put most of its resources into value-building marketing investments
Sense-of-mission marketing = A principle of enlightened marketing that holds that a company should define its mission in broad social terms rather than narrow product terms
Deficient products = Products that have neither immediate appeal nor long-run benefits
Pleasing products = Products that give high immediate satisfaction but may hurt consumers in the long run
Salutary products = Products that have low appeal but may benefit consumers in the long run
Desirable products = Products that give both high immediate satisfaction and high long-run benefits
Balance sheet = A financial statement that shows assets, liabilities, and net worth of a company at a given time
Operating statement (profit-and-loss statement, income statement) = A financial statement that shows company sales, cost of goods sold, and expenses during a given period of time

Gross sales = The total amount that a company charges during a given period of time for merchandise	
Cost of goods sold = The net cost to the company of goods sold	
Gross margin = The difference between net sales and cost of goods sold	
Operating ratios = Ratios of selected operating statement items to net sales that allow marketers to compare the firm's performance in one year with that in previous years (or with industry standards and competitors in the same year).	
Return on investment (ROI) = A common measure of managerial effectiveness--the ratio of net profit to investment	
Markup = The percentage of the cost or price of a product added to cost in order to arrive at a selling price	
Markdown = A percentage reduction from the original selling price	
Interpersonal Communication:	
Communication = The exchange of information using a shared set of symbols	
Noise = Anything that distorts a message by interfering with the communication process	
Encoding = Translating information into a message in the form of symbols with a shared meaning	
Channel = The observable carrier of the message	
Oral communication = Communication in which the sender's voice is used as the channel	
Written communication = Communication in which the channel involves written language	
Receiving = Registration of a message by one or more of receiver's senses	
Decoding = Interpreting what a message means	
Non-verbal communication = Communication through a channel that does not use words	
Body language = Gestures, facial expressions, and other movements and positions of the body	
Personal space = The area around a person that the person feels a right to control (intimate, personal, social, public one)	
Feedback	
Others	KNOWN
	UNKNOWN
Johari window = A grid that describes tendencies for facilitating or hindering interpersonal communication	
Formal communication = Communication that flows along the organisation's lines of authority or task responsibility	
Upward communication = Message directed toward (interpret to) a higher level in the hierarchy (problems and exceptions, suggestions for improvements, performance reports, grievance and disputes, financial and accounting)	
Downward communication = Message directed (influence) to one or more receivers at a lower level in the hierarchy (Implementation of goals, strategies, and objectives, job instructions, procedures and practices, performance feedback, indoctrination)	
Lateral communication = Message directed to (co-ordinate) someone at the same level in the hierarchy (intradepartmental problems solving, interdepartmental co-ordination, staff advice to line departments)	
Communication network = The patterns of directions in which information flows in an organisation	
Chain network = Communication network in which information travels up and down through the hierarchy	
Y network = Communication network in which information flows upwards and downwards	

through the hierarchy, widening to encompass the number of employees reporting to a supervisor	
Wheel network = Communication network in which information flows to and from a single person	
Circle network = Communication network in which employees communicate only with adjoining members of the organisation	
All-channel network = Communication network in which information flows upward, downward, and laterally among all members of the group	
Informal communication = Communication outside the organisation's formally authorised channels	
Grapevine = Network for informal communication	
Old-boy network = An exclusive group that wields power through shared information	
Jargon = Terms that have a precise meaning among specialists but are unfamiliar to non-specialists	
Frame of reference = Combination of experiences and expectations giving rise to a particular mind/set	
Filtering = Tendency to put a message in the most favourable terms possible, downplaying bad news and dwelling on successes	
Supportive communication = A style of communicating that delivers a message accurately while supporting and enhancing the relationship between the parties to the communication	
Active listening = Accepting responsibility for the accurate understanding of a message by helping the sender clarify its meaning	
Richest channel	
Physical presence (face-to-face)	Interactive channels (telephone, electronic media)
Best for ambiguous, difficult, developmental messages	