Principles of MARKETING
This page intentionally left blank
Dedication

To Kathy, Betty, Mandy, Matt, KC, Keri, Delaney, Molly, Macy, and Ben; and Nancy, Amy, Melissa, and Jessica
This page intentionally left blank
About the Authors

As a team, Philip Kotler and Gary Armstrong provide a blend of skills uniquely suited to writing an introductory marketing text. Professor Kotler is one of the world’s leading authorities on marketing. Professor Armstrong is an award-winning teacher of undergraduate business students. Together, they make the complex world of marketing practical, approachable, and enjoyable.

Philip Kotler is S.C. Johnson & Son Distinguished Professor of International Marketing at the Kellogg School of Management, Northwestern University. He received his master’s degree at the University of Chicago and his Ph.D. at M.I.T., both in economics. Dr. Kotler is the author of Marketing Management (Pearson), now in its fifteenth edition and the most widely used marketing textbook in graduate schools of business worldwide. He has authored more than 50 other successful books and has published more than 150 articles in leading journals. He is the only three-time winner of the coveted Alpha Kappa Psi award for the best annual article in the Journal of Marketing.

Professor Kotler was named the first recipient of four major awards: the Distinguished Marketing Educator of the Year Award and the William L. Wilkie “Marketing for a Better World” Award, both given by the American Marketing Association; the Philip Kotler Award for Excellence in Health Care Marketing presented by the Academy for Health Care Services Marketing; and the Sheth Foundation Medal for Exceptional Contribution to Marketing Scholarship and Practice. He is a charter member of the Marketing Hall of Fame, was voted the first Leader in Marketing Thought by the American Marketing Association, and was named the Founder of Modern Marketing Management in the Handbook of Management Thinking. His numerous other major honors include the Sales and Marketing Executives International Marketing Educator of the Year Award; the European Association of Marketing Consultants and Trainers Marketing Excellence Award; the Charles Coolidge Parlin Marketing Research Award; and the Paul D. Converse Award, given by the American Marketing Association to honor “outstanding contributions to science in marketing.” A recent Forbes survey ranks Professor Kotler in the top 10 of the world’s most influential business thinkers. And in a recent Financial Times poll of 1,000 senior executives across the world, Professor Kotler was ranked as the fourth “most influential business writer/guru” of the twenty-first century.

Dr. Kotler has served as chairman of the College on Marketing of the Institute of Management Sciences, a director of the American Marketing Association, and a trustee of the Marketing Science Institute. He has consulted with many major U.S. and international companies in the areas of marketing strategy and international marketing; and as a speaker at conferences all over the world, including locations like St. Gallen, Davos, St. Moritz, Berlin, Houston, Moscow, London, Paris, Dubai, and Tokyo.

Gary Armstrong is Crist W. Blackwell Distinguished Professor Emeritus of Undergraduate Education in the Kenan-Flagler Business School at the University of North Carolina at Chapel Hill. He holds undergraduate and master’s degrees in business from Wayne State University in Detroit, and he received his Ph.D. in marketing from Northwestern University. Dr. Armstrong has contributed numerous articles to leading business journals. As a consultant and researcher, he has worked with many companies on marketing research, sales management, and marketing strategy.

But Professor Armstrong’s first love has always been teaching. His long-held Blackwell Distinguished Professorship is the only permanent endowed professorship for distinguished undergraduate teaching at the University of North Carolina at Chapel Hill. He has been very active in the teaching and administration of Kenan-Flagler’s undergraduate program. His administrative posts have included Chair of Marketing, Associate Director of the Undergraduate Business Program, Director of the Business Honors Program, and many others. Through the years, he has worked closely with business student groups and has received several UNC campuswide and Business School teaching awards. He is the only repeat recipient of the school’s highly regarded Award for Excellence in Undergraduate Teaching, which he received three times. Most recently, Professor Armstrong received the UNC Board of Governors Award for Excellence in Teaching, the highest teaching honor bestowed by the sixteen-campus University of North Carolina system.

Marc Oliver Opresnik is Professor of Marketing and Management and Member of the Board of Directors at SGMI St. Gallen Management Institute, a leading international business school. In addition, he is Professor of Business Administration at Luebeck University of Applied Sciences as well as a visiting professor to international universities such as the European Business School in London and East China University of Science and Technology in Shanghai. He has 10 years of experience working in senior management and marketing positions for Shell International Petroleum Co. Ltd. and is the author of numerous articles and books. Along with Kevin Keller and Phil Kotler, he is co-author of the German edition of Marketing Management. In addition, he is a co-editor and member of the editorial board of several international journals such as Transnational Marketing, Journal of World Marketing Summit Group, and International Journal of New Technologies in Science and Engineering. He was also appointed Chief Research Officer at Kotler Impact Inc., Philip Kotler’s international company. His responsibilities include the global development, planning, implementation, and management of university courses and executive training as well as global research initiatives and cooperations.

