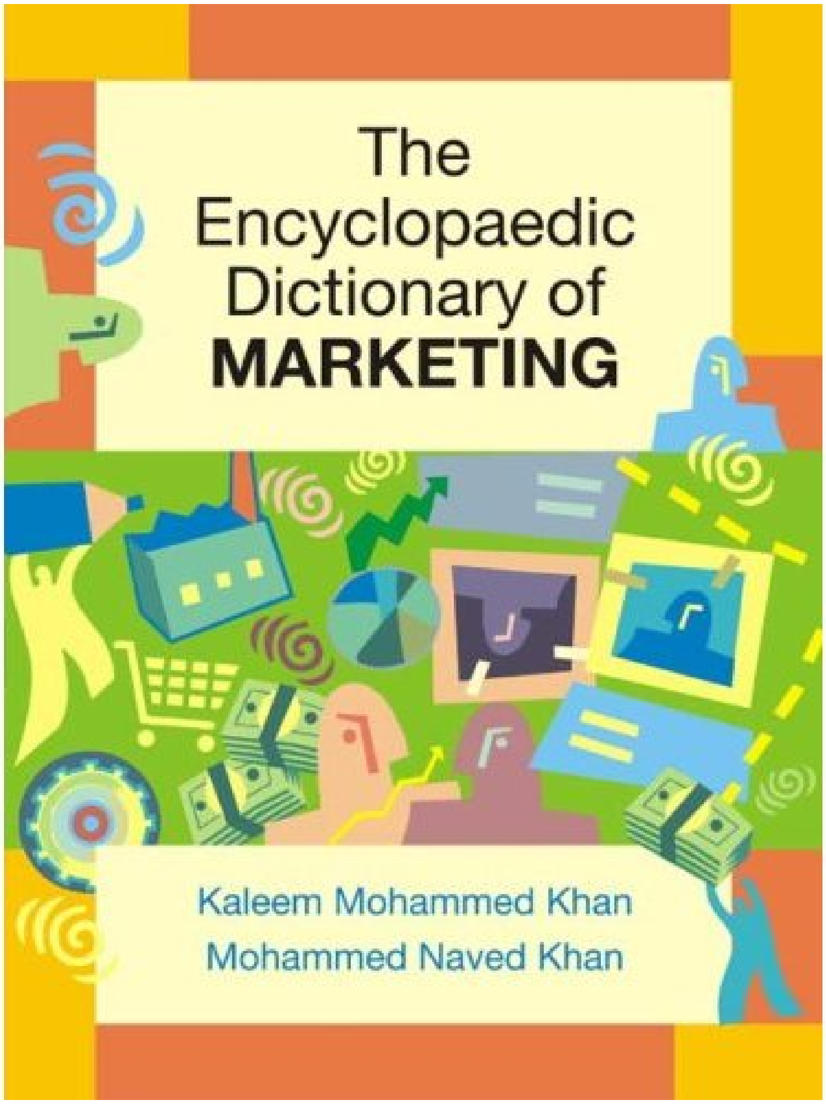
The Encyclopaedic Dictionary of
MARKETING
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The Encyclopaedic Dictionary of Marketing

About the Book:

In the dynamic field of marketing, new terms, concepts and techniques are emerging everyday. Keeping track of them is very difficult, if not impossible. This dictionary serves as a comprehensive guide to understanding marketing, its lexicon and usage. Marketing is discussed in all its dimensions, going beyond just the meaning of words to their etymology, nuances and current significance.
This invaluable reference tool covers more than 5,000 terms, concepts, theories, methods and techniques from the fields of:

- General marketing
- Consumer behavior
- Advertising
- Sales promotion
- Sales management
- Retailing
- International marketing
- E-marketing
- Service marketing

Examples, illustrations, figures and charts have been provided in order to better explain some of the terms. Lucidly written, this encyclopedic dictionary will serve as a source of ready reference for all those in the area of marketing including students, research scholars, teachers, managers and marketing consultants.

Table of Contents:

A

A la carte agency: One of the types of advertising agencies which offers creative services but does not plan or buy media and consequently does not require recognition from the media, thus making small firms to work independently and not dependent on volume of billings.

A posteriori contrasts: It is one of the types of contrasts used in analysis of variance in examining the overall differences in means with reference to the null hypothesis. These contrasts are made after the analysis. These are generally multiple comparison tests. They enable the researcher to construct generalized confidence intervals that can be used to make pair wise comparisons of all treatment (independent) means.

A priori contrasts: It is one of the types of contrasts used in analysis of variance in examining the overall differences in means with reference to the null hypothesis. These contrasts are determined before conducting the analysis, based on the researcher's theoretical framework. Generally, a priory contrasts are used in lieu of the ANNOVA *F* test. The contrasts selected are orthogonal (they are independent in a statistical sense).

A priori determination: It is one of the procedures used in the factor analysis to extract how many number of factors. Under this procedure, because of prior knowledge, the researcher knows how many factors to expect and thus can specify the number of factors to be extracted beforehand. The extraction of factors ceases when the desired numbers of factors have been extracted. Most computer programs allow user to specify the number of factors, allowing for an easy implementation of this approach.

A priori knowledge: One of the guidelines suggested for determining the number of dimensions in carrying out multidimensional scaling and conjoint analysis. A priori knowledge is the theory or past research may suggest a particular number of dimensions to be studied because in multidimensional scaling the objective is to obtain a spatial map that best fits the input data in the smallest number of dimensions.

A/B split method: It is a kind of split run media testing method. Here, a control and a test advertisement, appear in different editions of the same journal on the same day and in same position to measure viewer response. In the context of electronic media, different advertisements can be tested on different radio or TV stations at the same time.

Abandonment (product): In the context of marketing, this refers to discontinuance of a marketed product. Sometimes it is also called product deletion or product elimination. Abandonment may occur at any time from shortly after launch (a new product failure) or after many years (in maturity or decline stage of PLC).

ABC (Audit Bureau of Circulations): An independent organization, which is responsible for verifying the circulation figures of periodicals and newspapers. ABC usually sets certain criteria, which are used for verifying the circulation figures. Media owners fix advertising rates on the basis of audited circulation figures, which are certified by ABC. In most of the countries of the world, including India, ABC certified figures are considered to be authentic and reliable by media owners.

ABC model of attitudes: A multidimensional perspective, used in the context of consumer behaviour, stating that attitudes are jointly defined by affect, behavior and cognition.

Above market pricing: A pricing method used when marketers/retailers want to convey a prestige image of certain product(s) or brand(s) and set price above the normal market price. This type of pricing is used when little or no competition is at hand.

Above-the-line advertising: An alternative term used sometimes for general media advertising. This includes Press, TV, Radio, Cinema and Outdoor, which traditionally pay recognized agency commission on the purchase of media time and space.

Abrasive advertising: A term used in the context of those advertisements which created unpleasant memories but in the end made the name of the brand remembered by the consumers for which the advertisement appeared in a media vehicle. There is thinking in some advertising circles that the memory of an unpleasant commercial that saturates the media and antagonizes listeners or viewers may in the end dissipate, leaving only the brand name and the persuasive message in the minds of consumers.

Absolute advantage (theory): A theory first presented by Adam Smith, which holds that because certain countries can produce some goods more efficiently than other countries can, they should specialize in and export those things they can produce more efficiently and trade for other things they need. In other words this is the ability to produce a good or service more cheaply than it can be produced by competitors elsewhere.

Absolute frequency: A measure of dispersion for nominal data, defined as the number of total elements appearing in a given category. For example, one may say that there are 98 females and 124 males out of 222 respondents.

Absolute product failure: In the context of new product development, it refers to the failure of the new product when it is launched in the market, the company loses money not only on its fixed costs but also is not able to cover the variable costs.

Absolute threshold: This term is generally used in the context of perception process. It refers to the lowest level at which an individual can experience a sensation. While in the field of consumer behaviour it denotes the lowest level of marketing stimuli, such as an advertisement, which is noticed by a consumer.

Acceptable price range: The price range that the consumer views as realistic. If the product is priced below this range, quality is perceived to be low. If the product is priced above, the consumer may not buy the product (brand) at all.

Acceptable quality level: A concept of quality control whereby managers are willing to accept a certain level of production defects, which are dealt with through repair facilities and service centers.

Access lags: Delay caused by limited data transmission speeds between the user and the Internet.

Accessibility (market segment): One of the criteria for determining the attractiveness of a market segment. It refers to the degree to which segments can be reached, either through various advertising communication programs or through various methods of selling.

Accommodative purchase decision: One of the types of purchase decision process. In the case of household purchase decisions it refers to situations where household members having different preferences and/or priorities and cannot agree on a purchase that will satisfy the minimum expectation of all involved. It is here that the use of bargaining, coercion, compromise, and the wielding of power are likely to be used to achieve agreement on what to buy or who gets to use it. (*See* also consensual purchase decisions)

Accommodators: Name given to one of the possible segments as revealed by a research study in the US context. Accommodators are those TV viewers who were predominantly women in the middle-income group aged between forty-to-forty-nine and were holding managerial positions.

Account executive/representative/supervisor: The person who represents the advertising agency and keeps liaison with the client, conveying client's instructions and requirements to agency team. He is also responsible for managing all the services the agency provides to the client and representing the agency’s point of view to the client. Generally has all-round knowledge of advertising and will be responsible for a number of accounts (clients).

Account load: This term is generally used in the context of sales management. It refers to the number of actual and potential customers assigned to a given salesperson.

Account planner: An outgrowth of British advertising agency structure where a planner initiates and reviews research and participates in the creative process. In some agencies, the planner is considered a spokesperson for the consumer, works closely with account executive, prepares the creative brief, and coordinates departmental work on a campaign.

Account potential: Advertising agencies employ this term to denote the share of an account’s/client’s business that the agency can reasonably expect to attract.

Account specific marketing: It refers to the process of development of customized promotional programs for individual retail accounts by the marketers.

Account: In the context of advertising this refers to a client (advertiser) of an advertising agency or public relations consultancy. (*See* also account executive)

Accountable marketing: One of the ways in which a company may practice customer relationship building process. The company empowers the salesperson to periodically check from the customer whether the product is meeting expectations or not. The salesperson also empowered to suggest any improvements, which are required in using the product.

Accounting: The process of identifying, recording, and interpreting economic data in the context of business organizations.

Accounts payable: The money owed to debtors by companies for the purchase of goods and services on credit basis.

Acculturation: The process of learning a culture different from the one in which a person was raised. In the context of consumer behaviour acculturation occurs when a consumer from another country learns the values of another culture (e.g., a businessman going abroad, immigrants moving to another country, foreign students).

Accumulated production: It refers to the gain a company experiences in producing a product over a period of time. Workers learn shortcuts, materials flow more smoothly, and procurement costs fall. The result is that average cost falls with accumulated production experience. This decline in the average cost with accumulated production experience is called the experience curve or learning curve.

Accuracy: Used in the marketing research context, this refers to the criterion used to evaluate a research report according to whether the reasoning in the report is logical and the information provided is correct.

Achieved markup: Used in the context of sales, this refers to the difference between the actual selling price realized from the customer and cost of a product.

Achievement need: The need for personal accomplishment as an end in itself. People with high need for achievement tend to be more self-confident, enjoy taking calculated risks, actively research their environment and are very interested in feedback. In marketing individuals with high achievement needs were found to be good prospects for new or innovative products.

Achievers: This refers to one of the four groups that have emerged in the VALS system of classification of consumer psychographics. Achievers are those consumers who are successful, career and work oriented, favour established prestige products that demonstrate success to their peers.

Acquired advantage: A term used in the context of foreign trade which refers to a form of trade advantage owing to technological superiority rather than the availability of natural resources, climate etc.

Acquired group memberships: Affiliations not determined by birth, but on the basis of religion, political affiliations, and professional and other associations.

Acquired needs: These are the needs that are learned in response to one's culture or environment (such as the need for esteem, prestige, affection, or power). Because acquired needs are generally psychological, they are considered secondary needs or motives. Marketers of prestige and premium products often use themes based on psychogenic needs in their advertising and promotional campaigns to attract the attention of consumers. These are also known as psychogenic needs.

Acquired source of data: In the context of marketing research while using the secondary data the researcher should keep in mind whether the required data are drawn from the original source, one that generated the data, or an acquired source, one that procured the data from the original source. For example, National Census of Population is an original source, whereas an article published in a business journal in which the census data were used is an acquired source. As a general rule, secondary data should be secured from an original rather than an acquired source because of two reasons. First, an original source is the one that specifies the details of the data collection methodology. Second, an original source is likely to be more accurate and complete than an acquired source of secondary data.

Acquired source: In the context of marketing research, it refers to a source that has obtained data from an original or primary source. For example, a researcher may obtain data from a newspaper article, which in turn had obtained it from original source such as a Census report.

Acquisition activities: This refers to all those activities and methods that a business uses to acquire new customers.

Acquisition: The process that includes the purchase by one organization of people, technology (process, facility, or material), product rights (trademarks), or entire business from other organization(s). Acquisition is a method of expanding one's product offering by means other than developing the new products internally.

Acquisition-development–retention (ADR) framework: The measurement of a firm's activities based on its impact on the acquisition, development, and retention of customers. This framework can be used both in the context of traditional as well as online marketing.

Action close: One of the sales closing techniques that is suggestive of the sales representative taking an action, which may lead to getting the sales order from the prospective customer.

Action plan: One of the components of the marketing plan, which specifies the actual marketing programs, derived from the marketing strategy to be used in achieving the business objectives.

Activation models of memory: Approaches to memory stressing different levels of processing that occur and activate some aspects of memory rather than others, depending on the nature of the processing task. This concept can also be used in the context of consumer behaviour where consumers differently process the product information, which they obtain through marketing sources. The more effort the consumer takes in processing information, the more likely it is that information may be placed in his/her long-term memory.

Activation: This concept is used with respect to the information processing aspect of consumer behaviour, generally in the context of advertising. It refers to one of the three factors required for retrieval of information from long-term memory. The other two factors are transfer and placement.

Active exporting: On of the methods of entry into the international markets. Active exporting takes place when the company makes a commitment to expand into a particular international market on its own initiatives. Here the company produces its products or services in the home country and might or might not adapt them to the foreign market.

Active information search: In the information search stage of the buying decision process, a consumer is supposed to go for active information search when s/he actively looks for information from various sources such as reading relevant materials, talking to friends, and visiting retail stores to learn about the product features and attributes before evaluating and taking a final decision.

Active learning model: In reference to consumer involvement and attitude formation, this model is based on traditional cognitive learning theory, which says that consumers are active learners and engage in extensive problem solving. They are highly involved with the potential purchase and see the brand alternatives as quite different in their benefits and ability to provide satisfaction. This model portrays consumers as progressing through a three-stage hierarchy—from awareness and knowledge to formation of attitudes, and then to behaviour.

Active moderator: Used in the context of Internet. This refers to an individual who supervises e-groups, chat rooms and discussion threads to maintain relevance and quality.

Activity based accounting: Process of developing costs and revenues (and thus profit contributions) for separate activities. In the context of marketing this may be used for new products development project and its related activities.

Activity management: A sales management style that concentrates on the behaviour of salespeople rather than on the outcomes of the behaviour.

Activity report: Used in the context of sales management where the salespeople are required to fill up a record sheet listing a salesperson's calls and accomplishments over a specific period of time. The most common time periods for reporting are a week and a month.

Activity, interest, opinion measures: This term is used interchangeably with the term psychographics and refers to the statements that describe the activities, interests, and opinions of consumers.

Actual self-image: One of the types of self-image that has been identified in the consumer behaviour literature. This refers to the image that an individual has of himself or herself as a certain kind of person, with certain characteristic traits, habits, possessions, relationships, and behaviour. Some researchers have shown that it influences the purchasing patterns of certain products and services.

Actualizers: One of the four groups that have emerged in the VALS system of classification of consumer psychographics. Actualizers are those consumers who are successful, sophisticated, and active and have dominant characteristics. Their purchases often reflect cultivated tastes for relatively upscale, niche-oriented products.

Ad banking: A practice followed by some magazines, which involves clustering of ads at the front and back of their publications.

Ad click rate: This is also referred to as "click-through" which means the percentage of ads used that result in ad click.

Ad click: An advertisement impression (banner) a user has clicked on for the advertisement in question. This is considered to be an important parameter of ad effectiveness in the context of Internet advertising.

Ad execution-related thoughts: In the context of advertising it refers to a type of thought or cognitive response elicited in a message recipient concerning factors related to the execution of the ad such as creativity, visual effects, color, and style. These can be either favourable or unfavourable. They are important because of their effect on attitudes towards the advertisement as well as the brand.

Ad hoc network: Television networks consisting of affiliates that come together only for a special program such as a sporting or cultural event.

Ad valorem duty: A duty (tariff) assessed as a percentage of the value of the item.

Ad views (impressions): A term used in the context of Internet marketing. It refers to the number of times an ad banner is downloaded and presumably seen by the viewers.

Adaptation level: One of the factors, which influence how consumers develop meanings from stimuli that have undergone feature analysis. Adaptation levels are the standards of reference used to judge new stimulus situations. This concept in the context of consumer behaviour suggests that consumers adapt to levels of service, products and other marketing variables and these become standards by which new situations are judged.

Adaptation: Used in the context of consumer information processing. It refers to the process that occurs when a sensation becomes so familiar that it no longer commands attention. Depending upon their frequency, consumers have been found to adapt differentially to the marketing stimuli. Adaptation is a problem that concerns many advertisers, which is why they try to change their advertising campaigns regularly because they feel that consumers will get used to their advertisements (print and TV) and, therefore, do not pay attention to them.

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. Here the marketers because of widely varying cultural backgrounds, needs and wants, spending power and product preferences adapt their product, prices, channels and promotion strategies to fit consumers' requirements in each country.

Adapter: One of the types of market followers who may challenge the supremacy of the market leader. The adapter takes the leader's products and adapts or improves them, and may choose to sell to different markets. However, the adapter grows into the future challenger as many Japanese firms have done after adapting and improving products developed elsewhere.

Adaptive product: Also called adapted product, this market entry strategy, in the context of international marketing, acquires its uniqueness by incorporating variations in any of the marketing mix elements in the original product to suit the tastes and preferences of the target market.

Adaptive selling: Adjusting a sales presentation by a sales person to fit the customer requirements or the dynamics of a selling situation.

Add-a-digit dialing: In the context of marketing research, it refers to a sampling technique for telephone surveys that requires a researcher to select a sample from an existing directory and add one to each number thus selected.

Additional markup: Used in the context of retail management where the retailers increase the retail price of a product above the original markup when demand is expected to be high or costs are rising.

Add-on selling: The practice employed by certain retailers where they suggest additional products or services to a customer's basic requirements to increase the value and profit of a sale. A typical example would be the salesperson at a car dealership that may suggest a car stereo, security system or extended warranty to the customer who has just purchased a car.

Adequate distribution: This refers to the situation where sufficient goods have been placed into the distribution network in readiness for advertising to break, and in order to meet the expected demand created by advertising.

Adjacencies: This term, in the context of US, is used for the purchase of media time where the advertiser purchases commercial spots from local television stations that generally appear during the time periods adjacent to network TV programs.

Adjusted R^2: It is one of the statistics associated with multiple regression analysis. It is the coefficient of multiple determination, is adjusted for the number of independent variables and the sample size to account for diminishing returns. After the first few variables, the additional independent variables do not make much contribution.

Administered Vertical Marketing System (VMS): A type of vertical marketing system that coordinates successive stages of production and distribution, not through common ownership or contractual ties but through the size and power of one of the parties. For example, HLL, GE or P&G can obtain strong cooperation from resellers regarding displays, shelf space, promotions and price policies.

Administrative control: Used in the context of data collection mode of administration in marketing research projects. This term usually applies to studies relying on questionnaires and refers to the speed, cost, and control of the replies afforded by the mode of administration.

Administratively guided market economy: An economic system in which there is a great deal of cooperation among government, management, and workers to achieve growth on non- mandated basis.

Adopter categories: Used in the context of diffusion of innovation, persons or firms that adopt an innovation are often classified into five groups according to the sequence of their adoption**:** (1) innovators (the first 2 to 5 percent), (2) early adopters (the next 10 to 15 percent), early majority (the next 35 percent), late majority (the next 35 percent), and laggards (the final 5 to 20 percent). The numbers are percentages of the total number of actual adopters, not of the total number of persons or firms in the marketplace. However, there is wide disagreement among the experts on the exact percentage in each category.

Adoption (export) advertising: One of the types of advertising used in the context of international marketing. This type of advertising is carried in the foreign markets without any adoption as it is done in the country of origin. It is carried out in the same form except the copy is translated in the foreign country's language. Export advertising in some cases can be used as a strategy. For example, a product to which the country of origin is important, like French perfume, can gain by keeping the same ad in many countries.

Adoption of innovation: The process by which an innovation spreads in the population. It consists of adopter categories (innovators, early adopters etc.) and a specific process of adoption by each adopter. This process plays a very important role in the context of introduction of a new product.

Adoption process: In the context of consumer behaviour it refers to stages through which an individual consumer passes in arriving at a decision to try (or not to try), to continue using (or discontinue using) a new product. The five stages of the traditional adoption process are awareness, interest, evaluation, trial and adoption.

Advertising agency: A firm that specializes in the creation, production, and placement of advertising messages and may provide other services that facilitate the marketing communications process. Advertising agency works between the advertisers and the media owners. Usually an agency is compensated through a commission system, which is given by the media.

Advertising appeal: The basis or approach used in an advertising message to attract the attention or interest of customers and/or influence their feelings toward the advertised product, service, or cause.

Advertising appropriation: The total amount that is apportioned for an advertising campaign, covering all production and media costs.

Advertising billings: The amounts of client's money agencies spend on media purchases and other equivalent activities. Billings are often used as a way of measuring the size of advertising agencies.

Advertising campaign: A comprehensive advertising plan developed by an agency for its client that consists of a series of messages in a variety of media that center on a single theme or idea.

Advertising carryover effect: This refers to the rate at which the effect of an advertising expenditure wears out with the passage of time. A carryover of 0.75 per month means that the current effect of the past advertising expenditure is 75% of its level in the previous month.

Advertising clearance process: Used in the context of advertising management it refers to the internal process of clearing ads for publication and broadcast, conducted primarily by ad agencies and clients.

Advertising creativity: The ability to generate fresh, unique and appropriate ideas that can be used as a solution to communications problems. To be appropriate and effective a creative idea must be relevant to the target audience. A creative advertising message is one that is built around a creative core or power idea and uses excellent design and execution to communicate information that interests the target audience.

Advertising creativity: This refers to the ability of an advertising agency to generate fresh, unique, and appropriate ideas that can be used as solutions to communication problems of the advertising organization.

Advertising effectiveness: The ability of advertisement to achieve advertiser's purpose, for example, product enquiries or direct sales, use of cash vouchers, footfalls or creating brand awareness.

Advertising evaluation: The purpose of advertising evaluation is to assess the effectiveness of advertising using print and broadcast media. Normally, this evaluation is undertaken through conducting surveys in the target market. for example, Starch Readership Survey conducts thousands of interviews in one year with magazine and newspaper readers throughout the world. Major advertisers use the results to gauge the effectiveness of their advertising campaigns. Similarly TV commercials are also evaluated by a number of independent research agencies to measure the effectiveness of these commercials.

Advertising manager: The individual in an organization who is responsible for the planning, coordinating, budgeting, and implementing of the advertising program.

Advertising objectives (goals): A specific communication task to be accomplished with the target audience during an advertising campaign. They can be classified by primary purpose—whether the aim is to inform, persuade or remind.

Advertising specialties: Items used as giveaways or gifts to serve as a reminder or stimulate remembrance of a company or brand. They may include calendars, T-shirts, pens, key chains, and the like. Specialties are usually imprinted with a company or brand name and other identifying marks such as an address and phone number.

Advertising Standards Authority (ASA): A voluntary regulatory body in the UK, which tries to set standards in advertising.

Advertising substantiation: Many people demand that the claims made in the advertisements should have some documentary evidence. In many countries advertising regulatory bodies require that advertisers should backup their product claims with some verifiable proof. In case of no supportive substantive proof, advertisers may be considered as engaging in misleading or false advertising.

Advertising wearout: It refers to a condition where due to repetitive advertising, individuals exposed to it become satiated and subsequently their attention and retention declines.

Advertising: One of the major components of integrated marketing communication. It is defined as “any paid form of non-personal presentation and promotion of ideas, goods or services by an identified sponsor.”

Advertorial: Lengthy print advertisements that are laid out to resemble editorial material, often it is difficult for readers to distinguish between the two.

Advocacy advertising: A major form of corporate 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 sponsoring organization.

Advocate channel: One of the types of personal communication channels available to a marketer. Advocate channels consist of company's sales people who contact buyers in the target market.

Aerial advertising: A form of outdoor advertising where messages appear in the sky in the form of banners pulled by airplanes, skywriting, and on blimps.

Affect referral decision rule: In the context of consumer behaviour it refers to a simplified decision rule by which consumers make a product choice on the basis of their previously established perceived overall ratings of the brands considered, rather than on specific attributes.

Affect: In the context of consumer behaviour this refers to the way a consumer feels about an attitude object such as a product, brand, service or a company or even an advertisement.

Affectional needs: One of the psychogenic needs which describe the needs to form and maintain warm, harmonious, and emotionally satisfying relations with others.

Affective component: One of three components of attitude, concerned with a person's feelings regarding an object or phenomenon. In marketing context, it includes liking and preference stages.

Affective learning: This refers to the tendency of the human beings to learn to value certain elements of their environment and dislike others. In the context of consumer behaviour, this means that consumers learn many of their wants, goals and motives as well as what products satisfy their needs. Learning also influences consumers development of favourable and unfavourable attitudes toward a company and its products. These attitudes will affect their tendency to purchase various brands.

Affiliate programs: Systems that pay a percentage of sales revenue to the web site that refers purchasers. These differ from sponsorship programs in that payment is dependent on an actual sales taking place during the referred visit. Affiliate sponsors reward the referring web sites by paying 7 percent to 15 percent commission on each reference that leads to a sale. Also called syndicated selling.

Affiliates: It refers to independent satellite TV channels (local TV 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.

Affiliation need: One of the types of acquired needs. This refers to the need for friendship, acceptance, and for belongingness. Marketers often try to invoke affiliation needs in the consumers through advertising and promotion activities.

Affinitization: A development in which groups organize around special interests such as immigration policy, the environment, or religious education.

Affinity group marketing: A type of cause related marketing targeted to members of a specific group or organization.

Affinity: In the context of retail business, an affinity is found to exist when the stores at a given location complement, blend, and cooperate with one another, and each benefits from the others' presence.

Affirmative disclosure: It refers to a requirement whereby advertisers may be required to include certain types of information in their advertisements so consumers will be aware of all the consequences, conditions, and limitations associated with the use of the product or service. The goal of affirmative disclosure is to give consumers sufficient information to make an informed decision.

Affordable method: A method of setting the budget for advertising and promotion where all other budget areas are covered and remaining monies are available for allocation. Companies using this method give least priority to advertising in the overall marketing program. This is also called all-you-can afford method.

After sale tracking: The follow up system used after a customer order has been placed. It includes confirmation that the order was shipped promptly, that the proper merchandise was shipped, that the customer was satisfied with the product, the product's intended use and the rate of use. After sale tracking is a particularly important procedure with new customers.

After-only experimental design (after-only with control group): One of the forms of true experimental design used in marketing research. Here the researcher manipulates the independent variable and then it is followed by a post measurement. Two groups are post measured, that is, control and experimental groups. The difference between the groups is mainly attributed to be the affect of independent variable.

Agate line: Used in calculating advertising rates of newspapers. It is a unit of newspaper space measurement, and is 1 column wide by 1/14 inch deep. (Thus, 14 agate lines = 1 column inch) Advertising costs of newspapers is based on this unit.

Age and life cycle segmentation: One of the forms of demographic market segmentation where a market is divided into different age and life-cycle groups. The company then directs it different marketing programs to resultant segments.

Age cohorts: It refers to a group of consumers of approximately the same age who have undergone similar life experiences. Marketers often target products and services to specific age cohort.

Age subcultures: Sub groupings of the population based on age. Age subcultures are found to exhibit similar behaviour in the purchase of certain products and services.

Agency evaluation process: The process by which a company evaluates the performance of its advertising agency. This process includes both financial and qualitative aspects.

Agent: A wholesaler who represents buyers or sellers on a relatively permanent basis, performs only a few functions, and does not take title to goods.

Agentic goals: In many societies males are controlled by agentic goals, which stress self-assertion and mastery. Females on the other hand are taught to value communal goals such as affiliation and the fostering of harmonious relations. Advertisers often use these goals in their promotion programs.

Agglomeration schedule: It is one of the statistics associated with cluster analysis. It gives information on the objects or cases being combined at each stage of a hierarchical clustering process.

Agglomerative clustering: It is one of the hierarchical clustering procedures used in cluster analysis technique in marketing research. This procedure starts with each object in a separate cluster. Then the clusters are formed by grouping objects into bigger and bigger clusters. This process is continued until all objects are members of a single cluster.

Aggregate-of-sales-representatives forecast: A judgmental method of forecasting sales; it involves asking sales representatives to estimate their sales by product for the forecast period. Summing the individual forecasts then arrives at the overall forecast.

Aggregation bundling: The combining of profitable items by a firm, which are targeted toward average consumers.

Aggression: One of the types of defense mechanisms in which individuals who experience frustration may resort to aggressive behaviour in an attempt to protect their self esteems. In the context of consumer behaviour, it has been found that frustrated consumers often have boycotted manufacturers in efforts to improve product quality, and boycotted retailers in efforts to have prices lowered.

Aggressive personality: One of three personality types identified by Karen Horney. The aggressive person is one who moves against other (e.g. compete with others). It is often used in developing advertising appeals and in market segmentation.

Agony advertising: This term refers to those commercials that depict in diagrammatical detail the internal and intestinal effects of heartburn, indigestion, clogged sinus cavities, and hammer induced headaches. Normally it has been suggested that people repel these types of ads. Despite this many pharmaceutical companies continue to run such commercials with the hope that they may appeal to certain segment of the population that suffers from ailments that are not visible, and which therefore, evoke little sympathy from family and friends, their complaints are legitimized by commercials with which they immediately identify.

Agricultural show: A temporary event, which combines an exhibition with competitions and demonstrations of agricultural produce and farming skills.

AIDA model: A model developed by E. K. Strong (1925) that depicts the successive stages a buyer passes through in the personal selling process including**:** attention, interest, desire, and action. Protagonists of this model suggest that a salesperson during presentation should try to progressively draw the prospects toward these four stages in order to close the sale.

Aided recall and recognition: A research technique in which the consumer is shown a specific advertisement and then is asked whether he or she remembers seeing it and can recall some of its contents. This technique is used to measure the effectiveness of an advertisement.

AIO inventories: A list of consumer activities, interests, and opinions constructed to measure empirically lifestyle components. Also referred to as Lifestyle or psychographic variables. Using data from large samples, marketers create profiles of consumers who resemble each other in terms of their activities and patterns of product usage.

Airport advertising: This is the advertising done in and outside major airport buildings both in domestic and international airports. Advertising through this outdoor medium reaches to business and higher income group people. Advertising sites at large international airports are expensive and better positions are much in demand.

Allocation: The term is used both in the context of advertising and retail management. (1) This refers to a portion of the advertising appropriation set aside for a particular part of the advertising campaign, for example, press advertising, TV commercials or exhibitions. (2) The breaking down of homogeneous supplies into a smaller lot size as needed by members of the marketing channel.

Allowable error: This term is used in the context of marketing research. It refers to the amount of sampling error in the estimate (of the parameter) that is acceptable to the researcher.

Allowance: The promotional money paid by manufacturers to retailers in return for an agreement to feature the manufacturer's products in some way by displaying them prominently.

Allowances: An extra payment designed to gain resellers participation in special programs.

All-you-can afford method: See affordable method.

All-you-can-afford method: (*See* affordable method)

Alpha activity: A measure of the degree of brain activity that can be used to assess an individual's reactions to an advertisement. By measuring a consumer's alpha level, while viewing a commercial, researchers can assess the degree to which attention and processing are likely to occur.

Alpha testing: Used in the context of new product development process. During the product development stage companies use this test once the prototypes are ready. Here, the prototypes are put through rigorous functional tests. Alpha testing is the name given to testing the product within the firm to see how it performs in different applications. On the basis of results the prototypes are further refined and the company moves to the stage of beta testing. (*See* beta testing)

Alternate proposal close: One of the methods of sales close where a choice is offered to a prospect for a prompt buying decision. The alternate close is one of the most popular closing techniques. The principle behind this technique is that the prospect is moved to the buying decision by being asked to make a smaller, less threatening choice.

Alternative evaluation: The stage of the buyer decision process in which the consumer uses available information to evaluate alternative brands in the choice set using certain purchase criteria. Generally, it is the third stage of the buying decision process.

Alternative forms reliability: This term is used in the context of marketing research with regard to data collection process. The researcher tries to estimate reliability by giving a respondent two equivalent questionnaires to the same group of people. The results are compared on a question-by-question basis for degree of discrepancy in scores, as in the test-retest approach.

Alternative hypothesis: A hypothesis that states a population parameter, taking on a different value from that stated in the null hypothesis.

Alternative media: A term commonly used in advertising to describe support media (*See* also support media).

Ambient advertising: A type of non-traditional advertising in which the message related to the advertised product, brand and/or company is built into the surrounding environment.

American Association of Advertising Agencies (AAAA): A non-profit US organization of advertising agencies.

American Depositary Receipt (ADR): A negotiable certificate issued by a US bank in the United States to represent the underlying shares of a foreign corporation's stock held in trust at a custodian bank in the foreign country.

American Society of Newspaper Editors (ASNE): An organization primarily concerned with matters of editorial content and readership of newspapers.

Analog model: A retail management technique. It is a computerized site selection tool in which potential sales for a new store are estimated based on sales of similar stores in existing areas, competition at a prospective location, the new store's expected market share at that location, and the size and density of a location's primary trading area.

Analysis of covariance (ANCOVA): It is an advanced analysis of variance procedure in which the effects of one or more metric-scaled extraneous variables are removed from the dependent variable before conducting ANOVA. Here the categorical independent variables are referred to as factors, whereas the metric-independent variables are referred to as covariates.

Analysis of pretest data: In the marketing research, the researcher has to conduct a pretest. Analysis of pretest responses can serve as a check on the adequacy of the problem definition and the data and analysis required to obtain the necessary information. For example, the dummy tables prepared before developing the questionnaire will point to the need for the various sets of data. If the response to a question cannot be related to one of the preplanned dummy tables, either those data are superfluous, or some relevant analysis has not been foreseen. Therefore, analysis of pretest data helps the researcher to ensure that all data collected will be utilized and that the questionnaire will obtain all the necessary data.

Analysis of selected cases: One of the types of exploratory research designs, which involve intensive study of selected examples of the phenomenon of interest.

Analysis of variance (ANOVA): A statistical technique for examining the differences between two or more populations/samples. The null hypothesis is typically is that all means are equal.

Analysis sample: In discriminant analysis the entire sample under consideration is divided into two parts. One part of the sample, called the estimation or analysis sample. This sample is used for estimation of the discriminant function.

Analytical attribute approach: A group of techniques based on the problems find/ solve route. These techniques are many, usually logical, and tend to make variations in products currently on the market. Attribute analysis and relationships analysis are two categories of this approach.

Analytical method to retail management: One of the approaches of retail management. In this approach the retailer is a finder and investigator of facts: reducing, synthesizing, and dissecting facts in order to make decisions systematically. To make these decisions, the retailer uses models and theories of retail phenomena that enable him or her to structure all dimensions of retailing. An analytical approach usually results in a standardized set of procedures, success formulas, and guideline.

Analytical services: It is one of the marketing research services that may be provided by independent companies to their clients on a fee basis. These services include designing and pretesting questionnaires, determining the best means of data collection, designing sampling plans, and other aspects of the research design. Some complex marketing research projects require knowledge of sophisticated procedures, including specialized experimental designs and analytical techniques such as conjoint analysis and multidimensional scaling. This kind of expertise can be obtained from firms and consultants specializing in analytical services.

Analytical sophistication: A design criterion applied to marketing information system that focuses on the types of models (for example, arithmetic, statistical, simulation) to be incorporated in the system.

Analytical sophistication: It is a set of variables and their interrelationships designed to represent, in whole or in part, some real system or process. Models can have many different forms. The most common analytical models are verbal, graphical, and mathematical structures.

Anchor services: Service providers that assist e-commerce web sites by attracting traffic or providing credibility.

Anchor store: A major store (generally a department store), which is expected to draw customers to the shopping mall or to the hypermarket.

Animatic: A preliminary version of a TV commercial whereby a videotape of the frames of a storyboard is produced along with an audio soundtrack.

Animation (TV): Making inanimate objects appear alive and moving by setting them before an animation camera and filming one frame at a time. Animation advertising is used quite often for those products and services, which are directed primarily toward the children.

Animism: Cultural practices whereby inanimate objects are given qualities that make them somehow appear alive. The concept of animism is used sometimes in the creation and communication of distinctive brand personality to the consumers.

Annual plan control: One of the four types of marketing control system, needed by the companies to evaluate their marketing effort. Its aim is to ensure that the company achieves the sales, profit and other goals established in the beginning of the year. The prime responsibility of annual plan control is of top management and middle management.

Annual rate of stock turnover (in units): Number of units-sold during year - Average inventory on hand (in units). Annual rate of stock Net yearly sales_turnover (in rupees)-Average inventory on hand. Cost of goods= sold during the year Average inventory on hand (at cost) Annual rate of stock turnover (at cost) xxxxx

Annuity sales: Type of sale of product that realizes after sale revenues for a long period. One example is products that use a good deal of high cost supplies, which must be purchased from the original equipment supplier.

Answerprint: Master print of TV commercial. (*See also* photomatics)

Anticipative marketers: It refers to a proactive marketer who acts proactively in addressing not only the existing needs of the customers but also the likely future needs.

Anticipatory aspiration group: One of the types of reference group, which an individual aspires to belong to and anticipates joining at some future time.

Anticipatory pricing: A pricing practice that is followed by some companies, where it raises the prices by more than the cost increase in anticipation of further inflation or government price control.

Anticipatory reference group: See aspirational reference group.

Anticonsumption: The actions taken by consumers that involve the deliberate defacement or mutilation of certain types of products.

Apathetic consumer or shopper: It refers to one of the shopping orientations exhibited by the people while shopping various goods and services. This type of consumer shops because she or he “had” to. Shopping for this type of shopper is an onerous task and often shops “to get it over with”. Convenient location of store is the most important criterion for store selection as opposed to price, quality, relationships with store personnel, or others for this type of shopper.

Appeal (advertising): The motive to which an ad is directed. It is designed to stir a person toward a goal the advertiser has set.

Application selling: Marketing a product through discovering the prospect's need and then demonstrating how the company's products may fulfill that need. (*See* system selling)

Application service providers (ASPs): Independent IT companies that perform value chain functions for their client businesses—but do it off-line. ASPs allow businesses to deaggregate business functions and outsource them to separate providers. For example, suppose a business decides to outsource its payroll. The manger logs onto the ASP's web site, enters the hour totals for each employee, and hits submit—a courier delivers the checks next day.

Applied research: A research, which is undertaken to assist managers in decision-making process. The findings are used in solving problems, which the managers may be facing at a particular time in performing their task. Marketing research is considered to be an applied research. Both Applied and basic research employ the same methodologies and techniques.

Approach (in selling process): One of the selling steps during which the salesperson tries to obtain the prospect's interest and attention. In this step of selling process the salesperson should be able to attract the attention of the customer by discovering customer needs at the earliest. At this stage the salesperson should be good listener and then able to discover the customer needs properly.

Approach development process: In the context of undertaking a research project in marketing research to a specific marketing problem this includes formulating an objective or theoretical framework, analytical models, research questions, and hypothesis and identifying the information needed. This process id guided by discussion with management and industry experts, analysis of secondary data, qualitative research, and pragmatic considerations.

Approach object: In the context of motivation it refers to a positive goal toward which behavior is directed. For example, a man who has a positive goal of fitness joins a health club to work out regularly.

Approach-approach conflict: This is a situation in which conflict exists between two desirable alternatives such as when a consumer must decide how to allocate purchasing rupees between home fitness equipment and purchase of computer. These situations can lead to a period of temporary indecision and vacillation between alternatives.

Approach-avoidance conflict: Situations in which consumers are in conflict between a positive and negative alternative make up this category. Such situations often occur when making decision on a single product in which both positive and negative aspects are involved in the purchase. For example, to acquire an attractive or big-ticket item such as a car, consumers must part with a sizeable amount of scarce purchasing rupees. These types of cash outflows can generate considerable amount of purchase avoidance conflict.

Arbitrage: The process of buying and selling foreign currency at a profit resulting from price discrepancies between or among markets.

Arbitrary allocation: A method for setting the budget for advertising and promotion based on arbitrary decisions of top management.

Arbitration (channel conflict): One of the types of conflict resolution mechanisms through some procedure between the producer and the retailer. When arbitration is used to resolve a conflict, parties voluntarily submit their disputes to a third part whose decision will be considered final and binding. This approach of conflict resolution is considered good because the conflict is resolved before it becomes too difficult to settle in a reasonably friendly manner.

Archetype: A universally shared idea or behavior pattern, central to Carl Jung's conception of personality; archetypes involve themes-such as birth, death, or the devil-that appear frequently in myths, stories, and dreams. Sometimes advertisers use messages, which try to invoke archetypes to link products with underlying meanings.

Area market potential: A part of the total market potential with respect to different cities, states and nations. Estimation of area market potential is important because many times companies face the problem of selecting the best territories in allocating their market budget optimally among these territories. Therefore, they need to estimate the area market potential. Two major methods of assessing the area market potential are: market build-up method, which is use primarily by business marketers, and the multiple factor index method, which is used primarily by consumer marketers.

Area sampling: One of the types of cluster sampling technique in which areas (for example, census tracts, blocks) serve as the primary sampling units. The population is divided into mutually exclusive and exhaustive areas using maps, and a random sample of areas is selected. If all the households in the selected areas are used in the study, it is one-stage area sampling, while if the areas themselves are sub-sampled with respect to households; the procedure is called two-stage area sampling.

Arena advertising: Advertising on board around perimeters of sports stadium.

Arm's-length price: This term is used in the context international marketing where companies are alleged to be involved in dumping—when a company charges either less than its cost or less than it charges in its home market—activities. Various governments watch for such price abuses and when they find evidence of dumping they force companies to charge arm's-length price—that is, the price charged by other competitors for the same or similar products.

Armchair buying: A type of direct response marketing. It refers to the purchase of selected goods using a catalogue while sitting at home.

Arousal of motives: In the consumer behaviour context, motives are often aroused on the basis of physiological, emotional, cognitive, or environmental factors.

Art director: Specialist in a creative department in advertising agency. May work on visuals, layouts, typography and art buying.

Art product: A creation viewed primarily as an object of aesthetic contemplation without any functional value.

Artificial intelligence: "The study of computations that makes it possible to perceive, reason and act. Artificial intelligence in Internet Marketing is especially important for software agents, some personalization systems, and producing the appropriate response to unstructured customer requests.

Ascending bids: An auction type pricing where one seller and many buyers participate. The seller puts up an item and bidders raise the offer price until the top price is reached. These auctions are being used for selling antiques, real estate and used equipments and vehicles. This auction is also known as English auctions.

Ascribed group memberships: Affiliations determined by birth, such as those based on gender, family, age, caste, and ethnic, racial, or national origin.

ASI recall plus test: A method of testing advertising effectiveness. It is a day-after recall test of television commercials (formerly known as the Burke Test).

Asian Free Trade Area (AFTA): A free-trade area formed by certain Asian countries.

Ask for the order: A request by a sales person to the prospect to make a buying decision. The final step in closing the sale. Asking for the order at precisely the right moment is the most important element in the sales process. The best procedure is to test the prospect's willingness towards acceptance of the offered deal through a technique called "trial closing." (*See also* closing techniques.)

Aspirational reference group: One of the types of reference groups to which a person does not currently belong but to which one desires to belong. These groups exhibit a desire to adopt the norms, values, and behaviour of others with whom the individual aspire to associate. The influence of Aspirational groups, though indirect, can play a significant role in product choices.

Asset turnover: One of the important sales ratios used in retail business. Here annual net sales are divided by total assets. This is a basic performance measure of how productively the retailer is using its assets to generate sales.

Asset: Anything of monetary value that is owned by the firm.

Assimilation contrast theory: A theory of attitude change that suggests that consumers are likely to accept only moderate attitude changes. If the change suggested is too extreme, the contrast with presently held attitudes would cause rejection of the entire message. Therefore in marketing communication extreme attitudinal change should not be sought from the consumers.

Assimilation effect: Theory in social psychology that focuses on desire to maintain balance between experiences and expectations by selectively accepting information consistent with expectations. Assimilation occurs when the stimulus differences among the parts are sufficiently small; if the differences are sufficiently large, the opposite phenomenon of contrast tends to occur. This theory may be used by the marketers in the context of post purchase dissonance experienced by the consumers.

Assistive technologies: One of the new trends that are coming primarily in the B2C market. These are clever developments that allow for computer access by persons with a wide range of disabilities. These same technologies are also used for everyday applications such as listening to one's e-mail while driving. These technologies include: (1) Voice activated computers, (2) Large type screen displays, (3) Type-to-speech or Braille, (4) Speech-to-text telephony, and (5) Eye gaze-to-type technologies.

