

## School of Marketing & International Business

# MARK 101

## Principles of Marketing

Trimester Three 2006

### COURSE OUTLINE

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*Welcome to MARK: 101, Principles of Marketing! I'm looking forward to working with you on this course. The course outline contains much of the information you need to know about the design of the course and also where to go to get information, if you need it.*

*Marketing is an exciting and rewarding topic. Whether you are at the beginning of your degree programme or further on in your studies, I hope you enjoy this course and find the content useful, both for your course of study and personally.*

*Sincerely,*

*Michel Rod*

#### **Contact Details**

Course Coordinator/Lecturer:  
Office:  
Telephone:  
Email:

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#### **Office hours**

Michel Rod will be present in EA 129, for MARK 101 office hours during the following times:

- **Thursdays 2 pm – 3 pm**

For discussions you consider would benefit from an appointment, please feel free to contact Michel for a time to meet him in his Rutherford House office at other times during the week. This will avoid the inconvenience of finding him not there on arrival.

### **Class Times and Room Numbers**

MARK 101 lectures will be held in MC LT 101 on Mondays from 9:00 am to 11:50 am and Thursdays from 3:10 pm to 5:00 pm commencing on 8<sup>th</sup> January 2007, ending 8<sup>th</sup> February 2007.

### ***Tutorials***

All tutorials will be held Mondays from 1:10 – 2:00 pm, 2:10 – 3:00 pm, 3:10 – 4:00 pm, and Thursdays from 1:10 – 2:00 pm, and 2:10 – 3:00 pm, commencing Monday 15<sup>th</sup> January. A list of student allocations to tutorials and their tutorial rooms will be made available by Friday 12<sup>th</sup> January.

### **Course Objectives**

The main objective of MARK 101 (Summer Trimester) is to provide students with an introduction to marketing principles, theory and practice and the key role it occupies within the economy, organisations and society. Particular emphasis will be placed on the analysis of marketing problems faced by all organisations in New Zealand (commercial, Government, profit and not-for-profit).

### ***Specific objectives***

After completing MARK 101, students will have the knowledge and ability to:

- be familiar with commonly used marketing concepts and terminology;
- understand the main marketing tools of products and services, pricing, distribution and communications;
- be aware of social responsibility and ethics, as they pertain to marketing;
- place marketing in New Zealand into a Pacific Basin and global perspective;
- analyse marketing problems associated with the processes involved in making marketing decisions and present coherent solutions to such problems and
- understand and explain processes involved in the preparation of marketing strategies and plans.

### **Expected Workload**

Students should note that this is a concentrated 5 - week course, in which much material will be covered. It requires a high level of commitment and application since the workload is heavy.

In addition to classroom hours (lectures and tutorials) you should expect to spend at least an additional 24-30 hours per week in reading, tutorial preparation, assignments and thinking about the course material. It is vital that you come to all course lectures and tutorials prepared. This will enable you to achieve the objectives for the course on an individual level and also help promote an effective learning environment for the course group as a whole. While lecture notes will be available on the course website, these cannot be used as a substitute for coming to lectures or tutorials.

### **Course Content**

**Note: There may be a need to revise some of these dates/topics, depending on circumstances. Changes will be mentioned in class and on the ‘Announcements’ section of the Blackboard web site.**

***Week 1 - Jan 8<sup>th</sup> & 11<sup>th</sup>***

<b>Date</b>	<b>Lecture time</b>	<b>Lecture topic</b>	<b>Readings</b>	<b>Tutorial topic</b>
Monday Jan 8 <sup>th</sup>	9:00-11:50am	Course Introduction	Course outline	No tutorial week 1
		Creating Customer Value & Building Relationships	Quest Ch1	
		Strategic Marketing Planning	Quest Ch 2	
Thursday Jan. 11 <sup>th</sup>	3:10-5:00pm	Identifying Marketing Opportunities	Quest Ch 3	

***Week 2 - Jan 15<sup>th</sup> & 18<sup>th</sup>***

Monday Jan. 15 <sup>th</sup>	9:00-11:50am	Market Research & Information Management	Quest Ch 4	
		Market Segmentation	Quest Ch 5	
Thursday Jan 18 <sup>th</sup>	3:10-5:00pm	Buyer Behaviour (consumer)	Quest Ch 6	
		Buyer Behaviour (B2B)	Quest Ch 7	<b><i>Tutorial 1: Greenpeace</i></b>