As president of his consulting firm Opresnik Management Consulting, Professor Opresnik works as a coach, keynote speaker, and consultant for numerous institutions, governments, and international corporations, including Google, Coca-Cola, McDonald’s, Dräger, RWE, SAP, Porsche, Audi, Volkswagen, Shell International Petroleum Co. Ltd., Procter & Gamble, Unilever, L’Oréal, Bayer, BASF, and Adidas. More than 100,000 people have benefited professionally and personally from his work as a coach in seminars on marketing, sales, and negotiation and as a speaker at conferences all over the world, including locations like St. Gallen, Davos, St. Moritz, Berlin, Houston, Moscow, London, Paris, Dubai, and Tokyo.
This page intentionally left blank
# Brief Contents

<table>
<thead>
<tr>
<th>Preface</th>
<th>17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acknowledgments</td>
<td>23</td>
</tr>
</tbody>
</table>

## Part 1  Defining Marketing and the Marketing Process  26
1. Marketing: Creating Customer Value and Engagement  26
2. Company and Marketing Strategy: Partnering to Build Customer Engagement, Value, and Relationships  62

## Part 2  Understanding the Marketplace and Consumer Value  90
3. Analyzing the Marketing Environment  90
4. Managing Marketing Information to Gain Customer Insights  122
5. Consumer Markets and Buyer Behavior  156
6. Business Markets and Business Buyer Behavior  186

## Part 3  Designing a Customer Value–Driven Strategy and Mix  210
7. Customer Value–Driven Marketing Strategy: Creating Value for Target Customers  210
8. Products, Services, and Brands: Building Customer Value  242
9. Developing New Products and Managing the Product Life Cycle  278
11. Pricing Strategies: Additional Considerations  330
12. Marketing Channels: Delivering Customer Value  356
13. Retailing and Wholesaling  390
15. Advertising and Public Relations  450
16. Personal Selling and Sales Promotion  478
17. Direct, Online, Social Media, and Mobile Marketing  510

## Part 4  Extending Marketing  540
18. Creating Competitive Advantage  540
19. The Global Marketplace  566
20. Sustainable Marketing: Social Responsibility and Ethics  596

### Appendix
1. Marketing Plan  627
2. Marketing by the Numbers  637
3. Careers in Marketing  655

Glossary  667
References  675
Index  705
This page intentionally left blank
Part 1: Defining Marketing and the Marketing Process 26

CHAPTER 1 Marketing: Creating Customer Value and Engagement 26

What Is Marketing? 28
Marketing Defined 29 | The Marketing Process 29

Understanding the Marketplace and Customer Needs 30
Customer Needs, Wants, and Demands 30 | Market Offerings—Products, Services, and Experiences 31 | Customer Value and Satisfaction 31 | Exchanges and Relationships 33 | Markets 33

Designing a Customer Value–Driven Marketing Strategy and Plan 34
Customer Value–Driven Marketing Strategy 34 | Preparing an Integrated Marketing Plan and Program 38

Managing Customer Relationships and Capturing Customer Value 38
Engaging Customers and Managing Customer Relationships 38 | Capturing Value from Customers 44

The Changing Marketing Landscape 46

Part 2: Understanding the Marketplace and Consumer Value 90

CHAPTER 2 Company and Marketing Strategy: Partnering to Build Customer Engagement, Value, and Relationships 62

Company-Wide Strategic Planning: Defining Marketing’s Role 64
Defining a Market-Oriented Mission 64 | Setting Company Objectives and Goals 66

Designing the Business Portfolio 66
Analyzing the Current Business Portfolio 67 | The Boston Consulting Group Approach 67 | Developing Strategies for Growth and Downsizing 70

Planning Marketing: Partnering to Build Customer Relationships 72
Partnering with Other Company Departments 72 | Partnering with Others in the Marketing System 73

Marketing Strategy and the Marketing Mix 74
Customer Value-Driven Marketing Strategy 74 | Developing an Integrated Marketing Mix 77

Managing the Marketing Effort and Marketing Return on Investment 79
Managing the Marketing Effort 79 | Measuring and Managing Marketing Return on Investment 83

Part 3: Analyzing the Marketing Environment 90

CHAPTER 3 Analyzing the Marketing Environment 90

The Microenvironment and Macroevironment 92
The Microenvironment 92 | The Macroevironment 96

The Demographic and Economic Environments 96
The Demographic Environment 96 | The Economic Environment 103