Association of South East Asian Nations: (ASEAN): A free-trade area involving the Asian countries of Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand. It is promoting cooperation in many areas, including industry and trade. Member countries are very much protected in terms of tariff and nontariff barriers

Association techniques: One of the projective techniques used that come under the qualitative research. In these techniques, an individual is presented with a stimulus and asked to respond with the first thing that comes to mind. Most commonly used associative technique is word association test.

Association test (new brand): One of the research techniques used in selecting a new brand name by the companies where they ask the respondents to associate any image that comes to their minds when a particular brand name is given to them.

Association test: One of the research techniques used in selecting a new brand name by the companies where they ask the respondents to associate any image that comes to their minds when a particular brand name is given to them.

Associative network: One of the theories of memory organization in individuals. This perspective proposes that the information residing within memory is organized much like a spider web. Memory nodes containing bits of information are linked to other memory nodes in a series of hierarchical networks. For example, networks representing specific brands of particular product would be part of a broader network representing the product category.

Assorting: The building up of a variety of products for use in association with each other in order to provide a market what it wants. Big retailers use this strategy to attract large number of customers.

Assortment display: Used in the context of retail management. It refers to an open or closed display in which a retailer exhibits a wide range of merchandise for the retail traffic.

Assortment merchandise Apparel, furniture, autos, and other products for which the retailer must carry a variety of products in order to give customers a proper selection.

Assortment: This refers to the availability of large number of merchandise carried by a retailer. It includes both the breadth of product categories and the variety within each category.

Assumptive close: A sales closing technique in which the salesperson asks a question or makes a statement that assumes the prospect has made a buying decision. The assumptive close is most useful when the prospect appears close to a positive decision, but holds back on finalizing the deal. An example of an assumptive close statement is when a salesperson says to the prospect, "I'll call the factory and tell them to add your order to production schedule."

Asymmetric lambda: A measure of the percentage improvement in predicting the value of the dependent variable, given the value of the independent variable in contingency table analysis. Lambda varies between 0 and 1.

Asymmetric Lambda: It is one of the variants of Lambda coefficient, which measures the percentage improvement in predicting the value of dependent variable, given the value of independent variable in a contingency table analysis. Lambda also varies between 0 and 1. a value of 0 means no improvement in prediction. A value of 1 indicates that the prediction can be made without error. This happens when each independent variable category is associated with a single category of the dependent variable.

Asynchronous communication: A type of stored communication in which users can communicate without immediate response. E-mail is prime example.

At-home shopping channels: One of the new advertising media that has emerged in the recent years. Here, some television channels are dedicated to selling goods and services by broadcasting 24-hours promotional programming. In return the viewers can give their orders on a toll free number and receive delivery in a stipulated time.

Atmosphere: It refers to the image a store projects as a result of its layout and fixtures. The main determinants are the type; and density of employees, merchandise, fixtures, sound, and odor and visual factors within a store.

Atmospherics (store): The conscious designing of a store layout and its various dimensions to evoke certain effects in buyers. From the marketer's perspective, a store's atmospherics can help shape both the direction and duration of consumers' attention, and increase the odds that a consumer will purchase products that otherwise might go unnoticed.

Attachment: This term is used in two different contexts. (1) This refers to a computer file attached to an Email message and delivered with it. (2) In the context of advertising, this refers to an audio or written description on storyboard, of script, sound effects, and music in proposed TV commercial.

Attention: The selective process of noticing a stimulus or certain portions of it. It is the momentary focusing of a consumer's cognitive capacity on a specific stimulus such as an advertisement or a store display. Attention is considered as one of the parameters of advertising effectiveness.

Attitude change study: A type of research that uses a before-and-after advertising to determine consumer's feelings about a product or service based on an exposure to a test advertisement and dummy advertisements.

Attitude object (A_o): Anything toward which one has an attitude. This means it is general evaluation of people (including one self), objects, advertisement, products, brands, companies, or any other issue.

Attitude Scale: Sets of rating scales constructed to measure one or more dimensions of an individual's attitude toward some object. Attitude scales are generally constructed using Likert (summated), Semantic Differential, and Stapel scales. These scales are primarily used in measuring attitudes in the marketing research projects.

Attitude specific strategy: A strategy followed by marketers, which requires comparison of each brand alternative on specific attributes.

Attitude splitting: The ability to acknowledge the truth of a dissonant stimulus, but still reject as being inapplicable to the individual.

Attitude toward the act of buying (A_{act}): A consumer behavior model, which tries to measure the attitude toward the act of buying rather than toward the product itself. In other words, it focuses on the perceived consequences of a purchase. Knowing how someone feels about buying or using an object/product can be a better measure than merely knowing the consumer's evaluation of the object itself.

Attitude: A person's consistently favorable or unfavorable evaluations, feelings, and action tendencies toward an object or idea.

Attitude-toward-behaviour model: A model that proposes that a consumer's attitude toward a specific behaviour is a function of how strongly he or she believes that the action will lead to a specific outcome (either favorable or unfavorable).

Attitude-toward-the-ad model: A model that proposes that consumer forms various feelings (affects) and judgments (cognitions) as the result of exposure to an advertisement, which, in turn, affect the consumer's attitude toward the ad and beliefs and attitude toward the brand. Also known as attitude toward the advertisement.

Attribute analysis/attribute listing: A group of idea-generating techniques used in the new product development process. It is built on the concept that any product improvement is a change in the attributes of its predecessor. Also a term used to mean the same as analytical attribute approach. Also called attribute listing.

Attribute positioning: One of the positioning strategies, where a company positions itself on an attribute such as quality, feature, each of use, and competes on these attributes vis-à-vis its competitors. Each new attribute, if successful, creates a competitive advantage for the firm, leading to temporarily higher than average market share and profits.

Attribution theory: A group of interrelated social psychological principles that are collectively known as attribution theory. It attempts to explain how people assign causality to events on the basis of their own behaviour or the behaviour of others. Research has used the concept of attribution theory to examine how sales promotion may affect consumer attitude formation. According to this theory, consumers acquire attitudes by observing their own behaviour and considering why they acted in a certain manner. Consumers who consistently purchase a brand because of a coupon or price-off deal may attribute their behaviour to the external promotional incentive rather than to a favorable attitude toward the brand. By contrast, when no external incentive is available, consumers are more likely to attribute their purchase behaviour to favorable underlying feelings about the brand.

Auction enabler: A type of online service, which helps an auction house to run an effective physical auction.

Auction type pricing: One of the types of pricing methods, which is growing in popularity in recent years especially with the growth of Internet. A large number of electronic market places are selling a diverse range of products and services by auctioning them though bidding process. One major use of auction is to dispose excess inventories or used books. There are three major types and each has its own separate pricing procedures. These types are: ascending bids, (English auctions) descending bids (Dutch auctions), and sealed bid auctions.

Audience coverage: A measure of the potential audience that might receive an advertising message through a particular media vehicle.

Audience duplication: Enhancing the learning effect by placing the same message such as an advertisement in different media reaching a single target audience.

Audience fade-out: This refers to the practice where the viewers /audience leave the room when the advertisements are screened/aired on a broadcast media vehicle.

Audience fragmentation: The process of segmenting of mass-media audiences into smaller groups because of diversity of media options available. Due to the multiplicity of media classes and media vehicles, audiences are highly fragmented.

Audience profile: Psychographic/demographic profile of the audience of a specific medium. It may vary from medium to medium and even within the different vehicles of the same medium. For example, the audience profile Discovery Channel may vary from that of Star Plus TV Channel.

Audimeter: An electronic measurement device that is hooked to a television set to record when the set is turned on and the channel to which it is tuned. It has been used for network viewing pattern of TV audience.

Audiotex (Telemedia): The use of telephone and voice information services to market, advertise, promote, entertain, and inform consumers. This is used in telemarketing

Audit (research): In a research audit the researcher collects data by examining physical records or performing inventory analysis. Research oriented audits have two distinguishing features. First, the researcher collects the data personally. Second, the data are based upon counts, usually of physical objects. Marketing research suppliers frequently conduct retail and wholesale audit for their clients.

Audit Bureau of Circulations (ABC): The organization sponsored by publishers, agencies and advertisers for securing accurate circulation statements. The circulation figures certified by ABC are used by media for determining advertising rates.

Audited net sale: The circulation figure of a journal, as declared by publishers' independent auditors after deduction from original print order of free copies, returns, vouchers, and copies not sold at full cover price.

Augmented customer service: Used in the context of retailing this encompasses the actions undertaken by retailers that enhance the shopping experience of buyers and thus give retailers a competitive advantage vis-à-vis their competitors.

Augmented product: This refers to one of the views that a product includes not only its core benefit and its physical appearance or service but should also offer additional services and benefits, such as service, warranty, and image. Today's competition essentially takes place at the product augmentation level.

Authentication: A procedure used to guarantee that a website visitor is who he claims to be.

Authority method: One of the oldest ways to obtain an outlook for the future. This method is used as one of the methods of sales forecasting. Here sales are projected about the future, which involves consulting an expert (i.e., an authority).

Autocratic decisions: Those purchase decisions that are made almost exclusively by one or the other spouse in a family. This is also referred to as autonomic (or unilateral) purchase decision.

Automated answer: The response to a routine, non-special-case query, which can be answered electronically and without human intervention. Used in telemarketing.

Automated telephone surveys: A new method of collecting data in the marketing research projects. The companies solicit market research information by distributing pre-paid phone cards as an incentive to the respondents. A survey is programmed into an interactive call system that not only administers the survey but also sorts the results virtually anyway the client wants them. When the called users place their free calls, a voice prompt asks them if they would like to gain additional minutes by taking a short survey.

Automated warehouses: A new category of warehouses, which have emerged in the recent years. They have advanced materials handling systems under the control of a central computer. They have considerably improved the market logistic decisions of organizations.

Automatic checkout machines (ACM): A sophisticated system that allows customer to check himself or herself out of the store. This type of system is used in big malls or hypermarkets.

Automatic dialing recorded message programs (ADRMP): Computerized telemarketing system that automatically dials random numbers in an area code.

Automatic interaction detector (AID): One of the dependence methods used in multivariate data analysis. This method is appropriate for use with an intervally scaled dependent variable and nominally scaled independent variables; a technique that involves the repeated application of one-way ANOVA to reduce the total sample to a number of subgroups which are more homogeneous on the dependent variable than the sample as a whole.

Automatic markdown plan controls: A method used in retail marketing that controls the amount and timing of markdowns on the basis of the length of time merchandise remaining in stock.

Automatic reordering system: A computerized system that combines a perpetual inventory and reorder point calculations and on this basis the orders are placed automatically.

Automatic response system: A software program designed to answer questions without human intervention.

Automatic vending (machines): One of the types of direct marketing where automatic vending machines are used for selling a variety of merchandise including impulse goods like cigarettes, soft drinks, candy, coffee and other products.

Automating a sales force: Using computers and telecommunication equipment to provide salespeople with a direct link to the home office and important customers. Customer inquiries can be answered immediately. New orders can be entered anytime, and anywhere. Automating a sales force can improve the time it takes to enter orders, answer quotations or resolve problems.

Autonomic decision: One of the types of purchase decision-making in the family with respect to various products and services. In this type of decision-making, each spouse makes an equal number of decisions, separately and independently to each other.

Auto-respond email: The method of sending replies through email whereby a system can automatically retrieve an answer to a query from a stored database and send that answer without human intervention.

Average frequency: One of the important concepts used in media planning for an advertising campaign. This refers to number of times the average household reached by a media schedule is exposed to a media vehicle over a specified period of time.

Average linkage method: One of the methods used in cluster analysis in a marketing research project. It is a form of linkage methods. In this method the distance between the two clusters is defined as the average of the distances between all pairs of objects, where one member of the pair is from each of the cluster. This method also uses information on all pairs of distance, not merely the minimum or maximum distances. For this reason, it is usually preferred to the single and complete linkage methods.

Average quarter-hour figure (AQHF): The average number of persons listening to a particular station for at least five minutes during a 15-minute period. Used and pioneered by Arbitron, US based radio audience measurement organization, in measuring the size of radio audiences.

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.

Average user testimonial: One of the types of testimonial advertising. This is a type of advertisement that shows an ordinary person to convince the target consumers to purchase something, based on the theory that the average user will be similar to the consumer.

Avoidance group: One of the reference groups, in which a person does not hold membership and does not have face-to-face contact and of whose values, attitudes, and behaviours he or she disapproves. Thus, the person tends to adopt attitudes and behaviour that are in opposition to those of the group. For example, consumers scrupulously avoid buying anything that might identify them with that group.

Avoidance object: A negative goal from which behaviour is directed away.

Avoidance-avoidance conflict: this is a situation that occurs when consumers face choices between two alternatives, both of which are perceived as being negative in nature. For example, when the television set with which a family has been satisfied develops a major fault, the alternative may be a hefty repair bill or the large expense of a replacement set. Such situations are characterized as being stable because consumers tend to vacillate between undesirable alternatives.

Award (channel conflict): One of the types of conflict resolution mechanisms through some procedure between the producer and the retailer. Award is a settlement that is reached between the producer and the retailer through a third person or agency to resolve the conflict and to accept the verdict rather than to continue with the conflict. An award is typically the result of a legal trial or arbitration. The courts of law have settled many conflicts in marketing channels, specifically between retailers and producers.

Awareness set: This refers to the number of available brands, which a consumer is aware of out of the total brands available in the product category.

Awareness threshold: This term may be used in the context of consumer information processing. According to it, any given stimulus may either be too small or weak to notice, or so great that it also escapes awareness. Consumer zones of stimulus awareness can therefore be identified by defining two thresholds—absolute and terminal.

Awareness/Knowledge (new product): A measure of the percentage of target customers who are aware of the new product's existence. Awareness is variously defined, including recall of brand, recognition of brand, recall of key feature or positioning etc.

Awareness–trial-availability-repeat (A-T-A-R): A paradigm consisting of four key steps by the intended user**:** the steps take the person or firm from a state of ignorance about a new product to the point of product adoption.

B

Baby boom: The major increase in the annual birthrate following World War II and lasting until the early 1960s, a term that reflects the higher birth rate at the time. This is basically a classification of population in the context of US.

Baby boomers: A large cohort of people born between the years of 1946 and 1964 who are the source of many important cultural and economic changes. They had been prime targets of marketers.

Baby boomlet: A modest surge of children born to baby boomers, who have until recently delayed having children and are less likely to have large families in comparison to their parents.

Baby busters: The youths born between 1965 and 1976 in US, representing 47-50 million consumers. It is also known as generation Xers.

Bachelor stage: One of the stages identified in the family life-cycle which may influence consumer behaviour. It refers to young people who are unmarried, have few financial pressures, and are usually fashion opinion leaders and recreation oriented. They buy basic home appliances, furniture, music systems and vacations.

Back door selling: Going outside normal channels to obtain an order. A typical example of back door selling is to go around the purchasing agent in the prospect's organisation and speaking directly to the product user. Back door selling is an aggressive approach and can be dangerous because the sales person is choosing to ignore an organization's normal rules of procedure.

Back-to-back loan: A loan that involves a company in country A with a subsidiary in country B, and a bank in country B with a branch in country A. It is used in the context of international business.

Back-translation technique: A technique used to overcome language problems in a foreign market, particularly by those companies who want to carry international business operations. In this technique a message (words or series of words) is translated from its original language to the translated language and than back to the original by several translators.

Backward elimination: This term is used in connection with the stepwise regression used in marketing research. This is one of the approaches to stepwise regression in which initially all the predictor variables are included in the regression equation. Predictors are then removed one at a time based on the *F* ratio.

Bagman: Name given to eighteenth century salesperson who sold goods produced by the developing factory system.

Bait and switch pricing: A form of deception in pricing practices that involves a low price offer intended to lure customers into a store where a salesperson tries to influence them to buy higher priced items.

Bait-and-switch advertising: A deceptive form of promotion in which merchandise is advertised at unusually attractive prices and then, once customers are in the store, they are persuaded that the low-price model is not a good buy because of its poor quality or durability and are directed toward a high-price models.

Balance of payments: The account that details all the economic transactions involving goods, services and investments that occur between one nation and other nations in a given period.

Balance of trade: The value of a country’s exports less the value of its imports.

Balance on goods and services: The value of a country’s exports of merchandise trade and services minus imports. This is part of balance of trade.

Balance sheet close: One of the types of sales closing techniques in which the salesperson and the prospect list the reasons for acting now against the reasons for delaying, aimed at pointing out the advantages of prompt action.

Balance sheet: It is one of the most important financial statements that shows assets, liabilities, and net worth of a company in a specific financial year or period.

Balance theory: An attitude change theory that asserts that unbalanced cognitive systems tend to shift toward a state of balance. Balance theory conforms to a basic behavioral principle of cognitive consistency. This principle states that consumers value harmony between their beliefs and evaluations. If one is inconsistent with the other, consumers will change their attitudes to create harmony in their cognitive structure. Research supports the idea that consistency exists between beliefs and brand evaluations. Studies have found a link between brand beliefs and overall evaluations. The result is a balance in beliefs about the information and the object.

Balanced performance score cards: A set of measures that give top managers a fast but comprehensive view of the business that compliments the financial measures with operational measures of customer satisfaction, internal processes, and the organizational innovation and improvement activities—operational measures that are the drivers of future financial performance.

Balanced scale: One of the types of rating scale used in attitude measurement. This type of scale provides the same number of favourable and unfavorable categories to the respondents.

Balanced tenancy: This term is used in the context of shopping complex. This occurs when stores in a planned shopping center complement each other as to the quality and variety of their product offerings.

Balanced theory of attitudes: According to this theory used in consumer behaviour, a person perceives his or her environment in terms of triads. That is, a person views as being involved in a triangular relationship in which all three elements (persons, ideas and things) have either positive (liking, favourable) or negative (disliking, unfavourable) relationship with each other. This relationship is termed sentiment.

Balance-of-payments deficit: An imbalance of some specific component within the balance of payments, such as merchandise trade or current account, that implies that a country is importing more than it exports.

Balance-of-payments surplus: An imbalance in the balance of payments that exists when a country exports more than it imports.

Balance-of-trade deficit: A situation where the monetary value of a country's imports exceeds its exports.

Ballot method: A strategy of mailing target consumers, a list of promotional options and asking them to rank their preferences and mail the ballot back to the firm.

Bandwagon effect: The phenomenon by which success breeds success, and high market share makes it easier to make additional sales.

Bandwidth: The amount of information that can be supplied through a given connection. The term is generally used in the context of Internet connectivity. Greater bandwidth results in greater information delivery speed and a lack of bandwidth leaves the consumers waiting for web content to download. Bandwidth is measured in bits per second (bps).

Bank for International Settlements (BIS): A bank in Basel, Switzerland, that facilitates transactions among central banks, effectively the central banks' central bank. It gets involved in swaps and other currency transactions between central banks in the major industrial countries. It also is a gathering place where central bankers discuss monetary cooperation.

Banner ad: A small informational message or advertisement placed on a web page, linked to the advertiser's own website through a hyperlink.

Banners, buttons, and skyscrapers: These are the main interactive formats of Internet advertising and occupy designated space for rent on web pages. All ads in this category are interactive, at least offering click-through. By clicking on the ad, the user is transported to the advertiser's web site, where the transaction or other objective is actually achieved.

Bar chart: One of the commonly used graphic methods of data presentation. It is a chart in which the relative lengths of the bars show relative amounts of variables or objects.

Bargain hunters: One of the types of business segment buyers who see the product as very important and demand the deepest discount and the highest service. They know the alternative suppliers, bargain hard and are ready to switch at the slightest dissatisfaction. A business marketer may need these buyers for volume purposes but they are not very profitable.

Bargain: (1) An item or service purchased for less than full market value. Genuine bargains are rare. (2) Dialogue between prospect and seller to determine the selling price for a product or service. The seller who must bargain with a prospect over the price hasn't established the value of the product.

Bargaining power: It refers to the degree of influence the buyer and seller have on each other to achieve favorable terms of sales. Bargaining is most likely to occur when there is a need to negotiate price, delivery, and product specifications. There are two types of bargaining power. First is known as competitive bargaining power, where the party with stronger buying power exerts the power to force concessions from the weaker party. The second type of bargaining power is coordinative bargaining power, where the parties approach bargaining in a problem solving manner to achieve mutual goals.

Bargaining school theory: A theory holding that the negotiated terms for foreign investors depend on how much investors and host countries need each other's assets.

Bargaining tactics: This refers to the tactics adapted by the buyers when they negotiate with the sellers. Bargaining tactics are maneuvers made at specific points in the bargaining process. There are several bargaining tactics that have been identified by researchers and knowledge of these can be of help to sales people in negotiating sales deals.

Barter (TV): Acquisition of broadcast time by an advertiser or an advertising agency in exchange for operating capital or merchandise. No cash is involved.

Barter syndication: The offering of television programs to local stations free or at a reduced rate but with some of the advertising time sold to national advertisers. The remaining advertising time can be sold to local advertisers.

Barter: The old system of exchange of goods or services of approximately equal value without transfers of money.

Bartlett's test of sphericity: It is one of the statistics associated with factor analysis. It is a test statistic used to examine the hypothesis that the variables are uncorrelated in the population. In other words, the population correlation matrix is an identity matrix; each variable correlates perfectly with itself ($r = 1$) but has no correlation with the other variables ($r = 0$).

Base currency: The currency whose value is implicitly 1 when a quote is made between two currencies; for example, if the rupee is trading at 46.2 rupees per dollar, the dollar is the base currency and the rupee is the quoted currency.

Basic balance: The net current account plus long-term capital within a country's balance of payments.

Basic information: One of the types of information that is obtained through a questionnaire from the respondents. This information relates directly to the research problem. As a general rule, basic information should be obtained first, followed by classification, and finally, identification information. The basic information is of greatest importance to the research project and should be obtained first, before taking the risk of alienating the respondents by asking a series of personal questions.

Basic stock list: The list of merchandise that specifies the inventory level, color, brand, style category, size, package, and so on for each merchandise carried by a retailer.

Basic stock method: Method of inventory control used by retailers to provide a given level of inventory at all times. It assumes that the retailer will always have a fixed level of inventory regardless of expected sales volume. In addition, a variable level based on projected sales will be added at the beginning of each period.

Basic stock: The smallest number of units deemed necessary to have on hand without losing sales during the slowest part of a merchandise season.

Basing-point pricing: A geographical pricing strategy in which the seller designates some city as a basing point and charges all customers the freight cost from that city to the customer location, regardless of the city from which the goods are actually shipped or dispatched.

Battle of the brands: The competition between manufacturers and retailers for shelf space and profits, whereby manufacturer, private, and generic brands fight each other for more shelf space and control.

Bayesian approach: One of the methods of selecting a sampling technique where the elements are selected sequentially. The Bayesian approach explicitly incorporates prior information about population parameters as well as the costs and probabilities associated with making wrong decisions. This approach is theoretically appealing. Yet, it is not used widely in marketing research because of much of the required information on costs and probabilities is not available.

Bayesian probability: The probability based on a person's subjective or personal judgments.

Beachhead: A process of studying successful competitors (or organizations in general) and selecting the best of their actions or standards. In the new product program, it means finding the best process methods and the best process times and setting out to achieve them in the firm doing the benchmarking.

Before-after (pretest-post test) control group design: It is one of the types of true experimental designs in which the experimental group is exposed to the treatment or independent variable but the control group is not. Pretest (before) and posttest (after) measures are taken on both the groups.

Before-after experimental design: A group of experimental designs that involve measuring the dependent variable before (premeasurement) and after (post measurement) the introduction or manipulation of the independent variable. The result of interest is the difference between the pre-and post-measurement.

Beginning inventory: The total inventory investment with which a department or store begins a merchandise period (month or season). This may be expressed either in monitory terms or in units.

Behavioral component: One of three main components of attitudes, concerned with a person's readiness to respond behaviorally toward an object or a phenomenon or activity. A series of decisions to purchase or not to purchase a specific brand or to recommend it or other brands to friends would reflect the behavioral component of an attitude. The behavioral component provides response tendencies or behavioral intentions.

Behavioral economics: The study of the behavioral determinants of economic decisions.

Behavioral influence perspective: The view that consumer decisions are learned responses to environmental cues.

Behavioral intention: The subjective probability that beliefs and attitudes will be acted on. In the context of consumer behaviour this refers to the probability of purchasing a specific product or brand.

Behavioral learning theories: Theories based on the premise that learning takes place as the result of observable response to external stimuli. Also known as stimulus response theory.

Behaviorally anchored rating scale (BARS): A five-step process used to evaluate the aptitude of sales personnel.

Behaviorist school: Concerned with observing changes in an individual's responses as a result of exposure to stimuli. Developed two types of learning theories: classical conditioning and instrumental conditioning.

Behavioristic segmentation: A method of segmenting a market by dividing customers into groups based on their usage, loyalties, or buying response to a product or service. For example, product or brand usage, degrees of use (heavy versus light), and/or brand loyalty are combined with demographic and/or psycho graphic criteria to develop profiles of market segments.

Behaviour-based control system: One of the sales control systems that monitors the individual stages, or behaviors, of prospects in the sales process.

Beliefs: Mental or verbal statements that reflect a person's particular knowledge and assessment about some idea, product, brand or any other entity.

Below market pricing: A pricing method used in retail business when a retailer uses price points that are below the competitions.

Below-cost pricing: One of the pricing tactics practice by some big retailers, in which they set the prices of some products or items below the cost. In US many states have passed laws, which prohibit the retailers from selling merchandise below cost, plus some fixed percentage markup (minimum 6 percent). However, these laws proved to be ineffective.

Below-the-line advertising: All types of non-commission paying advertising/promotion such as exhibitions, direct mail, sales literature, point-of-sale displays except public relations.

Benchmark measures: Used in the context of advertising, it refers to measures of a target audience's status concerning response hierarchy variables such as awareness, knowledge, image, attitude, preferences, intentions or behaviour. These measures are taken at the beginning of an advertising or promotional campaign to determine the degree to which a target audience must be changed or moved by a specific promotional campaign. Establishing benchmark measures gives the promotional planner a basis for determining what communication tasks need to be accomplished and for specifying particular objectives.

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. Benchmarking has become a powerful tool for increasing a firm's competitiveness.

Benchmarks: One of the methods used in assessing the customer value in business markets. In this method customers are shown a "benchmark" product and then a new product. They are asked how much they would pay for the new offering (product). They can also be asked how much less they would pay if certain features were removed from the benchmark product.

Benefit positioning: A positioning option that uses or highlights a distinctive customer benefit.

Benefit segmentation: A type of market segmentation base in which target segments are divided by various benefit packages that different customers want from the same product category. In many product categories it is an effective base for segmenting a market. For example Dettol soap in India has been targeted to the hygiene conscious consumer—the individual seeking protection from germs and contamination—rather than the consumer looking for beauty, fragrance, freshness, or economy.

Benefit: A product attribute expressed in terms of what the user gets from the product, rather than its physical characteristics (features). Benefits are often paired with specific features of a product or service or brand. They are perceived, not necessarily real.

Best practices: Set of practices in the new product development field that correlate with successful product introductions. These are obtained by benchmarking or through a survey.

Beta testing: The testing of preliminary versions of software or products, often with bugs or missing features, by selected customers, on their premises. The procedure may concentrate only on whether the product performs as expected or on whether the performance meets the needs of the user.

Beta version: A preliminary version of a product or service often provided free. The purpose of the beta version release is to allow selected customers to preview the product and provide valuable feedback. Most of the new software are introduced in the beta version form.

Better business bureau (BBB): An organisation in US launched by advertisers that now has wide business support, formed to protect the public against deceptive advertising and fraudulent business methods. Works widely at local levels. Also identified with the National Advertising Review Board.

Bettman's information-processing model: It is one of the several models of consumer behaviour, which subscribes to a distinctly cognitive and information-processing point of view. In this model, the consumer is portrayed as possessing a limited capacity for processing information. When faced with a choice, the consumer rarely undertakes very complex analyses of available alternatives. Instead, the consumer typically employs simple decision strategies or heuristics. These simplifying decision rules assist the consumer in arriving at a choice by providing a means for sidestepping the overly overburden task of assessing all the information available about all the alternatives.

Between vehicle duplication: The process of exposure of the audience to the same advertisement through different media vehicles.

Biased scanning theory: A theory of self-concept, which views self-concept development in terms of identity aspirations and biased scanning of the environment for information to confirm how well the person is meeting his or her aspirations. Thus, perceptual scanning is biased towards seeing ourselves, as we would like to be (that is, it is biased toward self-gratification). This theory may be used in the context of consumer behaviour particularly in selection of products and brands.

Bibliographic databases: One of the types of databases that are composed of citations to articles in journals, magazines, newspapers, marketing research studies, technical reports, government documents, and the like. They often provide summaries or abstracts of material cited.

Bid (buy): The amount a trader is willing to pay for foreign exchange.

Bidding system: Sales budgeting method in which functional areas compete on the basis of expected payoffs.

Bifurcated retailing: Denotes the decline of middle-of-the-market retailing due to the popularity of both mass merchandising and niche retailing.

Big idea: Name given to a creative idea or the central theme for an advertisement or campaign that attracts consumers' attention, gets a reaction, and sets advertiser's product or service apart from the competition. It is also known as the main theme of advertisement. Creative specialists are finding it more and more difficult to come up with big ideas that will break through the clutter and and still satisfy the concerns of their risk-averse clients.

Big-book catalogues: Mail-order directories that contain a very wide range of products and merchandise.

Bill of lading: A document used in export marketing that is issued to a shipper by a carrier, listing the goods received for shipment. It also contains a contract for the services rendered by the carrier, and a document of title.

Bill-back allowances: A form of trade incentives in which retailers are given money for featuring a marketer's brand in either advertising or in-store display.

Billboard (British): Poster advertisement on hoarding placed outside shop. In the US context it is called outdoor poster advertising.

Binary variables: One of the types of variables that are measures or used in a marketing research study. These are also known as dummy, dichotomous, instrumental, categorical, or qualitative variables. These variables may take on only two values, such as 0 or 1. The general rule is that to specify a binary variable with K categories, k-1 dummy variables are needed. The reason for having K - 1, rather than K, dummy variables is that only $K – 1$, categories are independent. Given the sample data information about the Kth category can be derived from information about the other $K – 1$ category. For example, sex, a variable having two categories, only one dummy variable is needed. Information on the number or percentage of males in the sample can be derived from the number or percentage of females.

Bind-in insert cards: Post card sized inserts in magazines that give readers the chance to subscribe magazines or merchandise or get a free sample.

Binomial tests: One of the types of nonmetric tests used for analyzing data. A goodness-of-fit test for dichotomous variables is a binomial test. It tests the goodness of fit of the observed number of observations in each category to the number expected under a specified binomial distribution.

Bipolar adjectives: This term is used in the context of semantic differential scale, which is one of the popular scales of attitude measurement. It refers to a pair of adjectives defining opposite ends of a continuum regarding some attitude or belief.

Bird-dogging: One of the methods of prospecting, commonly used by early salespeople in industrial marketing context. The sales reps used to call door-to-door in order to identify the best prospect companies. This method is also called smokestacking.

Bit: A single, smallest piece of digital information.

Bivariate analysis of association: An analysis of the relationship between two variables, a predictor (independent) variable and a criterion (dependent) variable, for the purpose of using the predictor variable to help predict or "explain" the level of criterion variable. Marketers are often interested in finding the association between two variables in order to develop specific marketing strategy.

Bivariate cross-tabulation: It is one of the types of cross-tabulations in which two variables are cross-tabulated. As here, only two variables are cross-classified, percentages could be computed either column wise, based on column totals, or row wise, based on row totals. Whether column tabulation to be used or row tabulation to be used it depends on which variable is considered independent variable and which as the dependent variable. The general rule is to compute the percentages in the direction of the independent variable, across the dependent variable.

Bivariate regression analysis: It is procedure for deriving a mathematical relationship, in the form of an equation, between a single metric dependent or criterion variable and a single metric independent or predictor variable. The analysis is similar in many ways to determining the simple correlation between two variables. However, an equation has to be derived, one variable must be identified as the dependent variable and the other as the independent variable.

Black market: The illicit selling or trading of products at higher prices than authorized normal channels. Black markets flourish when goods become scarce or unavailable through normal distribution channels.

Blanket contract: A type of purchase order where an industrial buyer establishes a long-term relationship in which the supplier promises to re-supply the buyer as needed, at agreed upon prices, over a specified period of time, various operating, maintenance and repair items. Because the seller holds the stock, blanket contracts are sometimes called stockless purchase plans as the buyer's computer automatically sends an order to seller when stock is needed.

Blanket family name: One of the strategies that are available in brand-name decision. In this strategy, every product the company offers to market bears the same brand name. Usually, this name is a company name. This strategy offers certain advantages such as the development cost is less because there is no need for name research or heavy advertising expenditures to create brand name recognition. Furthermore, sales of new product are likely to be strong if the manufacturer's name is well known.

Bleed pages: Specialized magazine advertisements where the printed area extends to the edge of the page, eliminating any white margin or border around the ad. Artwork has to be larger than page size so that it can be trimmed.

Blimp: An unmanned helium-filled balloon used frequently in aerial advertising.

Blind use test: A test in which consumers are asked to use several alternative brands and then evaluate the relative desirability of the brands without knowing the brand names.

Blocking effect: Using an image or stimulus to advertise a product that is already associated with another product.

Blocking: Used in experimental research designs. It refers to an attempt to control the effect(s) of extraneous variable(s) on dependent variables(s) in the experiments.

Blunder: This refers to the error that arises when editing, coding keypunching, or tabulating the data.

Body cathexis: A person's feelings about aspects of his or her body. Cathexis refers to the emotional significance of some object or idea to a person, and some parts of the body are more central to self-concept than are others. One study found that consumers who were more satisfied with their bodies were more frequent users of such products as hair conditioners, blow dryers, cologne, facial bronzer, tooth polish, and pumice soap.

Body copy: One of the important components of print advertisement often referred to as copy. It is the main text portion of a print ad. Body copy is the heart of the advertisement message. It should be long enough to communicate the advertiser's message, yet short enough to hold reader's attention. Body copy content often flows from the points made in the headline or various subheads, but specific content depends on the type of advertising appeal and/ or execution style being used.

Body image: A consumer's subjective evaluation of his or her physical appearance or self. A man may think of himself as being more muscular than he really is, or a woman may feel she appear fatter than is the case. Many marketers try to exploit consumers' tendencies to distort their body images by preying on insecurities about appearance, thereby creating a gap between the real and ideal physical self and, consequently, the desire to purchase products and services to narrow the gap.

Body language: The way people move their bodies, gesture, position themselves, etc; to convey meaning to others.

Bonded warehouse: A building or part of a building used for the storage of imported merchandise under supervision of the Customs Department and for the purpose of deferring payment of customs duties.

Bonus packs: One of the types of consumer sales promotion tools. Special packaging that provides consumers with extra quantity of merchandise at no extra charge over the regular price. Bonus packs result in a lower cost per unit for the consumer and provide extra value as well as more product for the money.

Bonus: Payment made at the discretion of management for a particular achievement to the employees including the sales people.

Book inventory system: System of keeping a running total of the value of all inventories at cost as of a given time. This is done by recording purchases and adding them to existing inventory value. Sales are subtracted to arrive at the new current inventory value (all at cost). It is also known as a perpetual inventory system.

Book inventory: An inventory method, which provides a running total of the cost value on hand at a given time. This cost value can then be converted into a retail value if needed.

Booking center: An offshore financial center whose main function is to act as an accounting center in order to minimize the payment of taxes.

Bookmark: The address *of* a web page, grouped with others in a list, to which a user may want to return frequently.

Boomerang kids: Grown-up children who return to their parents' home to live with them.

Boomerang method: Sales technique that converts a prospect’s reason for not buying into a reason for buying.

Bottleneck products: In the context of business/industrial buying situations this refers to those products that have low value and cost to the business customer but they involve some risk. The business buyer normally looks for a supplier who can guarantee a steady supply.

Bottleneck products: It refers to one of the four product-related purchase processes adapted by business purchasing departments for different products. Bottleneck products are those products that have low value and cost to the customers but they involve some risk. The customer normally wants a supplier who can guarantee a steady supply. The supplier should propose standard parts and offer a tracking system, delivery on demand, and a help desk.

Bottom-up space management approach: Exists when planning starts at the individual product level and then proceeds to the category, total store, and overall company levels.

Bounce back coupon: It is one of the techniques of consumer sales promotion. Here a coupon is offered to consumers as an inducement to repurchase the same brand. These coupons are often used with product samples to encourage the consumer to purchase the product after sampling.

Bounce-back circular: An enclosure in the package of a product that has been ordered by mail. It offers other products of the same company and is effective in getting more business.

Bounce-back: Extra premium offer made to customer who has responded to sales promotion offer.

Boutique layout: A form of free-flow layout often adopted by large retailers that create mini-stores aimed at specific target groups within a larger store. Each mini-store is aimed at a specific market and is often a grouping of merchandise from a single country, company or designer.

Box (limited-line) store: Food-based discount store that focuses on a small selection of items, moderate hours of operation (compared to supermarkets), few services, and limited manufacturer brands.

Box-Jenkins forecasting method: A computer assisted iterative forecasting process that involves identifying a tentative model, testing it to see if it adequately describes the data, and, if need be, revising the model and retesting it until a satisfactory model is obtained and a forecast made.

Brain wave analysis: A technique that provides measurements of a physiological response to a stimulus and that differentiates between rational responses and emotional responses by measuring changes in brain wave patterns. This technique is used in evaluating the interest generated by a commercial or package on the consumers. This technique offers benefit to those who wish to communicate effectively various marketing messages including advertisement to the consumers.

Brainstorming: A creative technique in which participants are encouraged to freely come out with large number of ideas, which are recorded but not discussed. The purpose is to gather the greatest number of ideas possible on the chance of obtaining one or more that is innovative. This technique is commonly used in generating ideas for a possible innovation or in new product development process.

Branch (foreign): Exclusively own foreign operation of a company that is not a separate entity from the parent that owns it.

Branching questions: Questions that require respondents to answer differing subsequent questions depending on their response to the original question. This technique is used in questionnaire designing in order to help the interviewer or respondent to move easily from one question to the next.

Branchising: A type of marketing organizational system where the company empowers its local offices or branches to operate more like franchises. The branches resemble profit centers and branch managers have more latitude in deciding on strategy and are given more incentives.

Brand architecture: The process of structuring brands in order to transfer brand equity from product levels to corporate levels.

Brand asset management team (BAMT): A type of product management organization under brand asset management arrangement where each brand is managed by BAMT consisting of the key representatives from major functions affecting the brand's performance. Under this system a company may have number of BAMTs, which would be under a BAMT Directors Committee. This committee would then report to a Chief Branding Officer.

Brand association tests: The test conducted to find the associations that come to the minds of people when a new brand name is given to a group of respondents in brand–name selection research process.

Brand attitudes: These are consumers' predisposition to evaluate a brand favorably or unfavorably. They are represented by three factors: beliefs about brands, evaluation of brands, and tendency to act.

Brand awareness: An indicator of consumer knowledge about the existence of a brand and how easily that knowledge can be retrieved from memory at the time of purchase.

Brand belief: It refers to the belief a consumer develops on various attributes of a brand in terms of their presence and the relative possession of these attributes in a specific brand vis-à-vis the competing brands.

Brand communities: Groups of consumers who feel a commonality and a shared purpose grounded or attached to a consumer good or service.

Brand competition: One of the levels of competition based on the degree of product substitutability. This refers to a competition between different companies who are offering similar products and services to the same customers at similar prices. Maruti Udyog might see its major competitor as Hyundai, Tata, and other manufacturers of small to medium-sized automobiles.

Brand development index (BDI): An index that is calculated by taking the percentage of brand's total sales that occur in a given market as compared to the percentage of the total population in the market. It is used as an indicator of market potential of a brand. The higher the index number, the more market potential for a brand.

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. This value stems from the consumers' perception of the brand superiority and the social esteem that using it provides and the consumer's trust and identification with the brand.

Brand essence: It relates to the deeper, more abstract goals consumers are trying to satisfy with the brand in addition to the functional, emotional, and social goals.

Brand extension offers: Promotions where the gift offered has the brand name on it.

Brand extension: This involves the use of a successful brand name to launch new or modified products in a new product category. For example, HLL recently launched a shampoo under the brand name LUX in order to capitalize on the popularity of its LUX beauty soap. A brand extension gives a new product instant recognition and faster acceptance. It also saves the higher advertising expenditure usually required to build a new brand name. However, this strategy also involves some risk. If a brand extension fails, it may harm consumer attitudes towards the other products carrying the same brand name.

Brand generic: The second half of a product's identifying title. Brand is the first half and identifies one seller's version, while the generic is the second half and identifies the general class of item. It should not be confused with generic brands.

Brand image: The perception of a brand in the minds of consumers. This refers to the schematic memory of a brand. It contains the target market's interpretation of the product's attributes, benefits, usage situations, users and manufacturer/marketer characteristics. It is what people think of and feel when they hear or see a brand name. In essence it is what consumers have learnt about the brand.

Brand ladder: A view that consumers viewed the brands in a category arranged in a brand ladder, with their favorite brand at the top and remaining brands in descending order of preference. The new thinking is that this ladder is being replaced with a consumer perception of brand parity—that many brands are equivalent.

Brand leveraging: A company uses a successful brand name on a product line extension, thus creating stimulus generalization. Often termed family branding, brand extensions, or umbrella branding, it refers to marketer's capitalizing on brand equity by using an existing brand name for new products. If done correctly, consumers will assign some of the characteristics of the existing brand to the new brand.

Brand loyal market: On the basis of loyalty a market with a high percentage of hard-core brand loyal buyers. Companies selling in a brand loyal market have to make extra efforts to gain more market share. New entrants in this type of market face hard time to get in.

Brand loyalty: Consumers' consistent preference and/or purchase of the same brand in a specific product or service category. Brand loyalty consists of both attitudes and actual behaviour towards a brand and that both must be measured. Marketers strive to develop and maintain brand loyalty among consumers. They use reminder advertising to keep their brand names in front of consumers, maintain shelf position and displays in stores, and run periodic promotions to deter consumers from switching brands. Therefore, it is difficult and expensive to create brand loyalty.

Brand managers: The managers with strategic and tactical responsibility for their brand, including having responsibility for the brand's identity and position, maintaining that identity by securing needed investments and making sure that all media efforts are consistent with the identity. In essence, brand manager is responsible for the total management of the brand, including planning, budgeting, sales, and profit performance. In many companies brand manager and product manager terms are used interchangeably.

Brand name: That part of a brand that can be spoken**:** letters, numbers, or words. The term trademark covers all forms of brand (name, mark etc) but brand name is the form most often meant when trademark is used.

Brand parity: A view of the consumers in which they perceive that in many product categories many of the available brands in the market are more or less same in terms of various products attributes. Instead of strongly preferred brand consumers buy from a set of acceptable brands, choosing whichever on sale that day.

Brand personality: Consumers often subscribe to the notion of brand personality; that is, they attribute various descriptive personality-like traits or characteristics to different brands in a wide variety of product categories. Such personality-like images of brands reflect consumers' visions of the inner core of many strong brands of consumer products. A brand's personality can either be functional (providing safety, performance, etc) or symbolic (freshness, macho). Research has shown that any brand personality as long as it is strong and favorable will strengthen a brand.

Brand personification: Creating specific *"personality–type"* characteristics in a brands. Marketers attempt to create brand personification by recasting consumer's perception of the attributes of a product or service into a human like character.

Brand positioning: Consumers' perceptions of specific brands relative to the various brands of goods or services currently available to them in a specific product category.

Brand preference tests: The test conducted to find the preferences of people when a number of new brand names are given to a group of respondents in brand–name selection research process.

Brand pyramid: A new concept, which may be used in constructing the image of a brand. In the brand pyramid at the lowest level are the brand attributes, at the next level are the brand benefits, and at the top are brand's beliefs and values. In the brand pyramid the attribute is the least desirable level. First, the buyer is more interested in benefits. Second, competitors can easily copy attributes. Third, the current attributes may become less desirable.

Brand report card: A device, which may be used by the companies to periodically audit their brands' strengths and weaknesses on certain relevant product characteristics and comparing these with the strong brands in that product category.

Brand share: Proportion of market held by a particular brand as recorded by dealer audit research, which records purchases, stocks and sales of brands in a sample of shops.

Brand switchers: It refers to the group of buyers in a particular product category who do not exhibit any loyalty to any brand. They may switch among all the available brands according to the situational factors and are prone to sales promotion.

Brand switching matrix: A table that provides valuable information on brand loyalty and brand switching behaviour of consumers for a particular product or service obtained from members of a panel over a period of time. This is also sometimes known as turnover table.

Brand switching: It is a type of brand buying behaviour in which a person does not buy the same brand of a product category in a consistent manner and switches among the various available brands from time to time. Here the consumer is least loyal to a specific brand.

Brand valuation: This term refers to the estimation financial value of a brand. Brand valuation may impact the brand equity.

Brand: A name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers. Originally derived from cattle branding to prove ownership. The legal term for brand is trademark. A brand may identify one item, a family of items, or all items of that seller. If used for the firm as a whole, the preferred term is trade name.

Branded marketing research products and services: One of the marketing research services provided by marketing research suppliers to their clients. These are specialized data collection and analysis procedures developed to address specific types of marketing research problems. These procedures are patented, given brand names, and marketed like any other branded product. Market Facts (WWW.marketfacts.com) offers several branded products under the TeleNation family. Clients are charged based on number of questions they ask.

Branding: A strategy of developing brand names so that manufacturers can focus customer attention on a clearly identified brand.