***Week 3 - Jan 22<sup>nd</sup> & 25<sup>th</sup>***

<b>Date</b>	<b>Lecture time</b>	<b>Lecture topic</b>	<b>Readings</b>	<b>Tutorial topic</b>
Monday Jan 22 <sup>nd</sup>	9:00-11:50am	Product Planning	Quest Ch 8	
		Product Management, New Product Development	Quest Ch 9	
	<b>11:00-11:50</b>	<b>Midterm Test</b>	<b>Material from chpts 1-7</b>	
Thursday Jan 25 <sup>th</sup>	3:10-5:00pm	Managing Distribution Channels	Quest Ch 10	
		Marketing Logistics	Quest Ch 11	
				<b><i>Tutorial 2: Buyer Behaviour</i></b>

**Week 4 - Jan 29<sup>th</sup> & Feb. 1<sup>st</sup>**

<b>Date</b>	<b>Lecture time</b>	<b>Lecture topic</b>	<b>Readings</b>	<b>Tutorial topic</b>
Monday Jan 29 <sup>th</sup>	9:00-11:50am	Pricing Objectives & Policies	Quest Ch 12	
		Setting Prices for Goods & Services	Quest Ch 13	
Thursday Feb. 1 <sup>st</sup>	3:10-5:00pm	Marketing Communications	Quest Ch 14	
		The Marketing Communications Mix	Quest Ch 15	
				<b><i>Tutorial 3: Mark ups and Break-Even</i></b>

**Week 5– Feb. 5<sup>th</sup> & Feb 8<sup>th</sup>**

<b>Date</b>	<b>Lecture time</b>	<b>Lecture topic</b>	<b>Readings</b>	<b>Tutorial topic</b>
Monday Feb. 5 <sup>th</sup>	9:00-11:50am	Sales Marketing	Quest Ch 16	
		Implementation & Control	Quest Ch 17	
Thursday Feb 8 <sup>th</sup>	3:10-5:00pm	Recap & review		
				<b><i>Tutorial 4: Future of marketing</i></b>

**Readings**

The prescribed textbook for MARK 101 is *Marketing, 4<sup>th</sup> Australasian Edition, Quester et al*, McGraw Hill 2004. This text is available from the Victoria Book Centre.

The website for this book is [www.mhhe.com/au/quester](http://www.mhhe.com/au/quester)

It is expected that reading of relevant chapters, as on the course outline, will be done prior to commencement of the week’s lectures for which the reading is assigned (see above).

Supplementary materials with specific reference to New Zealand will be issued during the course. Students are also encouraged to read topical and relevant material in appropriate magazines, journals and newspapers.

**Assessment Requirements**

**NB** Please also read the “mandatory course requirements” at the end of this section.

MARK 101 will be assessed as follows:

1. Four tutorials with prep - each worth 5%. 20%

Further details will be issued in the first lecture. Tutorial marks are based on the preps that you hand in (worth 2½ marks) and the quality/quantity of your contribution to the discussions (worth 2½ marks). Tutorial preps are to be submitted at the start of the tutorial for marking by tutors and returned (with feedback) in tutorial on the following Thursday (except for the last one).

2. Multichoice Midterm Test (in class) – Monday 22<sup>nd</sup> Jan from 11:00-11:50 am 30%
3. Open-book examination, duration 2 hours 50%  
To be held during exam week Feb. 12<sup>th</sup> -18<sup>th</sup>. [Rooms to be advised]

### ***Late submission of tutorial preps***

A tutorial prep not submitted at the beginning of the tutorial will result in a maximum mark for that tutorial of 2½ since they cannot be submitted late due to the ensuing discussions in the tutorial.

### **Notes on Tutorials and Prep Work**

There will be four tutorials during the course. These tutorials are designed to test your knowledge of the principles, theories and concepts of marketing and their application in practice.

Be creative and original in these preps. This is a marketing course and the subjects that we are dealing with are dynamic and unpredictable.

The four tutorial preps must be handed in at the start of the tutorial in **Weeks 2, 3, 4 and 5**.

Preps can be typed, but hand-written efforts are also acceptable as long as they are legible. There is no set word limit.

All tutorials will be held Mondays from 1:10 – 2:00 pm, 2:10 – 3:00 pm, 3:10 – 4:00 pm, and Thursdays from 1:10 – 2:00 pm, and 2:10 – 3:00 pm, commencing Monday 15<sup>th</sup> January. A list of student allocations to tutorials and their tutorial rooms will be made available by Friday 12<sup>th</sup> January.