The Natural and Technological Environments 104
The Natural Environment 104 | The Technological Environment 106
CHAPTER 11  Pricing Strategies: Additional Considerations 330

New Product Pricing Strategies 332
Market-Skimming Pricing 332 | Market-Penetration Pricing 333
Product Mix Pricing Strategies 333
Product Line Pricing 334 | Optional-Product Pricing 334 | Captive-Product Pricing 334 | By-Product Pricing 335 | Product Bundle Pricing 335
Price Adjustment Strategies 335
Price Changes 344
Initiating Price Changes 344 | Responding to Price Changes 345
Public Policy and Pricing 346
Pricing within Channel Levels 349 | Pricing across Channel Levels 349

CHAPTER 12  Marketing Channels: Delivering Customer Value 356

Supply Chains and the Value Delivery Network 358
The Nature and Importance of Marketing Channels 359
Channel Behavior and Organization 362
Channel Design Decisions 368
Analyzing Consumer Needs 369 | Setting Channel Objectives 369 | Identifying Major Alternatives 370 | Evaluating the Major Alternatives 371 | Designing International Distribution Channels 371

Chapter Management Decisions 372
Selecting Channel Members 372 | Managing and Motivating Channel Members 373 | Evaluating Channel Members 375 | Public Policy and Distribution Decisions 375

Marketing Logistics and Supply Chain Management 376
Nature and Importance of Marketing Logistics 376 | Sustainable Supply Chains 377 | Goals of the Logistics System 378 | Major Logistics Functions 378 | Integrated Logistics Management 381

Go to Strategy Books: https://sharifstrategy.org/strategy-books
CHAPTER 14 Engaging Consumers and Communicating
Customer Value: Integrated Marketing Communication Strategy 422

The Promotion Mix 424
Integrated Marketing Communications 425
   The New Marketing Communications Model 425 | The Need for Integrated Marketing Communications 427
Developing Effective Marketing Communication 430
   A View of the Communication Process 430 | Steps in Developing Effective Marketing Communication 432
Setting the Total Promotion Budget and Mix 437
   Setting the Total Promotion Budget 437 | Shaping the Overall Promotion Mix 439 | Integrating the Promotion Mix 441 | Socially Responsible Marketing Communication 441


CHAPTER 15 Advertising and Public Relations 450

Advertising 452
   Major Advertising Decisions 453 | Setting Advertising Objectives 453 | Setting the Advertising Budget 456 | Evaluating Advertising Effectiveness and the Return on Advertising Investment 468 | Other Advertising Considerations 468
Public Relations 470
   The Role and Impact of PR 471
   Major Public Relations Tools 472


CHAPTER 16 Personal Selling and Sales Promotion 478

Personal Selling 480
   The Nature of Personal Selling 480 | The Role of the Sales Force 481

Managing the Sales Force 482
   Designing the Sales Force Strategy and Structure 482 | Recruiting and Selecting Salespeople 485 | Training Salespeople 486 | Compensating Salespeople 487 | Supervising and Motivating Salespeople 488 | Evaluating Salespeople and Sales Force Performance 489 | Social Selling: Online, Mobile, and Social Media Tools 490

The Personal Selling Process 493
   Steps in the Selling Process 493 | Personal Selling and Managing Customer Relationships 495

Sales Promotion 496
   The Rapid Growth of Sales Promotion 496 | Sales Promotion Objectives 497 | Major Sales Promotion Tools 498 | Developing the Sales Promotion Program 502

REVIEWING AND EXTENDING THE CONCEPTS 503 | OBJECTIVES REVIEW AND KEY TERMS 503 | Objectives Review 503 | Key Terms 504 | DISCUSSION AND CRITICAL THINKING 505 | Discussion Questions 505 | Critical Thinking Exercises 505 | APPLICATIONS AND CASES 505 | Online, Mobile, and Social Media Marketing: Snap It and Redeem It! 505 | Marketing Ethics: Walking the Customer 506 | Marketing by the Numbers: Sales Force Analysis 506 | Video Case: First Flavor 506 | Company Case: SunGard: Building Sustained Growth by Selling the SunGard Way 506

CHAPTER 17 Direct, Online, Social Media, and Mobile Marketing 510

Direct and Digital Marketing 512
   The New Direct Marketing Model 512 | Rapid Growth of Direct and Digital Marketing 513 | Benefits of Direct and Digital Marketing to Buyers and Sellers 514
   Forms of Direct and Digital Marketing 514
   Marketing, the Internet, and the Digital Age 515
      Online Marketing 516
      Social Media and Mobile Marketing 521
      Mobile Marketing 525
   Traditional Direct Marketing Forms 528
      Direct-Mail Marketing 528 | Catalog Marketing 529 | Telemarketing 529 | Direct-Response Television Marketing 530 | Kiosk Marketing 531 | Public Policy Issues in Direct and Digital Marketing 531