Brand-switching matrix: A technique which uses a two-way table that indicates which brands a sample of people purchased in one period and which brands they purchased in a subsequent period, thus highlighting the switches occurring among and between brands as well as the number of persons that purchased the same brand in both periods.

Breadth (merchandise): It refers to the number of merchandise brands available in a specific store in the merchandise line. This is also referred to as assortment.

Breakdown method: An approach to estimating current demand that begins with aggregate industry or market data and breaks down the data into units of interest to the firms.

Break-even pricing (target profit pricing): Setting price to break even on the costs of making and marketing a product; or setting price to make a target profit. Target pricing uses the concept of break-even chart, which shows the total cost and total revenue expected at different sales volume levels.

Brettenwoods agreement: An international trade agreement named after the location of the 1944 conference, established a system of fixed exchange rates under which each IMF member country established a par value for its currency based on gold and the US dollar. This par value became a benchmark by which the country related its currency to the other countries' currencies of the world.

Brick-and-click companies: This term has gained currency in the Internet era. This refers to those existing companies that have made an online presence by opening a web site for information and/ or e-commerce. Majority of these companies struggled with the question of how to conduct online sales without cannibalizing their existing offline stores, resellers, or agents.

British Codes of Advertising and Sales Promotion: Voluntary code covering all print advertising and administered by Advertising Standards Authority in Britain. Publishes monthly reports on its investigations, recording whether complaints upheld or not upheld.

British Rate and Data (BRAD): The monthly media directory, which contains details of virtually all periodicals in the UK.

Broadband cable: Cable television, which provides a bouquet of channels together with interactive facilities and telecommunications.

Broadcast media: Media that use the airwaves to transmit their signal and programming. Radio and television are examples of broadcast media.

Broadcasters' Audience Research Board (BARB): It researches TV audiences in US. It uses a panel of homes with meters for recording programmes watched. Also measures watching of VCRs.

Broadsheet: Large sheet newspaper compared with a tabloid.

Brokers: Wholesaler who do not take title to goods and whose function is to bring buyers and sellers together and assist in negotiation. They are paid by the party who hired them and do not carry merchandize, get involved in financing, or assume risk.

Browser ads: One of the types of Internet ads whose sponsor pays a viewer to watch them.

Browser wars: Name given to the rivalry and the battle between the largest browser companies to make their browsers the accepted standard.

Browser: A program, which enables a user to access and read information on the World Wide Web.

Budget: Financial statement that out-lines a firm's intended actions and the resulting cash flow consequences.

Budgeting and scheduling (research project): One of the decisions that a marketing researcher has to take with regard to research project once the research design has been specified. It is a management tool that helps to ensure that the marketing research project is completed within the available resources—financial, time, manpower, and other. By specifying the time parameters within which each task should be completed and the cost of each task, the research project can be effectively managed.

Budgeting outlines: A retailer's planned expenditures for a given time based on expected performance.

Buffer-stock system: Used in the context of international business it refers to a partially managed system that utilizes stocks of commodities to regulate their prices. Free market forces are allowed to determine price within a certain range, but if the price moves outside the range, a central agency buys or sells the commodity to support the price. The signatory countries to the agreement provide funds that the buffer-stock manager can use to purchase the commodity.

Build-up budgeting 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)

Buildup method: An approach to estimating current demand that involves the aggregation of data from the customer or account level to the industry or market level.

Bulk breaking: this refers to one of the important functions of wholesalers which refers to the way wholesalers achieve savings for their customers through buying merchandize in large lots and breaking the bulk into smaller units.

Bulkhead: Spaces available for advertisements above windows of bus interior.

Bulletin board: (1) A web site that allows subscribers to add comments and to debate issues via e-mail. (2) Large specially constructed advertising site, sometimes with garden and lights.

Bullets: Graphic device such as dots, stars, squares used to highlight salient selling points in advertising copy.

Bundled pricing: A strategy used by retailers where they pack together several complimentary products and offer them at one basic price. For example, packing a razor, blade, and a brush.

Burke Day-After Recall test: A popular method of post-testing television commercials using a day-after recall test.

Burnout (salesman): Situation in which a veteran salesperson's performance drops off dramatically.

Burst advertising: Short dramatic advertising campaigns as distinct from regular drip advertising.

Business analysis: A term of many meanings, and in marketing is usually associated in some way with the evaluation of new product proposals. It involves the review of the possible sales, cost, and profit projection for a new product to find out whether these factors are in consonance with the company's objectives.

Business buyer behavior: The buying behavior of organizations that buy goods and services for use in the production of other products and services that are sold, rented, or supplied to others. It also includes buying of goods by retailers and wholesalers for the purpose of reselling or renting them.

Business buying process: The decision-making process by which business buyers establish the need for purchased products and services and identify, evaluate, and choose among alternative brands and suppliers.

Business data: One of the important secondary data published by businesses that are available to researchers in the form of books, periodicals, journals, newspapers, magazines, reports, and trade literature. This information can be located by using guides, directories, and indexes. There are various sources, which may provide statistical data.

Business ethics: Rules of conduct that guide actions in the marketplace

Business format franchising: Arrangement in which the franchisee receives assistance in site location, quality control, accounting, startup practices, management training, and responding to problems-besides the right to sell goods and services.

Business markets: One of the major types of markets that consists all the organizational/institutional buyers who purchase items to be used in other products and services or to be resold to other businesses or households. Business markets have several characteristics that contrast sharply with those of consumer markets.

Business model: It is method of doing business by which the organization sustains itself in the long term and its value proposition for partners and customers as well as its revenue streams. A business model does not exist in vacuum. It relates to strategy in that a company will select one or more business models as strategies to accomplish organizational goals.

Business portfolio: The collection of businesses and products that make up the company.

Business press: Magazines and newspapers read by businesspeople such as the Economic Times, Financial Express, Business Standard, Financial Times, Investor's Chronicle, Fortune, The Economist etc.

Business-to-Business (B2B) exchange: A special place, which allows buyers and sellers in a specific industry to quickly connect. Online auctions occur in both B2B and B2C markets, with the online broker providing the web site and technology in exchange for a commission on all sales.

Business-to-Business (B2B): Interactions between two or more businesses (or organizations). The term is generally used in the context of e-commerce transactions over the Internet. According to estimates, B2B commerce is 10 to 15 times greater than business-to-consumer (B2C) commerce.

Business-to-business advertising: Advertising that promotes goods through trade and industrial journals that are used in the manufacturing, distributing, or marketing of goods to the public.

Business services such as insurance, travel services, and health care also included in this category.

Business-to-business e-procurement: This refers to the purchasing of the industrial products by the companies online through Internet. Many companies posting their websites on the Internet, they have established intranets for company members to communicate with another, and extranets to link with their regular suppliers and distributors. Companies are buying MRO materials (maintenance, repair, and operations) electronically. MRO materials constitute about 30 percent of business purchases, and the transaction costs for order processing are high.

Business-to-business marketers: Marketers who specialize in meeting the needs of organizations such as corporations, government agencies, hospitals, and retailers.

Business-to-consumer (B2C): One of the major Internet domains where there are interactions between consumer and organizations. This term is generally used in the context of e-commerce transactions over the Internet. B2C e-commerce transactions have increased many folds in the recent times for a large numbers of consumer products and services. The Internet is most useful for products and services when the shopper seeks greater order convenience or lower cost. It is useful when buyers need information about product features and prices.

Buy classes: Researchers in organizational buying behaviour have identified three classes of buying situations. These are known as buy classes. Three typical buying situations in the business market are new task buying, modified rebuy, and straight rebuy.

Buy local legislation: Laws that are intended to favor the purchase of domestically sourced goods or services over imported ones, even though the imports may be a better buy.

Buyback (compensation): A type of international trade whereby the seller sells a plant, equipment, or technology to another country and agrees to take payment in the resulting products.

Buyclasses: Industrial buying decision situations which differ on the basis of such factors as the newness of the problem, the extent to which the new alternatives are considered, and how much information is gathered to solve the problem. The three types of buying situations are new task, modified rebuy and straight rebuy.

Buyer turnover: A term which expresses the rate at which new buyers enter the market; the higher this rate the more continuous the advertising should be.

Buyer: In consumer buying it refers to the person who makes an actual purchase. In industrial buying it refers to the person who interacts with the suppliers, arranges the terms of sale, and processes the actual purchase orders.

Buyer-readiness stages: The stages consumers normally pass through on their way to purchase, including awareness, knowledge, liking, preference, conviction, and purchase.

Buyers market: A type of market situation where the supply of goods exceeds the demand. In this situation buyers rather than sellers control the pricing and terms of a sale.

Buygrid: See buyclasses.

Buying alliances: It refers to an alliance wherein the companies join hands together for procuring or purchasing their raw material from a common source or vendor, generally through Internet. Buying alliance results in a combined leverage for obtaining raw material at lower prices. For example, several auto companies (GM, Ford and Daimler-Chrysler) formed Covisint to use leverage to obtain lower prices for auto parts.

Buying center: Used in the context of organizational/industrial buying behaviour, it refers to a committee or group of individuals in an organization who are responsible for evaluating products and services and making purchase decisions. They are often relatively permanent for recurring purchase decisions and adhoc for non-routine purchase decisions.

Buying decision process: The series of logical stages, which differ for consumers and organizations that a prospective purchaser goes through when faced with a buying problem.

Buying errors: In the context of retail management this refers to one of the possible errors that may be committed by a retailer, which may affect the markdown. These errors in buying occur on the supply side of the pricing question. The retailer may buy the wrong merchandise in too large quantity. The merchandise purchased could be in the wrong styles, sizes, colours, patterns, or price range. These buying errors can be quite costly and affect the markdown percentage of the retailer substantially.

Buying income method: One of the methods of projecting the results of a test marketing program to national performance, based on income and estimated as National sales estimate is equal to the total income of Country multiplied by the test area sales and the income of the test area.

Buying influencers: During the buying decision process these people influence buying decision. They often help define specifications and also provide information for evaluating alternatives. Technical persons are particularly important influencers. Buying influencers play more important role in the business buying than in consumer buying decision process.

Buying motive: The reason why a person or an organization buys a specific product/brand or makes purchases from a specific firm.

Buying orientations: In the context of business buying behaviour this refers to purchasing orientation that a company adopts in its purchasing process where its focus is short-term and tactical. Buyers are rewarded on their ability to obtain the lowest price from suppliers for the given level of quality and availability. In this orientation usually organizational buyers use either *commodization* or *multisourcing* tactics to purchase at the lowest price.

Buying Power Index (BPI): Single weighted measure combining effective buying income, retail sales, and population size into one overall indicator of an area's sales potential. /// It is expressed as**:** BPI = 0.5 (the area's percentage of country's effective buying income) + 0.3 (the area's percentage of country's retail sales)+ 0.2 (the area's percentage of country's population).

Buying roles: In the consumer purchase decision process, the members of a household may be involved in the different capacities during the purchase of a product or service. Marketers have distinguished several roles people may play in a buying decision. They may include initiator, influencer, decider, buyer and user. Similarly, in the business buying situations, a number of in the buying center as well as outside may play different roles during the purchase of industrial goods.

Buying services: One of the forms of nonstore retailing that has emerged in the recent days. These are storeless retailers serving a specific clientele—usually employees of large organizations—who are entitled to buy from a list of retailers that have agreed to give discounts in return for membership.

Buying signals: A prospect's indication that he or she is ready to make a purchasing decision. It's important for salespeople to recognize buying signals. When they are recognized, the salesperson should immediately try to close the sale.

Buying situations: This refers to the many decisions that a business or organizational buyer faces in making a purchase. One can distinguish three types of buying situations: the straight rebuy, modified rebuy, and new task.

Buyphases: This refers to the various stages that a business buyer may go through while making a purchase. Experts have identified eight stages: problem recognition, general need-description, product specification, supplier search, proposal solicitation, supplier selection, order-routine specification, and performance review. Whether an organizational buyer goes through all these buyphases depends on the specific buying situation.

Buzz marketing: A term coined for word-of-mouth marketing where certain firms thrive on buzz or word-of-mouth. For example, many companies in the Internet era have built essentially by word-of-mouth, with very little advertising. The classic example is Amazon.com in Us and Bazzi.com in India

Buzzwords: Contemporary expressions, which may be short, lived. Clichés, which make copy effective. For example, new, unique, free, exciting, etc.

Bypass attack: One of the strategies that may be used by a market challenger to attack the market leader in an industry. It is an indirect attack strategy where the market challenger bypasses the leader and attacks easier markets to broaden its resource base. This strategy may take three forms: diversifying into unrelated products, diversifying into new geographical markets, and leapfrogging into new technologies to supplant existing products.

By-product pricing: Setting a price for by-products in order to make the main product's price more competitive.

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C2B commerce: One of the Internet domains for e-commerce and e-business where the communication takes place on Internet from consumer to business. Many companies are encouraging customers by inviting prospects and consumers to send in questions, suggestions, and even complain via e-mail.

C2C commerce: One of the Internet domains for e-commerce and e-business where the communication takes place on Internet from consumer to consumer. C2C means that online visitors increasingly create product information, not just consume it. They joint interest groups to share information, so that the "word-of-web" is joining "word-of-mouth as an important buying influence.

Cable television: A form of television where signals are delivered through fibre or coaxial wires to households rather than the airways. Cable subscribers pay a monthly fee for which they receive a large number of channels. Cable networks and channels have a dual revenue stream; they are supported by subscriber's fees and advertising revenues.

Call planning: The process of making detailed planning by the salespersons before meeting the prospective customers.

Call report: A daily, weekly or monthly listing of the sales calls made by a salesperson. The call report is the most basic sales management tool. It is the communiqué from the front lines that tells the manager about current market conditions and exactly how sales staff members have been spending productively. The three most common types of call reports are the *detailed report*, the *summary report* and the *narrative checklist*.

Campaign theme: The central idea of an advertising campaign that appears in different media across a specified time period. It is the most critical part of the creative process, as it sets the tone for the individual ads and other forms of marketing communication.

Canada-US Free Trade Agreement: An agreement, enacted in 1989, establishing a free-trade area involving the United States and Canada.

Canned sales presentation: Scripted sale presentation that is memorized and rehearsed, then recited to the prospect word by word. The canned sales presentation is particularly popular in telemarketing sales. It is considered useful when employing personnel without previous sales experience.

Cannibalized income: It refers to a situation, in case of introduction of a new product, where the company income is reduced on other existing products resulting from adding new product in the existing product line. This happens when a company introduces a new model or brand to fill a gap in the existing line.

Canonical (discriminant) loadings: One of the ways to get an idea of the relative importance of the predictors by examining the structure correlation in the discriminant analysis procedure. These correlations between each predictor and the discriminant function represent the variance that the predictor shares with the function. The greater the magnitude of a structure correlation, the more important the corresponding predictor. However, these correlations must be interpreted in the discriminant analysis with caution.

Canonical correlation: A dependence method of multivariate data analysis appropriate for use with a set of intervally-scaled dependent variables and a set of intervally-scaled independent variables. It measures the extent of association between the scores and the groups by quantifying the association between the single discriminant function and the set of dummy variables that define the group membership.

Capital account: A measure of transactions involving previously existing rather than currently produced assets.

Capital allocation: In the context of retailing it refers to the distribution of the total funds a retailer has decided to commit to a store among the available options.

Capital expenditures: Expenditures that are long-term investments in fixed assets.

Capital items (goods): One of the important categories of industrial products, which are long lasting goods, that facilitate developing or managing the finished products. Capital goods are of two types: installation and equipments.

Capital market: The market for stocks and long-term debt instruments.

Capitalism: An economic system characterized by private ownership, pricing, production, and distribution of goods.

Captive-product pricing: Setting a price for products that must be used along with a main product. For example, manufacturers of razors and cameras often price them low and set high markup on razor blades and film roll (captive products). There is a possibility of negative feeling by the consumers if the pricing of the captive product is kept too high.

Card decks: Direct-response communications from several firms, printed on reply-paid cards and mailed out in a group.

Caribbean Community and Common Market (CARICOM): A customs union in the Caribbean region.

Carpet-bombing: An old method of sending the mass mails by the direct marketers by gathering or buying as many as names of the possible customers. Usually the response rate is low.

Carryover effect of advertising: A delayed or lagged effect whereby the impact of adverting on sales can occur during a subsequent time period. Models have been developed to account for the carryover effect of advertising to help determine the long-term effect of advertising and sale.

Cartoon technique (test): A projective technique requiring the subject to "fill in" the thought or comments of people depicted in a cartoon situation. The respondents are asked to indicate what one cartoon character might say in response to the comments of another character. The responses indicate that the respondents feelings, beliefs and attitudes towards the situation.

Case display: In the context of retailing it refers to interior display in a store that exhibits heavier, bulkier items than racks can hold.

Case history method: Sales technique in which the salesperson uses an example of a satisfied buyer to offset the prospect's objection.

Casewise deletion: One of the options or methods available to a researcher in treating the missing responses from the filled up questionnaires. In this option, cases, or respondents, with any missing responses are discarded from the analysis. Because many respondents may have some missing responses, this approach could result in a small sample. Throwing away large amounts of data is undesirable, because it is costly and time consuming to collect data. Furthermore, respondents with missing responses could differ from respondents with complete responses in systematic ways. If so, caswise deletion could seriously bias the results of the study.

Cash discount: A deduction granted to buyers/retailers for paying the bills within an agreed upon period of time. The discount is computed on the net amount due after first deducting trade and quantity discounts from the base price. Usually expressed in terms such as 2/10, net 30, where a 2% discount is given for payment within 10 days. If not paid in 10 days, the full amount is due in 30 days. The purpose of these discounts is to encourage prompt payment of bills.

Cash flow: Relates the amount and timing of revenues received to the amount and timing of expenditures made during a specific time.

Cash On Delivery (COD): Payment in cash when goods are delivered. Cash On Delivery (COD) shipments are useful when conducting business with customers who have little or poor histories.

Cash refund offer (rebate): A type of consumer sales promotion technique, which offers to refund part of the purchase price of a product to consumers who send a "proof of purchase" to the manufacturer.

Cash-and-carry wholesalers: Limited service wholesalers who carry limited line of fast-moving goods and sell to small retailers for cash.

Catalog marketing: Direct marketing through print, video, or electronic catalogs that are mailed to a select customers, made available in stores, or presented online. The success of catalog business depends on the company's ability to manage its customer list carefully, to control its inventory carefully, to offer quality merchandise so that returns are low, and to project a distinctive image.

Catalog showroom: A less frequently used retailer type where there is broad selection of high-markup, fast moving, brand name goods at discount prices. Customers order goods from a catalog, then pick these goods at a merchandize pickup area in the store.

Catalog sites: Electronic catalogue available on a web site from which personal consumers and industrial consumers may order item online.

Categorization process (pre-purchase evaluation): One of the processes by which consumers can construct evaluations of products and brands before making a choice. According to this processes, evaluation of a choice alternative depends on the particular category to which it is designed

Category based strategy: A concept used in the information processing for the evaluation of various brands by the consumers. It involves evaluation of a brand as a totality rather than a specific attribute. Such brand evaluation requires development of a schema for the brand so that consumers can retrieve a set of associations as a whole from long-term memory. On this basis, they can quickly compare brands and establish a preference.

Category codes: Before the data to be analyzed in a marketing research project the researcher has to assign category codes to all the possible responses of all the questions of a questionnaire. These codes should be assigned in case of structured and unstructured questionnaire. In assigning the codes the researcher should see to it that they should be mutually exclusive and collectively exhaustive. Categories are mutually exclusive if each response fits into one and only one category code. Categories should not overlap. Categories are collectively exhaustive if every response fits into one of the assigned category codes. This can be achieved by adding an additional category code of "others" or "none of the above" responses.

Category development index (CDI): An index that is calculated by taking the percentage of a product category's total sales that occur in a given market area as compared to the percentage of the population in the market. CDI provides information on the potential for the development of the total product category rather than a specific brand.

Category equivalence: In international marketing research, it is critical to establish equivalence of scales used to obtain data from different countries. In this regard category equivalence refers to the category in which stimuli like products, brands, advertisements, and behaviours are grouped. For example, in one country, the category of the principal shopper may be defined as either the male or female head of household. This category may be inappropriate in countries where a domestic servant does routine daily shopping.

Category extension (product): The strategy of applying an existing brand name to a new product category. (*See* brand extension).

Category killer: Very large specialty store featuring a very deep assortment of a particular line, at relatively low prices and is staffed by knowledgeable employees. It draws consumers from wide geographic areas. A category killer concentrates on a single product line or several closely related lines. They are designed to destroy all competition in a specific product category.

Category management: Merchandising technique that some firms-including supermarkets, drugstores, hardware stores, and general merchandise retailers-are using to improve their productivity. It focuses on product category results rather than the performance of individual brands or models.

Category manager: A relatively new corporate position. This manager is responsible for all aspects of the brands in a specific product category for a company including research, manufacturing, sales, and advertising. Each product's advertising manager reports to the category manager. Example**:** Procter & Gamble's Tide and Ariel detergent report to single Category Manager.

Causal research: One of the major types of research design. It is used to obtain evidence of cause-and-effect (causal) relationships between two sets of variables. Causal research is appropriate to understand which variables are the cause (independent variables) and which variables are the effect (dependent variables) of a phenomenon; and to determine the nature of the relationship between the causal variables and the effect to be predicted.

Causality concept: This concept is relevant in conducting experimental research designs in the marketing research. This causality means something very different to what an average person thinks. The scientific meaning of causality deals with two things. Firstly, it presumes the relationship between two variables is probabilistic and not deterministic i.e., the occurrence of X increases the probability of the occurrence of Y. Secondly, one can only infer a cause-and-effect relationship on the basis of data and one can not prove it conclusively.

Cause related advertising: An approach that features a firm's affiliation with an important social cause and through advertising the firm tries to espouse for this cause. Examples include reducing poverty, increasing literacy rate and curtailing drug abuse. Sometimes this is also referred to as social cause advertising.

Cause related marketing: A form of corporate promotion in which companies try to motivate socially-aware consumers to buy their products by promising to contribute a portion of the sale to a specific cause. Companies see cause-related marketing as an opportunity to enhance their corporate reputation, increase brand awareness and customer loyalty, build sales, and increase press coverage.

Caveat emptor: A Latin phrase which means, "Let the buyer beware." This is an advice given to buyer and one of the oldest and most enduring traditions between buyer seller relationships.

Cease and desist order: An action by a statutory body (FTC, US) that orders a company to stop engaging in a practice that is considered deceptive or misleading until a hearing is held. The agreement between the FTC and the offending company is only for the purpose of settlement and does not constitute an admission of guilt by the company i.e. advertiser.

Celebrity endorsements: Advertisements that use spokespersons who are admired: TV and movie stars, athletes, musicians, and other popular figures i.e. celebrities as a spokesperson to endorse the use of a product or service. More and more advertisers are using celebrities in the advertisements because of their stopping power. That is, they draw attention to advertising messages in a very cluttered media environment.

Celebrity testimonial: An advertisement that uses a famous person to increase an advertisement's ability to attract attention and produce a desire in receivers to emulate or imitate the celebrity by purchasing the product.

Census data: It refers to census of population that is carried out by majority of countries of the world, including India, where a wide range of demographic data relating to the population is collected on a periodic basis, usually once in ten years.

Census: In the context of research this refers to a measurement of each element in the group or population of interest or universe. The population parameters may be obtained directly in a straightforward way after the census is enumerated.

Center of influence approach: One of the techniques of prospecting used by the salespeople where a salesperson approaches individuals with information about the prospects or can exert considerable influence on potential customers.

Centered moving average: A method used to calculate seasonal index numbers in which a moving average of the data for one year plus one period is used to calculate the average value for the period in the center of the data. For example, using a weighted average of the sales data for December through December (13 months) to find the average sale of center month (June); using January through January to find the sales of July etc.

Central American Common Market (CACM): A customs union in Central America.

Central and peripheral routes to persuasion: An advertising and consumer behaviour theory explained in elaboration likelihood model by Richard Petty and John Cacioppo in relation to the information processing by the consumers when they are exposed to an advertisement. According to this theory, highly involved consumers are best reached through ads that focus on the specific attributes of the product (the central route) while uninvolved consumers can be attracted through peripheral advertising cues such as the model or the setting (the peripheral route).

Central bank: A governmental "bank for banks", customarily responsible for a country's monetary policy. Reserve Bank of India is India's Central bank.

Central Business District (CBD): In the US context it refers to hub of retailing in a city, and its largest shopping area. It is synonymous with "downtown". The CBD has the greatest density of office, buildings and stores. Also, it is typically the geographic point at which all-pubic transportation systems converge. The concept may also be used in similar situations in other countries.

Central office control: In conducting a marketing research project, a number of control measures have be applied to ensure that data collected remain relevant to the study. In this type of control supervisors provide quality and cost-control information to the central office so that a total progress report can be maintained. In addition to the control initiated in the field, other control measures may be added at the central office to identify potential problems. This includes tabulation of quota variables, important demographic characteristics, and answers to key variables.

Central office edit: It is a part of preliminary data analysis. It involves thorough and exacting scrutiny and correction of completed data collection forms (questionnaire or research instrument) including a decision about what to do with the data. This procedure is carried out before the data is subjected to analysis.

Central place theory: A location theory developed by Walter Christaller in 1933 in which central places are established in a geographic space so as to minimize aggregate travel costs for the consumer.

Central route to persuasion: One of two routes to persuasion recognized 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. (*See also* Central and peripheral routes to persuasion)

Central tendency measures: One type of descriptive statistics, including such measures as the mean, the median, and the mode.

Centralization: (1) In the context of domestic marketing, it refers to the concentration of power and decision-making authority at the head office rather than at the branch level. (2) In case of an MNC, it refers to a situation in which decision-making is done at the home office rather than the country level.

Centralized buying organization: A type of buying in which a chain retailer makes all purchase decisions from one office. It usually engages in some level of centralized (or coordinated) purchasing and decision-making.

Centralized marketing system: An organization system whereby 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.

Centralized purchasing: In the context of business buying, some multidivisional companies have established their purchasing in a centralize way. Here, the headquarters identifies purchased by several divisions and buys them centrally, thereby gaining more purchasing clout. The individual divisions can buy from another source if they can get a better deal, but in general, centralized purchasing produces substantial savings.

Central-limit theorem: A theorem that holds that if simple random samples of size *n* are drawn from a parent population with mean μ and variance $\sigma^{2,}$ then when *n* is large, the sample mean $\bar{x}$ will be approximately normally distributed with mean equal to μ and variance equal to σ^2/n. The approximation will become more and more accurate as *n* becomes larger. It means that regardless of the shape of the parent population, distribution of the sample means will be normal if the sample is large enough.

Centrally planned economy: A type of economic system in which the government coordinates the activities of the different economic sectors. Goals are set for every enterprise in the country; the government determines how much is produced, by whom, and for whom. In this type of economy, the government is assumed to be a better judge of how resources should be allocated than are businesses or consumers.

Centroid methods: It refers to one of the statistics associated with discriminant analysis carried out in a marketing research project. It is the mean values for the discriminant scores for a particular group. There are as many as centroids

Certificate of origin: An important document used in export marketing. It specifies the origin of products and is usually validated by an external source, such as a chamber of commerce; it helps countries determine the specific tariff schedule for imports.

Chain ratio method: A method used in to estimate the total market potential, which involves multiplying a base number by several adjusting percentages and then arrives on the total market potential for a particular product.

Chain stores: Two or more outlets that are owned and controlled in common, have central buying and merchandising, and sell similar lines of merchandise.

Challenger strategy: One of the possible strategies a company may adopt for launching a new product into a market dominated by one brand. Here the company may position its new product close to the dominant brand with heavy advertising spending and comparable and premium price to challenge the dominant brand as the category standard. For example, Pepsi adopted this strategy in competing against Coke in a number of countries.

Change agent: Opinion leaders who have more influence and credibility than commercially sponsored tools, such as personal selling and advertising, in getting consumers to change their needs, habits and opinions.

Channel ambiguity: This refers to the doubt that exists about the roles of the company and the intermediary in carrying out various marketing functions such as who will undertake marketing research to identify customer requirements. Similarly, who determines standards for service delivery, the franchiser or the franchisee? In these and other marketing situations, if the roles of the company and its intermediary are unclear, then it leads to confusion and conflict.

Channel captain: In a vertical marketing system the channel captain is that one channel member who owns the others or franchises them or has so much power that all other channel members cooperate. The channel captain can be the producer, the wholesaler, or the retailer.

Channel conflict: Disagreement among marketing channel members on goals and roles—who should do what and for what rewards. There are two types of channel conflicts—horizontal conflict and vertical conflict.

Channel control: Occurs when one member of a distribution channel dominates the decisions made in that channel by the power it wields. In many situations including distribution channels, power is a prerequisite for control. Channel power is the ability to influence or determine the behaviour of another channel member.

Channel differentiation: One of the ways a companies can differentiate their offerings in the minds of the consumers. They can differentiate their offerings through their distribution channel's coverage, expertise, and performance and thus may achieve competitive advantage.

Channel length: The number of levels of distribution a product passes before it reaches the end users.

Channel level: A layer of intermediaries that performs same work in bringing the product and its ownership closer to the final buyer.

Channel management decisions: One of the important channel decisions where a company selects, trains, motivates, and evaluates the channel performance. Channel management must be modified over a period of time in order to keep them economically viable.

Channel of communication: In the context of advertising and promotion it refers to the method or medium by which communication travels from a source or sender to a receiver. This may include different types of mass media such as magazines, newspapers, radio and television.

Channel of distribution: Comprises all of the businesses and people involved in the physical movement and transfer of ownership of goods and services from producer to consumer. It is also called distribution channel. The concept of distribution channels is not confined only to the distribution of physical products. Distribution channels also exist for the services and ideas.

Channel pricing: One of the variants of price discrimination where the seller charges two different prices for the same product if it is sold through different channels.

Channel specialist: One of the types of market nicher where the nicher specializes in serving only one channel of distribution. For example, a mineral water company decides to sell only on the railway stations throughout India.

Chapin's Social Status Scale: One of the best-known and most elaborate rating scales for evaluating possessions. It focuses on the presence of certain items of furniture and accessories in the living room and the condition of the room. Conclusions are drawn about the family's social class on the basis of these observations. Marketers may use it in segmentation and target marketing strategies.

Characteristic profile: Used in the context of marketing research projects, this is an aid to interpreting discriminant analysis results by describing each group in terms of the group means for the predictor variables. If the important predictors have been identified, then a comparison of the group means on these variables can assist in understanding the intergroup differences.

Charge backs: Practice of retailers, at their discretion, making deductions in the manufacturers' bills for infractions ranging from late shipments to damaged and expired merchandise.

Chat rooms: Websites where users can engage in interactive, real time interest based discussions. Chat-rooms allow individuals with similar interest to connect, interact with each other, and share information on various topics of interest including purchase of various products and services.

Cheating error: One of the non-sampling errors that arise because interviewers do not actually conduct interviews among designated respondents, but instead fabricate some or all of the answers. For example, an interviewer may not ask sensitive question related to some aspect of respondent's life and fills in the answers based on his personal assessment.

Chebychev distance: One of the measures to find out the similarity or differences between the objects in cluster analysis. The most common approach is to measure similarity in terms of distance between pair of objects. The Chebychev distance between two objects is the maximum absolute difference in values for any variable.

Checkboarding: When a TV/radio station runs a different syndicated programme in the same time slot each day. This has significance for advertisers as they can plan their media scheduling keeping the target audience in mind for each programme.

Checklist: A memory–jogger list of items, used to remind an analyst to think of all relevant aspects. It finds frequent use as a tool of creativity in concept generation and as factor consideration list in concept screening. Checklist can also be used to list the various relevant activities/steps in any project, which requires a sequential treatment.

Cheshire labels: Specially prepared paper used to print names and addresses that can be mechanically fixed singly to items that are to be sent through mail.

Chips: In the context of international business, it refers to the Clearing House Inter-bank Payment System (CHIPS) where the money can be transferred electronically.

Chi-square distribution: A type of skewed distribution whose shape depends solely on number of degrees of freedom. As the number of degrees of freedom increases, the chi-square distribution becomes more symmetrical. On the basis of this distribution, chi-square test is used to find the relationship between two nominally scaled variables.

Chi-square test: One of the frequently used bivariate analysis test for the nominally scaled data. In reality one need not have nominal variables to apply chi-square test, interval or ordinal variables can be analyzed if the researcher groups them into classes of categories. The chi-square may tell the researcher that two variables are not independent. However, it does not tell anything about the nature of the relationship.

Choice set: The number of alternative brands, which a consumer is actively considering before making a purchase. The brands in the choice set might all be acceptable. The consumer makes a final choice from this set.

Choiceboard: A new technique, in the era of Internet, used by some companies in which an interactive online system allows individual customers to design their own products and services by choosing from a menu of attributes, components, prices, and delivery options. The customer's selections send signals to the supplier's manufacturing system that sets in motion the wheels of procurement, assembly, and delivery. Although not every company can use this approach, some companies can achieve early competitive advantage with it.

Chunking/grouping information: This is related with one of the principles of perceptual organization, which the consumers use in the case of information processing. Here an attempt is made to summarize a wide range of information about a brand. A brand image is formed by information chunking, meaning the consumer is processing information by brand rather than by attribute. Chunking results in stronger memory that aids information retrieval over time.

Circulation (media vehicle): Number of copies of a journal sold. Net sale after deduction from original print order of free copies, vouchers, returns and those sold at less than full price. Audit Bureau of Circulations certifies circulation figures of a magazine or a journal.

City zone: A category used for newspaper circulation figures that refers to a market area composed of the city where the paper is published and contiguous area similar in character to the city.

Civilization membership: It refers to the combination of shared language, religion, or ethnicity, which shapes a person's worldview and communication styles, which may have a bearing on consumption behaviour. Some Web companies, such as Yahoo! are creating global sites for such groups as "overseas Chinese," which cover multiple countries but shared ethnicity and language.

Claim/Belief discrepancy: A type of deceptive advertising in which no deceptive claim is made explicitly, but a deceptive belief is created.

Clarity: One of the criteria used to evaluate a research report, specifically whether the phrasing in the report is precise or not.

Class-consciousness: A feeling of social group membership that reflects an individual's sense of belonging or identification with others. Marketers may determine the class-consciousness in order to measure the social class to which the consumers may belong.

Classic: A fashion with an extremely long acceptance cycle.

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 comes to elicit the same response as the conditioned stimulus. Ivan Pavlov, a Russian psychologist, has propounded this theory. Sometimes it is also known as Pavlovian theory of learning.

Classical probability: Probability determined by the relative frequency with which an event occurs when an experiment is repeated under controlled conditions.

Classification information: One of the types of information that is obtained through a questionnaire from the respondents. This consists of socioeconomic and demographic characteristics of respondents and is used to classify the respondents and understand the results.

Classification matrix: It refers to one of the statistics associated with discriminant analysis carried out in a marketing research project. It contains the number of correctly classified and misclassified cases. The correctly classified cases appear on the diagonal, because the predicted and actual groups are the same. The off-diagonal elements represent cases that have been incorrectly classified. The sum of the diagonal elements divided by the total number of cases represents the *hit ratio*.

Classification merchandising: Allows firms to obtain more financial data by subdividing each specified department into further categories for related types of merchandise. This concept is used in big retail stores or chain stores.

Classification of Residential Neighbourhoods (ACORN): A marketing research database classification technique, frequently employed in US, built around the premise that people in similar neighbourhoods are likely to have similar lifestyle and purchasing patterns. It provides a tool for identifying and targeting consumers and is also useful to retailers and billboard site planners.

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 the major forms of classified advertising.

Classroom training: A type of sales personnel training conducted at the company's offices, away from customers.

Click through rate: The percentage of banners clicked upon by viewers. Click through rates of 1 or 2 percent are common for standard, non-personalized advertisements.

Clickstream: A new online method of market research, adopted by a company, which involves the tracking of the website navigation pattern to learn about individuals who visit its website. By analyzing the Clickstream of different visitors, the company can make inferences about consumer behaviour. A company can post different prices, use different headlines, offer different product features on different websites or at different times to learn the relative effectiveness of its offerings.

Click-through fees: Payments made to a company for traffic generated by a link on the company's Web site, typically on a Web banner ad. Also called prospect fees.

Client (sponsor): The organizations, which intend to market products, services, ideas or causes and for which advertising agencies and other marketing promotional firms provide service.

Client-participant focus groups: One of the variants of focus groups. In this type of focus groups the client personnel are identified and made part of the discussion group. Their primary role is to offer clarification that will make the group process more effective.

Clipping service: A service which clips competitors' advertising from local print media allowing the company to monitor the types of advertising that are running or to estimate their advertisement expenditures.

Cliques: In the context of personal communication channels, researchers are moving toward a social structure view of interpersonal communication where they see society as consisting of cliques, small groups whose members interact frequently. Clique members are similar and their closeness facilitates effective communication but also insulates the clique from new ideas.

Cloner: One of the possible strategies that can be adopted by a market follower. Here, a cloner (market follower) emulated the leaders products, name and packaging, with slight variations. In the computer business, clones are a fact of life.

Closed loop: The means of tracking customer responses to specific marketing actions.

Closed-ended question: One of the types of question used in a questionnaire where the question has structured answers. This is sometimes also known as fixed alternative question. Close-ended questions may be multiple-choice, dichotomous or a scale.

Closing the sale: The last stage, the natural conclusion to the sales process. This is the art and craft of getting the customer's order. Effective closing is not merely a matter of asking for the order; it's getting the order. Here timing is important. Asking for the order prematurely is just as bad as not asking for it all. The key to closing the sale is to determine what is going on in the consumer's mind. If the sales person waits too long to do this step, or is too impatient, the customer will leave.

Closure principle: A principle of Gestalt psychology that stresses the individual's need for completion. This principle states that people tend to perceive an incomplete picture as complete. That is, they tend to fill in the blank based on their prior experience. This principle explains why most of the people have no trouble reading a neon sign even when several of the letters are burnt out. Utilizations of the principle of closure in marketing strategies encourage audience participation, which increases the chance people will attend to the message.

Closure: In the context of retail management this term denotes one of the components of the store visit process through which a shopper may pass. Closure is the point where the evidence conclusively suggests that the product being offered is going to be bought by the shopper. It is slightly different from outcome. Closure is deciding to buy whereas the outcome is the actual buying a product in a store. Closure should not be forced on consumer. If the retailer is concerned about a long-term goodwill, the customer should not be pressured or persuaded to purchase a product. However, favourable conditions should be created in the store, such as providing correct information, to convert closure into outcome.

Cluster analysis: A class of techniques used to classify objects or cases into relatively homogeneous groups called clusters. Objects in each cluster tend to be similar to each other and dissimilar to objects in the other clusters. Cluster analysis is also known as classification analysis, or numerical taxonomy. Cluster analysis has been used in marketing for a variety of purposes. These include: (1) Segmenting the market, (2) Understanding buyer behaviours, (3) Identifying new product opportunities, (4) Selecting test markets, and (5) Reducing data.

Cluster centers: One of the statistics associated with cluster analysis technique used in marketing in general and marketing research in particular. These are the initial starting points in nonhierarchical clustering. Clusters are built around these centers or seeds.

Cluster centroid: One of the statistics associated with cluster analysis technique used in marketing in general and marketing research in particular. This is the mean values of the variables for all the cases or objects in a particular cluster.

Cluster membership: One of the statistics associated with cluster analysis technique used in marketing in general and marketing research in particular. This indicates the cluster toi which each object or case belongs.

Cluster PLUS: A geodemographic segmentation service in US that employs a 47 – category classification scheme.

Cluster preferences: Before going for market segmentation, a company can plot customer preferences on the basis of two most important product attributes, which may lead to any of the three possible patterns. One of the preference patterns is called clustered preferences in which the market might reveal distinct preference clusters.

Cluster sample: A probability sample distinguished by a two-step procedure in which (1) the parent population is divided into mutually exclusive and exhaustive subsets, and (2) a random sample of subsets is selected. If the investigator then uses all of the population elements in the selected subsets for the sample, the procedure is one-stage cluster sampling; if a sample of elements is selected probabilistically from the subsets, the procedure is two-stage cluster sampling.

Clutter (advertising): The non-program material that appears in broadcast environment, including commercial, promotional messages for shows, public service announcements and the like. Popularly it refers to the large number of commercials screened on a TV channel in a specific programme within a short duration. Clutter makes difficult for audience to pay attention to all the commercials in that slot.

Co-branding (dual): The practice of using the established brand names of two different companies on the same product. This practice is quite common on the Internet. For example, *Sports Illustrated* now co-brands with *CNN* as *CNNSI.* Co-branding offers many advantages. Because each brand dominates in a different category, the combined brands create broader consumer appeal and greater brand equity. Co-branding takes variety of forms. One such form is ingredient co-branding, as when Maruti advertises that it uses MRF tyres. Another form is same-company co-branding i.e., same company advertises its own two different brands. Third form is joint venture co-branding when two different companies come up jointly and share the advertising costs.

Codebook: Preliminary step in data analysis where the researcher a codebook. Preparation of codebook is part of the coding process. It contains a set of instructions and necessary information about variables in the data set. It is used to inform data coders how to code the responses to each question on a questionnaire and to indicate the format to be used to input the data into the computer. Even if a questionnaire has been pre-coded, it is helpful to prepare a formal codebook.

Coding: First step in data preparation and analysis. It refers to the technical procedure by which codes are assigned to represent a specific response to a specific question with the data record and column positions that code will occupy. Coding for open-ended questions is much more difficult as compared to the closed ended questions.

Coefficient of concordance: A statistic used with ordinal data to measure the extent of association among k (k>2) variables.

Coefficient of determination: Term used in regression analysis to refer to the relative proportion of the total variation in the criterion (dependent) variable that can be explained or accounted for by the fitted regression equation. It varies between 0 and 1 and signifies the proportion of the total variation in Y (dependent variable) that is accounted for by the variation in X (independent).

Coefficient of multiple correlations: In multiple regression analysis, this refers to the square root of the coefficient of multiple determinations. It is always expressed as a positive number.

Coefficient of multiple determination: In multiple regression analysis, the proportion of the variation in Y explained by the regression, which can be calculated as $SS_{explained}/SS_{total}$. In other words this is the proportion of variation in the criterion variable that is accounted for by the co-variations in the predictor (independent) variable.

Coefficient of multiple determinations: One of the statistics associated with multiple regression analysis. It is the strength of association in multiple regression is measured by the square of the multiple correlation coefficient R^2, which is also called the coefficient of multiple determination.

Coefficient of partial (or net) regression: Quantity resulting from a multiple-regression analysis, which indicates the average change in the criterion (dependent) variable per unit change in a predictor (independent) variable, holding all other predictor variables constant; the interpretation applies only when the predictor variables are independent, as required for a valid application of the multiple-regression model.

Coefficient of partial determination: Quantity that results from a multiple-regression analysis that indicates the proportion of variation in the criterion (dependent) variable that is not accounted for by an earlier variable(s) and that is accounted for by the addition of a new variable into the regression equation.

Coefficient of variation: An expression for the standard deviation as a percentage of the mean, formally defined as $c = \sigma/\mu$. Used in the context of sample size determination. If a researcher has information on the coefficient of variation, the required confidence level and the desired precision accuracy level, then the estimation of sample size can be readily obtained from a chart.

Cognitions: Knowledge that is acquired by a combination of direct experience and related information from various sources. In the context of consumer behaviour it is understood that consumers act on the basis of their cognitions, or their knowledge or beliefs about the various products or services. These cognitions are stored in memory and they influence how incoming stimuli are interpreted. They also form the basis for attitudes, behavioural intentions, and brand choice.

Cognitive age: An individual's perceived age (usually) 10 to 15 years younger than his or her chronological age. While cognitive age varies with chronological age, it is also influenced by such factors as one's health, education, social support—the more of each, the lower the cognitive age. In the context of consumer behaviour, it has been found that a wide range of attitudes and consumption behaviours are associated with cognitive age rather than chronological age.

Cognitive arousal: A motivating situation in which mental or visual cues (e.g., specific thoughts or an ad) lead to awareness of a need.

Cognitive component: One of three main components of attitudes, concerned with a person's cognitions that is, the knowledge and perceptions that are acquired by a combination of direct experience with the attitude object or phenomenon and related information from various sources. This knowledge and resulting perceptions commonly take the form of beliefs, that is, the consumer belief that the attitude object possesses various attributes and that specific behaviour will lead to specific outcomes.

Cognitive consistency: A basic behavioral principal to which balance theory confirms. The principle states that consumers value harmony between their beliefs and evaluations. If one is inconsistent with the other, consumers will change their attitudes to create harmony in their cognitive structure.

Cognitive dissonance theory: 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. It can be alleviated by customer after-care, money-back guarantees, and realistic sales presentations and advertising campaigns. Leon Festinger propounded this theory in 1957. According to this theory people are motivated to reduce the negative feelings caused by dissonance by somehow making things fit with one another. The theory focuses on situation in which two cognitive elements are inconsistent with one another. Dissonance reduction can occur either by eliminating, adding or changing inconsistency between the elements.

Cognitive economy: The principle that consumer search for only as much information as they feel is necessary to adequately evaluate brands. For example, in low involvement conditions consumers are not motivated to actively evaluate brands. The product being evaluated is not particularly risky, expensive, important or personally relevant. Whereas, in high involvement conditions, consumers evaluate various brands in a more elaborate way before arriving on a judgment.