Each student will be expected to attend tutorials and contribute to discussion of topics related to and supplementing the lectures. It is expected that you will participate in tutorial sessions. These sessions have been designed to be very interactive and it is expected that you will attend regularly and learn from your fellow students and contribute to their learning. You will be required to hand in your prep work for these 4 tutorials. **For each of the 4 tutorials, you can receive a maximum of 5 marks of which 2½ is based on your submitted prep and 2½ is based on your participation in the discussion.**

**Tutorial Prep Details. Each worth 2.5% of final grade.**

**No. 1 What is Marketing?**

**Due 15th /18<sup>th</sup> Jan**

In class, you will have seen the Greenpeace Australia video. This is a video case illustrating how Greenpeace Australia exemplifies the values of marketing ethics and corporate social responsibility. It is a really nice example of how marketing isn't necessarily about physical products, but also services and even ideas or ideologies. Having seen this video, I want you to think about the following issue(s):

- Green peace is marketing something. What is it?
- What do customers purchase from Greenpeace?
- Outline how Greenpeace builds relationships,
- Describe how Greenpeace creates customer value, and
- Should Greenpeace accept money from ethically sound corporations? Discuss the pros and cons.

**No. 2 Buyer Behaviour**

**Due 22<sup>nd</sup> /25<sup>th</sup> Jan**

Describe the details of a recent fairly high involvement purchase that you made (i.e., the process you went through in making your decision) as well as the various influences on this decision.

**No. 3 Pricing**

**Due 29<sup>th</sup> Jan/1<sup>st</sup> Feb**

Pricing and Break-even Analysis.

Prepare your answers for Questions 1, 9 and 10 on pg. 443 of the textbook.

**No. 4 The Future of Marketing**

**Due 5<sup>th</sup> /8<sup>th</sup> Feb**

Based on your analysis of the academic and practitioner literature (as well as the brief reading at the end of this course outline) and what you observe in your daily lives, discuss what you feel are **the** most important trend(s) you see in the New Zealand marketing environment and why you feel it/they is/are so important.

**Mandatory Course Requirements**

To pass this course you must

- Achieve 50% of total marks
- Achieve at least 40% in the final examination
- Attend all four tutorials

## **Communication of Additional Information**

### ***Course website***

The course outline, copies of PowerPoint slides and additional course documents will be available on Blackboard <http://blackboard.vuw.ac.nz>. These slides will provide a framework of main points presented in the lecture. Course announcements will also be posted on this website.

### **Faculty of Commerce and Administration Offices**

#### **Railway West Wing (RWW) - FCA Student and Academic Services Office**

The Faculty's Student and Academic Services Office is located on the ground and first floors of the Railway West Wing. The ground floor counter is the first point of contact for general enquiries and FCA forms. Student Administration Advisers are available to discuss course status and give further advice about FCA qualifications. To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

#### **Easterfield (EA) - FCA/Education/Law Kelburn Office**

The Kelburn Campus Office for the Faculties of Commerce and Administration, Education and Law is situated in the Easterfield Building - it includes the ground floor reception desk (EA005) and offices 125a to 131 (Level 1). The office is available for the following:

- Duty tutors for student contact and advice.
- Information concerning administrative and academic matters.
- Forms for FCA Student and Academic Services (e.g. application for academic transcripts, requests for degree audit, COP requests).
- Examinations-related information during the examination period.

To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

### **General University Policies and Statutes**

Students should familiarise themselves with the University's policies and statutes, particularly the Assessment Statute, the Personal Courses of Study Statute, the Statute on Student Conduct and any statutes relating to the particular qualifications being studied; see the Victoria University Calendar available in hard copy or under 'About Victoria' on the VUW home page at [www.vuw.ac.nz](http://www.vuw.ac.nz).

### **Student and Staff Conduct**

The Statute on Student Conduct together with the Policy on Staff Conduct ensure that members of the University community are able to work, learn, study and participate in the academic and social aspects of the University's life in an atmosphere of safety and respect. The Statute on Student Conduct contains information on what conduct is prohibited and what steps are to be taken if there is a complaint. For information about complaint procedures under the Statute on Student Conduct, contact the Facilitator and Disputes Advisor or refer to the statute on the VUW policy website at [www.vuw.ac.nz/policy/studentconduct](http://www.vuw.ac.nz/policy/studentconduct). The Policy on Staff Conduct can be found on the VUW website at [www.vuw.ac.nz/policy/staffconduct](http://www.vuw.ac.nz/policy/staffconduct).