Part 4: Extending Marketing 540

CHAPTER 18 Creating Competitive Advantage 540

Competitor Analysis 542
  Identifying Competitors 542 | Assessing Competitors 545 | Selecting Competitors to Attack and Avoid 547 | Designing a Competitive Intelligence System 549

Competitive Strategies 549

Balancing Customer and Competitor Orientations 559


CHAPTER 19 The Global Marketplace 566

Global Marketing Today 568
  Elements of the Global Marketing Environment 570 | Deciding Whether to Go Global 578 | Deciding Which Markets to Enter 578

Deciding How to Enter the Market 580
  Exporting 580 | Joint Venturing 581 | Direct Investment 582

Deciding on the Global Marketing Program 583
  Product 585 | Promotion 586 | Price 588 | Distribution Channels 589

Deciding on the Global Marketing Organization 590


CHAPTER 20 Sustainable Marketing: Social Responsibility and Ethics 596

Sustainable Marketing 598

Social Criticisms of Marketing 600
  Marketing’s Impact on Individual Consumers 600 | Marketing’s Impact on Society as a Whole 604 | Marketing’s Impact on Other Businesses 606

Consumer Actions to Promote Sustainable Marketing 607
  Consumerism 607 | Environmentalism 608 | Public Actions to Regulate Marketing 612

Business Actions Toward Sustainable Marketing 613
  Sustainable Marketing Principles 613

Marketing Ethics and the Sustainable Company 617
  Marketing Ethics 617 | The Sustainable Company 620


Appendix 1: Marketing Plan 627
Appendix 2: Marketing by the Numbers 637
Appendix 3: Careers in Marketing 655

Glossary 667
References 675
Index 705
Preface

The Seventeenth Edition of Kotler/Armstrong’s
*Principles of Marketing! Setting the World Standard in Marketing Education*

These are exciting times in marketing. Recent surges in digital technologies have created a new, more engaging, more connected marketing world. Beyond traditional tried-and-true marketing concepts and practices, today’s marketers have added a host of new-age tools for engaging consumers, building brands, and creating customer value and relationships. In these digital times, sweeping advances in “the Internet of Things”—from social and mobile media, connected digital devices, and the new consumer empowerment to “big data” and new marketing analytics—have profoundly affected both marketers and the consumers they serve.

All around the world—across five continents, more than 40 countries, and 24 languages—students, professors, and business professionals have long relied on Kotler/Armstrong’s *Principles of Marketing* as the most-trusted source for teaching and learning about the latest developments in basic marketing concepts and practices. More than ever, the seventeenth edition introduces new marketing students to the fascinating world of modern marketing in a complete and authoritative yet fresh, practical, and engaging way.

Once again, we’ve added substantial new content and poured over every page, table, figure, fact, and example in order to make this the best text from which to learn about and teach marketing. Enhanced by MyMarketingLab, our online homework and personalized study tool, the seventeenth edition of *Principles of Marketing* remains the world standard in introductory marketing education.

**Marketing: Creating Customer Value and Engagement in the Digital and Social Age**

Top marketers share a common goal: putting the consumer at the heart of marketing. Today’s marketing is all about creating customer value and engagement in a fast-changing, increasingly digital and social marketplace.

Marketing starts with understanding consumer needs and wants, determining which target markets the organization can serve best, and developing a compelling value proposition by which the organization can attract and grow valued consumers. Then, more than just making a sale, today’s marketers want to engage customers and build deep customer relationships that make their brands a meaningful part of consumers’ conversations and lives.

In this digital age, to go along with their tried-and-true traditional marketing methods, marketers have a dazzling set of new online, mobile, and social media tools for engaging customers anytime, anyplace to jointly shape brand conversations, experiences, and community. If marketers do these things well, they will reap the rewards in terms of market share, profits, and customer equity. In the seventeenth edition of *Principles of Marketing*, you’ll learn how customer value and customer engagement drive every good marketing strategy.

**What’s New in the Seventeenth Edition?**

We’ve thoroughly revised the seventeenth edition of *Principles of Marketing* to reflect the major trends and forces that affect marketing in this digital age of customer value, engagement, and relationships. Here are just some of the major and continuing changes you’ll find in this edition.
The seventeenth edition adds fresh coverage in both traditional marketing areas and on fast-changing and trending topics such as customer engagement marketing, mobile and social media, big data and the new marketing analytics, the Internet of Things, omni-channel marketing and retailing, customer co-creation and empowerment, real-time customer listening and marketing, building brand community, marketing content creation and native advertising, B-to-B social media and social selling, monetizing social media, tiered and dynamic pricing, consumer privacy, sustainability, global marketing, and much more.