Cognitive learning theory: A theory of learning based on mental information processing, often in response to problem solving. This theory encompasses all the mental activities of humans as they work to solve problems or cope with situations. It involves learning ideas, concepts, attitudes, and facts that contribute to people's ability to reason, solve problems and learn relationships without direct experience or reinforcement.

Cognitive man model: A model of man that portrays consumers as active seekers of information that enables them to make appropriate purchase decisions.

Cognitive processing: The process by which an individual transforms external information into meanings or patterns of thought and how these meanings are used to form judgment or choice about behaviour.

Cognitive responses: One of the most widely used methods for examining consumers' cognitive processing of advertising messages is assessment of their cognitive responses, the thoughts that occur to them while reading, viewing and /or hearing a communication. The assumption is that these thoughts reflect the recipient's cognitive processes or reactions and help shape ultimate acceptance or rejection of the message.

Cognitive school: One of the schools concerned with the arousal of human needs. The cognitive school believes that all behaviour is directed at goal achievement. Needs and past experiences are reasoned, categorized, and transformed into attitudes and beliefs that act as predispositions to behaviour.

Cognitive structure: The set of factual knowledge, or beliefs about a product, and the way these beliefs are organized.

Cohort analysis: An analysis, which investigates the changes in patterns of behaviour or attitudes of groups called cohorts. The cohort refers to a group of individuals who experience the same event within the same time interval. Cohort analysis focuses on actual changes in the behaviour or attitudes of a cohort, the changes that can be attributed to the process of aging, and changes that are associated with events of a particular period.

Coined word: An original and arbitrary combination of syllables forming a word. Extensively used for trademarks, such as Saffola, Mazola, Dabur, Dalda, Intel, etc.

Cold call: One of the methods of prospecting used by sales personnel to identify and ultimately to get sales order from possible prospects. This involves an initial contact with a suspect or prospect without having any prior appointment. Some feel the term originated because of the frigid reception given by many of those contacted. Cold calling is one of the most disliked sales prospecting activity because of the high rejection rate.

Cold mailing: Direct mailing to new prospects as and when a mailing list is hired. The response rate of cold mailing is generally very low.

Cold prospects: Potential customers who have no previous relationship with the firm.

Coleman-Rainwater Social Standing Hierarchy: It refers to classification of social classes in the US context and it directly reflects the power and prestige associated with each class and enables in drawing social class lines more sharply. The Social Standing Hierarchy also distinguishes between a middle class and a working class.

Collaborative filtering: A form of sophisticated software technology employed by intelligent (shopping) agents (a form of cybermediary). These are basically the software programs that use collaborative techniques to learn from past user behaviour in order to recommend new purchases. Firefly introduced this approach in 1995; to make recommendation for taste based products such as music, books and films.

Collaborative Planning, Forecasting, and Replenishment (CPFR): Emerging technique for larger firms whereby there is a holistic approach to supply chain management among a network of trading partners.

Collateral services: The organizations that provide companies with specialized services such as package design, advertising, media buying, production and marketing research.

Collective selection: The process by which certain symbolic alternatives tend to be jointly chosen over others by members of a society. This term is often used in the context of fashion related consumption.

Collectivist cultures: Cultural orientation that encourages people to subordinate their personal goals to those of a stable in-group; values such as self-discipline and group accomplishment are stressed. (*See* Individualist culture)

Colour-blocking: This technique is used in retails marketing in arranging the items on the shelf. Here the retailer arranges same-colour packs together on the shelf so that the group stands out from surrounding products.

Co-marketing (account specific marketing): A recent development in trade promotion where companies tailor their trade promotions to key retail accounts and develop strategic alliances with retailers that include both trade and consumer promotional programs. In co-marketing, the manufacturer collaborates with any individual retailer to create a customized promotion that accomplishes mutual objectives.

Combination rates: A special space rate or discount offered for advertising in two or more periodicals or newspapers. Publishers who own both morning and evening editions of a newspaper in the same market often offer combination rates. Combination discounts are also offered when the advertisers buy space in several newspapers owned by the same group in a number of markets or in multiple newspapers affiliated in a syndicate or newspaper group.

Combination sales force compensation: One of the compensation plans frequently used by organization for their sales personnel, which includes salary plus commissions and/or bonuses.

Combination store: One of the major retailer types, which combines supermarket and general merchandise sales in one facility, with general merchandise typically accounting for 25 to 40 percent of total sales. Normally these stores have large selling space and are expanded version of supermarkets.

Command economy: An economic system in which resources are allocated and controlled by government decisions.

Commercial bill of exchange: An instrument of payment in international business that instructs the importer to forward payment to the exporter.

Commercial invoice: An export document in which contains a bill for the goods from the buyer to the seller. It contains a description of the goods, the address of the buyer and seller, and delivery and payment terms. Normally the government of the importing country uses this form to assess duties.

Commercial online services: Services that offer online information and marketing services to subscribers who pay a monthly fee, such as CompuServe and Prodigy.

Commercialization: The last stage in the development cycle for a new product. Commonly thought to begin when the product is introduced into marketplace, but actually starts when a management commits to marketing the item.

Commission agent: A type of intermediary that sells a manufacturer's goods for commission without taking the title as well as possession.

Commission merchants: One of the types of intermediaries, who take physical possession of the product and negotiates sale.

Commission on Transnational Corporation: A United Nations agency that deals with multinational enterprises.

Commission system (Ad agencies): The traditional method of compensating advertising agencies where the agency receives a specified commission (usually 15%) from the media on any advertising time or space it purchases for its clients. This system provides a simple system of determining payments to the agencies on the basis of the advertising rates charged by the media.

Committee of Advertising Practice (CAP): The watchdog body responsible for maintaining standards of decency and honesty in British advertising.

Commodities: A term used to denote basic raw materials or agricultural products, which do not normally carry a brand name.

Commodity agreement: A form of economic cooperation designed to stabilize and raise the price of a commodity. Commodity agreements are of two basic types: producers' alliances and international commodity control agreements (ICCAs). Producers' alliances are exclusive memberships of producing and exporting countries. Examples are the Organization of Petroleum Exporting Countries (OPEC) and the Union of Banana Exporting Countries. ICCAs are based on cooperation between producing and consuming countries and provide for equal voting rights for both groups. Examples of ICCAs are the International Cocoa Organization and the International Sugar Organization.

Common agricultural policy: (CAP): An European Union policy aimed at free trade, price supports, and modernization programs in agriculture.

Common carrier: One of the transportation modes which provides services between predetermined points on a scheduled basis and is available to all shippers (companies) at a standard rate.

Common factor analysis: One of the principle approaches in factor analysis. In this approach the factors are estimated only on the common variance. Communalities are inserted in the diagonal of the correlation matrix. This method is appropriate when the primary concern is to identify the underlying dimensions and the common variance is of interest.

Common log format: A particular basic format for recording Web site activity by users.

Common market: A form of regional economic integration in which countries abolish internal tariffs, use a common external tariff, and abolish restrictions on factor mobility.

Common-man appeals: The use of a stereotypical actor or model in advertisement to demonstrate to prospective customers that someone "just like them" is satisfied with the advertised product or service.

Communality: One of the techniques in factor analysis. It refers to the quantity resulting from a factor analysis that expresses the proportion of the variance of a variable extracted by *m* factors, where *m* can vary from one to the total number of variables; the communalities help determine how many factors should be retained in a solution.

Communication adaptation: A marketing communication strategy generally adopted by MNCs which aims at fully adapting advertising messages to local markets keeping in mind the local sensitivities and environment.

Communication feedback: The response (or nonresponse) of the targeted audience to a message. It may take a variety of forms, closes the loop in the communication process and lets the sender monitor how the intended message is being decoded and received.

Communication method/technique: A method of obtaining primary data involving questioning of respondents to secure the desired information using a data collection instrument called a questionnaire. The questions may be oral or in writing, and the responses may be given in either form. This method of data collection is more often used in measuring the attitudes. The measurement process is based on the subject's communicated response.

Communication process: The transmission of a message from a sender to a receiver by means of a signal of some sort sent through a channel of some sort. Effective communication process is important in advertising.

Communication task (advertising): Under the DAGMAR approach, which was propounded by Russell Colley in 1961, to setting advertising goals and objectives, something that can be performed by and attributed to advertising such as awareness, comprehension, conviction, and action.

Communication timing: The manner in which network communication is scheduled, determining whether it is real-time or stored.

Communication-effect research: One of the major methods of evaluating advertising effectiveness. This type of research aims to determine whether an ad is communicating affectively in terms of creating awareness, knowledge or preference.

Communications component (media plan): That portion of the media plan that considers the effectiveness of message delivery as contrasted to the efficiency of audience delivery.

Communications objective: Goals that an organisation seeks to achieve through its promotional programs in terms of communication effects such as creating awareness, knowledge, image, attitude, preferences, or purchase intentions.

Communication-value pairs: The value of a network link between two entities, such as between a vendor and a customer.

Communism: A form of totalitarianism initially theorized by Karl Marx in which the political and economic systems are virtually inseparable.

Community of users: Used in the context of Internet it refers to the group of people who visit and use a given web site.

Community of values: Used in the context of Internet it refers to a network of users/contributors to a web site who share knowledge, expertise, or similar outlooks.

Community shopping center: Moderate-sized, planned shopping facility with a branch department store, a variety store, and/or a category killer store, in addition to several smaller stores. The major anchor is usually a discount store or supermarket. It provides a range of soft lines and hard lines in addition to the day-to-day goods of a neighborhood center. About 20,000 to 100,000 people, who live or work within 10 to 20 minutes of the center, are served by this location.

Company demand: It is the company's estimated share of market demand at alternative levels of company marketing effort in a given time period. It largely depends upon how company's products, services, prices, communications, and so on are perceived relative to the competitors. If other things are equal, the company's market share would depend on the size and effectiveness of its market expenditures relative to competitors.

Comparative advantage: The theory that there may still be global efficiency gains from trade if a country specializes in those products that it can produce more efficiently than other products. According to this theory a country will gain if it concentrates its resources on producing the commodities it can produce more efficiently. It then will buy from countries with fewer natural or acquired resources those commodities it has relinquished.

Comparative advertising: Advertising that explicitly names or otherwise identifies one for more competitors of the advertised brand for the purpose of claiming superiority, either on an overall basis or on the basis of certain selected product attributes. Also sometimes known as *comparison advertisements*.

Comparative concept tests: Tests conducted during the new product development process by presenting several ideas or concepts to the subjects or respondents and asking them to evaluate each concept in terms of purchase intentions or preferences relative to the other concept(s).

Comparative influence: In relation to the reference group influences on consumers this refers to the process of comparing one self to other members of the group, providing a basis for comparing one's attitudes and behaviour to those of the group. In doing so, they seek to support their own attitudes and behaviour by associating themselves with groups with which they agree and by dissociating themselves from groups with which they disagree.

Comparative rating scale: A type of scale, which requires the respondents to make their ratings as a series of relative judgments or comparisons with a benchmark—perhaps another similar concept such as a comparative brand—explicitly used as a frame of reference. In many cases the comparative rating scale presents "the ideal situation" as a reference point for comparison with the actual situation. For example, please indicate amount of space in your present car that compares with the amount of space you feel should be in an ideal car.
/// Too much Equal Too little

Comparative reference group: A group whose norms serve as a benchmark for highly specific or narrowly defined types of behavior. For example, a comparative reference group might be a family whose lifestyle appears to be admirable or worthy of emulation. (*See* also normative reference group.)

Comparison method: A type of sales technique in which the salesperson recognizes the prospect's objection, but then points out advantages that compensate for the problem raised.

Compatibility management: This term is specifically used in the context of service marketing, which is the process of managing multiple and sometimes conflicting segments. This may be broadly defined as "a process of first attracting homogenous consumers to the service environment, then actively managing both the physical environment and customer-to-customer encounters in such a way to enhance satisfying encounters and minimize dissatisfying encounters.

Compensation (employee): Includes direct monetary payments to employees (such as salaries, commissions, and bonuses) and indirect payments (such as paid vacations, health and life insurance benefits, and retirement plans).

Compensation compression: In the context of sales personnel compensation, it refers to the situation in which the range between the lowest-and best-paid salespeople is narrow.

Compensation deal: One of the forms of countertrade where the seller receives some percentage of payment in cash and the rest in products. Generally this happens in international business deals. For example, a British aircraft manufacturer sold planes to Brazil for 70 percent cash and the rest in coffee.

Compensatory decision rule: One of the major decision rule used by consumers for evaluating alternative brands with respect to how they performs on relevant or salient attributes and the importance of each attribute. This decision rule allows for a negative evaluation or performance on a particular attribute to be compensated for by a positive evaluation on another attribute.

Competence scope: The range of technological and other core competencies that a company can master and use as leverage against its competitors.

Competition-based (oriented) pricing: Setting prices based on what the competitors charge for similar products with less attention paid to its own cost or demand. The firm might charge the same, more or less than its major competitors.

Competitive advantage: It refers to the edge one company or product enjoys over another. Competitive advantages may include superior product features or performance, lower pricing, better reputation, more available resources, proximity to markets, more flexibility and so forth. When attacking a market one of the first thing that should be studied is how to gain an advantage over the competition.

Competitive assessment: A research process, which requires matching corporate strengths to markets and providing an analysis of the best potential for specific offerings.

Competitive assortments: Product assortments, which the retailer offers at a very attractive price, not to build profit, but to attract customers to the store.

Competitive bargaining power: The party with the stronger bargaining power to force concessions from the weaker party. (*See also* bargaining power)

Competitive benchmarking: One of the types of benchmarking, which is most commonly used by the high performance companies where the company compares on a continuous basis its products, services and practices against the toughest competitors or those companies recognized as industry leaders.

Competitive exclusion: In the context of e-commerce this refers to the diversion of online traffic away from competitors by firms holding exclusive partnership deals with popular Web sites.

Competitive intelligence system: It refers to a system that a company designs to keep track the developments and actions taken by its major competitors in a given market. There are four steps in designing a competitive intelligence system: setting up the system, collecting the data, evaluating and analyzing the data, and disseminating information to the managers for appropriate action.

Competitive intelligence: It refers to the gathering of information about competing companies or competing products. Competitive intelligence should be a continuous effort by companies to determine how well their products match up, information sought should include competitive product specifications, pricing, performance, customer lists, details on contracts, competitor's marketing strategy, future plans, and so forth. Sources may include trade journals, industry reports, brochures of competitors, advertising, disloyal employees working at competitive companies, customers using competitors' products, friendly resellers carrying the competitors' products, conventions and trade show exhibits, and so forth.

Competitive marketing strategies: All those strategies that place the company in stronger position vis-à-vis competitors and that give the company the strongest possible strategic advantage.

Competitive parity method: A method of setting the advertising and promotion budget based on matching the absolute level of percentage of sales expenditures of the competition. In this method, a company establishes budget amounts by matching the competition's percentage of sales expenditures. The argument is that setting budgets in this fashion takes advantage of the collective wisdom of the industry.

Competitive stage (advertising): The advertising stage a product reaches when its general usefulness is recognized but its superiority over similar brands has to be established in order to gain preference.

Competitive tracking: A measure of tracking performance. Here both expectations and perceptions of consumers are plotted and the gap between them shows the service quality shortfall. When this is compared, with competitor's service performance it is called competitive tracking. This allows a company to have a better grasp of service improvement priorities by comparing its own service strengths and weaknesses against those of key competitors.

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.

Competitor-centered company: A company whose moves are mainly based on competitors' actions and reactions; it spends most of its time tracking competitors' moves and market shares and trying to find strategies to counter them.

Complaint and suggestion systems: One of the tools of tracking and measuring customer satisfaction by a company. Here, a company makes it easy for customers to register suggestions and complaints. Some customer-centric companies established hot lines with toll free numbers. Companies are also using their websites and e-mail for quick, two-way communication.

Complementary pricing: A pricing strategy which includes three related strategies—captive pricing, two part pricing, and loss leadership pricing. Services that are highly interrelated can be leveraged by using one of these forms of pricing.

Complementary products: Products that serve to complete or supply what is lacking. It also refers to two products that are used together. For example, a personal computer and printer are considered to be complementary products.

Complementers in marketing channel: One of the roles that an individual firm or company may perform in the channel system. Complementers are firms that are not the part of dominant channel. They perform functions not normally performed by others in the channel, serve smaller segments of the market, or handle smaller quantities of merchandise. They usually benefit from the present system and respect the industry code of conduct.

Complete linkage method: One of the methods used in selecting a clustering procedure in cluster analysis. This method is based on the maximum distance or the farthest neighbor approach. In complete linkage, the distance between two clusters is calculated as the distance between their two farthest points.

Completely randomized design: A type of experimental design in which the experimental treatments are assigned to the test units completely on the basis of random selection.

Completeness rate (completion rate): Measure used to evaluate and compare interviewers with respect to their ability to secure needed information from contacted respondents; the completeness rate measures the proportion of complete contacts by interviewer. It enables researchers to take into account-anticipated refusals by people who qualify.

Completeness: Used in the context of writing a research report. This is the criterion used to evaluate a research report; specifically whether the report provides all the information readers need in a language they understand.

Completion techniques: One of the projective techniques used that come under the qualitative research. In these techniques the respondent is asked to complete stimulus situation. Common completion techniques in marketing research are sentence completion and story completion.

Complex buying behavior: On of the types of buying decision behaviour where the consumers undertake complex buying behavior in situations when they are highly involved in a purchase and perceive significant differences among brands. High involvement of consumers is due to the fact that the product in question is expensive, risky, purchased infrequently and highly self-expressive. The marketer of a high involvement must understand consumers' information gathering and evaluation behaviour in order to develop effective marketing communication strategies.

Compliance: A type of influence process where a receiver accepts the position advocated by a source to obtain favorable outcomes or to avoid punishment.

Compliant personality: One of three personality types identified by Karen Horney. The compliant person is one who moves toward others (e.g. one who desires to be loved, wanted, and appreciated by others).

Component testing: The testing of various parts of the marketing program, separately. Market testing tests them in unison, but during the development process each item in the marketing mix may be put through separate testing. Copy testing is the most common form of component testing.

Composite approach: One of the methods used in assessing the customer value in business markets. In this method customers are asked to attach a monetary value to each of the three alternative levels of a given attribute. This is repeated for other attributes. The values are then added together for any offer configuration.

Composite of sales force opinions: One of the methods of sales forecast in which the company might estimate the demand by asking its sales representatives to estimate their future sales. Each sales representative estimates how much each current and prospective customer will buy of each of the company's products. Few companies use sales force's estimates without making some adjustments, as they may be pessimistic or optimistic.

Composite variable index: An index that combines a number of socioeconomic variables (such as education, income, occupation) to form one overall measure of social class standing.

Compound duty: A tax placed on goods traded internationally, based on value plus units.

Compromise (conflict): One of the types conflict resolution through some procedure between the producer and the retailer**.** The result of a situation in which each party to a conflict has different positions but is willing to settle for something less than the ideal rather than continue the conflict.

Compulsive consumption behaviour: Consumers who are compulsive buyers have an addiction; in some respects, they are out of control and their actions may have damaging consequences to them and to those around them. Examples include uncontrollable shopping, gambling, drug addition, alcoholism and various food and eating disorders. It is distinctively different from impulsive buying which is a temporary phase and centers on a specific product at a particular moment. In contrast compulsive buying is enduring behaviour that centers on the process of buying, not the purchases themselves.

Computer authority: Design criterion applied to marketing information systems referring to the authority or independence that should be allowed to the computer for making decisions. xxxx

Computer generated imagery (CGI): Technology allowing computer operators to create multimedia electronic effects for TV, much more quickly than earlier tools could. Layers of visuals can be added simultaneously.

Computer graphics: Computer software packages that display research data in the form of pie, bar, and line charts.

Computer interview: In a computer interview, the computer presents the questions to the respondents on a TV type screen and the respondents' answer via a console.

Computer mapping: A technique which is being used in the recent days with the help of computer in combining data from different sources in solving marketing research problems. It combines geography with demographic information and a company's sales data or other proprietary information to develop thematic maps. Many companies are making their routine decisions on these colour-coded maps.

Computer simulation models: One of the types of quantitative models used in setting the advertising and promotion budgets. These models use statistical techniques such as multivariate analysis to determine the relative contribution of advertising budget to sales. Because of problems associated with these methods, their acceptance is limited and consequently they have met with limited success.

Computer-assisted personal interviews (CAPI): One of the methods of personal interview in which the respondent sits in front of a computer terminal and answers a questionnaire on the computer screen by using a keyboard or mouse. There are several user-friendly electronic packages that design questions that are easy for the respondents to understand. CAPI has been used to collect data at shopping malls, product clinics, conferences, and trade shows

Computer-assisted self-explication (CASE): An online system that asks visitors structured questions about what they like and uses this information to produce rankings and recommendations.

Computer-assisted telephone interviews (CATI): One of the methods of telephone interview, which uses a computerized questionnaire administered to respondents over the telephone. A computerized questionnaire may be generated using a mainframe computer, a minicomputer, or a personal computer. The interviewer sits in front of a computer terminal and wears a headset. Upon command, the computer dials the telephone number to be called. When contact is made, the interviewer reads questions and records the respondent's answers directly into the computer.

Computer-automated telephone surveys (CATS): One of the methods of surveys. Computer-automated telephone surveys are capable of dialing and interviewing respondents without any human intervention. A variety of softwares are available which are used in computer-automated telephone surveys

Computerized checkout: Used by large and small retailers to efficiently process transactions and monitor inventory. Cashiers ring up sales or pass items by scanners. Computerized registers instantly record and display sales, customers get detailed receipts, and inventory data are stored in a memory bank.

Computerized database: A collection of information or data that is available to users by means of a computer terminal. Many commercial computerized databases, such as mailing lists, industry analyses, and governmental indexes, are available for lease or outright purchase.

Conative (behavioural) component: A part of the tricomponent attitude model that reflects a consumer's likelihood or tendency to behave in a particular way with regard to an attitude-object. Also referred to as "intention to buy." Measuring buying intent is particularly important in developing marketing strategies.

Concave downward function: An advertising/sales response function that views the incremental effects of advertising on sales as decreasing.

Concentrated marketing: A market-coverage strategy in which a firm goes after a large share of one or a few sub markets. This is especially applicable to those companies whose resources are limited. Instead of going after a small share of a large market, the company goes after a large share of one or few segments of a specific product market.

Concentrated media mix: A media mix option that will be used to effectively reach the target audience.

Concentration media scheduling: One of the patterns of media scheduling which calls for spreading all the advertising expenditures in a single period. This makes sense for products with one selling season or holiday.

Concentration strategy (international): A strategy by which an international company builds up operations quickly in one or a few foreign countries until it develops a very strong involvement and competitive position there before going to another foreign country.

Concept generation: The act by which new concepts, or ideas are created. Also, the definition of the second phase of the overall product innovation process during which the concepts are created. Sometimes called idea generation or ideation.

Concept statement: A verbal and/ or pictorial statement of concept (for a product or for advertising) that is prepared for presentation to potential buyers or users to get their reaction prior to its being implemented. Product concepts are followed by prototypes, advertising concepts by one of several forms of semi-finished production.

Concept testing and development: This is the third stage in the new product development process. It refers to the process in which a concept statement is presented to potential buyers or users for their reactions. These reactions permit the developer to estimate the sales value of the concept (whether product or advertising) and to make changes in it so as to enhance its sales value.

Concept: A mental image of an intangible trait, characteristic or idea.

Conceptual definition: Defines a concept in terms of other concepts and is similar to definitions found in a dictionary. It represents the concept's major characteristics. This allows one to distinguish concept 'A' from concept 'B', a similar but different concept. For example, brand loyalty vs. repeat purchasing behaviour. This is also known as constitutive definition.

Conceptual equivalence: In international marketing research, it is critical to establish equivalence of scales used to obtain data from different countries. In this regard conceptual equivalence deals with the interpretation of brands, products, consumer behaviour, and marketing effort. For example, promotional sales are an integral component of marketing effort in countries where there is proliferation of brands and supply exceeds the demand. However, in countries where there is a shortage of brands and where the demand exceeds the supply, consumers view these promotional sales with suspicion because they believe that the product or brand being promoted is of poor quality.

Conciseness: Used in the context of research report writing. This is the criterion used to evaluate a research report, specifically whether the writing in the report is crisp and direct.

Conclusive research: A type of research design that helps a decision maker to evaluate alternative courses of action and select the best one. Conclusive research is typically more formal and structured than exploratory research. Sample is large and representative. The data obtained are subjected to quantitative analysis. The findings from this research are considered to be conclusive in nature in that they are used as input into managerial decision-making.

Concomitant variation: A condition for inferring causality. It requires that the extent to which a cause, 'X' and an effect, 'Y', occur together or vary together as predicted by the hypothesis under consideration. Evidence pertaining to concomitant variation can be obtained in a qualitative or quantitative manner.

CONCOR (Container Corporation of India Limited): A specialized public sector undertaking under the Ministry of railways who had been entrusted with the sole responsibility of developing multi-modal logistics infrastructure, to pave way for containerization for an effective move towards realization of benefits of multi-modal transportation.

Concurrent engineering: A term applied to the development process when the steps overlap, rather than take place in a sequential, linear fashion. The overlapped process gets quite confusing and rather risky given that earlier outcomes may not be what were expected. The method is at the heart of accelerated product development.

Concurrent validity: An assessment of how accurate a measure of an object, state, or event is now, as opposed to how accurate it will be in the future (predictive validity). One measure of concurrent validity is how comparable the results of Instrument A and Instrument B are when both are used to measure the same characteristics in the same object at the same point in time.

Conditional association: Association existing between two variables when the levels of one or more other variables are considered in the analysis; the other variables are called control variables.

Conditional opportunity loss: Measure of the opportunity forgone if any decision other than the optimal one for a given state of nature is made; it is calculated from the payoff table by subtracting each payoff entry from the entry corresponding to the optimal act for each possible state of nature.

Conditional payoff table: A matrix in which each cell contains an estimate of the financial outcome if the action (indicated on one axis) and environmental event (indicated on the other axis) both occurred.

Conditional probability: Probability that is assigned to an event A when it is known that another event B has occurred or that would be assigned to A if it were known that B had occurred. For example, the notion that a family is likely to have two or more cars given that it is a high-income family makes sense, while the notion that family is likely to have a high income given that it has two or more cars does not.

Conditioned response: In the context of classical conditioning, it refers to a response that occurs as a result of exposure to a conditioned stimulus.

Conditioned stimulus: In the context of classical conditioning, it refers to a stimulus that becomes associated with an unconditioned stimulus and capable of evoking the same response or reaction as the unconditioned stimulus.

Confidence interval approach: It is the statistical way of determining the sample size. This is based on the construction of the confidence intervals around the sample means or proportions using the standard error formula. This approach is based on traditional statistical inference. In this approach the precision level is specified in advance.

Confidence interval: The range of values within which a population value is likely to fall. It is created when making an interval estimate. The researcher usually specifies the degree of confidence (confidence coefficient).

Confidential Vendor analysis: In the context of retail business this refers to a technique that retailers may use to analyze the vendor performance. Confidential Vendor analysis lists all those vendors who have supplied merchandise to the retailer during the last one-year and provides three-year financial summary with the names, titles, and negotiating points of all vendors' sales staff. This last information is based on the notes the buyer from the retailer made after the last year buying.

Confirmation stage in innovation diffusion: The last stage in the model of innovation adoption process as proposed by Rogers. During confirmation stage consumers seek reinforcement for their innovative decision. Consumers sometimes reverse previous decisions, especially when exposed to conflicting messages about the innovation, causing dissonance. Those who adopt can reject them after short or long periods, and vice versa.

Confirmed letter of credit: A type of letter of credit to which, a confirming bank in additional the importer's issuing bank adds its guarantee of payment. With this type of L/C, sometimes the exporter's home country, sometimes in a third country, the exporter gets an additional guarantee. It rarely happens that the exporter establishes the confirming relationship. Usually, the opening bank seeks the conformation of the L/C with a bank with whom they already have a credit relationship. If this L/C is irrevocable, none of the conditions can be changed unless all four parties to it agree in advance.

Conflict resolution: This term is used often in the context of channel-producer conflict situation. It refers to a mechanism to reduce or solve the conflict between the producer and the retailer or any other channel member. There are two major channel conflict resolution mechanisms—withdrawal (dissolution of relationship) and procedural resolution (conflict resolution through a procedure).

Conformance quality: This term is used in the context of quality that consumers expect from various products and services, which is the degree to which all the produced nits of a company are identical and meet the promised specifications. The problem with low conformance quality is that the product will disappoint some buyers, as it may not come to their expectations. It is important to distinguish between conformance quality and performance quality. For example, a Mercedes provides higher performance quality than a Hyundai: The Mercedes rides smoother, goes faster, and lasts longer. Yet both Mercedes and Hyundai can be said to deliver the same conformance quality if all the units deliver their respective promised quality.

Conformity: In the context of reference group influence, it refers to the extent to which an individual adopts attitudes and/or behavior that are consistent with the norms of a group to which he or she belongs or would like to belong.

Confounding variable: It is synonymous with extraneous variables. Used to illustrate that extraneous variable can confound the results by influencing the dependent variables. Randomization, matching, statistical control and design control can control confounding variables.

Confused positioning: One of the positioning errors that a company must avoid to commit. Here on account of positioning effort on the part of the company, sometimes buyers form confused image of the brand resulting from the company making too many claims or changing the brand's positioning too frequently.

Confusion matrix: Device used in discriminant analysis to assess the adequacy of the discriminant function or functions; the confusion matrix is essentially a cross-classification of the actual group membership categories and the predicted group membership categories and the entries are the number of observations falling into each cell.

Congruity (market segment): One of the criteria for determining the attractiveness of a market segment. It refers to how similar members within the segment are in behaviour or characteristics that correlate with behaviour. The more congruous a segment is, the more efficient are product offerings, promotion, and distribution channels directed specifically to that segment.

Conjecture method: A method of formulating projections about the future as a whole picture, rather than as speculated facts. Two commonly used conjecture methods are scenario construction and future histories.

Conjoint analysis: A technique that attempts to determine the relative importance consumers attach to salient attributes and the utilities they attach to the level of attributes. This information is derived from consumer's evaluations of brands, or brand profiles composed of these attributes and their levels. Conjoint procedures attempt to assign values to the levels of each attribute, so that the resulting values or utilities attached to the stimuli match the input evaluations provided by the respondents. The underlying assumption is that any set of stimuli, such as products, brands or stores, is evaluated as a bundle of attributes.

Conjunctive decision rule: A type of decision rule for evaluating alternative brands where consumers establish minimally acceptable levels of performance for each important product attribute and accept an alternative (brand) only, if it meets the cutoff level for each attribute.

Consensual purchase decision: A decision in which the group agrees on the desired purchase and differs only in terms of how it will be achieved.

Consent order: A settlement between a company and the regulatory body (FTC, US) whereby an advertiser agrees to stop the advertising or marketing practice in question. A consent order is for settlement purposes only and does not constitute an admission of guilt.

Conservative decision rule: A decision style characterized by an effort on the part of the buyer to minimise the risk in a purchase.

Consideration set: The subset of brands from a particular product category that becomes the focal point of a consumer's evaluation process.

Consignment purchase: Sales in which the supplier retains title to the merchandise while the retailer has physical possession and attempts to sell the merchandise. The retailer can return unsold merchandise. The retailer does not take the title; the supplier owns the goods until sold. Typically when the merchandise is sold the retailer pays the supplier. It is also sometimes referred as consignment sales

Consistency checks: It is part of the data-cleaning process. Its basic purpose is to identify whether the data are within range, logical and consistent. For example, respondents have been asked to express their degree of agreement with a series of statements on a particular phenomenon on a 1-to-5 scale. If a respondent assigns 6,7,or 8 to any statement then the response is out of range. Similarly, responses can be logically inconsistent in various ways.

Consistency in product mix: This refers to how closely related the various product lines are in end use, production requirements, distribution channel, or some other way. For example, the product mix of Bajaj Electricals is more consistent than the product mix of Godrej. Consistency itself, neither good or bad. It depends how effectively a company using its resources to run its business.

Consistent estimator: A sample statistic that approaches the population parameter as sample size increases.

Consistent preference discrimination test (CPDT): One of the attitude scales used for measuring discrimination and preferences simultaneously. Conducted by having the subject repeat a paired comparison test several times. The CPDT measures both preference and the ability of the subject to discriminate between two or more stimuli (brands, product formulations, advertisements).

Consortium: Group of companies acting together to achieve a common goal. An example is a consortium funded by several companies to collaborate on research, projects that might be too expensive for any one company to handle alone.

Conspicuous consumption: Theory advanced by economist Thurston Veblen which postulates that many people buy products because they wish to show off their wealth, affluence, and good taste. Marketers must understand this proclivity.

Constant sum scale: A comparative scaling technique which requires the respondent to divide a constant sum, generally 10 or 100, among two or more objects or attributes in order to reflect the respondent's relative preference for each object, the importance of the attribute, or the degree to which an object contains each attribute.

Constrained decision-making: A type of decision-making process where the franchiser excludes franchisees from or limits their involvement in the strategic planning process.

Construct equivalence: In international marketing research, it is critical to establish equivalence of scales used to obtain data from different countries. In this regard construct equivalence deals with the question of whether the marketing constructs such as opinion leadership, brand loyalty, extensive problem solving have the same meaning and significance in different countries. If not, then the researcher has to make these constructs by modifying the definitions according to the country norms.

Construct validation: Approach to validating a measure (instrument) by determining what construct, concept, or trait the instrument is in fact measuring.

Construct validity: Understanding the factors that underlie the obtained measurement. It involves knowing how well and why a given; measure works by having a sound theory of the nature of the concept being measured and how it relates to other concepts. Construct validity is the most sophisticated and difficult type of validity to establish.

Construct: A term that represents or symbolizes an abstract trait or characteristics, such as; motivation or aggression that is not observable but can be measured through a measurement instrument. For all practical purposes the terms construct and concept are used interchangeably.

Construction techniques: One of the types of projective techniques used in some marketing research projects. In these techniques the respondent is required to construct a response in the form of story, dialogue, or description. In a construction technique the researcher provides less initial structure to the respondent than in a completion technique. The two main construction techniques are (1) picture-response and (2) cartoons tests

Consular invoice: In the context of international marketing a document that covers all the usual details of the commercial invoice and packing list, prepared in the language of the foreign country for which the goods are destined, on special forms obtainable from the consulate or authorized commercial printers.

Consultative selling: Sales technique that involves uncovering a prospect's problems then offering solutions that offer better use of the prospect's available resources. The solutions always involve using the salesperson's products or services. The traditional sales approach is to sell features and benefits. The consultative approach is to sell the advantage that can be gained over competitors.

Consumed consumers: Those people who are used or exploited, whether willingly or not, for commercial gain in the marketplace. The situation in which the consumers themselves become commodities can range from traveling road shows that feature dwarfs and midgets to the selling of body parts, blood or babies. This may perhaps be the darker side of consumer behaviour.

Consumer addiction: A physiological and/or psychological dependency on products or services.

Consumer advertising: Most common form of advertising directed at people who will use the product themselves, in contrast to trade advertising, industrial advertising, or professional advertising.

Consumer behavior: The process and activities that individuals or groups engage in when searching for, selecting, purchasing, using, evaluating and disposing of products, services, ideas or experiences so as to satisfy their needs and desires.

Consumer boycotts: Concerted (but non-mandatory) refusals by groups of consumers to do business with one or more companies to express disapproval of certain policies and to attempt to coerce the target companies to modify their policies.

Consumer confidence: The state of mind of consumers relative to their optimism or pessimism about economic conditions; people tend to make more discretionary purchases when their confidence in their economy is high.

Consumer cooperatives: A type of retail format, which is owned by its consumers. In this type of retailing consumers contribute money to open their outlets, vote on its policies, elect a group to manage it, and receive patronage dividends.

Consumer decision process: Stages a consumer goes through in buying a good or service**:** stimulus, problem awareness, information search, evaluation of alternatives, purchase, and post-purchase behavior. Demographics and life-style factors affect this decision process.

Consumer decision rules: Procedures adopted by consumers to reduce the complexity of making product and brand decisions.

Consumer ethnocentrism: A consumer's predisposition to accept or reject foreign-made products. Researchers have developed and tested the consumer ethnocentrism scales called CETSCALE.

Consumer franchise-building (CFB) promotions: Sales promotion activities that communicate distinctive brand attributes and contribute to the development and reinforcement of brand identity. CFB promotions are designed to build long term brand preference and help the company achieve the ultimate goal of full price purchases that do not depend on a promotional offer.

Consumer goods classification: A scheme of classifying consumer goods, which are purchased primarily for personal consumption. One such scheme is based on the shopping habits of the consumers. Here the consumer goods may be classified as convenience, shopping, specialty, and unsought goods.

Consumer goods market testing: The test marketing of consumer goods by a company before they are launched on a full scale in a given market. there are four major methods of consumer goods market testing, from the least to the most costly. These are: sales-wave research, simulated test marketing, controlled test marketing, and in actual test markets.

Consumer information processing: The nature of the consumer's search for and reactions to marketing communications. The process by which consumers perceive information comprises of four steps—exposure to information, attention, comprehension, and retention of information.

Consumer innovativeness: The degree to which consumers are receptive to new products, new services, or new practices. This trait is important to both consumers and marketers as both can benefit from right innovation. Many consumer researchers have tried to develop measurement instruments to gauge the level of consumer innovativeness.

Consumer jury test: A method of pretesting advertisements by using a panel of consumers who are representative of the target audience and provide ratings, ranking, and /or evaluation of advertisement.

Consumer learning: The process by which individuals acquire the purchase and consumption related knowledge and experience they apply to future consumption related behavior.

Consumer loyalty programs: Also called loyalty programs. These are the rewards for a marketer's best customers, those with whom it wants long-lasting relationships. Through these programmes the firm wants to foster usage loyalty and a commitment to its products and services. Many airlines have introduced "Frequent Flyer" schemes for rewarding regular travelers.

Consumer market: All the individuals and households who buy or acquire goods and services for personal consumption and use.

Consumer materialism: A personality-like trait of individuals who regard possessions as particularly essential to their identities and lives.

Consumer movement: The activities generally discussed under the heading of consumerism. Somewhat misleading term because there is no actual organization of consumers but, instead, a conglomeration of groups with separate concerns.

Consumer packaged goods model: Brand-building theory developed out of the practices of consumer packaged goods companies in the 20th century. The theory called for creating product differentiation, real or imaginary, spending a huge amount of advertising; and hoping this would lead to trial, adoption, and loyalty. Advertising played the dominant role and its effectiveness was judged by level of brand awareness, recognition, ad recall, or intention to buy. However, this model has not been successful in all the situations.

Consumer price index: A measure of the cost of typical wage-earner in terms of purchases of goods and services expressed as a percentage of the cost of these same goods and services in some base period.

Consumer product: Product bought by consumer or end user for personal consumption.

Consumer profile: Psychographic/demographic profile of actual or proposed consumers for a specific product or service.

Consumer research process: This refers to the research undertaken to understand consumer behaviour. It generally involves defining of objectives, collection of primary data, analysis of the data, and preparation of a report based on the findings.

Consumer research: The various types of research methodologies used to study consumer behaviour. This may include both positivist and interpretivist approach to consumer behaviour.

Consumer satisfaction/dissatisfaction (CS/D): The overall feeling or attitude a person has about a product after it has been purchased. The consumer satisfaction is a function of the closeness between the consumer's expectation and the product's perceived performance. If performance falls short of expectations, the consumer is dissatisfied; if it meets or exceeds expectations the consumer is satisfied or delighted.

Consumer socialization: The process by which consumers acquire the knowledge and skills necessary to operate in the marketplace. The most important type of consumer socialization is the socialization of children by which they learn the skills and attitudes relevant to consumer purchase behaviour.

Consumer sovereignty: The freedom of consumers to influence market offerings through the choices they make and also the freedom of the enterprise to operate in the market. As long as both the individual and the company are free to make economic decisions, the interplay of supply and demand should ensure proper allocation of resources.

Consumer-directed market economy: An economy in which there is minimal government participation while growth is promoted through the mobility of production factors, including high labor turnover.

Consumerism: An organized movement and the activities of government, business, and other organizations that are designed to protect individuals from practices infringing on their rights as consumers. Concerned primarily with ensuring that the consumer's rights in the process of exchange are protected. (*See also* consumer movement)

Consumerist movement (Consumerism): An organized movement of citizens and government to strengthen the rights and powers of consumers in relation to sellers. In the recent years this has emerged as one of the important force that may affect a business. In response to this, many companies have established consumer affairs departments to help formulate policies and respond to consumer complaints. Governments of many countries have enacted legislations to protect the consumers' rights. India has enacted Consumer Protection Act in 1985.

Consumer-oriented definition of innovations: Any product that a potential consumer judges to be new. Newness is based on the consumer's perception of the product, rather than on physical features or market realities.

Consumer-oriented legislation: Any legislation enacted to protect the public from dishonest or unethical business practices.

Consumer-oriented marketing: A philosophy of enlightened marketing that holds that the company should view and organize its marketing activities from the consumers' point of view. This is also known as the "marketing concept".

Consumer-oriented sales promotion: One of the major types of sales promotion techniques that target the ultimate consumer through tools such as coupons, samples, contests, rebates, sweepstakes, and premium offers.

Consumers: A term used to describe two different kinds of consuming entities: personal consumers (who buy goods and services for their own use or for household use) and organizational consumers (who buy products, equipment, and services in order to run their organizations).

Consumption constellations: A set of products and activities used by consumers to define, communicate, and perform social roles. Generally, people belonging to upper strata of society like to purchase those products and brands, which enable them to reflect their social standing in the society.

Consumption system: The process of understanding the customers behaviour with a specific product with a whole cluster of activities including brand choice, financing, buying accessories and so on, is referred to as customer's consumption system, customer activity cycle, or customer scenario.

Contact rate (K): In the context of marketing research this refers to the measure used to evaluate and compare the effectiveness of interviewers in making contact with designated respondents. /// K = number of sample units contacted/total number of sample units approached.

Contact report: Essentially ad agency or consultancy paperwork representing brief minutes of meetings. Usually it has a blank right-hand column for instructions and responsibilities. Copy is provided to those present at meetings and to those who need to be informed. Also known as call report.

Containerization: One of the ways of combining two or more transportation modes, which has emerged in the recent years. This is helping the companies particularly shippers in managing logistics. Containerization consists of putting the goods in boxes or trailers that are easy to transfer between two transportation modes. Fir example, *piggyback* refers to the use of rail and trucks; *fishiback,* water and trucks; *trainship*, water and rail; and *airtruck*, an\ir and trucks. All this has become possible because of containerization.

Content analysis: A method of research used in communication, particularly advertising, for systematically analyzing the content of verbal and/or face contact and with whose values, attitudes, and standard he or she tends to agree. The material may be analyzed in terms of words, characters, themes, space and time measures or topics. The categories for classifying and analyzing the material are developed and the written matter is broken down according to prescribed rules.

Content factors in web site design: One of the important factors that has to considered in designing a website. This may include lay out and design. Website visitors normally judge a website's performance on its easy-to-use (navigation) pattern and physical attractiveness. Ease-of-use breaks in there attributes: (1) how quickly one can download material from a website, (2) easy to understand first (Home) page, and (3) easy to navigate to other pages that open quickly. The website's physical attractiveness is determined by three factors: (1) the individual pages are clean looking and not overly crammed with content, (2) the type faces and font sizes are very readable, and (3) the website makes good use of colour and sound.

Content in web site design: One of the important factors that has to considered in designing a website. This may include text, pictures, sound, and video. Context factors facilitate repeat visits, but they do not ensure that this happens. Returning to a specific website depends to a great extent on the contents. The content must be interesting, useful, and continuously changing. Certain types of content function well to attract first-time visitors and to bring them back again. These content factors include: (1) Deep information with links to related sites (2) Changing news of interest, (3) Changing free offers to visitors (4) Contests and sweepstakes (5) Humour and jokes and (6) Games.

Content site: A web site containing an actual product, for example on-line publishing or software that the subscriber can buy and have delivered to his or her home computer.

Content sponsored advertising (mobile ads): A form of wireless advertising for mobile devices such as cell phones, PDAs, and laptop computers. It is the wireless version of banners and other ads that sponsor web content. Mobile ads employ the pull model of advertising. Users pull content from mobile web sites and ads come along for the ride. Mobile ads are a new area with great promise

Content sponsorship: A form of e-commerce in which companies sell advertising either on their web sites or in their email. It is called content sponsorship because this model sprang from the media, which depend upon advertising sales to pay for editorial content.

Content validity: In carrying out research, pertaining to a particular phenomenon of management, it refers to validating a measure by determining the adequacy with which the domain of the characteristic is captured by the measure; it is sometimes called face validity. The most common use of content validity is with multi-item measures. In this case the researcher assesses the representativeness or sampling adequacy of the included items in the light of the purpose of the measuring instrument. Content validation is the most common form of validation in applied marketing research.

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.

Contingency coefficient: Statistic used to measure the extent of association between two nominally scaled variables. The contingency coefficient varies between 0 and 1. The zero value occurs in case of no association (i.e. the variables are statistically independent). But the maximum value of 1 is never achieved.

Contingency plan: A backup plan, ready in standby, that will be taken if a given state of affairs comes about during the new product launch. Usually tied to one or more triggers in the launch control process. This concept can be used in any type of marketing/management activity.

Contingency pricing: Arrangement by which a service retailer does not get paid until after the service is satisfactorily performed. This is a special form of flexible pricing.

Contingency strategy: A backup strategy that the firm has on hand, in case the most likely configuration of environmental factors does not occur and the core strategy become obsolete.