### **Academic Grievances**

If you have any academic problems with your course you should talk to the tutor or lecturer concerned; class representatives may be able to help you in this. If you are not satisfied with the result of that meeting, see the Head of School or the relevant Associate Dean; VUWSA Education Coordinators are available to assist in this process. If, after trying the above

channels, you are still unsatisfied, formal grievance procedures can be invoked. These are set out in the Academic Grievances Policy which is published on the VUW website at [www.vuw.ac.nz/policy/academicgrievances](http://www.vuw.ac.nz/policy/academicgrievances).

### **Academic Integrity and Plagiarism**

Academic integrity is about honesty – put simply it means **no cheating**. All members of the University community are responsible for upholding academic integrity, which means staff and students are expected to behave honestly, fairly and with respect for others at all times.

Plagiarism is a form of cheating which undermines academic integrity. The University defines plagiarism as follows:

*The presentation of the work of another person or other persons as if it were one's own, whether intended or not. This includes published or unpublished work, material on the Internet and the work of other student or staff.*

It is still plagiarism even if you re-structure the material or present it in your own style or words.

*Note: It is however, perfectly acceptable to include the work of others as long as that is acknowledged by appropriate referencing.*

Plagiarism is prohibited at Victoria and is not worth the risk. Any enrolled student found guilty of plagiarism will be subject to disciplinary procedures under the Statute on Student Conduct and may be penalised severely. Consequences of being found guilty of plagiarism can include:

- an oral or written warning
- cancellation of your mark for an assessment or a fail grade for the course
- suspension from the course or the University.

Find out more about plagiarism, and how to avoid it, on the University's website at [www.vuw.ac.nz/home/studying/plagiarism.html](http://www.vuw.ac.nz/home/studying/plagiarism.html).

### **Students with Impairments**

The University has a policy of reasonable accommodation of the needs of students with disabilities. The policy aims to give students with disabilities the same opportunity as other students to demonstrate their abilities. If you have a disability, impairment or chronic medical condition (temporary, permanent or recurring) that may impact on your ability to participate, learn and/or achieve in lectures and tutorials or in meeting the course requirements, please contact the Course Coordinator as early in the course as possible. Alternatively you may wish to approach a Student Adviser from Disability Support Services (DSS) to discuss your individual needs and the available options and support on a confidential basis. DSS are located on Level 1, Robert Stout Building, telephone (04) 463 6070, email [disability@vuw.ac.nz](mailto:disability@vuw.ac.nz). The name of your School's Disability Liaison Person is in the relevant prospectus or can be obtained from the School Office or DSS.

### **Student Support**

Staff at Victoria want students to have positive learning experiences at the University. Each Faculty has a designated staff member who can either help you directly if your academic



progress is causing you concern, or quickly put you in contact with someone who can. Assistance for specific groups is also available from the Kaiwawao Māori, Manaaki Pihipihinga or Victoria International.

In addition, the Student Services Group (email [student-services@vuw.ac.nz](mailto:student-services@vuw.ac.nz)) is available to provide a variety of support and services. Find out more at [www.vuw.ac.nz/st\\_services/](http://www.vuw.ac.nz/st_services/).

VUWSA employs Education Coordinators who deal with academic problems and provide support, advice and advocacy services, as well as organising class representatives and Faculty delegates. The Education Office (tel. 04 463 6983 or 04 463 6984, email [education@vuwsa.org.nz](mailto:education@vuwsa.org.nz)) is located on the ground floor, Student Union Building.

### **Manaaki Pihipihinga - Maori and Pacific Mentoring Programme (Faculty of Commerce and Administration)**

This is a mentoring service for Maori and Pacific students studying at all levels. Weekly one hour sessions are held at the Kelburn and Pipitea Campuses in the Mentoring Rooms, 14 Kelburn Parade, and Room 210 and 211, Level 2, Railway West Wing. Sessions cover drafting and discussing assignments, essay writing, and any questions that may arise from tutorials and/or lectures. A computer suite networked to Cyber Commons is available for student use.