This new edition continues to build on its customer engagement framework—creating direct and continuous customer involvement in shaping brands, brand conversations, brand experiences, and brand community. New coverage and fresh examples throughout the text address the latest customer engagement tools, practices, and developments. See especially Chapter 1 (refreshed sections on Customer Engagement and Today’s Digital and Social Media and Consumer-Generated Marketing); Chapter 4 (big data and real-time research to gain deeper customer insights); Chapter 5 (creating social influence and customer community through digital and social media marketing); Chapter 9 (customer co-creation and customer-driven new-product development); Chapter 13 (omni-channel retailing); Chapters 14 and 15 (marketing content curation and native advertising); Chapter 16 (sales force social selling); and Chapter 17 (direct digital, online, social media, and mobile marketing).

No area of marketing is changing faster than online, mobile, social media, and other digital marketing technologies. Keeping up with digital concepts, technologies, and practices has become a top priority and major challenge for today’s marketers. The seventeenth edition of Principles of Marketing provides thoroughly refreshed, up-to-date coverage of these explosive developments in every chapter—from online, mobile, and social media engagement technologies discussed in Chapters 1, 5, 14, 15, and 17 to “real-time listening” and “big data” research tools in Chapter 4, real-time dynamic pricing in Chapter 11, omni-channel retailing in Chapter 13, and social selling in Chapter 16. A Chapter 1 section on The Digital Age: Online, Mobile, and Social Media Marketing introduces the exciting new developments in digital and social media marketing. Then a Chapter 17 section on Direct, Online, Social Media, and Mobile Marketing digs more deeply into digital marketing tools such as online sites, social media, mobile ads and apps, online video, email, blogs, and other digital platforms that engage consumers anywhere, anytime via their computers, smartphones, tablets, internet-ready TVs, and other digital devices.

The seventeenth edition continues to track fast-changing developments in marketing communications and the creation of marketing content. Marketers are no longer simply creating integrated marketing communications programs; they are joining with customers and media to curate customer-driven marketing content in paid, owned, earned, and shared media. You won’t find fresher coverage of these important topics in any other marketing text.

The seventeenth edition of Principles of Marketing continues to improve on its innovative learning design. The text’s active and integrative presentation includes learning enhancements such as annotated chapter-opening stories, a chapter-opening objective outline, explanatory author comments on major chapter sections and figures, and Real Marketing highlights that provide in-depth examples of marketing concepts and practices at work. The chapter-opening layout helps to preview and position the chapter and its key concepts. Figures annotated with author comments help students to simplify and organize chapter material. New and substantially revised end-of-chapter features help to summarize important chapter concepts and highlight important themes, such as marketing ethics, financial marketing analysis, and online, mobile, and social media marketing. This innovative learning design facilitates student understanding and eases learning.

The seventeenth edition provides 18 new end-of-chapter company cases by which students can apply what they learn to actual company situations. It also features 16 new video cases, with brief end-of-chapter summaries and discussion questions. Finally, all of the chapter-opening stories, Real Marketing highlights, and end-of-chapter features in the seventeenth edition are either new or revised.

New material throughout the seventeenth edition highlights the increasing importance of sustainable marketing. The discussion begins in Chapter 1 and ends in Chapter 20.
which pulls marketing together under a sustainable marketing framework. In between, frequent discussions and examples show how sustainable marketing calls for socially and environmentally responsible actions that meet both the immediate and the future needs of customers, companies, and society as a whole.

- The seventeenth edition provides new discussions and examples of the growth in global marketing. As the world becomes a smaller, more competitive place, marketers face new global marketing challenges and opportunities, especially in fast-growing emerging markets such as China, India, Brazil, Africa, and others. You’ll find much new coverage of global marketing throughout the text, starting in Chapter 1 and discussed fully in Chapter 19.

Five Major Customer Value and Engagement Themes

The seventeenth edition of Principles of Marketing builds on five major customer value and engagement themes:

1. **Creating value for customers in order to capture value from customers in return.** Today’s marketers must be good at creating customer value, engaging customers, and managing customer relationships. Outstanding marketing companies understand the marketplace and customer needs, design value-creating marketing strategies, develop integrated marketing programs that engage customers and deliver value and satisfaction, and build strong customer relationships and brand community. In return, they capture value from customers in the form of sales, profits, and customer equity.

   This innovative customer-value and engagement framework is introduced at the start of Chapter 1 in a five-step marketing process model, which details how marketing creates customer value and captures value in return. The framework is carefully developed in the first two chapters and then fully integrated throughout the remainder of the text.