Contingency table: A statistical test employing the χ^2 statistic that is used to determine whether the variables in a cross-classification analysis are independent. The data are considered to be qualitative or categorical because each variable is assumed to have only a nominal scale.

Continuity extrapolation: One of the methods of sales forecasting in which the projection is made on the basis of last increment of sales change into the future.

Continuity programs: Special services and benefits extended to favored customers to encourage volume purchase. Airlines frequent flyer programmes are an example.

Continuity: (1) A media scheduling strategy where a continuous pattern of advertising is used over the time span of the advertising campaign. (2) Principles of grouping that emerged from Gestalt psychology and that suggest that the basic flow of stimuli should be continuous and lead to a logical conclusion (e.g., flow of a sales message).

Continuous innovation: A new product entry that is an improved or modified version of an existing product rather than a totally new product. A continuous innovation has the least disruptive influence on established consumption patterns.

Continuous rating scale: One of the types of noncomparative scaling techniques. In this type of rating scale the respondents rate the object by placing a mark at the appropriate position on a line that runs from one extreme of the criterion variable to the other. Thus the respondents are not restricted to selecting from marks previously set by the researcher. One advantage of continuous rating scales is that they are easy to construct. However, scoring is cumbersome.

Continuous tone: An unscreened photographic picture or image, on paper or film that contains all gradations of total values from white to black.

Contraband: Refers to merchandise prohibited by law from being imported or exported.

Contract carrier: An independent organization selling transportation services to others on a contract basis.

Contract manufacturing: A joint venture in which a company contracts with manufacturers in a foreign market to produce the product. This gives the company less control over the manufacturing process and the loss of potential profits on manufacturing. However, it offers a chance to start faster, with less risk and with the opportunity to form a partnership or buy out the local manufacturer later.

Contract of service: Agreement between advertiser and agency which states conditions of service such as method of remuneration, required notice of termination, and conditions regarding assignment of copyright.

Contraction defense: One of the defense strategies some times adopted by the market leader in the wake of intense competition. Market leader sometimes recognizes that it can no longer defend all of its territory. The best course of action that is available to a market leader is planned contraction (also sometimes called strategic withdrawal). Planned contraction means giving up weaker territories and reassigning resources to stronger territories. It is a move to consolidate competitive strength in the market and concentrate mass at pivotal positions.

Contractual agreement: One of the important modes of entry into the foreign markets. There are several types of contractual agreements into which a company may enter in a foreign market. These include patent licensing agreement, turnkey operations, co-production agreements, management contract and licensing.

Contractual group: One of the formal or informal reference groups with which a person has regular face-to-face contact and whose values, attitudes, and standards he or she tends to agree.

Contractual sales force: One of the types of sales forces that is not the employee of a company. This consists of manufacturers' representatives, sales agents, and brokers, who are paid a commission based on sales. This sales force does not work exclusively for a single company but works for a group of companies.

Contractual vertical marketing systems: It is a type of vertical marketing system, which typically includes wholesaler-sponsored voluntary groups, retailer-owned cooperatives, and franchised retail programs. Each of these channel types allows for more coordinated and system-wide perspective than conventional marketing channels.

Contractual VMS: It refers to a vertical marketing system in which independent firms at different levels of production and distribution join together through contracts to obtain more economies or sales impact than they could achieve alone.

Contrast effect: Used in the context of consumer behaviour. It states that a disparity between expectations and experiences may lead the consumer to magnify the disparity. Implies that advertisers should not exaggerate so as not to increase consumer expectations to the point that dissatisfaction is likely to result.

Contrast: The opposite of adaptation. A change from the constant conditions a consumer is used to. Advertisers try to achieve contrast by using new, attention-getting stimuli.

Contrasts: In ANNOVA, a method of examining differences among two or more means of the treatment groups. Contrasts or comparisons used to determine which of the means are statistically significant or different. Contrasts may be priory or a posteriori.

Contribution margin: The difference between the total revenue generated by a product or brand and its total variable costs.

Contribution profit percentage: Contribution profit divided by net sales.

Contribution profit: Net sales less cost of goods sold and any expenses that are directly traceable to the goods sold.

Contrived observation: An observation technique in which an artificial environment is created and the behaviour of persons is observed in the artificial environment such as test kitchen.

Control group: In the context of marketing/business research where experimental designs are used it refers to the group or subjects not exposed to the experimental treatment. In this group the independent variable is unchanged and the changes in the control group are compared with the test group in which the independent variable is manipulated.

Controllable variables: It refers to all those marketing variables that the marketers can directly manipulate (such as pricing, packaging, channel of distribution, hours of operation and sales personnel).

Controlled circulation: A controlled circulation magazine is sent to a selected plus requested readership and commands higher advertisement rate than one which relies on retail or subscription sales because it has greater penetration of the market. New magazines are sometimes launched on controlled circulation basis, and subscriptions sought when magazine is established.

Controlled sale: A category of market testing techniques in which the ability of the firm to obtain distribution is not tested. Distribution is forced (e.g. by giving the outlets free product).

Controlled test marketing: One of the methods of consumer goods market testing in which a research firm on behalf of the test marketing company manages a panel of stores that will carry new products for a fee. The company with the new product specifies the number of stores and geographic locations it wants to test. The research firm delivers the new product to the participating stores and control shelf positions, and point-of-purchase promotions, and pricing. Sales results can be measured through electronic scanners at the checkout points. The company can also evaluate the impact of local advertising and promotions during the test.

Controlled test markets: Test market cities in which a research supply house has paid retailers for a guarantee that they will carry products designated by the supply house; also known as minimarkets. The research company handles warehousing and field sales operations, such as shelf stocking, selling and inventory control.

Controlled-store test: A market test utilizing a limited number of outlets in several areas. A research firm typically pays the selected outlets to let it place its product in their stores, and handles all the warehousing, distribution, pricing, and shelving.

Convenience product: A type of consumer product that the customer usually buys frequently, immediately, and with a minimum of comparison and buying effort.

Convenience sampling: In the context of marketing research it refers to a type of nonprobability sampling technique. It is also called an accidental sample because those included in the sample enter by accident in that they just happen to be where the study is being conducted when it is being conducted. The sample elements in such cases are generally selected on the basis of convenience.

Convenience store: A small store, located near a residential area, that is open long hours seven days a week and carries a limited line of high-turnover convenience goods. It is small with average to above-average prices and average atmosphere and services.

Conventional distribution channel: A channel consisting of one or more independent producers, wholesalers, and retailers, each a separate business seeking to maximize its own profits even at the expense of profits for the system as a whole. Also sometimes called conventional marketing channel.

Conventional supermarket: Departmentalized food store with a wide range of food and related products; sales of general merchandise are rather limited.

Convergence: The break down of technological separations between products or industries, causing them to become more like each other in use and function.

Convergent validity: A measure of the construct validity that measures the extent to which the scale correlates positively with other measures of the same construct. It is not necessary that all these measures be obtained by using conventional scaling techniques.

Convertibility of currency: The ability to exchange one currency for another currency without restrictions. Convertibility of currency is important in the context of international business and marketing. Fully convertible currencies are those that the government allows both residents and nonresidents to purchase unlimited amounts of any foreign currency with. Hard currencies, such as the US dollar and Japanese yen, are currencies that are usually fully convertible.

Cookie: An identifying string of text file attached to web site visitor's computer for information gathering purposes, such as how often they visit the site, what is looked at, an in what sequence. When the user returns to the site, the company's server looks for the cookie file and uses it to personalize the site.

Co-op delivery system: In the context of retailing it refers to one of the systems of delivering the merchandise up to the house or premises of the customer. In this system several retailers jointly own and operate the delivery service. This system offers significant economies of scale because the number of deliveries in a particular geographic area can be increased and the cost per delivery can be significantly reduced.

Cooperative advertising: Occurs when manufacturers or wholesalers and their retailers, or two or more retailers, share the costs of retail advertising. It can be of three types: (1) manufacturer's support for dealer's local advertising, (2) joint advertising by members of a trade or industry, and (3) advertising for two related products, e.g. bread and butter.

Cooperative buying: A type of arrangement where a group of retailers come together and purchase merchandise in bulk quantities in order to get discounts and bargains from suppliers.

Cooperative exporter: Name given to any company that has an established system of handling exports for its own goods and distributes its products overseas for other manufacturers on a contractual basis. These cooperative arrangements are also called piggybacking.

Cooperative organizations: A type of business organizations, which are being used in indirect exporting. Cooperative organizations carry on exporting activities on behalf of several producers under their administrative control. Producers of primary products such as fruits and nuts often use them.

Cooptation: (1) It refers to a cultural process by which the original meanings of a product or other symbols associated with a subculture are modified by members of mainstream culture. (2) In the context of consumer behaviour, particularly, with reference to the acceptance of American consumption values across the globe. Here the consumption values of another country are adapted to be consistent with local language, meaning, and beliefs. For example, it has been found that consumers in the world may crave for American goods as status symbols and in doing so they adapt American consumption values to be consistent with their local consumption values.

Coordinates: One of the statistics and terms associated with multidimensional scaling procedures. Coordinates indicate the positioning of a brand or stimulus in a spatial map.

Coordinative bargaining power: A term used in business buying where the parties approach bargaining in a problem-solving manner to achieve their goals. Here the bargaining power is less likely to be exerted in an arbitrary manner.

Co-positioning: It refers to the grouping of products under a single brand name with a single position in the consumer's perceptual map. This will lead to creation of a composite value greater than that of the individual products. The products do not necessarily come from the same producer and may not even be in the same general category.

Copy platform: A document used by an ad agency that specifies the basic elements of the creative strategy for developing an advertising campaign. These may include basic problem or issues the advertising must address, the advertising and communication objectives, target audience, major selling ideas or key benefits to communicate, campaign theme or appeal, and supportive information or requirements.

Copy posttests: Tests that are used to evaluate the effectiveness of an advertisement that has already appeared in a specific media and to see which elements, if any, should be revised to improve the impact of future advertisements.

Copy pretests: A test of an advertisement before the ad is placed in a specific medium to determine which, if any, elements of an advertising message should be revised before major media expenses are incurred.

Copy strategy statement: In preparing an ad campaign, the advertiser usually prepares a copy strategy statement that describes the objectives of an ad campaign, content, support, and tone of the desired ad.

Copy testing: Measuring the effectiveness of an advertisement. It consists of both pretesting and post-testing of the advertisements.

Copyright: The rights to reproduce, publish, and sell literary, musical, or artistic works.

Copywriter: These are individuals in an ad agency who help conceive the ideas for ads and commercials and write the words and copy for them. Copywriters are responsible for writing the headline, slogans, jingles and the textual portion of an advertisement.

Core business processes: All those business processes that are necessary in making a business successful in a given market. Core business process include: (1) The market sensing process; gathering, disseminating, and acting on market intelligence information, (2) The new offering realization process; researching, developing, and launching new high-quality products quickly and within budgets, (3) The customer acquisition process, (4) The customer relationship management process; building deeper understanding, relationships, and offerings to individual customers, (5) The fulfillment management process; receiving and approving orders, shipping the goods on time, and collecting payments in time. Strong companies develop superior capabilities in managing their core business processes.

Core competency: A term used to describe all those resources and capabilities that a particular company is able to utilize in a more efficient manner than its competitors. In reality core competency makes up the essence of business. Core competency has three characteristics: (1) It is a source of competitive advantage in that it makes a significant contribution to perceive customer benefits, (2) It has a breadth of application to a wide variety of markets, and (3) It is difficult for competitors to imitate.

Core customers: Consumers with whom retailers seek to nurture enduring relationships. They should be singled out in a firm's database.

Core product: The central benefit or purpose for which consumer buys a product. Varies from purchaser to purchaser. It consists of the core, the problem solving benefits the consumers seek when they buy a product or service. Thus, when designing products, marketers must first define the core benefits that the product will provide to consumers.

Core strategy: A mainstream strategy that blends with the configuration of external forces that management anticipates in running the business successfully.

Core value: The belief systems that underlie consumer attitudes and behaviours, including consumer behaviour. Core values go much deeper that attitude or behaviour, and determine, at a basic level, people's choices and desires over the long term. Marketers who segment their markets on the basis of values believe that by appealing to people's inner selves, it is possible to influence their outer selves—their purchase behaviour.

Core-business: This refers to the basic products or services responsible for a company's success. The products for which a company is known. When times get tough, corporations tend to concentrate on their core businesses.

Corporate advertising: One of the types of advertising designed to promote overall awareness of a company as a whole or to enhance its image among the target audience.

Corporate chain store: One of the types of retail organizations where two or more outlets commonly owned and controlled, employing central buying and merchandising, and selling similar lines of merchandise. Their size allows them to buy in large quantities at lower prices, and they can afford to hire corporate specialists to deal with pricing, promotion, merchandising, inventory control, and sales forecasting.

Corporate culture: The values and beliefs shared by the members of a company and the rules of behaviour (social norms) they follow. It provides a general frame of reference for the members of the organization that may be used to interpret events and facts in the company's environments.

Corporate identity material: All those materials, which a company uses to communicate the corporate identity to its audience. These may include a combination of logos, stationary, brochures, signs, business forms, business cards, buildings, uniforms and company cards which identify an organisation visibly. All these become marketing tools when they are attractive, distinctive, and memorable.

Corporate image: It refers to perceived mental idea of an organisation based on knowledge and experience. It may vary from person to person depending on the type of relationship one has with the organisation. For example, i.e. employee, shareholder, dealer and consumer may have very different perceived corporate image.

Corporate portals: One of the new areas in the knowledge management field. Corporate portals use Web-based technology to create sites specifically for a particular company's employees. Corporate portals are an extension of an earlier concept, the intranet, which is also a site for internal consumption. Intranets typically publish corporate information such as news, policies, and procedures. However, corporate portals do more than just serve as brochures. They are linked to sales data, groupware documents, and calendars. The portal translates data from all the information stores into a common interface for presentation to the employee.

Corporate retailing: Big retailing organizations that are owned by a corporate group in contrast to smaller version of retail stores that are independently owned. Corporate retailing is also known as organized retailing. Corporate retail organizations achieve economies of scale, greater purchasing power, wider brand recognition, and better-trained employees. The major types of corporate retailing include—corporate chain stores, voluntary chains, retailer cooperatives, franchises, and merchandising conglomerates.

Corporate strategy: The plan of action that determines the general nature of a company's relationships with its environments and how business is conducted.

Corporate vertical marketing system: It is a type of vertical marketing system, which typically consists of either a manufacturer who has integrated vertically to reach the consumer, or a retailer who has integrated vertically to create a self-supply network.

Corporate VMS: A vertical marketing system that combines successive stages of production and distribution under single ownership—channel leadership is established through common ownership.

Corporate web site: Web sites that seek to build customer goodwill and to supplement other sales channels rather than to sell the company's products directly. Sometimes it is also known as corporate homepage.

Corrective advertising: To counteract the past residual effect of previous deceptive advertising, the advertising regulatory body may require the advertiser to run additional advertising designed to remedy the deception or misinformation contained in previous ads.

Correlation analysis: A technique used in statistics to measure the closeness of the linear relationship between two or more intervally-scaled variables. This is widely used among marketing researchers for studying the relationship between two or more variables.

Correlation coefficient 'r': A bivariate descriptive statistic, appropriate in dealing with two intervally-scaled variables, which provides a measure of the linear direction and strength of the relationship between these variables. It is also sometimes known as product moment correlation. Karl Pearson originally proposed it, therefore it is also known as Pearson's correlation coefficient. In fact it goes by different names such as simple correlation, bivariate correlation or product moment correlation or merely the correlation coefficient.

Correlation matrix: One of the statistics associated with factor analysis. A correlation matrix is a lower triangle matrix showing the simple correlations, r, between all possible pairs of variables included in the analysis. The diagonal elements, which are all 1, are usually omitted.

Correspondence analysis: A multidimensional scaling technique for scaling qualitative data that scales the rows and columns of the input contingency table in corresponding units so that each can be displayed graphically in the same low-dimensional space. These spatial maps provide insight into (1) similarities and differences within the rows with respect to given column category; (2) similarities and differences within the columns with respect to given row category; and (3) relationship among the rows and columns.

Correspondent (bank): In the context of international business it refers to a bank in which funds are kept by another, usually foreign, bank to facilitate check clearing and other business relationships.

Cost complement: This term is used in retail marketing. It refers to average relationship of cost to retail value for all merchandise available for sale during a given time period.

Cost method of accounting: Requires the retailer's cost of each item to be recorded on an accounting sheet and/or coded on a price tag or merchandise container. When a physical inventory checking is done, item costs should be known, the quantity of every item in stock is counted, and total inventory value at cost calculated.

Cost method: An accounting system which values current inventory at cost plus freight.

Cost of goods sold: Amount a retailer has paid to acquire the merchandise sold during a given time period. It equals the cost of merchandise available for sale minus the cost value of ending inventory.

Cost per customer purchasing: A cost effectiveness measure used in direct marketing based on the cost per sale generated.

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.

Cost per prospect: In the context of etailing it refers to the cost needed to generate a visit to a Web site. For Web advertising it is the cost per banner divided by the click through rate.

Cost per ratings point (CPRP): One of the types of relative cost of broadcast media 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. The formula for computing CPRP is //// CPRP = (cost of commercial time)/(programme rating)

Cost per thousand (CPM): A frequently used method of comparing the cost for print media of different circulations. The magazine industry uses the method for cost breakdowns on the basis of cost per thousand people reached. The formula for this computation is //// CPM = {[cost of ad space (absolute cost)]/circulation} X 1000

Cost per thousand impressions (CPTI): The cost of a thousand visits to a website.

Cost plus system: One of the methods of compensating advertising agencies whereby the agency receives a fee based on the cost of the work it performs plus an agreed – on profit margin. This system requires the agency to keep detailed records of the costs it incurs in working on the clients' account.

Cost-of-living adjustment: An increase in compensation given to an expatriate employee when foreign living costs are more expensive than those in the home country.

Cost-oriented pricing: Approach in which a marketer sets a floor price, the minimum price acceptable to the firm so it can reach a specified profit goal. In the context of retailing, the retailer usually computes merchandise and retail operating costs and adds a profit margin to these figures.

Cost-plus pricing: Adding a standard markup to the cost of the product.

Council for mutual economic assistance (CMEA or COMECON): A regional form of economic integration that involved essentially those communist countries considered to be within the Soviet bloc; terminated in 1991.

Council of better business bureaus: The parent office of local offices of the Better Business Bureau. The council assists in the development of codes and standards for ethical and responsible business and advertising practices.

Counter segmentation strategy: A strategy in which a company combines two or more segments into a single segment to be targeted with an individually tailored product or promotion campaign.

Counter trade: International trade involving the direct or indirect exchange of goods for other goods instead of cash. Forms include barter, compensation (buyback), and counterpurchase. It may account for more than one half of international trade.

Counterarguments: In the context of advertising it refers to a type of thought or cognitive response consumers develop that are designed to counter existing information in the advertising message. For example, a loyal brand user develops thoughts to reject claims made in the advertisement of competing brand (s).

Counterbiasing statements: A technique used in questionnaire design where a question is framed in such a way that a potentially embarrassing response seems ordinary. They are used to reduce distortion in responses by making it easier for respondents to admit potentially embarrassing behaviour.

Counterfeiter strategy: One of the strategies followed by the market followers in a specific product market. Here the firm which uses this strategy duplicates the leader's product and package and sell it on the black market or through disreputable dealers. Music record firms and prestige watch brand firms are plagued with the counterfeiter problem, particularly in the other foreign markets.

Counterfeiting: The intentional and illegal use of a name, product shape or packaging that differs from the original but that the consumer will associate with the original.

Counteroffensive defense: One of the defense strategies, which may be adopted by a market leader in certain situations. When attacked by a market challenger, a market leader may respond with a counter attack. In a counter offensive, the leader can meet the attacker frontally. An effective counterattack is to invade the attackers main territory so that it will have to put back some troops to defend the territory. Another common form of counteroffensive is the exercise of economic or political clout. The leader may try to crush a competitor by subsiding lower prices for the vulnerable product with revenue from its more profitable products.

Counterpurchase: A form of international trade in which the seller receives full payment in cash but agrees to spend some portion of the money in the other country within a stated time period.

Countertrade: In recent years, an upsurge has occurred in requirements that exporters take merchandise in lieu of money or that they promise to buy merchandise or services in the country where the sales are made. More specifically, it is defined as "a practice whereby a supplier commits contractually—as a condition of sale—to reciprocate and undertake certain specified commercial initiatives that compensate and benefit the buyer" Therefore, this is also called reciprocal requirements and these barter transactions, referred to as countertrade or offsets.

Countervailing duties: One of the types of non-tariff barriers used by some countries in the context of international trade and business. These are tax levied to protect domestic products from important products that had been given export subsidies by the exporting country's government.

Country analysis: In the context of international marketing it refers to a process of examining the economic strategy of a nation state, taking a holistic approach to understanding how a country, and in particular its government, has behaved, is behaving, and may behave.

Country attractiveness-company strength matrix: A grid technique used by the companies who want enter foreign markets. This matrix highlights a country's specific product advantage on a country-by-country basis. The country attractiveness is plotted on one axis and company's competitive strengths on other.

Country of origin effect: The transfer of a particular country's image to products made there. In the minds of customers products are often assigned values on the basis of where they are made. The impact of country of origin varies with the type of product. For example, certain countries enjoy reputation for certain goods such as Japan for automobiles and consumer electronics, US for high tech innovation, soft drinks, cigarettes and Jeans, France for wine, perfume and luxury goods. However, attitudes of people towards country of origin can change over time.

Country size theory: The theory that larger countries are generally more self-sufficient than smaller countries.

Country-of-origin (CO) promotion: A marketing strategy that attempts to create a positive image for a product by emphasizing the country in which it was produced.

Country-similarity theory: The theory that a producer, having developed a new product in response to observed market conditions in the home market, will turn to markets that are most similar to those at home. In other words, consumers in industrial countries will have a high propensity to buy high quality and luxury products, whereas consumers in lower income countries will buy few of these products.

Coupling of events: The manner in which the occurrence or nonoccurrence of one event affects the likelihood of a subsequent event.

Coupling: One of the approaches used in new product development or product innovation. It involves the joining of efforts between the firm developing or innovating on new products and other firms or persons. Coupling can be upstream (with vendors), downstream (with customers), or sideways (with competitors).

Coupon: Certificate that gives buyers a saving when they purchase a specified product. It is one of the oldest and widely used consumer sales promotion tools used predominantly by FMCG companies.

Covariance (COV_{xy}): A systematic relationship between two variables in which a change in one implies a corresponding change in the other. The covariance may be positive or negative.

Covariates: In the context of analysis of covariance (ANCOVA), this refers to the metric-independent variables present in a situation.

Co-ventures and co-marketing: In the context of international marketing this is a form of working partnership. They are contractual relationships undertaken by firms that make complementary products, and are intended to increase user awareness of benefits derived from these complementarities. Co-marketing partnerships are lateral relationships between firms at the same level in the value-added chain and represent a form of "symbiotic marketing". Partnerships like this are more common in high-tech industries, but are increasing in consumer services and products. For example, In 1991 Unilever and PepsiCo co-ventured to co-market ice-tea products.

Craft product: A product valued because of the beauty with which it performs some function; this type of product tends to follow a formula that permits rapid production, and it is easier to understand than an art product, which is viewed primarily as an object of aesthetic contemplation without any functional value. For example, a ceramic ashtray or hand carved lures.

Creation error: One of the possible errors that may creep in the data when collected from the respondents in a marketing research project. This type of error occurs when a respondent "remembers" an event that did not occurred in real situation.

Creative boutique: A type of advertising agency that specializes in and provides only services related to the creative aspects of advertising.

Creative execution style: The manner or way in which a particular advertising appeal is transformed into a message. An advertising message can be presented or executed in numerous ways.

Creative marketer: A company, which goes beyond the stated and near future needs of the consumers and discovers and produces solutions customer did not ask for but to which they enthusiastically respond. For example, Sony reputation as a creative marketer is exemplified by its introduction of several successful new products that customer never asked for or even thought were possible: Walkmans, VCRs, Video Cameras, CDs.

Creative method to retail management: One of the approaches of retail management. In this approach the retailer is a producer of ideas, and tends to be a conceptualizer and is vary imaginative. He or she uses insight and intuition more often than facts, and the result is usually a novel way tolook at or solves a retail problem. It is possible to operate a retail establishment with creativity, but in the long run using only creativity will be inadequate. Analytical decision-making must be used to profitably respond to unforeseen events in the environment.

Creative selling: A type of sales position where the primary emphasis is on generating new business.

Creative stimuli: A method of ideation whereby one thinks of a problem or a product and then studies a set of words or phrases that research has shown to be stimulating.

Creative strategy: It involves determining the basic appeal and message the advertiser wishes to convey to the target audience. There are a number of approaches for creative strategy development process.

Creative tactics: The determination of how an advertising message will be implemented so as to execute the creative strategy.

Creative team: In the context of developing an advertising campaign this refers to those people in an advertising agency who are responsible for coming out with creative ideas and advertisement. The creative team consists of the people whose empathy makes the campaign happens.

Creativity: A quality possessed by persons that enables them to generate novel approaches, generally reflected in new and improved solutions to problems.

Credence claims: Those advertising claims whose verification of the accuracy is either impossible or unlikely because they require more effort than consumers are willingly to invest. A good example of this is the claim by Sansui TV that it is ‘number one in consumer satisfaction’.

Credibility (source): Used in the context of advertising. It refers to the extent to which a source is perceived as having knowledge, skill or experience relevant to a communication topic and can be trusted to give an unbiased opinion or present objective information on the issue.

Creolization: The process by which elements of an outside culture are introduced. This occurs when foreign influences are absorbed and integrated with local meanings.

Criteria of simple structure: Set of criteria employed in factor analysis to depict the conditions a factor solution should satisfy so that the factors are most interpretable.

Criterion validity: One of the types of validity that should be considered in using a measurement instrument for a research project. Criterion validity examines whether the measurement scale performs as expected in relation to other variables selected as meaningful criteria. Criterion variable may include demographic and psychographic characteristics, attitudinal and behavioural measures, or scores obtained from other scales. Based on the time period involved , criterion validity can take two forms, concurrent and predictive validity.

Criterion variable: A concept used in marketing research in the context of experimental designs. It refers to the dependent variable in an associative relationship among variables. For example, a criterion variable such as market share is often explained by such predictor variables as relative price or amount of advertising.

Critical path method (CPM): A network planning technique that is used in various activities of marketing which can be divided into different activities including managing a marketing research project. It involves dividing the research project into component activities, and estimating the time required for each activity. These activities and estimates are diagrammed in the form of a network flow chart. The critical path identified i.e., the series of activities whose delay will hold up the project.

Critical path scheduling: A network planning technique that is used before the introduction of a new product by a company. This technique calls for developing master chart showing the simultaneous and sequential activities that must take place to launch the new product. By estimating how much each activity takes, the planner estimate completion time for the entire project. Any delay in any activity on the critical path will cause the project to be delayed. If the new product launch must be done earlier, the planner searches for ways to reduce time along the critical path.

Cronbach's Alpha or Coefficient alpha: It is one of the tools used to measure the internal consistency and reliability of a measurement scale or instrument. It can range from 0 to 1. A value below 0.6 indicates unsatisfactory internal consistency reliability and a value above 0.9 indicates high internal consistency reliability.

Cross merchandising: This refers to a situation where a retailer carries complementary goods and services so that consumers are encouraged to buy more.

Cross promotion: One of the tools of consumer promotion where a company uses one brand to advertise another non-competing brand.

Cross rate: An exchange rate between two currencies used in the spot market and computed from the exchange rate of each currency in relation to the US dollar. This rate is computed from two other exchange rates. Because most foreign currency transactions are denominated in terms of US dollars, it is common to see two nondollar currencies related to each other by a cross rate.

Cross sell: A term used in personal selling that refers to the sale of additional products and/or services to the same customer.

Cross training: A type of training given to sales personnel in which the trainee learns tasks associated with more than one job.

Cross/multimagazine deals: An arrangement where two or more publishers offer their magazine to an advertiser as one media package.

Cross-cultural consumer analysis: Research to determine the extent to which consumers of two or more nations are similar or different in relation to specific consumption behaviour. Such analysis can provide marketers with an understanding of the psychological, social, and cultural characteristics of the foreign consumers they wish to target, so that they can design effective marketing strategies for the specific national markets involved.

Cross-cultural data analysis: This term is used to refer to the level of data analysis in the context of international marketing research. It refers to across-countries analysis, in which the data could be aggregated for each country and these aggregate statistics analyzed. In this type of analysis the data of all the countries are analyzed simultaneously.

Cross-cultural influences: Norms and values of consumers in foreign countries that influence the strategies of multinational firms marketing their products abroad.

Cross-cultural psychographic segmentation: Tailoring marketing strategies to the needs (psychological, social, cultural, and functional) of specific foreign segments. Cross-cultural psychographic research often reveals cultural differences of great importance to marketers.

Cross-licensing: The exchange of technology by different companies.

Cross-media advertising: A type of arrangement where opportunities to advertise in different media are offered by a single company or in partnership of various media providers. This will provide advertisers cross-media deals whereby they can advertise in different magazines as well as on various TV stations owned by the media conglomerate

Cross-media buys: Several media or vehicles within one medium package themselves to be sold to advertisers to gain a synergistic communication effect and efficiencies in purchasing time or space.

Cross-over test: A variant of split-run or A/B split testing of alternative advertisements except that alternative publications are tested. Different advertisements are placed in different journals, and then switched from one journal to the other when the next issue comes out.

Crossruff coupon: One of the types of sales promotion technique in which a coupon offer on one product is redeemable for the purchase of another product. The other product is usually one made by the same company but may involve a tie-in with another manufacturer. Crossruff coupons can be effective in encouraging consumers to try other products or brands. Companies with wide product lines often use these coupons.

Cross-sectional study (design): A type of research design involving the collection of information from any given sample of elements selected from the population of interest at a single point in time. They may be either single cross-sectional or multiple cross-sectional. In single cross-sectional designs only one sample of elements is drawn from the target population and information is obtained from this sample only once. In multiple cross-sectional designs there are two or more samples of respondents, and information from each sample is drawn only once.

Cross-shopping: This refers to the process when consumers shop for a product category through more than one retail format or visit multiple retailers on one shopping trip.

Cross-tabulation: A statistical technique that describes two or more variables simultaneously and results in a table that reflects joint distribution of two or more variables that have a limited number of categories or distinct values. Alternatively, cross tabulation is the merging of frequency distribution of two or more variables in a single table. It helps to understand how one variable relates to another variable.

Cross-validation: In the context of developing correlation and regression model this refers to an approach for evaluating the model. Cross-validation examines whether the regression model continues to hold on comparable data not used in the original estimation. There are number of cross-validation procedures that are used in marketing research.

CUBE Model: Acronym for Comprehensive Understanding of Business Environments, a model in which values and lifestyles of corporate buying groups are detailed.

Cues: Stimuli that give direction to consumer motives. Cues serve to direct consumer drives when they are consistent with consumer expectations. Therefore, marketers must be careful to provide cues that do not upset those expectations.

Cultivation hypothesis: A perspective emphasizing media's ability to distort consumer's perceptions of reality.

Cultivation theory: According to this theory, children learn about a culture's norms and values from the media. The greater is children's exposure to TV, the greater the likelihood that they will accept the images and associations seen.

Cultural anthropology: The study of human beings that traces the development of core beliefs, values, and customs passed down to individuals from their parents and grandparents. It plays an important role in understanding consumer behaviour.

Cultural capital: A set of distinctive and socially rare tastes and practices that admits a person into the realm of the upper class. For example, the elites in a society collect a set of skills that enable them to hold positions of power and authority and they pass these on to their children.

Cultural categories: It refers to grouping of ideas and values that reflect the basic ways members of a society characterize the world. These cultural categories effect many different kinds of products. As a result, it is common to find that dominant aspects of a culture at any point in time tend to be affected in the design and marketing of wide range of items.

Cultural complexity: The degree to which the understanding of the conditions within a culture is dependent on the possession of data and information, which places it in context.

Cultural context: The concept of cultural context divides culture into two groups those that rely primarily on verbal and written communication to transmit meaning (low context cultures) and that rely on nonverbal communication (high context cultures).

Cultural environment: Institutions and other forces that affect society's basic values, perceptions, preferences, and behaviors.

Cultural formula: A sequence of media events in which certain roles and props tend to occur consistently. For example, romance novels are an extreme case of a cultural formula.

Cultural gatekeepers: Individuals who are responsible for determining the types of messages and symbolism to which members of mass culture are exposed

Cultural homogeneity: Identifies uniform cultures with little difference in norms, values, and socioeconomic status among groups (homophilous) versus more disparate cultures with wider differences among groups (hetrophilous).

Cultural norms: Those standards of behaviour that govern proper social relations, means of ensuring safety, eating habits, and so forth. If behaviour deviates from the cultural norms, society may place sanctions or restrictions on behaviour. Cultural norms play an important role in understanding consumer behaviour.

Cultural relativism: The belief that behaviour has meaning and can be judged only in its specific cultural context.

Cultural selection: The process by which some alternatives are selected over others by cultural gatekeepers

Cultural values: An especially important class of beliefs shared by the members of a society as to what is desirable and undesirable. These are the beliefs that some general state of existence is personally and socially worth striving for.

Culture jamming: The defacement or alteration of advertising materials as a form of political expression.

Culture production system (CPS): The set of individuals and organizations responsible for creating and marketing a cultural product.

Culture shock: A generalized trauma one experiences in a new and different culture because of having to learn and cope with a vast array of new cues and expectations.

Culture: The set of basic values, perceptions, wants, and behaviors learned by a member of society from family and other important institutions.

Cume: A term used for cumulative audience, which is the estimated total number of different people who listened to a radio station for a minimum five minutes during a particular day part.

Cumulative cost curve: The shape of a line that depicts a firm's cumulative costs of developing and marketing a new product. It is plotted against the cumulative time, so it runs from zero (start of project) to 100 percent of time (launch). The curve necessarily runs from lower left to upper right.

Cumulative distribution function: The function that shows the number of cases having a value less than or equal to a specified quantity; the function is generated by connecting the points representing the given combinations of X's (values) and Y's (cumulative frequencies) with straight lines.

Cumulative quantity discounts: A price discount that grows larger as an increased volume of goods is purchased over a period of time. The intent is to get retailers to return to a particular supplier again and again.

Cumulative reach: The actual coverage that is accumulated by an advertisement or a series of advertisements over a specified period of time.

Currency, of data: In the context of using secondary data for a marketing research project this refers to the time lag between data collection and publication. If the time lag is high it means that the secondary data are not current and thus may not be relevant for the research study. Marketing research requires current data; therefore, the value of the secondary data is diminished as they become dated.

Current account balance: It refers to the major balance of active transactions (those for which payments must be received and made) included in the balance of payment. Current account balance comprises of four transactions. These are: (1) Merchandise trade account, (2) Services account, (3) Income receipts and payments on asset accounts, and (4) Unilateral transfers accounts.

Current assets: Cash and other items, which a company can convert into cash within a relatively short period of time-usually a year.

Current liabilities: Short-term indebtedness payable within a year.

Current ratio: Current assets divided by current liabilities. This is a basic measure of a company's solvency. Analysts suggest companies should have a current ratio of 2:1.

Current-account balance: This refers to exports minus imports of goods, services, and unilateral transfers.

Current-rate method: A method of translating foreign currency financial statement that is used when the functional currency is that of the local operating environment. All income statement items are translated at the average exchange rate and the owners' equity is translated at the rate in effect when capital stock was issued and retained earnings were accumulated.

Curving (free-flowing) traffic flow: This term is used in the context of store layout. It presents displays and aisles in a free-flowing pattern.

Custom duty: A type of tariff barrier imposed by a country on the imported goods or services.

Customary pricing: Used when a retailer sets prices for goods and services and seeks to maintain them for an extended period.

Customer agents: Software packages or online shopping services that go to different vendors and compare prices and terms of sale on behalf of a customer.

Customer churn: Another name given to customer defection. Many companies suffer from high customer churn. It is like adding water to a leaking bucket. For example, cellular services providers suffer from customers who switch providers quite often; many may lose 15 to 25 percent subscribers every year.

Customer database: An organized collection of comprehensive data about individual customers or prospects, including geographic, demographic, psychographic, and behavioral data.

Customer delivered value: The consumer's assessment of the product's overall capacity to satisfy his or her needs. The difference between total customer value and total customer cost of a marketing offer—"profit" to the customer.

Customer equity: The aim of CRM is to produce high customer equity. Customer equity is the total of the discounted lifetime values of all of the firm's customers. Clearly, the more loyal the customers, the higher the customer equity. There are three drivers of customer equity: value equity, brand equity, and relationship equity.

Customer feedback: A system of getting the reactions of the customers on the various aspects of a product consumption or use. Regular customer feedback enables a company to find out the possible problems as well as the possible opportunities that can be exploited. Many times timely customer feedback will lead to formation of better marketing strategies and thus competitive advantage.

Customer holding: The effect of rewarding existing customers through a sales promotion.

Customer intimacy: The act of getting close to the customer; obtaining and using detailed information about customers.

Customer lifetime value (CLV): The amount by which revenues from a given customer over time will exceed the company's costs of attracting, selling, and servicing that customer. The company must subtract from the expected revenues the expected costs of attracting, selling, and servicing that customer. A company not only needs an average customer lifetime value estimate but also should come up with a way to estimate CLV for each individual customer. This is necessary because the company must decide on how much to invest in each customer.

Customer loading: The effect of encouraging customers to stock up on a product line.

Customer loyalty: Exists when a person regularly patronizes a particular retailer (store or nonstore) that he or she knows, likes, and trusts.

Customer partnering: One of the responses that customer-driven companies are taking in the changing environment in which they work more closely with customers to add value to their operations.

Customer perceived value: It is the difference between the prospective customer's evaluation of all the benefits and all the costs of offering and the perceived alternatives.

Customer performance scorecard: One of the tools used in managing and evaluating the marketing effort. This refers to a record which shows how well a company is doing year after year on various customer based measures in terms of percentages such as new customers, lost customers, win-back customers, satisfied-dissatisfied and neutral customers etc. norms are set for each measure and management takes corrective actions if these measures are found to be unsatisfactory.

Customer profitability analysis (CPA): Method of analyzing the profitability of company's current customers. This can be done through activity-based accounting. The company estimates all revenues coming from the customer, less the costs. The costs should include not only the cost of making and distributing the product and services, but also such costs as taking phone calls from the customer, traveling to visit the customer, entertainment and gifts—all the company's resources that went into serving that customer. When this is done for each customer, it is possible to classify customers into different profit tiers: platinum customers (most profitable), gold customers (profitable), iron customers (low profitability but desirable), and lead customers (unprofitable and undesirable).

Customer relationship management process: One of the components of core business processes of a company, which includes all the activities involved in building deeper understanding, relationships, and offerings to individual customers.

Customer relationship management: It is a customer-focused business strategy designed to optimize revenue, profitability, and customer loyalty. By implementing a CRM strategy, an organization can improve the business processes and technology solutions around selling, marketing and servicing functions across all customer touch-points.

Customer relationship marketing (CRM): A marketing philosophy which focuses on building long term customer relationships in contrast to transaction marketing. CRM enables the companies to provide excellent real time customer service, developing relationship with each value customer, through the effective use of technology. Based on what they know about each customer, companies can customize market offerings, services, programs, messages and media. CRM holds that the major driver of a company profitability is the aggregate value of the company's customer base.

Customer retention: One of the corner stones in customer relationship management (CRM) which refers to the strategies used by the companies to retain their customers by creating high level of satisfaction and keeping a vigil on those factors that may lead to dissatisfaction and ultimately to customer defection i.e., customer purchases other competitors' products and brands. By using effective customer retention strategies a company may reduce substantially customer defection. Research has shown that a5% decrease in customer defection rate can increase profits by 25% to 85%, depending on the industry.

Customer sales force structure: A sales force organization under which salespeople specialize in selling only to certain customers or industries.

Customer satisfaction surveys: One of the tools of tracking and measuring customer satisfaction by a company. Here, a responsive and customer-centric company measures customer satisfaction directly by conducting periodic surveys. It may also sometimes ask additional questions to measure repurchase intentions and the likelihood or willingness to recommend the company and brand to others.

Customer satisfaction: The extent to which a product's perceived performance matches a buyer's expectations. If the product's performance falls short of expectations, the buyer is dissatisfied. If performance matches or exceeds expectations, the buyer is satisfied or delighted.

Customer segment pricing: One of the types of price discrimination where the different customer groups are charged different prices for the same product or service. For examples, Indian Railways charge lower ticket charge to senior citizens, sportsmen, children, handicapped, and journalists.

Customer selectivity: One of the variables that are used in calculating and analysis of market share movement of a company which refers to the size of the average customer purchase from the company expressed as a percentage of the size of the average customer purchase from an average company.

Customer service: Identifiable, but essentially intangible, activities offered by a seller in conjunction with a product, such as delivery and repair. Not to be confused with intangible product (services), types of products for which the activity is the primary purpose of a sale. The sale of service products may be accompanied by the provision of customer services.

Customer share: An important customer behaviour factor is "*customer share*': the extent to which a customer meets his needs for the kinds of products or services he wants by doing business with a specific company. For example, from an automobile dealer, Auto India, Reliance Taxi, which has 20 vehicles, 18 of which were bought from Auto India, giving Auto India a 90% share of customer Reliance Taxi. Another transporter Mega Taxi also bought 18 vehicles from Auto India-but these are only a fraction of his 200 vehicles fleet, giving Auto India- only a 9% share of customer of Mega Taxi. The customer behaviour of Reliance Taxi is, of course, much more positive for Auto India than Mega Taxi.

Customer size specialist: One of the types of market nichers. The niche marketer concentrates here selling to small, medium, or large customers. Many nichers specialize in serving small customers who are neglected by the majors.

Customer specialization: A type of sales organization in which selling personnel are organized around a particular customer group or industries.

Customer survey process for attributes: One of the methods that can be used by a company to discover new attributes of a product, which may be relevant to the consumers. The company asks consumers what benefits they would like added to the product and their desire level for each. The company also examines the cost of developing each new attribute and likely competitive responses.

Customer training: One of the ways in which a business marketer differentiates itself through its services. One of the services which is being provided is that the marketer trains the customer's employees to use its equipments properly and efficiently. For example, GE not only sells and installs expensive X-ray equipment in hospitals; it also gives extensive training to users of this equipment.

Customer usage: The ways in which a customer uses a product. Many times customers use a product in a way that has not been envisaged by the firm. Therefore, companies have to gather information on a regular basis on the usage pattern of a product by the consumers.

Customer value assessment (CVA): It refers to the methods business marketers used to assess the value of a customer. Research has found that business marketers employ possibly eight different assessment methods. It may be also used by the consumer product and also by the services companies. It is also some times known as customer value analysis.

Customer value model: A model that says that customer-centered organizations should study the customers' value and then prepare an offering (product/service) that exceeds their expectations by listing all the product and service factors that might influence the target customers' perception of value.

Customer value package: The process through which a company chooses that combination of tangible and intangible items, experiences, and outcomes designed to outperform competitors and win high customer satisfaction and loyalty.

Customer value triad: The customer chooses between different products and services on the basis of which is perceived to deliver the most value. Value can be seen as primarily a combination of quality, service and price (QSP), called customer value triad.

Customer value: The difference between the values the customer gains from owning and using a product and the costs of obtaining the product.

Customer-centered company: A company that focuses on customer developments in designing its marketing strategies and on delivering superior value to its targets customers.

Customerization: The combination of operational customization and marketing customization has been called custemerization. A company is said to customerize when it is able to dialogue with individual customers and respond by customizing its products, services, and messages on a one-to-one basis. Custemerization is not for every company. For example, custemerization mat be very difficult to implement for complex products. Moreover, it may raise the cost by more than what the customer is willing to pay.

Customer-management organization: A type of organizing the marketing function by a company where it organize itself to understand and deal with individual customers rather than with the mass-market or even market segments.

Customer-oriented approach: One of the basic approaches in training sales persons. This approach trains the sales person in customer problem solving. The sales person learns how to listen and question in order to identify customer needs and come up with sound product solutions. Presentation skills are secondary to customer-need analysis. This approach assumes that customers have latent needs that constitute opportunities, that they appreciate constructive suggestions, and that they will be loyal to sales persons who have their long-term interest at heart.

Customer's 4Cs: As marketers have four Ps as marketing tools similarly they must keep in mind the buyer's point of view in terms of 4Cs. From buyer's point of view each marketing tool is designed to deliver a customer benefit. Robert Lauterborn suggested that the seller's four Ps correspond to the consumers' four Cs which are: customer solution, customer cost, convenience and communication.

Customized services: (1) One of the types of marketing research suppliers and services firms that offer a wide variety of marketing research services customized to suit a client's specific needs. Each marketing research project is treated uniquely. (2) In the generic sense, this term also means that providing services which are tailor-made to the customers' specific requirements

Customs duties: Taxes imposed on imported goods.

Customs union: A form of regional economic integration that eliminates tariffs among member nations and establishes common external tariffs.

Customs valuation: The value of goods on which customs authorities charge tariffs.

Customs: Overt modes of behaviour that constitute culturally acceptable ways of behaving in specific situations.

Cut case: Inexpensive display, in which merchandise is left in the original carton.

Cutting score: Term used in discriminant analysis to indicate the score that divides the groups with respect to their respective discriminant scores; if the object's score is above the cutting score, the object is assigned to one group while it is assigned to the other group if its score is below the cutting score.