To register with Manaaki Pihipihinga, please contact one of the following:

Puawai Wereta  
Manaaki Pihipihinga Coordinator  
Room 210, Level 2  
Railway West Wing  
Tel. (04) 463 8997  
Email: [Puawai.Wereta@vuw.ac.nz](mailto:Puawai.Wereta@vuw.ac.nz)

Fa'afai Seiuli  
Pacific Support Coordinator  
Room 109 B  
14 Kelburn Parade  
Tel. (04) 463 5842  
Email: [Faafoi.Seiuli@vuw.ac.nz](mailto:Faafoi.Seiuli@vuw.ac.nz)

The Pacific Support Coordinator is also available on the Pipitea Campus, Room 212, Level 2, Railway West Wing, every Thursday, 1-4pm. No appointment is necessary. You can either come in, email or phone with any issue that you need help with. Fa'afai links Pacific students to the services and support they need while studying at Victoria.

## **Tutorial 4: Conclusion: trends and future directions in New Zealand marketing practice**

Having illustrated how some of the basic concepts and principles of marketing apply within the New Zealand environment, I will now turn my attention to what the future holds for the practice of marketing in the land of the long white cloud. This won't necessarily be an exercise in crystal ball gazing and I am not interested in making any grandiose predictions about the New Zealand marketing landscape. Instead, this final chapter will encompass my effort to essentially practise one of the key concepts that I teach in my marketing principles courses. That is, I will conduct something somewhat analogous to an environmental scan—an analysis of some of the trends that have been, or are being, discussed in recent and current academic marketing literature. This illustration will emphasise a number of issues that have already begun to, or potentially will, influence how marketing can and should be practised in the twenty-first century. In particular, I will highlight where these trends have led to strong recommendations for marketing practitioners and to what extent these assertions might apply to the future of the marketing discipline in New Zealand. It is beyond the scope of this chapter to illustrate a comprehensive review of the 'future of marketing' literature, but I will make reference to several key works where I believe that there may be significant implications for the New Zealand marketing environment.

### **General trends**

So, to begin this concluding chapter we will discuss the trends that most academics and practitioners would agree are having a pronounced influence on marketing in a general sense. Probably the most notable and significant of these is the impact of technology and, more specifically, the impact of the internet and information and communications technologies (ICT) on marketing. Both the academic and trade press make frequent reference to the fact that we are living in the age of e-commerce and e-business but because of the relative newness of these concepts, there are disagreements as to how they are defined. Differences aside, all would probably agree that the basic components of e-commerce and/or e-business are the exchange of information, products and services via computer networks—largely through intranets and the internet (Daniel & Wilson 2004). Many argue that the advent of the internet is *the* technological revolution that will permanently alter the manner in which firms conduct business. However, there are those that acknowledge its significance but argue that the opportunities that it offers are much more evolutionary and require a great deal of organisational adaptation—both structurally and with respect to organisational mindsets (Molenaar 2002). The bottom line is that new technologies will definitely influence the way in which products and services will be marketed worldwide, so new marketing models that allow marketers to better interpret what is happening in the global marketplace will need to be developed (Trim 2004).

Sheth (2002) argues that much like during the halcyon days of the total quality management (TQM) movement, the marketing function is being marginalised. This results in increasing importance being given to Chief Information Officers and the prediction that the marketing function will, as a result, become more tactical in orientation with an emphasis on loyalty programmes, affinity marketing and advertisement campaign management. Marketing's relative inertia in responding to or adapting to these global changes has meant that many functions that have traditionally fallen within the marketing domain are increasingly becoming the responsibility of other disciplines (Sheth & Sisodia 1999).

Layton states 'Marketing as a discipline [is] in crisis... the marketing function in business enterprise... appear[s] to have had little input [in]to many of the new ideas concerning

management in areas such as information technology, supply chain management and the search for strategy' (1998, p. 31).

Somewhat more pessimistically and, in their own words, colloquially, Holbrook and Hulbert argue: *what telephones did to the telegraph, what ball-points did to the fountain-pen, what CD players did to the 33rpm turntable, what laptops did to the typewriter, the new information technologies will do to marketing...in the coming age of information-enriched mass customisation, it follows that marketing—or at least, the marketing function as we know it—will inevitably vanish from the face of the earth.* (2002, p. 722)