2. **Customer Engagement and Today’s Digital and Social Media.** New digital and social media have taken today’s marketing by storm, dramatically changing how companies and brands engage consumers and how consumers connect and influence each other’s brand behaviors. The seventeenth edition introduces and thoroughly explores the contemporary concept of customer engagement marketing and the exciting new digital and social media technologies that help brands to engage customers more deeply and interactively. It starts with two major Chapter 1 sections: Customer Engagement and Today’s Digital and Social Media and The Digital Age: Online, Mobile, and Social Media. A refreshed Chapter 17 on Direct, Online, Social Media, and Mobile Marketing summarizes the latest developments in digital engagement and relationship-building tools. Everywhere in between, you’ll find revised and expanded coverage of the exploding use of digital and social tools to create customer engagement and build brand community.

3. **Building and managing strong, value-creating brands.** Well-positioned brands with strong brand equity provide the basis upon which to build customer value and profitable customer relationships. Today’s marketers must position their brands powerfully and manage them well to create valued brand experiences. The seventeenth edition provides a deep focus on brands, anchored by a Chapter 8 section on Branding Strategy: Building Strong Brands.

4. **Measuring and managing return on marketing.** Especially in uneven economic times, marketing managers must ensure that their marketing dollars are being well spent. In the past, many marketers spent freely on big, expensive marketing programs, often without thinking carefully about the financial returns on their spending. But all that has changed rapidly. “Marketing accountability”—measuring and managing marketing return on investment—has now become an important part of strategic marketing decision making. This emphasis on marketing accountability is addressed in Chapter 2, in Appendix 2 (Marketing by the Numbers), and throughout the seventeenth edition.

5. **Sustainable marketing around the globe.** As technological developments make the world an increasingly smaller and more fragile place, marketers must be good at marketing their brands globally and in sustainable ways. New material throughout the
seventeenth edition emphasizes the concepts of global marketing and sustainable marketing—meeting the present needs of consumers and businesses while also preserving or enhancing the ability of future generations to meet their needs. The seventeenth edition integrates global marketing and sustainability topics throughout the text. It then provides focused coverage on each topic in Chapters 19 and 20, respectively.

An Emphasis on Real Marketing and Bringing Marketing to Life

*Principles of Marketing*, seventeenth edition, takes a practical marketing-management approach, providing countless in-depth, real-life examples and stories that engage students with marketing concepts and bring modern marketing to life. In the seventeenth edition, every chapter has an engaging opening story plus *Real Marketing* highlights that provide fresh insights into real marketing practices. Learn how:

- Samsung’s passion for creating superb online customer experiences has made it a poster child for direct and digital marketing.
- Nestlé has set up a customer-driven new product development process for finding and growing new market offerings while living up to its vision to make its products tastier and healthier.
- Apple’s outstanding success has never been about prices; it’s always been about creating “life-feels-good” user experiences that make its products fly off the shelves despite their premium prices.
- Emirates became a lifestyle brand by changing the way it reached out to customers. It framed itself as connecting peoples and cultures, creating meaningful experiences.
- Lenovo’s global success is rooted in its deep and sound understanding of customers and its ability to build profitable relationships. Its business model is thus built on customer satisfaction, innovation, and operational efficiency.
- Philips has realized that assessing multiple factors for change is vital to the understanding of current and probable future shifts in a marketing environment that is continuously shifting.
- Ferrero successfully analyzes and uses marketing information and customer insights to better tailor its offerings to the local market.
- Zara’s control of the entire distribution chain, from design and production to its own worldwide distribution network, has turned the brand into the world’s fastest-growing retailer.
- App-based car sharing service Uber is radically reshaping urban transportation channels in cities around the globe, but it is now facing stiff competition from local rivals like Careem.
- Industrial giant GE has unleashed a remarkable array of digital and social media content that connects the brand with its business customers and positions the 130-year-old company as a youthful, contemporary technology leader in the new digital industrial era.
- High-flying Mountain Dew is “Doin’ the Dew” with brand superfans to build a passionately loyal and engaged brand community. It doesn’t just market to customers; it makes them partners in building the brand.

Beyond such features, each chapter is packed with countless real, engaging, and timely examples that reinforce key concepts. No other text brings marketing to life like the seventeenth edition of *Principles of Marketing*. 
Learning Aids That Create Value and Engagement

A wealth of chapter-opening, within-chapter, and end-of-chapter learning devices help students to learn, link, and apply major concepts:

- Integrated chapter-opening preview sections. The active and integrative chapter-opening spread in each chapter starts with a Chapter Preview, which briefly previews chapter concepts, links them with previous chapter concepts, and introduces the chapter-opening story. This leads to a chapter-opening vignette—an engaging, deeply developed, illustrated, and annotated marketing story that introduces the chapter material and sparks student interest. Finally, an Objective Outline provides a helpful preview of chapter contents and learning objectives, complete with page numbers.