Cybermediaries: Online intermediaries, especially new intermediaries, that fundamentally rely on the Internet.

Cyberspace: A term coined by William Gibson to describe networked digital environments, especially advanced systems that produced an illusion of reality.

Cybersquatting: A type of trademark violation that involves the registration of domains that resemble or duplicate the names of existing companies or other entities.

Cyclical designs: One of the statistics and term associated with conjoint analysis. Cyclical designs are designs that are employed to reduce the number of paired comparisons.

D

DAGMAR: An acronym that stands for defining advertising goals for measured advertising results. This approach to setting advertising goals and objectives was developed by Russell Colley in 1961. The major thesis of the DAGMAR model is that communication effect or the logical basis for advertising goals and objectives against which success or failure should be measured.

Daily inch rate: A cost figure used in periodicals based on an advertisement placed one inch deep and one column wide (whatever the column inch).

Data analysis services: One of the types of firms who provide marketing research services to their clients. These are the firms whose primary service is to conduct statistical analysis to quantitative data. These firms specialize in computer analysis of quantitative data such as those obtained in large surveys. With the proliferation of computers and data analysis software, many firms now have the capability to analyze their own data, but data analysis firms are still in demand.

Data analysis: One of the important steps in marketing research process. This refers to analyzing the derived information related to the components of the marketing research problem, and thus provides inputs into management decision process. There are numerous methods of data analysis. The use of theses methods depends on the nature of information generated during the research process.

Data cleaning: Important step in data preparation. Here thorough and extensive checks are carried out for consistency and treatment of missing responses from the research instrument that is from the questionnaire.

Data collection: One of the important steps in conducting a marketing research study. Data collection involves a field force or staff that operates either in the field, as in the case of personal interviewing, from an office by telephone, through mail, or electronically. Proper selection, training, supervision, and evaluation of the field force help minimize data collection errors.

Data entry services: One of the types of firms who provide marketing research services to their clients. The primary service of these companies is to offer their expertise in converting completed surveys or interviews into a usable database for conducting statistical analysis.

Data matrix: A rectangular array of data storage with n rows and m columns, where the number of rows equals the number of cases and the number of columns equals the number of variables.

Data preparation: One of the important steps in conducting a marketing research study. Data preparation includes the editing, coding, transcription, and verification of collected data. Each questionnaire or observation form is inspected or edited and, if necessary, corrected. Number or letter codes are assigned to represent each response to each question in the questionnaire.

Data reduction: The activities involved in developing a basic data array as complete and error-free as possible and calculating the appropriate summarizing statistics (mean, median, etc.)

Data warehousing: Advance database management whereby copies of all the databases in a company are maintained in one location and accessible to employees at any locale. A data warehouse is company wide storehouse of customer information—a centralized database of finely detailed customer data across all customer touch points that needs to be sifted through for gems. The purpose is to allow managers to get at the information the company already has. Then, once the data warehouse brings the data together for analysis, the company uses high power data mining techniques to sift through the mounds of data and dig out interesting relationships and findings about customers.

Database Management: Procedure used to gather, integrate, apply, and store information related to specific subject areas. It is a key element in a retail information system.

Database marketing: Tracking consumers' buying habits very closely, and then crafting products and messages tailored precisely to people's wants and needs based on this information. In other words it involves the use of computers to capture and track customer profiles and purchase details. This secondary information serves as the foundation for marketing programs or as an internal source of information related to customer behaviour

Database retailing: Way of collecting, storing, and using relevant information on retail customers by a retail house.

Database: Also known as customer database. It is a listing of current and / or potential customer for a company's product or service that can be used for direct-marketing purposes. These databases provide the essential tools needed to nurture, expand, and protect the customer relationships.

Datamining: It is the process of developing customer databases by a company whenever and wherever a customer comes into contact with any of its departments. Through Datamining a company can extract useful information about individuals, trends, and segments from the mass of data. Datamining involves the use of sophisticated statistical techniques and mathematical techniques such as cluster analysis, automatic interaction detection, predictive modeling, and neural networking. A company that wants to learn the most from its database needs to engage the services of a person or company skilled in Datamining.

Daughter windows or pop-ups ads: A variant of interstitials. These ads usually appear in a separate window on a web site that overlays the current browser window. Many net users get are irritated by daughter windows because users must close them.

Day-After Recall (DAR): A widely used method of copy testing television advertisements based on telephone interviews of TV viewers in sample cities where a TV advertisement is being tested. Viewers are contacted the day after the ad is broadcast and asked to describe the advertisement using an aided recall method.

Dayparts: The time segments into which a day is divided by radio and television networks and stations for selling advertising time. For example, prime A time, Prime time, and nonprime time.

Dead weight (dead wood): Used in the context of personnel selling this refers to salesperson who is not contributing and therefore a load that must be shared with all others.

Deadbeat: Person or company that does not pay bills, or only pays them as a last resort. Deadbeat customers aren’t worth calling on because of the effort it takes to collect for past sales.

Debriefing: It is one of the issues in conducting marketing research studies, particularly in the conduct of a disguised study or an experiment in which individuals are involved. In debriefing, the researcher should inform the research subjects what the experiment was about and how the experimental manipulations were performed. They may also be explained the true purpose of the study and the nature of the disguise should be fully explained. In addition, respondents should be given an opportunity to withdraw their information if they wish. Disclosure in this way does not bias the results

Debt-service ratio: The ratio of interest payments plus principal amortization to exports.

Decay curve: Curve representing death of concepts during the development stage. Begins on the left with 100 percent of concepts and ends up on the right with the percent actually marketed successfully. Usually declines rapidly. It is also called the mortality curve.

Decay: Structural changes in the brain produced by learning decrease over time

Decentralization: The situation in which decisions tend to be made at lower levels in a company or at the country-operating level rather than at headquarters.

Decentralized marketing system: An organizational system whereby planning and decision-making responsibility for marketing, advertising, and promotion lies with a product or brand manager rather than a centralized department.

Decentralized organizational structure of advertising: A method of organizing for international advertising and promotion where managers in each market or country have decision-making authority.

Deception in advertising: According to the federal Trade Commission of USA, a misrepresentation, omission, or practice that is likely to mislead the consumer acting reasonably in the circumstances to the consumer’s detriment. This term may be used in a generic sense also.

Deceptive advertising: Advertising that presents or implies false or misleading information to the consumer. One of the criticisms against the advertising is that it uses deceptive practices, misleading messages, and exploits vulnerable consumers.

Deceptive pricing: A type of misleading pricing sometimes used by retailers to lure customers into the store. Advertising goods at a price below what the retailer is actually willing to take or advertising an item at an artificially low price and then adding hidden charges are deceptive pricing practices.

Deciders: People in the organization's buying center who have formal or informal power to select or approve the final suppliers.

Decision polarization: The process whereby individuals' choices tend to become more extreme (polarized), in either a conservative or risky direction, following group discussion of alternatives

Decision problem: A situation in which management has an objective to accomplish, two or more alternative courses of action exist which may reach the objective, and uncertainty is present regarding the best course of action.

Decision support system (DSS): An interactive system of data and decision rules or models designed to assist managers make specific decisions. DSS are integrated systems including hardware, communication network, database, model base, software base, and the DSS user (decision maker) that collect and interpret information for decision-making.

Decision time: Within the context of the diffusion process, the amount of time required for an individual/consumer to adopt (or reject) a specific new product.

Decision tree: Decision flow diagram in which the problem is structured in chronological order, typically with small squares indicating decision forks and small circles chance forks.

Decision: A choice made from two or more alternatives.

Decision-criteria: The rules for selecting among courses of action given various data outcomes.

Decline stage of the product life cycle: The fourth stage of a product life cycle, in which sales of the product fall off from their levels during the maturity (third) stage.

Declining demand: One of the demand states that company may face for some of its products or services. Here the earlier demand starts to decrease because of various demand erosion factors or variables. The marketer must analyze the causes of decline and determine whether demand can be restimulated in the target markets, by changing product features, or by effective communication. The marketing task is to reverse declining demand through creative remarketing. (*See* also Remarketing)

Decoding: One of the important components of communication process model. It is the process of transforming the sender's message back into thought. This process is heavenly influenced by the receiver's frame of reference or field of experience, which refers to the experiences, perceptions, attitudes, and values one brings to the communication situation.

Decomposition of the total variation: One of the steps involved in one-way analysis of variance. In examining the differences among means one-way ANOVA involves the decomposition of the total variation observed in the dependent variable. This variation is measured by the sum of squares corrected for the mean. Analysis of variance is so named because it examines the variability or variation in the sample (dependent variable) and, based on the variability, determines whether there is reason to believe that the population means differ. In other words, this is the separation of the variation observed in the dependent variable into the variation due to the independent variables plus the variation due to error.

De-duping: Removing duplicate entries from a database.

Defense mechanism: Methods by which people often mentally redefine frustrating situations to protect their self-images and their self-esteem.

Defensive attribution: A principle that suggests consumers are likely to accept credit for successful outcomes (internal attribution) and to blame other persons or products for failure (external attribution).

Deferral: The postponing of taxation of foreign-source income until it is remitted to the parent company.

Deficient products: Products that have neither immediate appeal nor long-run benefits.

Degrees of freedom: The number of independent observations on the variable of interest minus the number of statistics calculated. This concept is used in various data analytic statistical techniques.

Deindividuation: The process whereby individual identities get submerged within a group, reducing inhibitions against socially inappropriate behavior.

Delayed discounts: Promotions that offer a benefit at a later date or with a subsequent purchase.

Delayed quotation pricing: One of ways in which a company may increase its prices in the wake of cost uncertainties. Her, the company may not set the final price until the product is finished or delivered. This pricing practice is common in those industries with a long-term production lead times, such as industrial construction and heavy equipment.

Deliverability: The extent to which an organisation is viewed as being capable of actually delivering to the customer and adequately servicing a particular new product concept. The measure is an attribute of the concept, much as manufacturability is. (*See* manufacturability.)

Delphi method: A judgmental method of forecasting that avoids the problem of weighting individual expert forecast while eliminating rank and personality bias. Experts are asked their judgments; the researcher summarizes the expert's opinions and returns the summary to each expert who is asked to make another forecast now that he/she has received a summary of other expert's thoughts. The process is repeated until either a consensus is reached or as much convergence as seems likely has been attained.

Demand artifacts: This term is used in the context of laboratory experiment which are conducted in an artificial environment. The artificial environment may cause demand artifacts, a phenomenon in which the respondents attempt to guess the purpose of the experiment and respond accordingly.

Demand chain planning: A concept used in the supply chain management process. Here, a company first thinks it target market and then designs the supply chain backwards from that point in order to deliver superior value to the target market..

Demand curve: A curve that shows the number of units the market will buy in a given time period at different prices that might be charged.

Demand density: The extent to which potential demands for the retailer's goods and services is concentrated in certain census tracts, ZIP Codes, or parts of a community.

Demand elasticity of price: The percentage change in quantity demanded divided by the percentage change in price.

Demand manager (DM): Software of the future that will be used by giant retailers in analyzing sales patterns and deciding when to mark down and how long to maintain the markdown. The demand manager will also have a customer database to keep track of customer purchases by item, price, and time of purchase. This will allow the demand manager to make better pricing and promotion decisions.

Demand-pulled innovation: Innovation caused or at least stimulated by the needs, wants or desires of customers. Other terms for these two ideas are market or customer –driven innovation and technology-driven innovation.

Demands: Human wants that are backed by buying power.

Demarketing: Marketing to reduce demand temporarily or permanently, the aim is not to destroy demand but only to reduce or shift it.

Democratic socialism: The belief that economics and politics are so closely connected that the voters should rely on their elected governments to control the economic system.

Demographic characteristics: Objective descriptors of individuals and households**:** include age, income, family size, and employment status.

Demographic segmentation: Dividing the market into groups based on demographic variables such as age, gender, family size, family life cycle, income, occupation, education, religion, race, and nationality.

Demographics: Science of vital statistics such as number of births, deaths, breakdowns of income levels, ethnic groups within a population, and so forth. The characteristics of the population in a market are vital when planning marketing programs. For example, when choosing an advertising medium for a product, such as radio, it's important to know what kind of audience each radio station reaches and whether members of that audience are likely suspects for the company's products.

Demography: The study of human populations in terms of size, density, location, age, gender, race, occupation, and other statistics.

Demonstration principle: It states that due to increased mobility and purchasing power in US, consumers will come into increasing contact with new products and will be more likely to buy them. Referred to as a social multiplier because ownership increases in multiples as a function of group influence and product visibility.

Demonstration: The act of showing how a product works by a sales person while trying to make a sales deal with the prospective customer. The typical product demonstration includes the following segments**:** (1) The product is exhibited. (2) The method of operation is explained (features explained). (3) The application is reviewed. (4) The advantages (benefits) are discussed. (5) The results of what the product does are exhibited.

Dendogram (tree graph): One of the statistics associated with cluster analysis technique used in marketing in general and marketing research in particular. This is a graphical device for displaying clustering results. Vertical lines represent clusters that are joined together. The position of the line on the scale indicates the distances at which clusters were joined. The dendogram is read from left to right.

Denouement: The revelation of new information at the end of a teaser campaign.

Deontology: An ethical philosophy that places greater weight on personal and social values than on economic values.

Department store: A retail organization that carries a wide variety of product lines typically clothing, home furnishings, and household goods; each line is operated as a separate department managed by specialist buyers or merchandisers.

Dependence analysis: Problem in multivariate analysis in which one (or more) of the variables is to be considered separately and the emphasis is on investigating how it (or they) depends (depend) upon the other variables.

Dependence techniques: One of the multivariate statistical techniques used for data analysis. Dependence techniques are useful or appropriate when one or more variables can be identified as dependent variables and the remaining as independent variables. When there is only one dependent variable, cross-tabulation, ANOVA and ANCOVA, regression, two-way discriminant analysis, and conjoint analysis can be used. However, if there is more than one dependent variable, the appropriate techniques are multivariate ANOVA and ANCOVA, canonical correlation, and multiple discriminant analysis.

Dependency theory: The theory holding that less developed countries (LDC's) has practically no powers when dealing with multinational enterprises (MNEs) as host countries.

Dependency: A state in which a country is too dependent on the sale of one primary commodity and./or too dependent on one country as a customer and supplier.

Dependent variable: A variable whose value changes as a result of a change in another (i.e., independent) variable. For example, consumer purchases are a dependent variable subject to level and quality of advertising (independent variables)

De-position or re-position: One of the positioning strategies adopted sometimes by the companies. In case of de-positioning the company makes an effort to lower down the position vis-à-vis its competitors in the consumers' minds. In case of re-positioning, the company makes an attempt to change its product/brand position—upward or downward—vis-à-vis its competitors' products.

Depth interview: A lengthy and relatively unstructured interview designed to uncover a consumer's underlying attitudes and/or motivations. A depth interview may take from 30 minutes to more than one hour. There are number of techniques which may be used for conducting depth interviews. These are: (1) Laddering, (2) Hidden issue questioning, and (3) Symbolic analysis.

Depth of product mix: One of the important dimensions of a company's product mix, which has significant marketing implications. It refers to how many variants are offered of each product in the specific line of product mix. For example, if Colgate toothpaste comes in three sizes and two formulations, it has depth of six. The average depth of a company's product mix can be calculated by averaging the number of variants within the brand groups.

Depth: The average number of stock keeping units (SKUs) within each brand of the merchandise line.

Deregulation: A movement towards relaxing anti-trust rules and laws, along with supporting the privatization of businesses.

Derivative: A foreign-exchange instrument such as an option or futures contract that derives its values from some underlying financial instruments.

Derivatives market: Market in which forward contracts, futures, options, and swaps are traded in order to hedge or protect foreign-exchange transactions.

Derived approaches: It is one of the approaches used in multidimensional scaling procedures. In collecting perception data these approaches are attribute-based requiring the respondents to rate the brands or stimuli on the identified attributes using semantic differential or Likert scales.

Derived demand: A situation where demand for a particular product or service results from the need for other goods. This is one of the important characteristics of industrial or business goods.

Derived population: Population of all possible distinguishable samples that could be drawn from a parent population under a specific sampling plan.

Desacralization: The process that occurs when a sacred item or symbol is removed from its special place, or is duplicated in mass quantities, and becomes profane as a result

Descending bids (Dutch auctions): One of the variants of auction type pricing where there is one seller and many buyers or one buyer and many sellers. In the first kind, an auctioneer announces a high price for a product and then slowly decreases the price until a bidder accepts the price. In the other, the buyer announces something that he wants to buy and then potential sellers compete to get the sale by offering the lowest price. Each seller sees what the last bid is and decides whether to go lower or not.

Descending bids: An auction type pricing where one seller and many buyers or one buyer and many sellers participate. In the first kind, an auctioneer announces a high price for a product and then slowly decreases the price until a bidder accepts the price. In the other, the buyer announces some thing he wants to buy and then potential sellers compete to get the sale by offering the lowest price. Each seller sees what the last bid is and decides whether to go lower. This auction is also known as Dutch auctions.

Descriptive meta-tag: The phrase displayed by a search engine when a document is part of the return list.

Descriptive research: One of the types of research designs that is used in marketing research to better describe marketing problems, situations, or markets, such as the market potential for a product or the demographics and attitudes of consumers. Descriptive research is marked by a clear statement of the problem, specific hypotheses, and detailed information needs. It is conducted with a preplanned and structured design. The methods of conducting descriptive research include: (1) Literature review through secondary data, (2) Cross-sectional designs through surveys, (3) Longitudinal designs through panels, and (4) Observation and other data

Descriptive statistics: The branch of statistics that provides researchers with summary measures for the data in samples.

Design control: One of the ways of controlling extraneous variables in marketing research. Design control involves the use of experiments designed to control specific extraneous variables.

Design: A Term of many meanings. In product innovation it usually means the activity of going from the product concept to a finished physical item – technical development phase. The four parts of this design phase are functional/styling design (traditionally called industrial design), technical design, detail design, and manufacturing process design. In Europe, design is sometimes used to encompass the entire product innovation process.

Designated market area (DMA): The geographic areas used by the Nielsen Station Index in measuring audience size, from which stations attract their viewers.

Desirable products: Products that give both high immediate satisfaction and high long-run benefits.

Desktop publishing (DTP): Computer-based systems, which allow the production of, printed material of a style and quality only previously available from magazine or book publishers.

Detached personality: One of three personality types identified by Karen Horney. The detached person is one who moves away from others (e.g., who desires independence, self-sufficiency, and freedom from obligations).

Determinant attribute: An attribute of a product category that**:** (1) distinguishes such products from each other and (2) is important to buyers.

Determinant gap map: A two-dimensional map, which uses two determinant attributes to plot all brands in a product category. The plotting is done by an experienced analyst, and not by the consumers themselves (perceptual map).

Deterministic causality: The "commonsense" concept of causality, in which a single event (a cause) always results in another event (an effect).

Deterministic models: Mathematical models, which operate under assumptions of certainty to arrive at, a specific forecast of the future. They demonstrate the linkages between variables that influence behaviour and attempt to predict behaviour based on these linkages.

Devaluation: A formal reduction in the value of a country's currency in relation to another countries' currencies; the foreign-currency equivalent of the devalued currency falls

Diagnostics information: Information obtained from any of the evaluative steps of a product's development that goes beyond the current evaluation to give guidance to later steps. A product use test, for example, rate the product' usefulness but also gives suggestions on packaging, positioning, pricing etc.

Dialectical process: One of the approaches that can be used by a company to discover or identify new attributes for its products or services. Here, the company may try to come up with a new attribute from the existing one in a more novel way and then try to convince the customers through marketing communication.

Diary panel: A group of households each of which records purchases of selected products for a specified time period using a predetermined diary panels are available commercially (for example, the National Purchase Diary Panel, Inc.). These are used in the longitudinal research designs and quasi-experimental designs.

Dichotomous questions: Fixed-alternative questions in which respondents are asked to indicate which of two alternative responses most closely corresponds to their position on a subject. Often, the two alternatives of interest are supplemented by a neutral alternative, such as “no opinion”, “don’t know”, “both”, or “none”.

Differential pricing: One of the possible strategies that service marketers may adopt in order to match between demand and supply of a service because of its perishability. The marketer may shifty some demand from peak to off-period periods by charging high prices in peak periods and low in off-peak periods. For example, many airlines charge lower price tickets for late night flights and higher at peak hours.

Differential threshold: The minimal difference that can be detected between two stimuli. Also known as the j.n.d. (just noticeable difference). The issue of when and if a difference between two stimuli will be noticed by consumers is relevant to many marketing situations. Sometimes a marketer may want to ensure that a change is observed, as when merchandise is offered at discount. In other situations, the fact that a change has been made may be down played, as in the case of price increases or when the product size has been reduced.

Differentiated marketing offers: A policy of a company where it adapts offers and terms to different buyers. Thus a company may negotiate different terms with different retail chains or big customers.

Differentiated marketing: One of the market coverage strategies in which a company operates in several markets segments and designs products for each segment. Hindustan Lever does this by offering different brands of detergent to different segments of detergent market. Normally, a differenced marketing should create more total sales than undifferentiated marketing. However, it is costlier than undifferentiated marketing.

Differentiated oligopoly: A variant of oligopoly in which there are few companies producing products (cars, TVs, cameras, etc) partially differentiated along line of quality, features, styling, or services. Each competitor tries to seek market leadership in one of these major attributes, attract the consumers favoring that attribute, and charge price premium for that attribute.

Differentiation strategy: One of the three generic marketing strategies proposed by Michael Porter for a business. Under this strategy the business concentrates on achieving superior performance in an important customer benefit area valued by large part of the market. The company cultivates those strengths that will contribute to the intended differentiation. Thus the company seeking quality leadership, for example, must make products with the best components, put them together expertly, inspect them carefully, and effectively communicate their quality. Intel has established itself as technology leader in microprocessor market.

Differentiation: A situation where a particular company or brand is perceived as unique or better than its competitors.

Difficult questions: In the context of eliciting information from the respondents through a questionnaire, these questions are sensitive, embarrassing, complex, or dull. One suggestion is that these type of questions should be placed in the later part of a questionnaire. The reason behind this suggestion is that once the rapport has been established with the respondents they are less likely to object and may provide the information.

Diffused preference market: A type of product market in which buyers preferences scatter evenly. The entrepreneur's problem is to design an optimal product for this type of market.

Diffused preferences: This refers to pattern of consumer preferences in terms of various attributes of a product or service. On of the preferences are known as diffused preferences where consumer preferences are scattered indicating that consumers vary greatly in terms of their preferences. In this type of product market the company, which enters first, is likely to position its product in the center of the product preference map to appeal to the most people. If several brands are in the market, they are likely to position throughout the space and try to show real differences to match consumer-preference differences.

Diffusion of innovation: The process by which the use of an innovation is spread within a market group, over time, and over various categories of adopter.

Diffusion process: The process by which the acceptance of an innovation is spread by communication to members of a social system over a period of time.

Digital artist: A computer specialist that works as an art director or with an art director depending on the advertising agency structure.

Digital divide: In the era of information technology, this term means that between countries and between different groups of people between countries, there is a wide division between those who have real access to information and communication technology and are using it affectively, and those who don't.

Digital environments: A term coined by Janet Murray to capture the procedural, spatial, encyclopedic, and participatory nature of complex digital setting.

Digital magazine (digizines): Magazines that are exclusively available on the Internet. Digizines are much cheaper to start up and operate than print magazines. These are the new media vehicles, which are available to the advertisers to place their advertisements relatively at a lower cost.

Digital substitution: Substituting digital content or procedures into business activities.

Digital whiteboards: A technology, which allows for joint document creation and audio and video conferencing among users.

Digital: Any element that has all of its properties and information stored as string of zeros and ones.

Digitalization: This refers to one of the major drivers of the new economy. Today, most appliances and systems operate with digital information, which converts text, data, sound, and images into a stream of zeros and ones that can be combined into bits and transmitted from appliance to appliance. For example, a software is essentially digital instruction for operating systems, games, storage, and other applications.

Digitizing: The translation of text or other content into digital form.

Dimensional analysis: An analytical attribute approach technique whereby new concepts are generated from an exhaustive listing of dimensions of products in a given category.

Direct advertising: Door-to-door distribution of maildrops. Xxxx`

Direct approach: One of the ways of classifying qualitative research. In direct approach the purpose of the project is disclosed to the respondents or is otherwise obvious to them from the questions asked. Focus groups and depth interviews are the major direct techniques. This approach is also known as undisguised approach.

Direct broadcast by satellite (DBS): A television signal delivery system whereby programming is beamed from satellites to special receiving dishes mounted in the home or yard.

Direct channel: A marketing channel where a producer and ultimate consumer interact directly with one another.

Direct close: One of the sales closing techniques in which the salesperson simply asks the prospect for a decision.

Direct communication: Communication between a marketer and a customer, which does not involve intermediaries.

Direct exporting: Dealing directly with overseas buyers who may be either intermediaries or ultimate users.

Direct feedback: Marketing communications that can be linked to sales results (e.g., retail advertising announcing a sale can be related to the number of shoppers coming into the store).

Direct headline: A headline in a print advertisement that is very straightforward and informative in terms of the message it is presenting and the target audience it is directed toward. Direct headlines often include a specific benefit, promise, or reason for a consumer to be interested in a product or service.

Direct houses: One of the types of advertising agencies. These specialty-advertising firms combine the functions of supplier and distributor.

Direct identification drawback: A provision that allows U.S. firms to use imported components in the manufacturing process without having to include the duty paid on the imported goods in costs and sales prices.

Direct investment: Entering a foreign market by developing foreign-based assembly or manufacturing facilities. In this form of foreign market entry, a company can buy part or full interest in local company or build its own facility. If the market appears large enough, foreign production facilities offer distinct advantages.

Direct mail: Marketing technique that solicits business through the sending of letters and other material directly to prospects. Direct mail has the advantages of targeting specific markets. It is a rifle shot approach. Mailing house specialists can categorize prospect lists in just about any manner required. Key to success of direct mail is the mailing list, which constitute the database from which names are generated, and the ability to segment markets. Lists have become more selective and more current, eliminating waste coverage. Segmentation on the basis of geography, demographics, and lifestyles has led to increased effectiveness. The most commonly used lists are of individuals who have already purchased direct mail products.

Direct marketing association (DMA): Organization to promote direct mail and direct-response advertising. It provides statistical information on direct marketing use.

Direct marketing channel: A marketing channel that has no intermediary levels.

Direct marketing: Selling goods and services without the aid of wholesaler or retailer. Includes direct-response advertising for leads for sales people. Also direct door-to-door selling. Uses many media: direct mail, publications, TV, Radio & Internet. Direct marketing is one of the fastest growing avenues for serving customers. It is also sometimes known as direct-order marketing as it seeks an immediate response from the customer, typically a customer order.

Direct method approach: One of the approaches used in the discriminant analysis to estimate the discriminant function coefficients. Direct method approach involves estimating the discriminating function so that all the predictors are included simultaneously. This method is appropriate when it is based on previous research or a theoretical model.

Direct premium: A sales incentive given to customers at the time of purchase.

Direct product profit (DPP): It is a measure of profitability commonly used by the retailers, and it was first used in the retail food industry. Direct product profit (DPP) equals an item's gross margin rupees, plus discounts and allowances earned, less direct handling, selling, and inventory holding costs. DPP focuses on the contribution profit of individual retail items in individual stores. It enables the retailer to develop results for brands, categories, departments, stores etc., thus forming the basis for merchandising decisions.

Direct purchasing: One of the ways of purchasing procedures by the business buyers. Here, many business buyers buy directly from manufacturers rather than through intermediaries, especially items that are technically complex or expensive.

Direct quote: In the context of international currency transaction it refers to a quote expressed in terms of the number of units of the domestic currency given for one unit of a foreign currency.

Direct response: Advertising that elicits a response direct to the advertiser rather than through an intermediary such as a retailer.

Direct sales force: This refers to the sales force, which a company appoints on a full or part time basis. These are the paid employees of the company who work exclusively for the company. This sales force includes sales personnel, who conduct business from the office, suing the telephone and receive visits from prospective buyers, and field sales personnel who travel and visit customers. This is also known as company sales force.

Direct selling establishments: Retailers primarily engaged in the sale of merchandise by telephone or house-to-house canvass.

Direct selling: Marketing a product directly to end users rather than going through resellers such as distributors, dealers, jobbers, retailers, and so forth. The direct seller has more control over the marketing effort than marketing through indirect channels. However, it is more expansive than most other methods.

Direct-action advertising: Advertising designed to produce an immediate effect such as the generation of store traffic or sales. It is also known as direct response advertising.

Directional medium: Advertising media that are not used to create awareness or demand for products or services but rather to inform customers as to where purchases can be made once they have decided to buy. The Yellow Pages are an example of a directional medium.

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-marketing media: Media that are used for direct-marketing purposes including direct mail, telemarketing, print, and broadcast.

Directories: One of the published sources of secondary data. Directories are helpful for identifying individuals or organizations that collect specific data. For example, telephone directories, stock exchanges directories, industry directories provide pertinent secondary data. These can also be used as sampling frame.

Direct-response advertising: Any form of advertising done in direct marketing. It uses all types of media**:** direct mail, TV, magazines, newspapers, radio. This term replaces mail-order advertising.

Direct-response agencies: Companies that provide a variety of direct-marketing services to their clients including database management, direct mail, research, media service, and creative and production capabilities.

Direct-response television (DRTV): TV advertising that includes a response mechanism.

Direct-response television marketing: Direct marketing via television, including direct-response television advertising or infomercials and home shopping channels. Direct marketers air television spots, often 60 or 120 second long that persuasively describe a product and give consumers a toll-free number for ordering. Television viewers often come across 30-minute advertising programs, or *infomercials*, for single product.

Disciplines panel: A variation of brainstorming in which each participant represents a scientific discipline relevant to the problem under study. Typical panels have psychologists, chemist, engineers, lawyers and others.

Disclaimant Group: One of the types of reference groups in which a person holds membership, but with whose values, attitudes, and behavior he or she does not wish to be associated.

Disconfirmation of expectations: Negative product evaluation resulting from consumption because expectations of product performance are not met. In such cases, consumers may develop more negative attitudes toward the product after the purchase.

Discontinuous Innovation: A dramatically new product entry that requires the establishment of new consumption practices.

Discount (in foreign exchange): A situation in which the forward rate for a foreign currency is less than the spot rate, assuming that the domestic currency is quoted on a direct basis.

Discount store: A retail store that sells standard merchandise at lower prices by accepting lower margins and selling higher volume. In the recent years discount retailing has moved into specialty merchandize stores, such as discount sporting-stores, electronic stores, and bookstores.

Discount: A straight reduction in price on purchases during a stated period of time.

Discretionary income: The money available to a household over and above that required for necessities

Discriminant analysis: A statistical technique for analyzing marketing research data when the criterion or dependent variable is categorical and the predictor or independent variables are interval in nature. When the criterion variable has two categories, the technique is known as two-group discriminant analysis. Multiple discriminant analysis refers to the case when three or more categories are involved.

Discriminant function coefficients (unstandardized): It is one of the statistics associated with discriminant analysis carried out in a marketing research project. These are the4 multipliers of variables, when the variables are in the original units of measurement.

Discriminant functions: One of the basic concepts used in discriminant analysis. These are the linear combination of independent variables developed by discriminant analysis that will best discriminate between the categories of the dependent variable (groups).

Discriminant scores: It is one of the statistics associated with discriminant analysis carried out in a marketing research project. The unstandardized coefficients are multiplied by the values of the variables. These products are summed and added to the constant term to obtain the discriminant scores.

Discriminant validity: A type of construct validity that assesses the extent to which a measure does not correlate with other constructs from which it supposed to differ. It involves demonstrating a lack of correlation among differing constructs.

Disguise: Amount of knowledge concerning the purpose of a study communicated to the respondent by the data-collection method. An undisguised questionnaire, for example, is one in which the purpose of the research is obvious from the questions posed, while a disguised questionnaire attempts to hide the purpose of the study.

Disguised observation: It is one of the ways of carrying out marketing research through observation technique. In disguised observation, the respondents are unaware that they are being observed. Disguise enables respondents to behave naturally, because people tend to behave differently when they know they are being observed. Disguise may be accomplished by using one-way mirrors, hidden cameras, or some other device.

Disintermediation: This describes the process of elimination of a layer of intermediaries from a marketing channel or the displacement of traditional resellers by radically new types of intermediaries. Complete disintermediation tends to be the exception because intermediaries can often handle channel functions more efficiently than producers can handle them. Much of the initial hype surrounding Internet focused on disintermediation, but this did not happen. Many traditional intermediaries have been replaced with Internet equivalents, which are more efficient than traditional ones.

Disjunctive Rule: One of the types of noncompensatory decision rules in which consumers establish a minimally acceptable cutoff point for each relevant product attribute; any brand meeting or surpassing the cutoff point for any one attribute is considered an acceptable choice.

Disordinal interaction: It refers to one of the interactions that can arise when conducting ANOVA on two or more factors. Disordinal interaction involves a change in the rank order of the effects of one factor across the levels of another.

Display advertising: Advertising in newspapers and magazines that uses illustrations, photos, headlines, and other visual elements in addition to copy text.

Display face: Large, bold and often decorative font type used for headlines and sub-headings in contrast to small text type.

Display outer: Point-of-sale display piece in form of carton for small unit goods, which can be converted into a dispenser with a display panel when folded out of lid. Used for counter and shelf displays.

Displayed advertisement: Press advertisement with pictures and mixture of display and text type.

Disposable income: Amount of money that is available to consumers for discretionary spending. This is a key number for advertisers of consumer products when planning ad campaign. They want to reach audience with large disposable incomes.

Disproportionate stratified sampling: Stratified sample in which the individual strata or subsets are sampled in relation to both their size and their variability; strata exhibiting more variability are sampled more than proportionately to their relative size, while those that are very homogenous are sampled less than proportionately. This requires that some estimate of the relative variation, or standard deviation of the distribution of the characteristic of interest, within strata be known.

Dissociative groups: A nonmembership reference group with which the individual does not want to be identified and wants to avoid. These groups also influence buying behaviour. For example, teenagers tend to avoid clothing styles associated with older consumers.

Dissolve: Slow transition from one shot to another in film or video, often denoting passing of time.

Dissonance/attribution model: A type of response hierarchy model where consumers first behave, then develop attitudes or feelings as a result of that behavior, and then learn or process information that supports the attitude and behavior.

Dissonance: Post-choice doubt motivated by awareness that unchoosen alternatives also have desirable attributes or that chosen merchandise may have undesirable attributes.

Dissonance-reducing buying behavior: One of the types of buying situations where a consumer is highly involved in the purchase of a product but perceives few or low differences among available brands.

Distance between cluster centers: One of the statistics associated with cluster analysis technique used in marketing in general and marketing research in particular. These distances indicate how separated the individual pairs of clusters are. Clusters that are widely separated are distinct, and therefore, desirable.

Distributed learning: Learning spaced over a period of time to increase consumer retention.

Distributed promotion effort: Used by retailers that promote throughout the year.

Distribution center: A large, highly automated warehouse designed to receive goods from various plants and suppliers, take orders, fill them efficiently, and deliver goods to customers as quickly as possible.

Distribution cycle: Time it takes for product to move from production to retailer including selling and delivery, which is important to know when planning an advertising campaign to avoid campaign breaking before goods are available in the shops.

Distribution innovation strategy: A strategy that may be adopted by a market challenger or follower. Here the company following this strategy might develop a new channel of distribution. Avon became a major cosmetic company by perfecting door-to-door selling instead of battling other cosmetic firms in conventional stores.

Distribution system: The agents, dealers, wholesaler and retailers, as well as all the tools and facilities used in transferring the good or service from the producer to the customer.

Distribution warehouse: An independent warehouse which receives goods from various company plants and suppliers and moves them out as soon as possible.

Distribution: The course –physical path or legal title- that goods take between production and consumption.

Distributor brand: One of the brand sponsor decisions in which a brand is launched by a retailer, store, a trading house, and or a distributor. Although manufacturers' brands dominate in the market, large retailers and wholesalers have been developing their own brands in the recent times.

Distributor: An intermediary, especially a wholesaler who has a formalized, continuing relationship with manufacturer, with exclusive sales rights for a specific geographic areas.

Diversification (domestic): A market expansion policy characterized by growth in a relatively large number of markets or market segments. Increasing the range of the company's products or investing money in several different securities achieves this growth. Three types of diversification are possible: (1) The company could seek new products that have technological and marketing synergies with existing product lines (concentric diversification strategy). (2) The company might search for new products that could appeal to current customers even though the new products are technologically unrelated to its current product line (horizontal diversification strategy). (3) The company might seek new businesses that have no relationships to its current technology, products, or markets (conglomerate diversification strategy).

Diversification strategy (international): A strategy by which an international company produces or sells in many countries to avoid relying on one particular market. This can be done, for example, through a liberal licensing policy for a given product to ensure there will be sufficient resources for the initial widespread expansion.

Diversified retailer: Multi-line firm with central ownership. It is also known as a retail conglomerate.

Diversity marketing: This refers to designing specialized marketing programs to serve subcultures that have become affluent and grew in size. Large companies such as AT&T and Coca-Cola have pioneered this practice during 1980s. Diversity marketing grew out of careful marketing research, which revealed that different ethnic and demographic niches did not always respond favorably to mass-market advertising.

Diverter: An unauthorized member of a channel who buys and sells excess merchandise from authorized channel members.

Diverting: A practice whereby a retailer or wholesaler takes advantage of a promotional deal and then sells some of the product purchased at the low price to a store outside of their area or to a middleman who will resell it to other stores.

Divertive competition: When retailers intercept customers from the competition. For example, supermarkets, when they sell auto parts, divert customers from service stations, discount stores and auto supply stores.

Divestment decisions: A decision of company for divestment of resources in a foreign market. Companies must decide how to get out of operations if they no longer fit the overall strategy and there are better alternative opportunities exist. Divestment may occur by selling or closing facilities. This is not always an easy decision

Divestment: Reduction in the amount of investment.

Divisibility in adoption process: One of the characteristics of new products, which help their acceptance and subsequently adoption in the market. This is the degree to which the innovation can be tried on a limited basis.

Divisional merchandise managers (DMMs): In a departmental store chain context a manager responsible for merchandising activities for particular lines of merchandise. For example, in a departmental store there may be DMMs for menswear, furniture, appliances, women's wear, children, and so on. They are responsible for forecasting sales, translating the sales forecasts into inventory levels, inspiring commitments and performance on the part of the buyers and department managers, and assessing the merchandise performance.

Divisive clustering: It is one of the hierarchical clustering procedures used in cluster analysis, where all objects start out in one giant cluster. Clusters are formed by dividing this giant cluster into smaller and smaller clusters.

DNI framework: Digital Networked, Individuals. These are the fundamental forces shaping Internet marketing.

Dogmatism: A personality trait that reflects the degree of rigidity a person displays toward the unfamiliar and toward information that is contrary to his or her own established beliefs.

Domain dissension: Disagreement among channel members about who has the power to make decisions.

Domain dissensus: In the context of channel conflict, this is one of the sources of latent conflict between the channel members as well as with the producer. Domain refers to the decision variables that each member of the marketing channel feels it should be able to control. When the members of the marketing channel agree on who should make which decisions, domain consensus exists. Whereas there is disagreement on who should make decisions, domain dissensus exists.

Domain name: A Web site identification or how a site is listed in the main directories and search engines. What is normally referred to as the domain name, such as *ford.com* is technically known as the secondary domain name.

Domain strategy: The branding and positioning of a firm to allow for ease in finding its Web site, especially the domain and sub domains chosen.

Domestication: Government demands that partial ownership and management responsibility of a foreign company is transferred to them, with or without compensation.

Domestic-based export agent: A type of exporting procedure where an agent seeks and negotiates foreign purchases and is paid commission.

Domestic-based export merchant: A type of exporting procedure where a merchant buys the manufacturer's products and then sells them abroad.

Dominant assortment: Merchandise assortments the retailer can dominate with breadth and depth in a particular category.

Dominant buying motive: Major reason the prospect will purchase a good or service.

Dominant competitor: A firm that controls the behaviour of other competitors in an industry and has a wide choice of strategic options.

Door-in-the-face strategy: One of the strategies adopted by the interviewers to motivate the respondents in providing the information in a survey or experiment. Here, the initial request by the researcher is relatively large and a majority of people refused to comply. The large request is followed by a smaller request, the critical request, soliciting participation in the survey. The underlying reasoning is that the concession offered by the subsequent critical request should increase the chances of compliance.

Doormat media: Direct mail addressed to consumer at home. Not an addressed maildrop.

Door-to-door selling: Selling technique in which the salesperson literary goes from one door the next making sales calls on anyone imprudent enough to answer the bell. Merchandise sold in this manner is usually a consumer type product such as magazines, encyclopedias, home repair and home-maintenance services, and so forth.

Double column (dc): Twice width of newspaper column. Expression used regarding advertisement space. This is usually written in the lower case.

Double crown: Popular small poster size as used for window bills, news bills, or double fronts/backs on double-decker buses. It measures 762mm x 508mm or 30" x 20".

Double head: In production of a television commercial when sound and vision are still on separate tapes.

Double sampling: One of the probability sampling techniques that is used infrequently. In double sampling, also called two-phased sampling, certain population elements are sampled twice. In the first phase, a sample is selected and some information is collected from all the elements in the sample. In the second phase, a subsample is drawn from the original sample and additional information is obtained from the elements in the subsample.

Double spread: Print advertisement in magazines occupying two facing pages.

Double-barreled questions: In the context of a questionnaire it refers to a single question that attempts to cover two issues. Such questions can be confusing to respondents and result in ambiguous responses. Double-barreled questions should be divided into two or three questions as required by a research study. For example, the following question /// Do you think that Pepsi is a tasty and refreshing soft drink? /// This question needs to be bifurcated into two for obtaining the required information /// Do you think that Pepsi is a tasty soft drink? /// Do you think that Pepsi is a refreshing soft drink?

Double-cross validation: A type of validation procedure used in correlation and regression model. It is a special form of validation in which the sample is split into two halves. One half serves as the estimation sample and the other as a validation sample. The roles of the estimation validation halves are then reversed, and the cross validation process is repeated.

Doubtful positioning: One of the positioning errors that sometimes a company commits. Under this the buyers may find it hard to believe the brand claims in view of the product's features, price, or manufacturer.

Downmarket/downward stretch: One of the ways a company may stretch its product lines. Here, company may introduce a new product/brand/model on the lower side of the market with lesser features, lower quality, lower price or any other variable.

Downsizing: Situation in which a company deliberately tries to become smaller by selling off operations, closing plants, and reducing their payrolls. Downsizing affects the sales operations of most companies going some downsized companies make the salespeople independent operators who operate on straight commission. In this way, the companies are not responsible for expenses, health insurance, pensions, and other benefits.

Drip advertising: Continuous advertising, such as reminder advertisements which occupy same space on same day in same medium.

Drip marketing: The technique of focusing all marketing activity, such as telemarketing, direct mail, and so forth, into a target market. The idea is that by concentrating all marketing effort toward a specified group of suspects, more leads and therefore more sales with result.

Drive time (radio): A term used to designate the time of day when people are going to, or coming from, work. Usually 6 A.M. to 10 A.M. and 3 P.M. to 7 P.M., but this varies from one community to another. This is the most costly time on the rate card.

Drive: An internal force that impels a person to engage in an action designed to satisfy a specific need.

Drop shipper: A type of wholesaler that operates in bulk industries, such as coal, lumber, and heavy equipment. Upon receiving an order, it selects a manufacturer, who ships the merchandise directly to the customer on the agreed-upon terms and time of delivery. The drop-shipper assumes title and risk from the time the order is accepted to its delivery to the customer

Drop-error: One of the possible errors that accompany may commit in screening the new product ideas. A drop-error occurs when the company dismisses an otherwise good idea. The purpose of the screening is to select good ideas in order to take advantage of the possible opportunities in future.

Drummers: Nineteenth century salespeople who journeyed to merchants' places of business.

Dual adaptation: One of the five possible international product and promotion strategies that may be adapted by a company who wants to enter a foreign market. Here a company modifies its product as well as makes changes in its communication in tune with the requirements of a foreign market.

Dual distribution: A type of distribution in which a manufacturer sells to independent retailers and also through its own retail outlets. Thus, the manufacturer manages a corporately owned vertical marketing system that competes with independent retailers, which is also supplies through a conventional, administered, or contractual marketing channel. Retailers tend to get upset about dual distribution when the two channels compete at the retail level in the same trade area.

Dual drive: The strategies combination of technology and market as sources for product innovation. Contrasts with market drive and technology drive, innovation are based on at least one specific technical strength of the firm and at least one specific market opportunity.

Dual moderator focus group: A variant of the traditional focus group where there are two moderators, but they deliberately take opposite position on the issue to be discussed. This allows the researcher to explore both sides of the controversial issues.

Dual questioning: Procedure used to assess determinant attributes; the procedure entails asking respondents two questions with respect to each attribute of an object, one to assess how important the attribute is to them and the other to assess their perceptions of how competing objects differ with respect to the attribute.

Dual statements: It refers to those questions in a measurement scale which are worded as statements in negative or positive way to which respondents indicate their degree of agreement or disagreement. Experts are of the view that it is better to use dual statements by preparing two different questionnaires one questionnaire would contain half negative and half positive statements in an interspersed manner. The direction of these statements may be revered in the other questionnaire.

Dual vertical marketing system: Involves firms engaged in more than one type of distribution arrangement. This enables those firms to appeal to different consumers, increase revenues, share some of their costs, and maintain a good degree of control over their strategy.