Another recent trend seen in the literature is the questioning of firms adopting an absolute shift to a relationship marketing orientation. Many firms are beginning to question the predominance of a movement away from a transactional perspective to a more relational perspective because relationship marketing does not always prove to be profitable. Sheth (2002) notes that businesses should begin to segment markets into relational and transactional markets. This would have definite implications for conducting marketing. In fact, a number of New Zealand marketing researchers are at the forefront of championing this contingency approach to performing relationship marketing (Coviello & Brodie 2001; Coviello et al. 2002). Hogan, Lemon and Rust (2002) state that marketers are struggling to develop and implement marketing strategies that result in sustainable competitive advantages because of three key changes in the marketplace. First, globalisation and deregulation, resulting in increased competition, are forcing managers to make investment decisions that seek to maximise returns as they come under increased pressure to be more accountable to shareholders. Schultz and Gronstedt (1997) have even suggested that because marketing is under such continual pressure to justify budget increases and guarantee economic benefits to the organisation that the failure to do so has led to 'marketing being perceived as a "suspect" activity'. Second, the increased emphasis on the utilisation of information technology to obtain detailed information on customer attitudes, preferences and shopping behaviour, and the use of customer relationship management (CRM) technologies is resulting in overwhelming amounts of data and this is compromising the ability of managers to synthesise this information and make decisions regarding effective marketing strategy. Laing et al. (2002) reiterate that these global drivers (technology, deregulation, globalisation) are having a pronounced effect on services marketing in that the personal mediation of relationships in the service encounter is being replaced with technological inter-mediation. This increasing emphasis on the role of technology in the service encounter has the capacity to reduce the variability in the service offering. The development of the consistent quality and 'commodification' of services, and the emphasis on quality specifications and branding, raises questions about the importance of relationships in service encounters. In posing the question 'Is the internet dumbing down marketing?', O'Callaghan and Fahy (2002) explored the proposition that the internet, in reducing the level of interpersonal communication between marketers and customers, would essentially 'dumb down' the marketing function. Their findings show that the internet is not, in fact, dumbing down marketing; rather, it represents an additional tool available to marketers to complement their existing promotions, distribution and logistics channels.

### **Conclusion: trends and future directions in New Zealand marketing practice**

A fundamental concept that all marketing principles texts address is the notion that firms adopt a 'market orientation', and that they become 'market oriented'. Does the future of marketing still necessitate that firms continue to subscribe to the marketing concept and be market-oriented? Marketing guru Stanley Slater (2001) notes that in the new millennium, in order to sustain a competitive advantage, successful firms will evolve from a first-generation

market orientation with a focus on determining and understanding the expressed wants and needs of customers and satisfying those wants/needs through the development of new products and services, to a second-generation market orientation, whereby successful firms commit to completely understanding both the expressed and unexpressed or anticipated needs of their customers as well as the capabilities and actions of their competitors. Successful firms will also have to be able to address the needs of unserved markets. This is achieved through the proactive acquisition and evaluation of market information in an effort to uncover customers' unarticulated needs in order to drive organisational learning. This proactive desire to learn about these needs and modify offerings based on this learning is what Slater sees as optimizing competitive advantage for second-generation market-oriented firms.

### **Trends: the New Zealand context**

If we look to the New Zealand context, these global trends are certainly evident. Since the mid-1980s, New Zealand has gone from having a highly regulated economy to having one of the world's least regulated economies (Kitchen & Eagle 2002). The extent of this deregulation has been the most far reaching and rapid of any in the Organisation for Economic Cooperation and Development (OECD, cited in Chetty & Campbell-Hunt 2003). Over the past 20 years, successive governments have asserted a firm belief in free trade. Until 1984, New Zealand, in comparison to other OECD countries, had the highest tariffs on imported manufactured goods. However, the reduction or removal of protectionist tariffs for local manufacturers has led to the closure of such major industries as vehicle assembly while encouraging claims that lower prices and greater consumer choice have resulted from this increased trade liberalisation—including the legalisation of parallel imports from 1998. Another consequence of increased trade liberalisation is that many firms have begun to consider that exporting goods is a much easier option than trying to meet the bottom line in an intensely competitive domestic market (Chetty & Campbell-Hunt 2003). This accelerated move to an internationalization mindset has had a pronounced effect on marketing in New Zealand. Much of the literature on the internationalisation efforts of firms has focused on manufacturing firms, but with services being the most rapidly growing component of international trade, there is a need to determine whether the strategies that New Zealand manufacturing firms use to enter foreign markets also have relevance to service firms (Ekeledo & Sivakumar 2004). So, from a strategic marketing perspective, what do we know about the factors that distinguish successful or better performing New Zealand firms from their less successful or poorer performing counterparts? Is this information helpful in informing us about the future of marketing here? Brooksbank and Taylor (2002) conducted a study in which they explored the extent to which 'textbook' strategic marketing is actually practised by New Zealand companies. If we assume that change in the practice of marketing is incremental and somewhat linear then, based on their findings, we can surmise that the future of marketing in New Zealand will involve successful firms continuing to:

- be more oriented towards formal marketing planning
- pay more attention to comprehensive situation analyses—including company, competitor, market, customer and business environment analyses
- have a more proactive rather than reactive orientation towards the future
- use marketing research to a greater extent in formal planning activities
- compete more on customer value than on price
- be more innovative both in terms of product development and business process innovation
- implement marketing control through greater use of various types of marketing information and intelligence-gathering systems in monitoring changes in both the direct (customers and competitors) marketing environment and the external (technological, business and economic) marketing environment.

The Brooksbank and Taylor study hypothesised that better performing firms set themselves more offensive, aggressive objectives as opposed to more defensive positions, but found that there was no significant difference between better, average and under-performing New Zealand firms. All these types of firms tended to set less aggressive goals. This was probably the result of the relatively small size of New Zealand firms, their comparatively smaller resource base and reduced capacity to influence their markets and because many are forced to compete with larger foreign firms. These reasons probably also explain the weak support for the hypothesis that better performing New Zealand firms set longer-term strategic objectives with extended time horizons rather than seeking short-term profits. John Macdonald, formerly marketing director of Heinz Watties, acknowledges that, historically, there has always been tension between adequately balancing short-term and long-term strategic objectives with the former often being driven by price. Cautioning against inferring that emphasising low prices precludes having long-term strategies, in a recent issue of *Marketing Magazine*, he is quoted as saying:

*This is not new. Some of New Zealand's biggest retailers such as The Warehouse, Briscoes and Pak 'N' Save have been built on lower prices or 'everyday low prices' propositions. The importance of these large retailers and their ability to move increasingly large amounts of merchandise quickly often appears (to some marketers) as if they are in a short-term cycle.* (Young 2004, p. 40)

In the same issue, former senior account director with Singleton Ogilvy & Mather, Robert Bree, comments that companies are shortening their planning cycles and that, regardless of the industry in which a firm is operating, the pressure that marketers are under to perform is often assessed:

*...more often financially rather than [through] enhanced brand KPIs [key performance indicators] such as market penetration or awareness.*

*In New Zealand, there is very little growth in most categories so marketers have to work increasingly smarter and harder to turn in improved profits from year to year.*

*Go into the companies and look at the type of work marketers are doing. Promotions, loyalty schemes, customer incentives and financial analysis now take precedence over spending time in the field with customers and consumers or investing in real customer information and quality brand communications. ...*

*Disciplined organisations [and by implication, managers] manage these short-term pressures within a broader strategy to grow and strengthen their brand.* (Young 2004, p. 41)

Again, although not statistically significant, even with less aggressive objectives, better performing firms did tend to have a strategic focus on achieving higher volume rather than securing improvements in productivity. The final area that I will discuss in terms of the future of marketing in New Zealand relates to the notion of internal marketing in relation to the marketing concept. We are living in an era where 'the customer is king'. Successful organisations extol the virtues of being customer focused and customer driven and emphasise that their main objective should be to ensure complete customer satisfaction.

This isn't to say that this component of the marketing concept is enjoying far too much attention at the expense of meeting the bottom line or having it be an integrated, company-wide, total effort. But we are also living with the reality that technology is playing an increasingly influential role in the practice of marketing—with increasing use of the internet and more elaborate market intelligence systems, information management systems and communications systems. In this type of environment, identifying and translating meaningful opportunities into market success means that firms run the risk of treating their internal

customers, that is, their employees, as mindless gears in the machine or financial sheet line items (Ahmed & Rafiq 2003). So, in concluding this book, I simply want to highlight the importance of firms not being so focused on the external customer that the internal customer is ignored. I believe that satisfied employees have a tremendous impact on organisational performance. It is my hope that by reading this book (whether as a supplement to any marketing principles text or as a stand-alone series of readings) on what makes New Zealand marketing unique, students will be motivated to look further into this fascinating subject, to take more marketing courses and, ultimately, to have the opportunity to put all of the knowledge gained into practice and become New Zealand marketers.

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