- Real Marketing highlights. Each chapter contains two carefully developed highlight features that provide an in-depth look at real marketing practices of large and small companies.

- Author comments and figure annotations. Each figure contains author comments that ease student understanding and help organize major text sections.

- Reviewing and Extending the Concepts. Sections at the end of each chapter summarize key chapter concepts and provide questions and exercises by which students can review and apply what they’ve learned. The Objectives Review and Key Terms section reviews major chapter concepts and links them to chapter objectives. It also provides a helpful listing of chapter key terms by order of appearance with page numbers that facilitate easy reference. A Discussion and Critical Thinking section provides discussion questions and critical thinking exercises that help students to keep track of and apply what they’ve learned in the chapter.

- Applications and Cases. Brief Online, Mobile, and Social Media Marketing; Marketing Ethics; and Marketing by the Numbers sections at the end of each chapter provide short applications cases that facilitate discussion of current issues and company situations in areas such as mobile and social marketing, ethics, and financial marketing analysis. A Video Case section contains short vignettes with discussion questions to be used with a set four- to seven-minute videos that accompanied the seventeenth edition. End-of-chapter Company Case sections provide all-new or revised company cases that help students to apply major marketing concepts to real company and brand situations.

- Marketing Plan appendix. Appendix 1 contains a sample marketing plan that helps students to apply important marketing planning concepts.

- Marketing by the Numbers appendix. An innovative Appendix 2 provides students with a comprehensive introduction to the marketing financial analysis that helps to guide, assess, and support marketing decisions. An exercise at the end of each chapter lets students apply analytical and financial thinking to relevant chapter concepts and links the chapter to the Marketing by the Numbers appendix.

More than ever before, the seventeenth edition of Principles of Marketing creates value and engagement for you—it gives you all you need to know about marketing in an effective and enjoyable total learning package!

A Total Teaching and Learning Package

A successful marketing course requires more than a well-written book. Today’s classroom requires a dedicated teacher, well-prepared students, and a fully integrated teaching system. A total package of teaching and learning supplements extends this edition’s emphasis on creating value and engagement for both the student and instructor. The following aids support Principles of Marketing, seventeenth edition.
Instructor Resources

At the Instructor Resource Center, www.pearsonglobaleditions.com/kotler, instructors can easily register to gain access to a variety of instructor resources available with this text in downloadable format. If assistance is needed, a dedicated technical support team is ready to help with the media supplements that accompany the text. Visit http://support.pearson.com/getsupport for answers to frequently asked questions and toll-free user support phone numbers.

The following supplements are available with this text:

- Instructor’s Resource Manual
- Test Bank
- TestGen® Computerized Test Bank
- PowerPoint Presentation
Acknowledgments

No book is the work only of its authors. We greatly appreciate the valuable contributions of several people who helped make this new edition possible. As always, we owe extra-sPECIAL thanks to Keri Jean Miksza for her dedicated and valuable contributions to all phases of the project and to her husband Pete and daughters Lucy and Mary for all the support they provide Keri during this very absorbing project.

We owe substantial thanks to Andy Norman of Drake University for his skillful help in developing chapter vignettes and highlights, company and video cases, PowerPoint presentations, and the marketing plan appendix. This and many previous editions have benefited greatly from Andy’s assistance. We also thank Colette Wolfson of the Ivy Tech Community College School of Business for her dedicated efforts in preparing end-of-chapter materials. Additional thanks go to Carol Davis at California State University Monterey Bay for her work in updating the Instructor’s Manual and Test Item File. Finally, we’d like to thank the professors who assisted with our work on MyMarketingLab: Arlene Green, Indian River State College; Mahmood Khan, Virginia Tech; Tod korol, Monroe Community College; Susan Schanne, Eastern Michigan University; and Sarah Shepler, Ivy Tech Community College. All of these contributors are greatly appreciated in making the seventeenth edition of Principles of Marketing a robust teaching and learning system.