Dual-moderator focus group: One of the variants of focus groups. This type of focus group interview uses two moderators. One moderator is responsible for the smooth flow of the session, and the other ensures that specific issues are discussed.

Dueling-moderator focus group: One of the variants of focus groups. This type of focus group interview uses two moderators. One moderator takes on stand and the other takes the opposite stand on the issues to be discussed. This allows the researcher to explain both the sides of controversial issues.

Dummy advertising vehicle: A type of advertising pretesting procedure in which test and control ads are inserted into a magazine format with editorial features of lasting interest. Respondents are asked to read the magazine normally. Response measures include awareness, recall, copy readership level, and product interest.

Dummy variable: Variable that is given one of two values, 0 or 1, and that is used to provide a numerical representation for attributes or characteristics that are not essentially quantitative. It is also called binary, dichotomous, instrumental or qualitative variable.

Dummy-variable multiple regression: A dependence method of multivariate data analysis appropriate for use with an intervally scaled dependent variable and nominally scaled independent variables; an extension of multiple regression to less than interval data through the creation of a series of binary variables coded as 0-1.

Dump bin: Case display that houses piles of sale clothing, marked-down books, or other products in a big retail outlet.

Dumping: An unfair trade practice, which is based on international price discrimination, where goods are sold in other countries at a price lower than in the exporter's country, or at a price below the cost of product, or both. Most countries prohibit imports of dumped products, but enforcement usually occurs only if the imported products disrupt domestic production.

Duplicated reach: Type of reach where the audience members' exposure to a message as a result of messages having appeared in two or more different media vehicles. Duplicated reach indicates potential new exposures.

Duplication: in the context of media reach this refers to the number of people who use the same medium and could be wasteful. Media may be chosen with least duplication. Also repetition in mailing, perhaps because of a difference in presentation of name, first name spell out or as an initial.

Durable goods: One of the types of consumer goods classified on the basis of durability and tangibility. These are tangible goods that normally survive many uses and have longer usable life. These may include kitchen appliances, two wheelers, TV, etc. durable products normally require more personal selling and service, command a higher margin, and require more seller guarantee.

Duty drawback: A provision allowing exporters to apply for refunds of the duty paid on imported components provided they are used in the manufacture of goods that are exported.

Duty: A governmental tax (tariff) lived on goods shipped internationally.

Dyadic communication: A process of direct communication between two persons or groups such as a salesperson and a customer.

DYG SCAN: An environmental scanning program that tracks 37 social values among various segments of the United States population (e.g. Hispanics, the affluent, teenagers, and opinion leaders).

Dynamic IP addresses: IP addresses assigned by a provider, which change each time a user dials up the service.

Dynamic models: Mathematical models that consider time as an independent variable.

Dynamic pages: Web pages that are generated on demand.

Dynamic pricing: One of the online pricing strategies, which applies different price levels for different customers. For example, a first time buyer or someone who has not purchased for many months may receive lower prices than heavy user or prices may drop during low demand periods. The Internet allows companies to price items automatically and ‘on the fly’ while users view pages.

Dynamically continuous innovation: A new product entry that is sufficiently innovative to have some disruptive effects on established consumption practices.

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Early adopters: People who are receptive to new products and adopt them relatively soon, though they are motivated more by social acceptance and being in style than by the desire to try risky new things

Early majority: The third identifiable subgroup within a population that adopts an innovation. Preceded by early adopters and innovators, the early majority likes to await the outcome of product trial by the two earlier groups.

Early markdown policy: In the context of retail management this refers to one of the policies adopted by the retailers with regard to the timing of the markdowns. Here, the retailers decide about the timing of the markdowns for various merchandises early in the buying season. Most of the retailers who concentrate on high inventory turnover pursue an early markdown policy. This will enable them to take less of a markdown per unit to dispose off the merchandise. At the same time, the customer seems to benefit, since markdowns are offered that some customers still think of as fashionable. Another advantage is that it allows the retailer to replenish lower-priced lines from the higher ones that have been markdown.

Early markdown policy: In the context of retail management this refers to one of the policies adopted by the retailers with regard to the timing of the markdowns. Here, the retailers decide about the timing of the markdowns for various merchandises late in the buying season. This policy avoids disrupting the sale of regular merchandise by marking goods down too frequently. As a consequence, customers learn to look forward to semiannual or annual clearance sales, when all or most merchandise is marked down. Thus bargain-hunters will be attracted only at infrequent intervals.

Earnings per share: Total earnings available to common stockholders divided by number of shares of common stock outstanding. It shows the profit that each equity share has earned.

Ease of Entry: Occurs due to low capital requirements and no, or relatively simple, licensing provisions.

E-business model: It is method of doing business by which the organization sustains itself in the long term using information technology, which includes its value proposition for partners and customers as well as its revenue streams. For example, the Internet allows media, music, and software companies to deliver their products over the Internet, creating a new distribution model that cuts costs and increase value. This model is sometimes also called *Internet business model*.

E-business strategy: It is the deployment of enterprise resources to capitalize on technologies for reaching specified objectives that ultimately improve performance and create sustainable competitive advantage. Thus, when corporate level business strategies include information technology components they become e-business strategies.

E-business: This term describes the use of electronic means and platforms to conduct a company's business. This includes all electronic activities conducted by a company such as business intelligence, customer relationship management, supply chain management, e-commerce, and enterprise resource planning. e-business has become popular because of the advent of the Internet, which has greatly increased the ability of the companies to conduct their business faster more accurately, over a wide range of time and space, at reduced cost, and with the ability to customize and personalize customer offerings

Echo boomers: The generation has born 1977-94, the children of the baby boomers.

Eco-advertising: A form of corporate advertising which seeks to gain credit for company's anti-pollution, wild life protection or other environmental activities. May be genuine, but could be cover up. Dubious type of eco-advertising, including that of supposedly 'green' products is also known as greenwashing.

E-commerce buying: Ordering and paying for goods and services online.

E-commerce influence: Offline purchases that are promoted by online content.

E-commerce ordering: Ordering online but paying through other means.

E-commerce: This term sometimes is used synonymously with E-business but its connotation is slightly different and it is more specific than e-business. This means that in addition to providing company and its products information online the company can also engage in buying and selling online. E-commerce also includes digital value creation, virtual market places and storefronts, and new distribution channel intermediaries.

Econometric analysis: One of the ways of estimating future sales of a product or service by analyzing the past sales of a company. This method consists of building set of equations that describe a system, and proceeding to fit the parameters statistically

Economic buyer: Buying center member who is the key decision maker

Economic Community of West African States (ECOWAS): A form of economic integration among certain countries in West Africa.

Economic community: A group of nations organized to work toward common goals in the regulation of international trade.

Economic consumer or shopper: It refers to one of the shopping orientations exhibited by the people while shopping various goods and services. This type of consumer is extremely sensitive to price, quality, and assortment of merchandise, all of which are taken into account in shopping.

Economic environment: Factors in the economy that affect consumer buying power and spending patterns. The economic environment consists of income, prices, savings, credit availability, and general economic conditions. The general state of economy influences the willingness of consumers and businesses to take on credit and spend on big-ticket items.

Economic exposure: The foreign-exchange risk that international businesses face in the pricing of products, the source and cost of inputs, and the location of investments.

Economic infrastructure: A country's communications, transportation, financial, and distribution networks.

Economic integration: The abolition of economic discrimination between national economics, such as within the EU.

Economic man theory: Assumes that consumers are perfectly rational beings who objectively evaluate and rank each product alternative and select the alternative that gives the best value for money.

Economic Order Quantity (EOQ): Quantity per order (in units) that minimizes the total costs of processing orders and holding inventory**:** where EOQ = 2DS IC EOQ = Economic order quantity (in units) D = Annual demand (in units) S = Costs to place an order (in dollars) I = Percentage of annual carrying cost to unit cost C = Unit cost of an item (in dollars) xxxx

Economic system: The system concerned with the allocation of scarce resources.

Economic Union (EU): Member states are fully integrated economically and adopt a common unit of currency.

Economics: A social science concerned chiefly with the description and analysis of the production, distribution, and consumption of goods and services.

Economies of scale: The savings that result form increasing the scope or size of an operation. In manufacturing, for example, making products in larger quantities reduces the cost per unit. The savings are realized because fixed costs (burden) are spread over larger quantities, raw materials are purchased at quantity discounts and production equipment and labor are fully utilized. In any operation, however, there are optimum quantities after which the economies are reduced.

Editing: It is the first step in data preparation procedure. The role of the editing process is to identify omissions, ambiguities, and errors in the responses. It should be conducted by the interviewer and field supervisor, as well as by the analyst, just prior to data analysis.

Effect in ANOVA: A difference in treatment means from the grand mean.

Effective ad-exposed audience: It refers to the number of people with target audience characteristics who actually saw the ad in a specific media vehicle.

Effective audience: The number of people with target audience characteristics exposed to a specific media vehicle. However, it is not necessary those who have been exposed to the vehicle are also exposed to the advertised product whose ad appeared in that media vehicle.

Effective Buying Income (EBI): Personal income (wages, salaries, interest, dividends, profits, rental income, and pension income) minus central, state, and local taxes and nontax payments (such as personal contributions for social security). It is commonly known as disposable or after-tax personal income.

Effective reach threshold: Measurement that suggests that 45 percent of the target group should be reached over the agreed-upon time period.

Effective reach: A measure of the percentage of a media vehicle's audience reached at each effective frequency increment. It is defined as the minimum of three confirmed vehicle exposures to an individual member of a target group over an agreed-upon time period.

Effective tariff: The real tariff on the manufactured portion of developing countries' exports, which is higher than indicated by the published rates because the ad volorem tariffs is based on the total value of the products, which includes raw materials that would have had duty free entry.

Efficient Consumer Response (ECR): Form of order processing and fulfillment by which supermarkets are incorporating aspects of QR inventory planning, EDI, and logistics planning.

Efficient estimator: An estimator that has the minimum variance.

Ego: In Freudian theory, the part of the personality that serves as the individual's conscious control. It functions as an internal monitor that balances the impulsive demands of the id and the socio-cultural constraints of the superego.

Ego-bolstering needs: One of the psychogenic needs which have been grouped by consumer behaviour experts. These needs are there to enhance or promote the personality (to achieve, to gain prestige and recognition, and to satisfy the ego through domination of others).

Ego-defensive function: A component of the functional approach to attitude-change that suggests that consumers want to protect their self-concepts from inner feelings of doubt.

Ego-defensive needs: One of the psychogenic needs which have been grouped by consumer behaviour experts. These needs are present in the human beings to protect the personality (to avoid physical and psychological harm, to avoid ridicule and loss of face, to prevent loss of prestige and to avoid or obtain relief from anxiety.

Eigenvalue: In factor analysis, the amount of variation in the data accounted for by a factor. In the context of discriminant analysis, for each discriminant function, the eigenvalue is the ratio of between-group to within-group sums of squares. Large eigenvalues imply superior functions.

Eight-sheet poster: Out door poster used in urban areas, about one-fourth the size of the standard 30-sheet poster.

Eighty-twenty (80/20) principle: A rule-of-thumb in volume segmentation, which says that about 20 percent of consumers in a product category (the heavy users) account for about 80 per cent of sales. Also known as Pareto principle.

Elaborated codes: The ways of expressing and interpreting meanings that are more complex and depend on a more sophisticated worldview, which tend to be used by the middle and upper classes

Elaboration Likelihood Model (ELM): A theory that suggests that a person's level of involvement during message processing is a critical factor in determining which route to persuasion is likely to be effective. (*See also* Central and Peripheral Routes to Persuasion.)

Elastic (product demand): A condition in which sales are likely to increase or decrease by a percentage that is more than the percentage change in price.

Elbow criterion: It refers to a technique used in multidimensional scaling procedures to decide on the number of dimensions. It is a plot of stress versus dimensionality. The points in this plot usually form a convex pattern. The point at which an elbow or a sharp bend occurs indicates an appropriate number of dimensions. Increasing the number of dimensions beyond this point is usually not worth the improvement.

Electrodermal response: Advertising messages that appeal to consumers' feelings and emotions.

Electronic article surveillance: Involves attaching specially designed tags or labels to products.

Electronic Banking: Includes both automatic teller machines (ATMs) and the instant processing of retail purchases.

Electronic commerce (E-commerce): The process of shopping, buying, and selling goods and services online. It ranges from purchase influence to ordering and payment settlement.

Electronic data interchange (EDI): A type of business-to business commerce that lets companies and suppliers regularly exchange information through their computers with regard to inventory levels, delivery times, unit sales, and so on, of particular items. A buyer logs onto the supplier's computer system and types in an order. The order is electronically conveyed to the supplier and the buyer receives an electronic bill. Also known as value added networks.

Electronic funds transfer at point of sale (EFTPOS): This allows payment by credit card and even cash dispensing from supermarket tills.

Electronic point-of-sale system (EPOSS): Performs all the tasks of a computerized checkout and also verifies check and charge transactions, provides instantaneous sales reports, monitors and changes prices, sends intra- and inter store messages, evaluates personnel and profitability, and stores data.

Electronic shopping: Direct marketing that generates an electronic database of buyers through home-shopping TV Channels, interactive Cable, home computers, and stand-alone shopping kiosks.

Electronic surveys: It refers to all types of survey research conducted electronically. These surveys are conducted by e-mail or administered on Internet or the web. In many countries of the world the use of e-mail and Internet is growing by leaps and bounds. Both these methods of surveys have become viable to wide range of product categories.

Electronic teleshopping: Online shopping and information retrieval service that is accessed through a personal computer.

Electronic test market: Similar to minimarket tests except the research firm has (1) The ability to collect on going scanner based sales data from the major food and drug outlets, (2) A UPC scanner-based household panel that also has its television viewing monitored electronically, and (3) The capability of sending differing commercials to varying households in the panel.

Element (sample): Term used in sampling to refer to the objects on which measurements are to be taken, such as individuals, households, business firms, or other institutions.

E-mail address: A unique address, which identifies a subscriber to a distant computer.

E-mail advertising: One of the least expensive type of online advertising, it is generally just a few sentences of text embedded in another firm's content. Advertisers purchase space in the e-mail sponsored by others (e.g., Hotmail, Rediffmail, Yahoo!)

E-mail surveys: An online questionnaire that a company sends to a sample of email addresses from a database. In order to exercise over who gets the electronic questionnaire, the company selects specialized and representative group to research. After sending a questionnaire, the researcher sends email reminders to participants who have not yet responded. Because of this capability, response rates are high for email surveys vis-à-vis traditional mail surveys.

Email: Messages delivered electronically via the Internet.

E-marketing plan: A blue print for e-marketing strategy formulation and implementation. It is a guiding, dynamic document that links the firm's e-business strategy with technology driven marketing strategies and lays out details for plan implementation through marketing management.

E-marketing strategy (strategic e-marketing): It is the design of marketing strategy that capitalizes on the organization's information technology capabilities to reach specified objectives. In essence, strategic e-marketing is where technology strategy and marketing strategy wed to form the organization's e-marketing strategy.

E-marketing: This term describes the use of electronic means and platforms for carrying out marketing activities over the Internet. In effect e-marketing is traditional marketing using information technology but with some twists. In essence, e-marketing is the application of a broad range of information technologies for: (1) Transforming marketing strategies to create more customer value through more effective segmentation, targeting differentiation, and positioning strategies. (2) More efficiently planning and executing the conception, distribution, promotion and pricing of goods, services, and ideas. (3) Creating exchanges that satisfy individual consumer and organizational customers' objectives.

Embargo: A ban on the import of a certain product.

Embeds: Disguised stimuli (often sexual in nature) that are "planted' in print advertisements to subconsciously influence consumers to buy the advertised products.

Embracers: Name given to one of the possible segments of TV viewers as revealed by one research study in the US. Embracers are those TV viewers who are primarily of low income, eighteen-to-twenty year old women employed in clerical or sales job.

Emergency goods: One of the types of convenience goods, which are purchased when a need is urgent. Manufacturers of emergency goods normally place them in many outlets to get the sale.

Emotional arousal: Motives aroused through emotional factors.

Emotional man model: A model of man that suggests consumers make decisions based on subjective criteria, such as love, pride, fear, affection, or self-esteem, rather than objective evaluation.

Emotional motives: The selection of goals according to personal of subjective criteria (e.g., the desire for individuality, pride, fear, affection, status).

Emotional selling proposition (ESP): Use of emotional appeals in the advertisements is sometimes known as emotional selling proposition (ESP). ESP can use both positive and negative emotional appeals. Positive emotional appeals use humour, love, pride, and joy. Negative emotional appeals use fear, guilt and shame.

Emphatic full stop: A full stop (full point) at end of a sentence used as the headline of an advertisement.

Employee's empowerment: Giving employees powers to handle customers in an independent manner and also freedom to come up with new ideas and take more initiatives.

Empowerment: The Act of giving whatever power it takes to enable a manger (such as a project manager to get a job done. A way of overcoming a non-authority situation. Risky in that it causes frictions in other established line situations.

Empty nest I: A stage in family life cycle where the family consists of older married couple no children living with them. Normally, not interested in new products. Most satisfied with financial position and money saved. Make gifts and contribution.

Empty nest II: A stage in family life cycle where the family consists of older married couple no children living with them. Head of the household is retired. Drastic cut in income.

Emulative product: A new product that imitates another product already in the market. It is somewhat different from previous products (not a pure me-too), but the difference is not substantial or significant.

Encirclement attack: One of the attacking strategies sometimes followed by a market challenger to attack on the market leader. It involves launching a grand offensive on several fronts and finding the soft spot to enter the enemy's territory. Encirclement attack makes sense when the challenger commands superior resources and believes a swift encirclement will break the leader's will

Encoding: One of the important components of communication process. The communication process begins when the source selects words, symbols, pictures, and the like, to represent the message that will be delivered to the receiver(s). This process involves putting thoughts, idea or information into a symbolic form.

Enculturation: The process of learning the values of one's own society/culture from childhood. Enculturation takes place through a process of instilling values from key institutions, particularly, family, school and religious institutions. (*See* also acculturation)

Endless chain prospecting: Prospecting technique in which a sales representative asks satisfied customers for the names of friends or business associates who may be potential customers

End-of-month (EOM) dating: One of the ways of getting cash discounts from the manufacturer. It is a method of billing, which allows for cash discount and the full payment period to begin on the first day of the following month instead of on the invoice date. End-of-month invoices dated after the 25th of the month are considered to be dated on the first of the following month.

Endorsements: Celebrities who may or may not be users of a particular product or service may lend their names to advertisements for such products or services for a fee.

End-user specialist: One of the types of market nicher companies. Here the market nicher specializes in serving one type of end-use customer.

Engel's laws: Differences noted over a century ago by Ernst Engel in how people shift their spending across food, housing, transportation, health care, and other goods and services categories as family income rises.

Engineering design: An activity in the product creation process where a good is configured, specific form is decided. The activity is sometimes seen as a late step in the R&D process and sometimes as an early step in the manufacturing process. The design-engineering department takes the lead in the technical design phase and in the detail design phase of the over all design process.

Enlightened marketing: A marketing philosophy holding that a company's marketing should support the best long-run performance of the marketing system; its five principles include consumer-oriented marketing, innovative marketing, value marketing, sense-of-mission marketing, and societal marketing.

Ensemble Display: Interior display whereby a complete product bundle (ensemble) is presented rather than showing merchandise in separate categories.

Entente council: A regional economic group in Africa that includes the nations of Benin, Burkina Faso, Cote d'Ivoire, Niger, and Togo.

Enterprise marketing management (EMM): A new term, which refers to the automation of certain repetitive processes that are repetitive in nature and commonly used in marketing management. The other names are marketing resource management (MRM), and marketing automation systems (MAS)

Enterprise of the Americas: A proposed series of bilateral trade relationships between the United States and Latin American countries, based on a "hub and spokes**:** concept relationship involving the Americas.

Enterprise resource planning (ERP): A software for a back office system for managing cash flow, manufacturing, human resources, purchasing, invoicing, inventory control and other major functions within a unified framework. ERP systems allow organizations to optimize business processes while lowering costs. Though EPR does not fall under the marketing function, but it is so important that it must be included in this list.

Enterprise selling: A type of organizational selling that may be more effective and applicable when product is to sold to strategic value customers—customers who want value through the supplier co-investing and participating in customer's business.

Entrepot: A country that is an import/export intermediary; for example, Hong Kong is an entrepot for trade between China and the rest of the world.

Entrepreneurial marketing: It refers to one of the three stages through which marketing practice might pass. It says that most companies started by individuals who visualize an opportunity and took advantage of it before others can even foresee.

Entry barriers (barriers to entry): This refers to all those conditions that make it difficult for a firm to enter a particular market in a particular industry, such as high capital requirement, high advertising budgets, technology, dominance of some established firms, economies of scale, patent and licensing requirements, etc.

Entry evaluation: The first evaluation done after a concept emerges. It may be by the person creating it, but usually involves others in the immediate vicinity. Judgmental, experience based, not with creation of new data or opinions.

Environment context of the problem: In order to understand the background of a marketing research problem, the researcher must understand the environment context of the problem. This consists of the factors that have an impact on the definition of the marketing research problem, including past information and forecasts, resources and constraints of the firm, objectives of the decision-maker, buyer behaviour, legal environment, economic environment, and marketing and technological skills of the firm.

Environmental arousal: Motives activated at a particular time by specific cues in the environment.

Environmental climate: In the context of international business, this refers to the external conditions in host countries that could significantly affect the success of a foreign business enterprise.

Environmental management perspective: A management perspective in which the firm takes aggressive actions to affect the publics and forces in its marketing environment rather than simply watching and reacting to them.

Environmental marketing: Marketing targeted to ecologically concerned consumers.

Environmental opportunity: A comfortable situation favoring positive action that affords a relatively high probability for success.

Environmental scanning: Identification of the major environmental factors of interest to marketing management, the assignment of responsibility for each area, and the development of methods for collecting and disseminating the information that has been gathered. In nutshell, this is the systematic assessment of external conditions that might affect a company's operations including marketing.

Environmental sustainability: A management approach that involves developing strategies that both sustain the environment and produce profits for the company.

Environmental threat: An unfavorable situation that, if not accounted for and acted upon, would lead to severe decline in selling effectiveness.

Environmentalism: An organized movement of concerned citizens, businesses, and government agencies to protect and improve people's living environment.

Episodic memory: Images in long-term memory that reflect our memory of past events.

E-purchasing: This term describes the use of electronic means and platforms for purchasing goods and services and information from various online suppliers.

Equal Credit Opportunity Act: A law in US which seeks to reduce or eliminate credit discrimination by making it unlawful to discriminate against an applicant for credit on the basis of race, color, relation, national origin, sex, marital status or age; or because all or part of an applicant's income is obtained from public assistance; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act.

Equal store organization: Centralizes the buying function. Branch stores become sales units with equal operational status.

Equal-appearing intervals: Self-report technique for attitude measurement in which subjects are asked to indicate those statements in a larger list of statements (typically 20-22) with which they agree and disagree; subjects' attitude scores are the average score of the scale values of the statement with which they agree.

Equity alliances: A form of joint venture that involves a cooperating companies' taking an equity position (almost always minority) in the company with which it has a collaborative arrangement. In some cases each party takes an ownership in the other. The purpose of the equity ownership is to solidify a collaborating contract so that it is more difficult to break, particularly if the ownership is large enough to secure a board membership for the investing company

Equivalence: A measure of reliability that is applied to both single instruments and measurement situations. When applied to instruments, the equivalence measure of reliability is the internal consistency or internal homogeneity of the set of items forming the scale; when applied to measurement situations, the equivalence measure of reliability focuses on whether different observers or different instruments used to measure the same individuals or objects at the same point in time yield consistent results.

Error (Type I): Also known as alpha error, occurs when the sample results lead to the rejection of a null hypothesis that is in fact true. The probability of type I error is called level of significance.

Escalator clauses in pricing: One of ways in which a company may increase its prices in the wake of cost uncertainties. Here the company requires the customer to pay today's price and all or part of any inflation increase that takes place before delivery. An escalator clause bases price increases on some specified price index. Escalator clauses are found in contracts for major industrial projects, like airport construction, or bridge building.

Escalator panels: Advertisement panel on wall of escalator, as on London Underground.

Essential-industry argument: The argument holding that certain domestic industries need protection for national security purposes.

Estimated or predicted value: One of the statistics associated with bivariate regression analysis. The estimated or predicted value of Y_i is $\hat{Y}_i = a + bx$, where $\hat{Y}_i$ is the predicted value of Yi, and a and b are estimators of β_0 and β_1, respectively.

Ethical consumer or shopper: It refers to one of the shopping orientations exhibited by the people while shopping various goods and services. This type of consumer shops where she or he “ought to”. This type of shopper is willing to sacrifice lower prices or a wider selection of goods “to help the little guy out”. Consequently, strong attachments are sometimes formed with personnel and storeowner.

Ethics: Moral principles and values that govern the actions and decisions of an individual or group.

Ethnic niches: Specifically targeting marketing efforts toward narrow ethnic groups or subgroups. For instance, Hispanic: Puerto Ricans, Cubans, Mexicans, etc; blacks, Asians, and so on.

Ethnic perspective: An approach to studying (or marketing to) cultures that stresses commonalities across cultures.

Ethnic subculture: A self-perpetuating group of consumers held together by common cultural ties.

Ethnocentrism: A belief that one’s own group is superior to others. The term is used in international business to describe a company or individual so imbued with the belief that what worked at home should work abroad that environmental differences are ignored.

Ethnography: The study of culture by observation. Anthropologists determine cultural values through field studies in which they live with a group or family and observe its customs and behaviour.

Ethnoscape: One of the dimensions of global cultural flow, which may be important to international marketers. Ethnoscape is the landscape of persons who constitute the shifting world in which they live: tourists, immigrants, refugees, exiles, guest workers, and moving groups.

Ethos: A set of moral, aesthetic, and evaluative principles.

Euclidean distance: One of the measures to find out the similarity or differences between the objects in cluster analysis. The most common approach is to measure similarity in terms of distance between pair of objects. It is the most commonly used measure of similarity. It is the square root of the sum of the squared differences in values for each variable.

Eurobond market: A market for Eurobonds which is centered in Europe. It has no national boundaries. Unlike most conventional bonds, Eurobonds are sold simultaneously in several financial centers through multinational underwriting syndicates and are purchased by an international investing public that extends far beyond the confines the countries of issue.

Eurobond: A bond sold in a country other than the one in whose currency it is denominated. A bond issue floated by a French company in German Marks in London, Luxembourg, and Switzerland is a Eurobond. They make up approximately 75% of the international bond market.

Eurobrand: A brand marketed in Europe with several languages on the same package under the same brand name.

Euroconsumer: A person who has many shared values with consumers in neighboring countries.

Eurocredit: A loan, line of credit, or other form of medium- or long-term credit on the Eurocurrency market that has a maturity of more than one year

Eurocurrency market: An international wholesale market that deals in Eurocurrencies whose transactions take place worldwide. Large transactions occur in Asia, Canada and the Caribbean, as well as in London and other European centers. However, London is the key center for this market, with nearly 20% of all Eurocurrency transactions taking place there.

Eurocurrency: Any currency that is banked outside of its country of origin.

Eurodollars: Dollars banked outside of the United States. They constitute a fairly high percentage (65 to 80%) of the Eurocurrency market.

Euro-equity market: The market for shares sold outside the boundaries of the issuing company's home country.

European Coal and Steel Community (ECSC): A common market for coal, iron and steel only, which was established by a treaty signed in Paris on 18 April 1951. The treaty came into force on 23 July1952. The original signatories of the treaty were Belgium, France, Federal Republic of Germany, Italy, Luxembourg and the Netherlands. Denmark, the Republic of Ireland and the UK became members on 1 January 1973; Greece was admitted in 1981.

European commission: One of the five major institutions of the EU, composed of a president, six vice presidents. It serves as an executive branch for the EU.

European community (EC): A common market whose members are Belgium, Denmark, France, Germany, Greece, Ireland, Italy, Luxembourg, The Netherlands, Portugal, Spain and the United Kingdom.

European council: One of the five major institutions of the European Union; made up of the heads of the state of each of the EU members.

European Currency Unit (ECU): A common monetary unit based on a basket of the European Community currencies to facilitate transactions. Once the exchange rate is determined for the currency of each member country, a parity exchange rate is determined for each pair of currencies.

European Free Trade Association (EFTA): A free trade area established in 1960 under the Stockholm convention. Current members are Norway, Sweden, Switzerland, Austria, Liechtenstein, Iceland and Finland. Since 31 December 1966, all duties imposed by EFTA on imports from member countries have abolished and there are no export restrictions between member states. The agreement does not cover agriculture although individual agreements are permitted. Former members Denmark, Portugal and the UK subsequently joined the EU.

European monetary system (EMS): A system created in 1979 to guarantee the internal and external stability of currencies of member countries. It also attempts to coordinate their economic policies.

European parliament: One of the five major institutions of the EU; its representatives are elected directly in each member country.

European patent convention (EPC): A European agreement allowing companies to make a uniform patent search and application which is then passed on to all signatory countries.

European terms: The practice of using the indirect quote for exchange rates

European Union (EU): A form of regional economic integration among countries in Europe that involves a free trade area, a customs union, and the free mobility of factors of production that is working toward political and economic union.

Evaluation (New product): A set of activities scattered through the third, fourth, and fifth stages of the overall product innovation process. These activities measure the evolving worth of the new product being developed. Includes such steps as concept testing, product use testing and market testing.

Evaluation of alternatives: One of the important stages in the consumer decision-making process in which the consumer appraises the benefits to be derived from each of the product alternatives being considered. In this stage a consumer may use a number of decision rules for evaluation of alternative brands available in a given market.

Evaluative criteria: The dimensions used by consumers to compare competing brand alternatives

Evaluative strategies: Processing strategies for brand evaluation that require the organization of information about alternative brands. Most likely to be used if the consumer regard the product important and is highly involved in the purchase process.

Event marketing: A type of promotion where a company or a brand is linked to an event or where a theme activity is developed for the purpose of creating experiences for consumers and promoting a product or service. Marketers often do event marketing by associating their product with some popular event such as a sporting event, concert, fair, or festival.

Event nodes: Decision points along a web chain.

Event sponsorship: A type of promotion whereby a company develops sponsorship relations with a particular event such as a concert, sporting event, or other activity and provides financial support in return for the display a brand name, logo, or advertising message and be identified as a supporter of the event.

Everyday low pricing (EDLP): A pricing strategy used by retailers where they use permanent price reductions instead of occasional sales promotion incentives. These constant prices eliminate week-to-week price uncertainty.

Evidences in research: In order to establish causal relationship through a research project among two or more variables three evidences are required. These are concomitant variation, time order of occurrence of variables, and elimination of other possible causal factors. If all the evidence is strong and consistent, it may be reasonable to conclude that there is a causal relationship between the two variables. Experiments in the marketing research have the capability in providing these evidences.

Evoked set: The subset of all the brands of which a consumer is aware. The consumer reduces the number of brands to be reviewed during the alternative evaluation stage to a manageable level. The exact size of the evoked set varies from one consumer to another consumer and depends on such factors, as the importance of purchase and the amount of time and energy the consumer wants to spend comparing alternative brands.

Evolving product: Like a butterfly, a new product does not just emerge. It begins as a concept (or even just an opportunity), and then goes through various stages, such as protocol, prototype plot plant product, and marketed product.

Exchange (spot) markets: it refers to one of the forms of electronic marketplaces on Internet from which companies may purchase especially industrial commodities. Many industrial commodities are sold on spot electronic markets where prices change by the minute. CheMatch.com is an exchange for buyers and sellers of bulk chemicals

Exchange controls: Government limits on the amount of foreign exchange with other countries and on the exchange rate against other currencies.

Exchange rate risk: Risk arises from the need to conduct the transaction in more than one currency where a future payment could be more expensive, or a future receipt less valuable than was expected.

Exchange rate: It is the number of units of one currency that must be given to acquire one unit of another currency. The exchange rate, thus, is the link between different national currencies that makes international price and cost comparisons possible.

Exchange theory: The perspective that every interaction involves an exchange of value

Exchange: Trade of something of value between two parties such as a product or service for money. This is the core concept or domain for study in marketing.

Exclusionary zones (outdoor advertising): Industry code of conduct that prohibits the advertising of products within 500 feet of churches, schools, or hospitals of any products that cannot be used legally by children.

Exclusive curve effects: Increased efficiency due to economies of scale and increased effectiveness due to accumulated knowledge.

Exclusive dealing: A type of restriction, which a company may impose on a distributor or dealer that it may carry only the company's product and not handle competitors' products. It often includes exclusive territorial agreements. The producer may agree not to sell to other dealers in a given area, or the dealer may agree to sell only in its own territory. There are two types of exclusive dealing arrangements. These are one-way exclusive dealing and two-way exclusive dealing.

Exclusive distribution: A market coverage strategy that relies on one retailer in a given geographic territory. It is most appropriate when the product is high involvement specialty or shopping good. Exclusive distribution is also useful when a firm wants to differentiate its products on the basis of high quality, prestige, or excellent customer service. The main advantage of exclusive distribution are that the manufacturer can choose retailers whose clientele match its target market, and that there will be close cooperation in implementing the producer's merchandising and customer service programs.

Exclusive marketing: Situation in which a product supplier will offer selected vendors exclusive rights to a specific geographic area, industry and/or marketing channel. Resellers like having the exclusive right to a product because it means limited competition, which in turn leads to higher profit margins. They feel limited competition gives them a better opportunity to develop an area and are more likely to allocate resources to marketing the product. For the product manufacturer, granting exclusive marketing rights carries certain hazards. If a reseller is not reaching quota objectives, there's little remedial action the manufacturer can take as long as the agreement in place. Manufacturers who grant exclusive rights should, in turn, demand quantity commitments or agreements that ca be cancelled if objectives are not reached.

Executive spokesperson: A corporate executive who speaks on behalf of his or her company's product or service.

Executive summary: A brief summary of the results of the research project commissioned by the client. It stresses the major findings, conclusions, and recommendations of the research team.

Exhibition train: One, which can be toured to different towns, remaining in station and siding so that visitors can see exhibition on board.

Exhibition: A temporary event at which customers, sellers and competitors are brought together.

Exit barriers (barriers to exit): This refers to all those conditions that make it difficult for a firm to exit a particular market in a particular industry, such as legal or moral obligation to customers, creditors and employees; government restrictions; low asset salvage value due to over specialization or obsolescence; lack of alternative opportunities; high vertical integration; and emotional barriers.

Exotic currencies: The currencies of developing countries; also called exotics

Expatriates: Non-citizens of the country in which they are working

Expectancy theory: The perspective that behavior is largely "pulled" by expectations of achieving desirable outcomes, or positive incentives, rather than "pushed" from within.

Expected customer service: Level of service that customers want to receive from any retailer, such as basic employee courtesy.

Expected effects matrix: A matrix of two dimensions**:** damages and probability. Used to classify negative events that might take place during the launch of new item. A high score on both dimensions increase the need for action.

Expected monetary value (EMV) criterion: Selection of the alternative with the highest expected monetary value.

Expected monetary value of imperfect information (EMVII) In marketing research terms, the measure of the value of a study; calculated as EMVII = EMV (with study) – EMV (without study).

Expected monetary value of perfect information (EMVPI): Equal to EMV (C) – EMV (UC) this represents the gain over expected outcomes under uncertainty and represents the absolute theoretical limit of the amount one would be willing to pay for perfect information, EMV(C) and EMV(UC) are EMVs under certainty and uncertainty, respectively.

Expected opportunity loss: Number given by the product of the probability of a wrong decision times the amount lost by making the incorrect choice.

Expected price range: The range of prices the consumer expects to find in the marketplace, which tend to be a wider range than the consumer's acceptable price range.

Expected product: One of the levels of a product that a marketing planner has to keep in mind while planning the offer. This is the third level at which the marketer tries to give the product a set of attributes and conditions that buyers normally expect when they purchase this product.

Expected self-image: How individuals expect to see themselves at some specified future time.

Expected value of a research procedure: Value determined by multiplying the probability of obtaining the *Kth* research result by the expected value of the preferred decision given the *Kth* research result and summing the products.

Expected value of perfect information: Difference between the expected value under certainty and the expected value of the optimal act under uncertainty.

Expected value under certainty: Value derived by multiplying the consequence associated with the optimal act under each possible state of nature by the probability associated with that state of nature and summing the products.

Expected value: This is the value resulting from multiplying each consequence by the probability of that consequence occurring and summing the products.

Experience curve (learning curve): The drop in the average per-unit production cost that comes with accumulated production experience. This happens because workers learn shortcuts, materials flow more smoothly, procurement costs fall and so on. The result is the decline in average cost of production.

Experience survey: Interviews with people knowledgeable about the general subject being investigated.

Experiential brands: A concept that is used with respect brand strategy decision. An experiential brand is that one, which is purchased by the consumers on the basis of what experience it, will give. Experiential brands involve the consumer beyond simply acquiring the product. The consumer encounters “people” and “place” with these brands, such as restaurants, bookstores, movie halls etc.

Experiential marketing: One of the client side tools that may be used in the CRM, it gets the consumer involved to create the memorable experience offline or online.

Experiential merchandising: Tactic whose intent is to convert shopping from a passive; activity into a more interactive one, by better engaging the customer.

Experiential perspective: An approach stressing the gestalt or totality of the product or service experience, focusing on consumers' affective responses in the marketplace.

Experiential sources: One of the important sources of information through which a customer may gather information about a product or service on the basis of experiencing or using a product. These include handling, examining, touching, tasting and using the product.

Experiment: A scientific investigation in which an investigator manipulates and controls one or more independent variables and observes the dependent variable for variation concomitant to the manipulation of the independent variables.

Experimental mortality: Experimental condition in which test units are lost during the course of an experiment.

Experimental research designs (causal research designs): One of the major types of research designs in which the investigator has direct control over at least one independent variable and manipulates at lest one independent variable and also mechanisms to control the extraneous variables. Experimental designs may be classified as pre-experimental, true experimental, quasi-experimental and statistical.

Experimental research: The gathering of primary data by selecting matched groups of subjects, giving them different treatments, controlling extraneous factors, and checking for differences in-group responses.

Experimentalism: An approach to the study of consumer behavior that focuses on the consumption experience. (See also Interpretivism and Postmodernism.)

Expert appeals: The promotional use of a person who, because of his or her occupation, special training, or experience, is able to speak knowledgeably to the consumer about the product or service being advertised.

Expert power: Authority derived from possessing a specific knowledge or skill.

Expert spokesperson: Person who has a professional and technical relationship with a product or service.

Expertise: An aspect of source credibility in marketing communication particularly in advertising, where a communicator is perceived as being knowledgeable in a given area or for a particular topic.

Exploratory research: Research design in which the major emphasis is on gaining ideas and insights; it is particularly helpful in breaking broad, vague problem statements into smaller, more precise sub problem statements. Exploratory research is characterized by flexibility and versatility with respect to method used because formal research protocols and procedures are not employed. The various methods used in exploratory research are: (1) Expert surveys, (2) Pilot surveys, (3) literature survey through secondary data, and (4) Qualitative research.

Exponential smoothing: A forecasting technique in which the forecast for the next period is a weighted average of sales over the past X time periods, the more recent periods are weighted more heavily than the earlier periods.

Exponential smoothing: One of the ways of estimating future sales of a product or service by analyzing the past sales of a company. This method consists of projecting the next period's sales by combining an average of past sales and the most recent sales, giving more weight to the latter.

Export license: A document that grants government permission to ship certain products to a specific country. For example, an exporter needs to check with the relevant government authorities of that country to determine if its products can be shipped under a general license or if they must be exported under individually validated licensing arrangement for which it has to take permission.

Export management company (EMC): A company that buys merchandise from manufacturers for international distribution or sometimes acts as an agent for manufacturers. The EMC's primary function is to obtain orders for its client's products through the selection of appropriate markets, distribution channels, and promotion campaigns. It collects analyzes, and furnishes credit information, and advice regarding foreign accounts and payment terms. The EMC also may handle documentation, arrange transportation, setup patent and trademark protection in foreign countries, and counsel and assist in establishing alternative forms of doing business, such as licensing or joint ventures.

Export packing list: A shipping document that itemizes the material in each individual package and indicates the type of package and is attached to the outside of the package. This list is used by the shipper or freight forwarder and sometimes by custom officials to determine the nature of the cargo and whether the correct cargo is being shipped.

Export-Import Bank (Eximbank): A bank that specializes in foreign lending to support exports.

Exporting: The simplest way to enter a foreign market as it involves the least commitment and risk. It can be direct or indirect. The latter relies on the expertise of domestic international middlemen.

Export-led development: An industrialization policy emphasizing industries that will have export capabilities.

Ex-post-facto study: A study in which the researcher starts with some currently existing condition, and then attempts to discover the events (variables), which caused it. This is not an experimental design because variables are not manipulated and subjects are not assigned to treatment/control groups.

Exposure draft: The first draft of an accounting standard, which is open to comment by parties other than the IASC,

Exposure: (1) A situation in which a foreign-exchange account is subject to a gain or loss if the exchange rate changes. (2) An initial stage of perception during which some sensations come within range of consumers' sensory receptors

Express warranty: Spoken or written promises made by the seller of a product about what will be done if the product proves to be defective in manufacture or performance. This is in contrast with promises that are only implied by common knowledge of the product or by customary practices in a trade.

Expressive projective techniques: Require the consumer to assume the role or behaviour of an object or another person. They are used to uncover information (about an individual's attitudes and values) not available through direct questioning or observation.

Expressive roles: Family purchase roles related to the need for social and emotional support (e.g., decisions regarding style, colour or design).

Expropriation: The government supposedly in the "public interest" seizes a company. Compensation is frequently at a level lower than the investment value of the company's assets.

Extended decision-making: Occurs when a consumer makes full use of the decision process, usually for expensive, complex items with which the person has had little or no experience.

Extended family: Traditional family structure in which several generations live together

Extended log: The combined information of the common log and the referrer log. It captures both where a user originated from and what is viewed on the Web site.

Extended problem solving: An elaborate decision-making process, often initiated by a motive that is fairly central to the self-concept and accompanied by perceived risk; the consumer tries to collect as much information as possible, and carefully weighs product alternatives.

Extended self: This is the modification or changing of the self by which consumers use self-altering products or services to conform to or take on the appearance of a particular type of person (e.g.. a biker, a physician, a lawyer, a college professor).

Extended warranties: These are warranties in which sellers agree to provide free maintenance and repair services for a specified period of time at a specified contract price. This is also sometimes called *service contracts*

Extensible Markup Language (XML): A new web technology that in principle, has unlimited functionality. Extensible means that the user to accommodate new types of data can extend the language. XML has strong support. It is built into Internet Explorer, Netscape Navigator, the MS-Office, and many more software.

Extensive problem solving: A search by the consumer to establish the necessary product criteria to evaluate knowledgeably the most suitable product to fulfill a need.

External (secondary) data: Data that originate outside the organization for which the research is being done. These data may exist in the form of published material, online databases, or information made available by syndicated services. Before collecting external secondary data, researcher should analyze the internal secondary data.

External analysis of preferences: In the context of multidimensional scaling procedures the preferences have to be analyzed. In the external analysis of preferences, the ideal points or vectors based on preference data are fitted in a spatial map derived from perception. In order to perform external analysis, both preference and perception data must be obtained.

External analysis: The phase of the promotional planning process that focuses on factors such as the characteristics of an organization's customers, market segments, positioning strategies, competitors, and marketing environment.

External audiences: In public relations, a term used in reference to individuals who are outside of or not closely connected to the organization such as the general public.

External audits: Evaluations performed by outside agencies to determine the effectiveness of an organization's public relations program.

External information: Information obtained from sources outside the firm (e.g., trade magazines, government, trade associations).

External links: Web links that take the user to a different, usually independent, Web site.

External marketing: It refers to the marketing directed to people outside the company, particularly to the consumers.

External PR: Public relations exercises aimed at those outside the organisation.

External search: The search process whereby consumers seek and acquire information from external sources such as advertising, other people, or public sources.

External suppliers: In the context of doing marketing research these refer to a particular type of research suppliers. External suppliers are outside firms hired to supply marketing research data. These external suppliers range from small outfits (one or few persons) to very large global corporations. External suppliers can be classified as full-service or limited-service suppliers.

External validity: One criterion by which an experiment is evaluated; the extent, to what populations and settings, to which the observed experimental effect can be generalized. In other words, can the results be generalized beyond the experimental situation? Threats to external validity arise when the specific set of experimental conditions does not realistically take into account the interactions of other relevant variables in the real world.

External/attribution: A principle that suggests that consumers are likely to credit their success to outside sources.

Externalities: External economic costs related to a business activity.

Extinction: The process whereby a learned connection between a stimulus and response is eroded so that the response is no longer reinforced

Extra dating: One of the ways of getting cash discounts from the manufacturer. It is a method of billing, which allows for cash discount and the full payment period to begin after giving some free days after the merchandise are received by the buyer or retailer.

Extraneous variables: Used in the context of experimental designs, this refers to any variable other than the treatments (independent variables) that affects the response of the test unit to the treatments. These variables can confound the dependent variable measures in a way that weakens or invalidates the results of the experiment.

Extranets: These are two or more intranet networks that are joined for the purpose of sharing information. If two companies link their intranets, they would have an extranet. By definition, extranets are proprietary to the organizations involved. Companies participating in an extranet have formed a structural bond, the third and strongest level of relationship marketing. The use of extranets allows CRM to integrate with and supply chain management (SCM). Extranets are not accessible to everyone as they are password protected.