Many reviewers at other colleges and universities provided valuable comments and suggestions for this and previous editions. We are indebted to the following colleagues for their thoughtful input:

Reviewers

Sucheta Ahlawat, Kean University
Darrell E. Bartholomew, Rider University
Leta Beard, University of Washington
Greg Black, Metropolitan State University of Denver
Christopher P. Blocker, Colorado State University
Kathryn Boys, Virginia Tech
Rod Carveth, Naugatuck Valley Community College
Anindja Chatterjee, Slippery Rock University of Pennsylvania
Christina Chung, Ramapo College of New Jersey
Ed Chung, Elizabethtown College
Marianne Collins, Winona State University
Mary Conran, Temple University
Eloise Coupey, Virginia Tech
Deborah L. Cowles, Virginia Commonwealth University
Alan Dick, University of Buffalo
Patti Diggin, West Chester University of Pennsylvania
Frank Franzak, Virginia Commonwealth University
George J. Gannage Jr., Embry Riddle Aeronautical University
David A. Gilliam, University of Arkansas at Little Rock
Karen Gore, Ivy Tech Community College, Evansville Campus
Deborah M. Gray, Central Michigan University
Amy Handlin, Monmouth University
James Heyman, University of St. Thomas
Ken Knox, Eastern Gateway Community College
Ann T. Kuzma, Minnesota State University, Mankato
Geoffrey P. Lantos, Stonehill College
Charles Lee, Chestnut Hill College
Yun Jung Lee, Adelphi University
Carolyn A. Massiah, University of Central Florida
Samuel McNeely, Murray State University
Chip Miller, Drake University
Linda Morable, Richland College
Randi Messer, Elon University
David Murphy, Madisonville Community College
Esther Page-Wood, Western Michigan University
Ed Petkus Jr., Ramapo College of New Jersey
Tim Reisenwitz, Valdosta State University
Mary Ellen Rosetti, Hudson Valley Community College
William Ryan, University of Connecticut
James Sawhill, Washington University—Missouri
Mid Semple, SUNY Broome
Robert Schultz, Western Michigan University
Shweta Singh, Kean University
Michaeline Skiba, Monmouth University
Joseph G. Slifko Jr., Pennsylvania Highlands Community College
J. Alexander Smith, Oklahoma City University
Deb Utter, Boston University
Donna Waldron, Manchester Community College
Wendel Weaver, Oklahoma Wesleyan University
Susan D. Williams, New Jersey City University
Douglas Witt, Brigham Young University
Poh-Lin Yeoh, Bentley University
We also owe a great deal to the people at Pearson Education who helped develop this book. Portfolio Manager Dan Tylman provided resources and support during the revision. Editorial Coordinator Linda Albelli and Project Manager Karin Williams provided valuable assistance and advice in guiding this complex revision project through development, design, and production. We’d also like to thank Director of Portfolio Management Stephanie Wall for her strong guidance and support along the way as well as the expertise of Managing Producer Ashley Santora, Director of Production Jeff Holcomb, and Product Marketer Becky Brown. We are proud to be associated with the fine professionals at Pearson. We also owe a mighty debt of gratitude to Senior Project Manager Charles Fisher, Associate Managing Editor Allison Campbell, Design Manager Emily Friel, and the rest of the team at Integra for their fine work on this edition.

Finally, we owe many thanks to our families for all of their support and encouragement—Kathy, Betty, Mandy, Matt, KC, Keri, Delaney, Molly, Macy, and Ben from the Armstrong clan and Nancy, Amy, Melissa, and Jessica from the Kotler family. To them, we dedicate this book.

Gary Armstrong
Philip Kotler

Global Edition Acknowledgements

Pearson would like to thank the following people for their work on the Global Edition:

Contributors
Jan Charbonneau, University of Tasmania
Geoff Fripp, The University of Sydney
Ayantunji Gbadamosi, University of East London, United Kingdom
Alice Cheah Wai Kuan, Taylor’s University, Malaysia
Marc Opresnik, SGMI St. Gallen
Abdul Rauf, Wittenborg University
Muneeza Shoaib, Middlesex University
Diane Sutherland
Jon Sutherland
Nguyen Hai Anh Tran, University of East Anglia
Nina von Arx-Steiner, University of Applied Sciences and Arts, Northwestern Switzerland FHNW
Sophie Hsiao-Pei Yang, Coventry University

Reviewers
Lailani Alcantara, Ritsumeikan Asia Pacific University
Maggie Au, Temasek Polytechnic
Adele Berndt, Jönköping University
Michael Grund, HWZ University of Applied Sciences in Business Administration Zurich
Michael Korchia, Kedge Business School
Ronan de Kerchove, ESC Rennes, France
Jie Liu, Manchester Metropolitan University
Christina Neylan, Lucerne University of Applied Sciences and Arts
Milena S. Nikolova, American University in Bulgaria
Stephen Tustain, Glion Institute of Higher Education
Jimmy Wong Shiang Yang, Singapore University of Social Sciences

Go to Strategy Books: https://sharifstrategy.org/strategy-books