Extraterritoriality: In the context of MNEs operations this refers a situation that occurs when governments apply their laws to foreign operations of companies. Many MNEs fear these situations in which home-country and host-country laws conflict, since settlement inevitably must be between governmental offices, with companies caught in the middle.

Extreme retailing: This refers to all those innovative ways that are being adopted by conventional retail outlets (brick-and-mortar stores) to attract customers. Many big retailers are offering a host of new services and promotions designed to increase customer traffic. Retailers are also creating in-store entertainment in the hope of attracting customers, who want fun and excitement i.e., "shoppertainment". In addition, many retailers are adding Internet content to their physical stores.

Extrinsic cues: Cues external to the product, such as price, store image, or brand image, which serve to influence the consumer's perception of a product's quality.

Eye camera: A camera used to record movements of the eye; it is often used to record responses to advertisements.

Eye tracking: A method for following the movement of a person's eyes as he or she views an ad or commercial. Eye tracking is used for determining which portions or sections of an ad attract a viewer's attention and / or interest.

F

***F* distribution:** A frequency distribution that depends upon two sets of degrees of freedom—the degrees of freedom in the numerator and the degrees of freedom in the denominator. The critical values of *F* distribution for various degrees of freedom both for numerator and denominator are given in most of the books on marketing research in the appendix. *F* distribution is used in the form of *F* ratio in analysis of variance for comparing the means.

***F* statistic:** One of the statistics associated with one-way analysis of variance. It is the null hypothesis that the category means are equal in the population is tested by an F statistic based on the ratio of mean square related to X and mean square related to error.

***F* test:** One of the statistics associated with multiple regression analysis. The F test is used to test the null hypothesis that the coefficient of multiple determination in the population, R^2_{pop} is zero. This is equivalent to testing the null hypothesis H_0: $\beta_1 = \beta_2 = \beta_3 = \ldots = \beta_k = 0$. the test statistic has an F distribution with k and (n – k – 1) degrees of freedom.

***F* values:** One of the statistics associated with ANOVA as well as discriminant analysis. In discriminant analysis these are calculated from one-way ANOVA, with the grouping variables serving as the categorical independent variables. Each predictor, in turn, serves as the metric dependent variable in the ANOVA.

Face validity: A form of content validity that exists when "nonexperts" such as respondents or executives judge the measuring instrument as appropriate for the task at hand.

Face-to-face selling: One of the oldest and original forms of direct marketing. Today most industrial companies rely heavily on a professional sales force to locate prospects, develop them into customers, and grow the business; or they hire manufacturer's representatives and agents to carry out the direct selling task. Though it is not as common as in industrial companies, even consumer goods and service companies use a direct selling force.

Facilitating institution: It is one of the member of the marketing channel that does not take title to the goods it handles but facilitates the marketing process by specializing in the performance of certain marketing functions.

Factor analysis: A body of techniques concerned with the study of interrelationships among a set of variables, none of which is given the special status of a criterion variable. Researchers can use factor analysis for two primary functions. One is to identify underlying constructs in the data. The second role of factor analysis is to reduce the number of variables to a more manageable set. The two most commonly employed factor analytic techniques in marketing applications are principal component and common factor analysis.

Factor listing: Identification of factors affecting sales and their specific impact in the forecast period.

Factor loading plot: One of the statistics associated with factor analysis. A factor loading plot is a plot of the original variables using the factor loadings as coordinates.

Factor loadings: One of the statistics associated with factor analysis. It is the quantity that results from a factor analysis and which indicates the correlation between a variable and a factor.

Factor matrix: One of the statistics associated with factor analysis. It contains the coefficients used to express the standardized variables in terms of the factors. These coefficients, the factor loadings, represent the correlations between the factors and the variables. A coefficient with a large absolute value indicates that the factor and the variable are closely related. The coefficients of the factor matrix can be used to interpret the factors. This matrix is also known as factor pattern matrix.

Factor mobility: In the context of international trade, it refers to the free movement of factors of production, such as labor and capital, across national borders.

Factor scores: One of the statistics associated with factor analysis. These are the composite scores estimated for each respondent on the derived factors.

Factorial design: A statistical experimental design that is used when the effects of two or more independent variables that are being simultaneously studied; each level of each factor is used with each level of each other factor. A factorial design may also be conceptualized as a table. In a two-factor design, each level of one variable represents a row and each level of another variable represents a column. Multidimensional tables can be used for three or more factors or variables.

Factor-proportion theory: An international trade theory that holds that differences in countries' endowments of labour relative to their endowments of land or capital explained differences in factor costs. According to this, if labour were abundant in relation to land and capital, labour costs would be low and land and capital costs high and vice versa.

Factory outlet: Off-price retailing operation that is owned and operated by a manufacturer and that normally carries the manufacturer's surplus, discontinued, or irregular goods.

Factory outlets: Off-price retailers that are normally owned and operated by the manufacturers and normally carry the manufacturer's surplus, discontinued or irregular goods.

Fad Merchandise: Items that generate a high level of sales for a short time.

Fads: Fashions that enter quickly are adopted with great zeal, peak early, and decline very fast. A company can cash in on a fad, but this is more a matter of luck and good timing than anything else.

Failure fee: A trade promotion arrangement whereby a marketer agrees to pay a penalty fee if a product stocked by a retailer does not meet agreed-upon sales levels.

Failure rate: The percentage of a firm's marketed new products that fail to achieve the objectives set for them. Should not be confused with the decay or mortality rate. The term failure rate should only be used on products that go to the full intended market target, not a trial or rollout subset.

Fairness doctrine: A Federal Communication Commission program that required broadcasters to provide time for opposing viewpoints on important issues.

False advertising: Involves a claim-fact discrepancy. It is a form of deceptive advertising.

Familiarity scale: A type of measurement scale where a company measures the target market's knowledge of its products and various other marketing policies.

Family brand: A brand used on two or more individual products. The product group may or may not be all that firm's product line. The individual members of the family also carry individual brands to differentiate them from other family members. Automobiles fit the situation, as with Oldsmobile (family), Cutlass (family), Ciera (individual).

Family Branding: The practice of marketing several company products under the same brand name.

Family gatekeeper: A family member who controls the flow of information to the family about products or services, thereby regulating the related consumption decisions of other family members.

Family household: A housing unit containing at least two people who are related by blood or marriage

Family Influencer: A family member who provides product related information and advice to other member of the family, thereby influencing related consumption decisions.

Family life cycle: Classification of family units into significant groupings in terms of changes in income and family composition and the changes in demands placed on this income. The five traditional stages are Bachelorhood, Honeymooners, Parenthood, post- parenthood, and Dissolution.

Family life-cycle analysis (FLCA): A strategic tool that enables marketers to segment families in terms of a series of stages spanning the life course of a family unit.

Family packaging: Using one design or other key packaging element to integrate the packaging of two or more individual items. The packages clearly belong to one set, but there are usually some individualization, especially in brand name.

Family: Two or more persons related by blood, marriage, or adoption who reside together.

Family-owned business: An enterprise owned, operated, and controlled by a single family. Most are small – to medium-sized enterprises. The family – owned business may be a nice place to work, but a difficult place to advance a career.

Fantasy analogy: One of the synetic techniques of creativity, which is some times used in generating new product ideas. Members are encouraged to propose ideal, although sometimes far fetched solutions, such as using insects, animals, or machines to solve problems,

Fantasy: (1) A self-induced shift in consciousness, often focusing on some unattainable or improbable goal; sometimes fantasy is a way of compensating for a lack of external stimulation or for dissatisfaction with the actual self. (2) In the context of advertising, this refers to an execution technique that is popular for emotional appeals. Fantasy executions are particularly well suited for TV as the commercial can become a temporary escape for the viewer into another lifestyle. Cosmetic advertisements often use fantasy appeals to create images and symbols that become associated with the brand.

FAQs (Frequently Asked Questions): A file of stored answered to the most frequently asked queries. Most of the companies have included a separate section on FAQs in their web sites.

Fashion acceptance cycle: The diffusion process of a style through three stages**:** introduction, acceptance, and regression

Fashion life-cycle: The "career" or stages in the life of a fashion as it progresses from introduction to obsolescence

Fashion Merchandise: Products that may have cyclical sales due to changing tastes and life-styles.

Fashion system: Those people and organizations involved in Clearing symbolic meanings and transferring these meanings to cultural goods

Fashion: The process of social diffusion by which a new style in a given field is adopted by some groups of consumers

Fatalism: A belief that events are fixed in advance and human beings are powerless to change them.

Favorable balance of trade: An indication that a country is exporting more than it imports.

Favorable competitor: One of the possible competitive positions that a company may occupy in a target market. This refers to a firm that has an exploitable strength and a more-than-average opportunity in improving its position.

Fear appeal: One of the frequently used themes in the advertisement. This is an **a**ttempt to change attitudes or behavior through the use of threats or by highlighting negative consequences of noncompliance with the request

Feature: A product attribute with an identifiable characteristics. Is usually physical (on goods) or a sequence step (on services). This is in contrasts with other types of attributes (e.g. benefits).

Features-benefits selling: Type of selling in which the seller relates to a prospect's needs by emphasizing the benefits received from the seller's product. It is a desirable characteristic of a product.

Federal Communications Commission (FCC): In the US context this is the federal authority empowered to license radio and TV stations and to assign wavelengths to stations "in the public interest."

Federal preemption: The policy of giving federal jurisdiction priority over state and local laws and regulation.

Federal Trade Commission (FTC): The federal agency in US that has the primary responsibility for protecting consumers and businesses from anticompetitive behavior and unfair and deceptive practices. The FTC regulates advertising and promotion at the federal level.

Federal Trade Commission Act: Federal legislation passed in 1914 in US that created the Federal Trade Commission and gave it the responsibility to monitor deceptive or misleading advertising and unfair business practices.

Fee-commission combination: A type of compensation system whereby an advertising agency establishes a fixed monthly fee for its services to a client and media commissions received by the agency are credited against the fee.

Feedback: In connection with the communication process this refers to the part of message recipient's response that is communicated back to the sender. Feedback can take a variety of forms and provides a sender with a way of monitoring how an intended message is decoded and received.

Fees: Payments for the performance of certain activities abroad.

Felt conflict: It refers to a stress, tension, or conflict resulting from perceiving a conflict. This term is used often in the context of channel-producer conflict situation. It is the affective dimension of conflict. Not all producers and retailers that perceive conflict will experience felt conflict; some may have high tolerance for perceived conflict and some have low tolerance.

Fertility rate: A rate determined by the number of births per year per 1,000 women of childbearing age

Field edit: One of the types of editing of the raw data collected in a research project. This refers to the preliminary edit, typically conducted by a field supervisor, which is designed to detect the most glaring missions and inaccuracies in a completed data collection instrument.

Field error: Nonsampling error that arises during the actual collection of the data done by the field workers.

Field experiment: Research study in a realistic situation in which the experimenter under carefully controlled conditions manipulates one or more independent variables, as the situation will permit.

Field force: In the data collection process the research organization or the researcher need the services of field force, which consists of interviewers and supervisors. Mail surveys, mail panels, e-mail, and Internet surveys do not require field force. However, traditional telephone interviews, CATI, mall intercept interviews, and CAPI all require different number of field force. In-home personal interviews are problematic in this respect, because many interviewers work in many locations, continued supervision is impractical.

Field observation: A cultural measurement technique that takes place within a natural environment (sometimes without the subjects' awareness) that focuses on observing behaviour.

Field of experience: The experiences, perceptions, attitudes, and values that senders and receivers of a message bring to a communication situation.

Field study: In-depth investigation of a few cases typical of the target population, emphasizing the interrelationship of a number of factors.

Field survey: Cross-sectional study in which the sample is selected to be representative of the target population and in which the emphasis is on the generation of summary statistics such as averages and percentages.

Field tests: Tests of consumer reactions to an advertisement that are taken under natural viewing situations rather than in a laboratory.

Field training: Training conducted in the presence of prospects.

Field value-in-use assessment: One of the methods used in assessing the customer value in business markets. In this method customers are interviewed about cost elements associated with using the new product offering compared to an incumbent product and assign money values to these cost elements. An example would be pricing a famous brand of tractor against a competitor. This famous brand tractor has less downtime, quicker repair time, and more resale value. The task is to assess how much each element is worth to the buyer.

Field work: The portion of the research process during which data are actually collected from respondents or subjects. Fieldwork requires a number of steps. These are: (1) Selection of field workers, (2) Training of field workers, (3) Supervision of field workers, (4) Validation of field work, and (5) Evaluation of field workers.

FIFO (First in, First Out): Logically assumes old merchandise is sold first, while newer items remain in inventory. It matches inventory value with the current cost structure.

Figure and ground principle: A Gestalt principle of perceptual organization that focuses on contrast. Figure is usually perceived clearly because, in contrast to (back) ground, it appears to be well defined, solid, and in the forefront, while the ground is usually perceived as indefinite, hazy, and continuous. Music can be figure or (back) ground.

Filter questions: One of the types of questions that are used to elicit the information from the respondents. In situations where not all respondents are likely to be informed about the topic of interest, filter questions are used. These are the initial questions in a questionnaire that screen potential respondents to ensure they meet the requirement of the sample.

Final price selection: The last step in the setting of price of a product or service. In selecting the final price, the company must consider additional factors, including psychological pricing, the influence of other marketing mix variables on price, company's earlier pricing policies, and the impact of price on other parties.

Financial audit: An aspect of the advertising agency evaluation process that focuses on how the agency conducts financial affairs related to serving client.

Financial incentives: Direct monetary payments or indirect rewards with monetary value.

Financial leverage ratio: This shows the extent to which the retailer or a company is using debt in its total capital structure. It is equal to total assets divided by net worth. A ratio of around 2.0 times is generally considered comfortable for a retailer or a company.

Financial merchandise management: Occurs when a retailer specifies exactly which products (goods and services) are purchased, when products are purchased, and how many products are purchased.

Financial performance objectives: Those objectives, which can be stated in monetary or economic terms. There bare basically two types of financial performance objectives, which a company may be pursuing at a particular time. These are profitability and productivity. Profitability objectives include: gross margin return on sales, return on assets, return on net worth, earning per share, and operating profit margin. Similarly the productivity objectives include: material productivity, and labour productivity.

Financial risk: The perceived risk that the product will not be worth its cost.

Finanscape: One of the dimensions of global changes, which may be important to international marketers. Finanscape is the disposition of global capital. Currency markets, national stock markets and commodity speculations do not restrict themselves to the old boundaries.

Finished artwork: In the context of advertising, it refers to **c**omplete camera-ready or computer-generated copy comprising words and pictures. It is also called mechanical artwork or mechanical.

Finite population correction: It is a correction for overestimation of the variance of a population parameter, e.g., a mean or proportion, when the sample size is 10 percent or more of the population size.

Firewall: A type of security device usually a special computer software, used to prevent unauthorized access to an intranet or extranet.

Firm-oriented definition of innovation: Treats the newness of a product from the perspective of how new it is for the company producing or marketing it.

First entry (new product): One of the possible choices a company may use in commercializing a new product with respect market entry timings. The first company entering the market usually enjoys the "first mover advantages" for getting key distributors and customers and gaining Reputational leadership as a pioneer. But if the product is rushed to market before it is thoroughly debugged, the first entry may backfire.

First-in advantage: Any benefit gained in terms of brand recognition and lining up of the best suppliers, distributors, and local partners because of entering a market before competitors do.

First-mover advantage: A cost-reduction advantage due to economics of scale attained through moving into a foreign market ahead of competitors.

First-to-market: The first product that creates a new product category or a substantial sub-division of one. Distinguish the pioneering product from those that follow.

First-world countries: The non-socialist industrialized countries.

Fisher effect: The theory about the relationship between inflation and interest rates; for example, if the nominal interest rate in one country is lower than that in another, the first country's inflation should be lower so that the real interest rates will be equal.

Five (5)-W's model of communication: A model of the communications process that contains five basics elements**:** who? (Source), says what? (Message), in what way? (Channel), to whom? (Receiver), and with what effect? (Feedback).

Five forces model of market: Michael Porter has identified five forces that determine the intrinsic long run profit attractiveness of a market or market segments. A market's attractiveness depends on the five threats. These are: (1) threat of intense segment rivalry, (2) threat of new entrants, (3) threat of substitute products, (4) threat of buyers growing bargaining power, and (5) threat of suppliers growing bargaining power.

Five Ms: This refers to the main disadvantages associated with focus group interviews. These are: (1) Misuse, (2) Misjudge, (3) Moderation, (4) Messy, and (5) Misrepresentation.

Fixated consumers: These consumers have a passionate interest in a specific product category. They do not keep their objects or purchases of interest a secret; rather they frequently display them, and their involvement is openly shared with others who have a similar interest.

Fixated consumption behaviour: A type of normal consumption behaviour that lies between materialism and compulsion with respect to buying and possessing objects. It is the notion of being fixated with regard to consuming or possessing.

Fixed assets: These are the assets that cannot be converted into cash in a short period of time (e.g., buildings, fixtures, and equipment).

Fixed component compensation plan: One of the types of compensation plan offered to sales people by a company. It is a compensation plan comprising some base wage per hour, week, month, or year or an annual, monthly, or weekly salary.

Fixed costs: One of the types of costs associated in the production of products and services. These are the costs, which do not change over, the short run as a result of a change in sales volume.

Fixed price: It is one of the methods of pricing adopted by the sellers. In this type of pricing no bargaining takes place.

Fixed sample: Sample for which size is determined *a priori* and needed information is collected from the designated elements.

Fixed-alternative questions: One of the types of questions in a questionnaire which are most commonly used. These types of questions require the respondent to select from a predetermined set of responses.

Fixed-effects model: One of the ANOVA procedures in which the inferences about differences among treatments administered are made, but no interpolation between treatments is done.

Fixed-fee arrangement: A method of advertising agency compensation whereby the agency and client agree on the work to be done and the amount of money the agency will be paid for its services.

Fixed-field codes: One of the systems of coding in which the number of records for each respondent are the same, and the same data appear in the same column for all respondents.

Flagship approach: It refers to a product line strategy that may be followed by a company to create high image. Under this strategy the company gives prominence to one of its best models with the highest price, highest quality, and features.

Flaming: Sending insulting or obscene messages by e-mail.

Flank attack: One of the strategies that may be used by a market challenger to attack the market leader in an industry. Here the challenger attacks the weaker spots of the market leader. A flank attack can be directed along two strategic dimensions—geographical and segmental. In geographical attack the challenger spots areas where the leader is under performing or has slight weakness. The other flanking strategy is to serve uncovered market needs, Japanese auto makers did when they developed more fuel-efficient cars.

Flank defense: One of the defense strategies sometimes adopted by the market leader in an industry, where the market leader not only erect defenses on its current main businesses but also fortifies its auxiliary businesses.

Flat rate: In the context of purchasing media time and space for advertising, it refers to a uniform charge for space in a medium, without regard to the amount of space used or the frequency of insertion. When flat rates do not prevail, time discounts or quantity discounts are offered.

Flea market: Location where many vendors offer a range of products at discount prices in plain surroundings. Many flea markets are located in nontraditional sites not normally associated with retailing. They may be indoor or outdoor.

Flexible budgeting: Budgeting process in which a base budget geared to average conditions is drawn up and then adjusted in accordance with actual sales results.

Flexible exchange rate: An exchange rate determined by the laws of supply and demand and with minimal governmental interference.

Flexible globalization: An attempt to standardize marketing strategies across countries but to be flexible enough to adapt components of the strategy to local conditions.

Flexible market offering: In a segment marketing not all customers may require the same product or service. Therefore, marketers may come up with a flexible market offering. A flexible market offering consists of two parts: a *naked solution* containing the product and service elements that all segment customers value, and *discretionary options* that some segment's customers value. Each option might carry an additional charge.

Flexible pricing: Strategy that lets consumers bargain over selling prices; those consumers who are good at bargaining obtain lower prices than those who are not.

Flexography: Form of letterpress printing, using flexible rubber plates and used for printing on delicate material such as foil. Used for newspaper printing and adopted at new *Daily Mail* plant, using improved photopolymer plates and inks and rivals offset litho. Flexo inks brighter than offset inks. Good picture reproduction.

Flighting: One of the media scheduling patterns in which there are some periods in which advertising is more and there are certain periods in which advertising is less.

Float: White space around an advertisement. These can occur when same advertisement is supplied for publications with different page sizes instead of producing adaptations to suit different spaces.

Floating currency: A currency whose value responds to the supply and demand for that currency.

Floor-ready merchandise: Items that are received at the store in condition to be put directly on display without any preparation by retail workers.

Flow charts: These are the diagrams that are used to make the presentation. Flow charts take on a number of different forms. They can be used to display the steps or components of a process. Another useful form of these flow charts is classification diagrams. These are also known as schematic figures.

Flow: The proper balance between the rewards and difficulties of using the Net, which allows the user the optimum experience in terms of entertainment and satisfaction.

Fluctuating demand: One of the characteristics of organizational or industrial markets. The demand for industrial goods and services tend to be more volatile than the demand for consumer goods and services. A given percentage in consumer demand can lead to a much larger percentage increase in the demand for plant and equipment necessary to produce the additional output. Sometimes, arise of only 10 percent in consumer demand can cause as much as 150-200 percent rise in industrial demand for products in the next period; similarly 10 percent fall in consumer demand can cause as much as 150-200 percent fall in industrial demand for products.

Flutter sign: Outdoor poster site made up of spangles, which flutter in the breeze and appear to be constantly moving. Seen in the East, e.g. Indonesia, but has been used in Piccadilly Circus and elsewhere in Britain.

Fly-by-night operator: Term of contempt for a shady businessperson or firm who may not be found to service a product after it has been sold.

Flyer: A direct mail shot sent to a prospective customer.

Focus group interview: A market research technique where 10 to 12 market participants are gathered in one room for discussion under the leadership of a trained focus group leader. Discussion focuses on a problem, a product, or an activity. The group often meets in special facilities for observation and videotaping. One of the methods of interviewing used in qualitative research.

Focus strategy: One of the three generic marketing strategies proposed by Michael Porter for a business. Under this strategy the business focuses on one or more narrow market segments. The company gets to know these segments intimately and pursues either cost leadership or differentiation within the target segment.

Focus-group assessment: One of the methods used in assessing the customer value in business markets. In this method customers in a focus group are asked what value they would put on potential market offering or product.

Follow-up: (1) The last step in the selling process in which the salesperson follows up after the sale to ensure customer satisfaction and repeat business. (2) In the context of sampling process this refers to contacting the non-respondents periodically after the initial contact in order to increase response rate in the mail surveys. Follow-ups can also be done by telephone, e-mail, or personal contact.

Food and Drug Administration (FDA): A US government agency created in 1906 to set product standards**:** it also requires disclosure of product contents.

Food-based superstore: Retailer that is larger and more diversified than a conventional supermarket but usually smaller and less diversified than a combination store. It caters to consumers' complete grocery needs and offers them the ability to buy fill-in general merchandise.

Foot-in-the-door strategy: One of the strategies adopted by the interviewers to motivate the respondents in providing the information in a survey or experiment. Here, the interviewer starts with a relatively small request in which a large majority of people will comply. The smaller request is followed by a larger request, the critical request, which solicits participation in the survey or experiment. The rationale is that compliance with the initial smaller request should increase the chances of compliance with the subsequent request..

Footprint: Geographical area, covering many countries, which can receive TV programmes broadcast by a satellite station.

Forced-choice scale: A rating scale that does not allow for a "no opinion" or "undecided' response. The scale "forces" the respondent to make a choice, to express his or her attitude.

Forced-rating scale: A type of rating scale sometimes used in a marketing research project. It is rating scale that forces the respondents to express an opinion, because "no opinion" or "no knowledge" option is not provided. In such a case, respondents without an opinion may mark the middle scale position and that may distort the results.

Forced-relationships: A technique used in new product development process whereby creativity is stimulated when two or more separate things are brought together. The items are unrelated, and the mere combining of them shows new and unexpected patterns.

Forecasting research: One of the types of marketing research that comes under the problem identification research. Here, the research is done to forecast sales, or events that may occur in future.

Forecasting: The method of estimating future demand by anticipating what buyers are likely to do under a given set of conditions.

Foregrounding: Bringing particular aspects of the ad to the forefront (for example, making the voiceover louder than the music).

Foreign bond: A bond sold outside of the borrower's country but denominated in the currency of the country of issue.

Foreign direct investment (FDI): A market entry strategy in which a company invests in a subsidiary or partnership in a foreign market. Foreign direct investment entails some degree of control by the investor.

Foreign -exchange control: A requirement that an importer of a given product must apply to its governmental authorities to secure foreign exchange to pay for the product. Failure to grant the exchange, not to mention the time and expense involved in completing forms and awaiting replies, constitutes an obstacle to the conduct of foreign trade.

Foreign exchange: Checks and other instruments for making payments in another country's currency. Foreign exchange includes currencies and other instruments of payment denominated in currencies. A complete understanding of foreign exchange includes knowing the global and national context in which exchange rates are set and how foreign exchange is used in international transactions.

Foreign freight forwarder: A company that facilitates the movement of goods from one country to another.

Foreign investment: Direct or portfolio ownership of assets in another country

Foreign marketing research: Research carried out in a country other than the country of the research-commissioning organization. It is much more complex than domestic research.

Foreign trade zone (FTZ): A government-designated area in which goods can be stored, inspected, or manufactured without being subject to formal customs procedures until they leave the zone. The zones are intended to encourage the companies to locate in the country by allowing them to defer duties, pay lower duties, or avoid certain duties completely. FTZs can be general-purpose zones or sub-zones. A general-purpose zone is generally established near a port of entry, a border crossing or an airport, and usually consists of distribution facility. A sub-zone is physically separated from general-purpose zone but is under the same administrative structure.

Foreign trade: Exporting goods to, and importing goods from, other countries. A strong export trade usually means a strong domestic economy. Large trade deficits (more imports than exports) usually mean that the nation isn't competitive in world markets, which, in turn, leads to jobs being exported overseas.

Foreign-based distributors (or agents): One of the methods of direct exporting in which foreign based distributors and agents are given the exclusive rights to represent the company in that country. They are either given commission or a mark-up on the business they generate.

Foreign-exchange control: A requirement that an importer of a product must apply to governmental authorities for permission to buy foreign currency to pay for the product.

Forgetting rate: It refers to the tendency of the buyers at which rate they forget a specific brand in the absence of advertising. It has been found that more is the forgetting rate; the more continuous advertising is needed.

Forgetting: Forgetting occurs when information stored in memory is lost or when new information interferes with retrieval of stored information. Occurs when the stimulus is no longer repeated or perceived. Lack of use of a product or elimination of advertising campaign can cause forgetting.

Form and layout (questionnaire): In the context of designing a questionnaire this refers to the format, spacing, sequencing, and positioning of questions. The form and layout have a significant impact on the results and quality of responses. It will be good to divide a questionnaire into several parts and the questions in each part should be numbered, particularly when branching questions are to be used.

Form competition: One of the levels of competition, which a company may face in marketing its products and services. This type of competition arises when a company sees its competitors as all companies manufacturing products that provide the same service. For example, Maruti would see itself competing against not only other automobile manufacturers, but also against the manufacturers of all two-wheelers.

Formal Buying Organization: Views merchandising (buying) as a distinct retail task; a separate department is set up.

Formal interpersonal communication: Direct communication between a person representing a profit or non-profit organization and one or more others (e.g. a discussion between a salesman and a prospect).

Formal organizations structure: The organizational structure representing the way employees should behave in terms of lines of authority and responsibility.

Formulated approach: One of the styles of sales presentation that may be used by a sales person before its customers. In this approach, which is based on stimulus-response thinking; that is, the buyer is passive and can be moved to purchase by the use of the right stimulus words, pictures, terms, and actions, the salesperson identifies the buyer's needs and buying style and then uses a formulated approach to this type of buyer.

Formulated marketing: It refers to one of the three stages through which marketing practice might pass. It says that as small companies achieve success, thgey inevitably move toward more formulated marketing, where they utilize all marketing tools at their disposal.

Forward buying: A practice whereby retailers and wholesalers stock up on a product being offered by a manufacturer at a lower deal or off-invoice price and resell it to consumers once the marketer's promotional period has ended.

Forward inclusion: One of the approaches used in the stepwise regression. In forward inclusion approach, initially there are no predictor variables in the regression equation. Predictor variables are entered one at a time, only if they meet certain criteria specified in terms of the F ratio. The order in which the variables are included is based on the contribution to the explained variance.

Forward invention: A form of invention where a new product is created to meet a need in another country. Some MNCs, after finding the enormous need in less developed countries for low cost, high-protein foods, are researching these countries' nutrition needs, formulating new foods in tune with the needs. Toyota produces vehicles specifically designed, with the help of local employees, to suit the Indian taste.

Forward rate: It is the rate quoted by foreign-exchange traders for the purchase or sale of foreign exchange in future (at least two business days but usually after at least one month). The difference between the spot and forward rate is known as either forward discount or forward premium on the contract. If the domestic currency is quoted on a direct basis and the forward rate is less than the spot rate, the foreign currency is selling at a discount. If the forward rate is higher than the spot rate, the foreign currency is selling at a premium.

Four-color process: In the context of print advertisement, it refers to the process for reproducing color illustrations by a set of plates, one plate will print all the yellows, another blues, a third the reds, and the fourth the blacks (sequence variable). The plates are referred to as process plates.

Four-way categorization of interpersonal communication: Classification of individuals on the basis of opinion leadership—scores as socially integrated, socially independent, socially dependent, and socially isolated.

Fractional factorial designs: One of the statistics and terms associated with conjoint analysis. Fractional factorial designs are designs employed to reduce the number of stimulus profiles to be evaluated in the full profile approach.

Fragile-market-share trap: This may happen some times when a company falls into a trap on account of reducing prices of its products or brands to get higher market share. A low price may increase market share but not market loyalty. The same customers will shift to any lower-priced firm that comes along.

Fragmentation: In advertising a term that refers to the increasing selectively of media vehicles and the segmenting of the audience that results.

Fragmented industry: One of the types of industries that can be distinguished on the basis of differentiated opportunities available to companies. This is the type of industry in which companies face many opportunities for differentiation, but each opportunity for competitive advantage is small. For example, a restaurant can differentiate in many ways but end up not gaining a large market share. Both small and large restaurants can be profitable or unprofitable.

Framing: It is also called message framing. This term is used in the context of advertisements and sales presentations where it refers to presenting one of the two equivalent value outcomes either in positive or in negative directions. For example, describing (framing) an edible oil as “98% fat free” would be positive framing, whereas describing it as “2% fat” would be negative framing.

Franchise organization: One of the types of contractual vertical marketing system in which a channel member, called a franchiser, links several stages in the production-distribution process. Franchising has been the fastest-growing retailing development in recent years. Although the basic idea is an old one, some forms of franchising are quite new.

Franchising: A type of contractual arrangement between a franchiser (a manufacturer, a wholesaler, or a service sponsor) and a franchisee, which allows the franchisee to conduct a given form of business under an established name and according to a given pattern of business. It is an indirect market entry technique in the form of licensing that gives a distributor or retailer the exclusive right to sell a product or service in a specified area. This technique is used by organizations that want to rapidly establish a market presence with limited capital risk.

Fraudulent advertising: A straightforward lie. It is one of the forms of deceptive advertising.

Free newspaper: Usually weekly, a local newspaper delivered door-to-door free of charge. Revenue obtained from large number of advertisers who are given access to a very large circulation and saturation coverage of a town or area. Some towns have three or four such papers. Mostly owned by large regional newspaper groups. In some cases have replaced paid-for weeklies because of their ability to attract large volumes of advertising, largely from stores, automobile dealers and estate agents plus classifieds.

Free on board (FOB) destination: One of the delivery terms under which the seller pays the freight and the buyer takes title on delivery.

Free on board (FOB) factory): One of the delivery terms in which the buyer assumes title and pays transportation costs from the manufacturer's factory

Free on board (FOB) origin pricing: A geographical pricing strategy in which goods are placed free on board a carrier; the customer pays the freight from the factory to the destination.

Free on board (FOB) shipping point: One of the delivery terms in which the buyer assumes title and pays transportation costs to a local shipping point. The buyer assumes title there and pays all further transportation costs.

Free on board (FOB): A delivery term that identifies where the buyer assumes title and is responsible for all further transportation costs and other risks.

Free trade area (FTA): An area in which all barriers to trade among member countries are removed, although sometimes only for certain goods or services.

Free trade zones: A type of regional economic integration---trading agreements between blocs of countries—has intensified in recent years. This development has enabled the companies to enter entire regions overseas than do business with one nation at a time. Most common free trade zone is the European Union.

Free trial: A type of consumer promotion tool in which prospective customers are invited to try the product without cost in the hope that they will buy in case they like the new product or brand.

Free word association: A projective technique that requires the respondent to give the first word or thought that comes to mind after the researcher presents a word or phrase.

Free-association word meanings: One of the synetic techniques of creativity, which is some times used in generating new product ideas. Group members are asked to react to a specific stimulus word before they are told about a specific problem they need to solve, thus preparing the sub-conscious mind for the problem.

Free-flow layout: Store layout in which the fixtures and merchandise are grouped into patterns or left freestanding, thereby creating an unstructured traffic pattern.

Free-lance broker: A facilitating institution with no permanent ties to any manufacturers, which may negotiate sales for a large number of manufacturers.

Freely fluctuating currencies: Currencies that freely fluctuate respond to supply and demand conditions relatively free from government intervention.

Freesheet: A periodical insert, which is distributed door-to-door for no charge.

Freestanding inserts (FSI): Preprinted inserts distributed to newspapers, where they are inserted and delivered within the paper.

Freestanding retailer: A retailer generally located along a major traffic artery without any adjacent retailers selling competing products to share traffic.

Free-trade area (FTA): A form of regional economic integration in which internal tariffs are abolished, but member countries set their own external tariffs.

Frequency discounts: Discounts based on total media time or space bought, usually within a year. They are also called bulk discount.

Frequency distribution: A mathematical distribution whose objective is to obtain a count of the number of responses associated with different values of one variable. A frequency distribution for a variable produces a table of frequency counts, percentages, and cumulative percentages for all the values associated with that variable. A frequency distribution helps determine the extent of item nonresponse and the extent of the illegitimate responses. The presence of outliers with extreme values can also be detected.

Frequency marketing: A marketing technique that reinforces regular purchasers by giving them prizes with values that increase along with the amount purchased.

Frequency modulation (FM): A radio transmission wave that transmits by the variation in the frequency of its wave, rather than its size (as in AM modulation). An FM wave is twenty times the width of an AM wave, which is the source of its fine tone. To transmit such a wave, it has to be placed high on the electromagnetic spectrum, far from AM waves with their interference and static. FM broadcast has high sound quality but short range.

Frequency of advertising: How often advertisements are run during a specified period of time.

Frequency polygon: Figure obtained from a histogram by connecting the midpoints of the bars of the histogram with straight lines.

Frequency programs (FPs): These are designed to provide rewards to customers who buy company's products frequently and in substantial amounts. Airlines have adopted these programs first, and then hotels adopted FPs, then car rental firms and many more. Typically, the first company to introduce an FP gains the most benefit, especially if competitors are slow to respond.

Frequency: (1) The number of waves per second that a transmitter radiates, measured in kilohertz (KHz) and megahertz (MHz). The FCC assigns to each TV and radio station the frequency on which it may operate, to prevent interference with other stations. (2) Of media exposure the number of times an individual or household is exposed to a medium within a given period of time. (3) In statistics the number of times each element appears in each step of a distribution scale.

Freud's stages of personality development: Freud postulated that an individual's personality is formed as he or she passes through the following stages of infant and childhood development**:** oral, anal, phallic, latent, and genital.

Freudian theory: A theory of personality and motivation developed by the psychoanalyst Sigmund Freud.

Friction-free capitalism: A term coined by Bill Gates to refer to hyper-competition and the use of the Net to make market places highly efficient.

Fringe benefit package: A compensation plan that includes such things as health insurance, disability benefits, life insurance, retirement plans, automobiles, and financial counseling.

Fringe benefits: Indirect monetary rewards including vacations, insurance plans, and pensions.

Fringe trading area: Includes customers not found in primary and secondary trading areas. These are the most widely dispersed customers.

Frontal attack: One of the strategies that may be used by a market challenger to attack the market leader in an industry. In pure frontal attack the market challenger try's to match the leader's product, advertising, pricing, and distribution. However, this strategy to succeed the challenger should have superior product than the leader.

FTP (File Transfer Protocol): A standard for transmitting files over the Internet.

Fulfillment firm: A type of sales promotion agency that handles the couponing process including receiving, verification and payment. It also handles contests and sweepstake responses.

Fulfilment house: One which deals with response to advertising, warehousing and distributing leaflets, brochures, catalogues, mail-in offers, cash vouchers and other items offered in advertisements, on-the-pack-offers and so on.

Full market coverage: One of the market-targeting strategies in which a company attempts to serve all customer groups (segment) with all the products they might need. Normally, very large firms can follow full market coverage strategy. Large companies can cover a whole market in two broad ways: through undifferentiated marketing or differentiated marketing.

Full nest I: One of the stages in family life cycle where the family consists of couple and one child under the age of six. This type of family is characterized by high home purchasing

Full nest II: One of the stages in family life cycle where the family consists of couple and youngest child six or over. This type of family is characterized by good financial position and high home purchases in larger sizes packages.

Full nest III: The stage in family life cycle where the family consists of older married couple with dependent children. This type of family is characterized by better financial position and high average purchases of durables.

Full profile conjoint: The more realistic version of conjoint analysis in which subjects evaluate complete product descriptions developed from an orthogonal array.

Full sale: A type of market testing technique where the marketing is complete and in the mode that would be under total launch. There is no limitation on distribution, advertising etc. unless planned beforehand during launch.

Full-line discount store: Type of department store with (1) a broad product assortment; (2) the range of products expected at department stores; (3) centralized checkout service; (4) self-service; (5) private-brand nondurables and well-known manufacturer-brand durables; (6) less-fashion sensitive merchandise; (7) relatively inexpensive building, equipment, and fixtures; and (8) less emphasis on credit.

Full-service agency: An advertising agency that offers clients a full range of marketing and communications services including the planning, creating, producing and placing of advertising messages and other forms of promotion.

Full-service retailer: A type of retailing organization such as specialty stores and departmental stores where sales people assess customers in every phase of shopping process. Full service retailers carry more specialty goods for which consumers like to wait. They provide more service resulting in higher operating cost, which is passed along to the customers at higher prices.

Full-service suppliers: One of the types of marketing research suppliers. Full-service suppliers are those companies that offer the entire range of marketing research services, from problem definition, approach development, questionnaire design, sampling, data collection, data analysis, and interpretation, to report preparation and presentation. The services provided by these suppliers can be further broken down into syndicated services, standardized services, customized services, and Internet services.

Full-service wholesalers: A type of wholesaling organization which provides a full line of services—carrying stock, maintaining a sales force, offering credit, making deliveries, and providing management assistance. There are two types of full service wholesalers: (1) wholesale merchants who sell primarily to retailers and provide full range of services (2) industrial distributors who sell to manufacturers rather than to retailers.

Full-text databases: One of the types of computerized database, which contain the complete text of the source documents comprising the database. For example, the LexisNexis (www.lexisnexis.com) service provides full-text access to hundreds of business databases, including selected newspapers, periodicals, companies' annual reports, and investment firms' reports.

Functional brand: A concept that is used with respect brand strategy decision. A functional brand is that one which is purchased by the consumers to satisfy a functional need such as to shave, to clean clothes, to relieve a headache. Functional brands have the best chance to satisfy customers if they are seen as providing superior performance. Functional brands rely heavily on product or price features.

Functional consequences: Outcomes of product or service usage that are tangible and can be directly experienced by a consumer.

Functional currency: The currency of the primary economic environment in which an entity operates. For example, one of the Coca Cola's largest operations outside the US is in Japan. The primary economic environment of the Japanese subsidiary is Japan, and the functional currency is the Japanese Yen.

Functional discount: A price reduction offered by the seller to trade channel members who perform certain functions such as selling, storing, and record keeping.

Functional division: An organizational structure in which each function in foreign countries (e.g. marketing or production) reports separately to a counterpart functional group at headquarters.

Functional equivalence: In international marketing research, it is critical to establish equivalence of scales used to obtain data from different countries. In this regard functional equivalence examines whether a given concept or behaviour serves the same role or function in different countries. For example, in many developing countries, bicycles (even in China) are predominantly a means of transportation rather than recreation and this is exactly opposite in many developed countries. Researching motives for purchase or use of bicycles in different countries this factor should be kept in mind.

Functional marketing organization: The most common form of marketing organization consists of functional specialists reporting to a marketing vice-president, who coordinates their activities. The main advantage of functional marketing organization is its administrative simplicity. However, this form loses its effectiveness as products and markets increase.

Functional matrix: An organization option in which the matrix leans toward the functions. Participant have dual reporting relationships, but the functional reporting is intended to dominate the thinking and action.

Functional product groupings: Categorize and display a store's merchandise by common end use.

Functional risk: The perceived risk that the product will not perform as expected.

Functional theory of attitudes: A pragmatic approach that focuses on how attitudes facilitate social behavior; attitudes exist because they serve some function for the person.

Functions of attitudes: There are four functions served by attitudes**:** a utilitarian function, a knowledge function, a value expressive function, a ego-defensive function. Marketing strategies can attempt to influence attitudes serving each of these functions.

Funnel approach: It refers to a strategy for ordering or sequencing questions in a questionnaire in which the sequence starts with the general questions that are followed by progressively specific questions, in order to prevent specific questions from biasing general questions.

Future contract: A foreign-exchange instrument that specifies an exchange rate, an amount of currency, and a maturity date in advance of the exchange of the currency. It is less flexible than a forward contract because it is for a specific currency amount and a specific maturity date.

Fuzzy front-end: In the context of new product development, it refers to the period preceding start of technical development. Includes strategic deliberations, concept generation, and especially, early evaluation when the concept is being evaluated before being accepted. The concept is fuzzy, not the methods.

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Gable end: In the context of outdoor advertising it refers to poster site on side-wall of house or shop.

Gain-and-risk-sharing pricing: A way of selecting a final price for a complex and high value product or service. Sometimes buyers may resist accepting a seller's proposal because of a high-perceived risk. The seller has the option of offering to absorb part or all of the risk if he does not deliver the full promised value.

Galvanic skin response: The reduction of electrical resistance in the skin due to interest in a stimulus. e.g. an advertisement. The respondents are fitted with small electrodes that monitor electrical resistance and is shown stimuli such as advertisements, package design, and slogans. The theory behind this device is that physiological changes, such as increased perspiration, accompany emotional reactions. From the strength of the response, the researcher infers the respondent's interest level and attitude toward the stimuli.

Galvanometer: A device used to measure the emotion induced by exposure to a particular stimulus by recording changes in the electrical resistance of the skin associated with the minute degree of sweating that accompanies emotional arousal; in marketing research the stimulus is often specific advertising copy.

Game (sales promotion): A sales promotion technique in the form of sweepstakes. It has a chance element or odds of winning associated with it. Games usually involve game card devices that can be rubbed or opened to unveil a winning number or prize description.

Game theory: One of the quantitative techniques that may be used in marketing decision support system (MDSS). This technique allows determining the course of action that will minimize the decision maker's maximum loss in the face of the uncertain behaviour of one or more competitors.

Gamma test: A type of product use test wherein the developers measure the extent to which the item meets the needs of the target customer, solves the problem(s) targeted during the development, and leaves the customer satisfied.

Gap analysis: A category of techniques based on the idea that if one can position all of a market's products onto a two-dimensional chart, they will not be spread around like butter on bread. Rather, they will clump in some places and be void in others. Any void (gap) offers an opportunity for new product. The charting uses X and Y-axes and plots against such attributes as price, strength, speed and ease of use. This exercise enables a company to compare its actual performance against its potential performance, and then determine the areas in which it must improve. Through this exercise, a MNC or international company will be able to find the differences between total market potential and company's sales in different foreign markets.

Gatefolds: An oversize magazine page or cover that is extended and folded over to fit into the publication. Gatefolds are used to extend the size of a magazine advertisement and are always sold at a premium.

Gatekeeper: Information gatherer who controls the level and type of stimuli flowing from the mass media to the group. Has the greatest expertise in acquiring and evaluating information from various sources and is most aware of alternative sources of information but does not necessarily disseminate them. It also refers to people in the organization's buying center who control the flow of information to others.

Gender segmentation: Dividing a market into different groups based on sex.

General Agreement on Tariffs and Trade (GATT): A multilateral arrangement, signed by 23 nations in 1947; headquartered in Geneva, Switzerland, aimed at reducing barriers to trade, both tariff and nontariff ones; After the signing of the Uruguay round, the GATT has become World Trade Organization (WTO) in 1995.

General merchandise manager (GMM): Executive for a large retail firm responsible for planning, budgeting, and controlling all merchandising activities. The divisional merchandise manager reports to the GMM.

General need description: The stage in the business buying process in which the company describes the general characteristics and quantity of a needed item. For standard items, this is simple. For complex items the organizational buyer works with specialist and technical experts to define relevant product characteristics such as reliability, durability, or price.

General preplanning input: Information gathering and/or market research studies on trends, developments, and happenings in the marketplace that can be used to assist in the initial stages of the creative process of advertising.

Generalizability: It refers to the extent to which one can generalize from the observations at hand to a universe of generalization. A researcher may wish to generalize a scale developed for use in personal interviews to other modes of data collection. Likewise, one may wish to generalize from a sample of items to the universe of items, from a sample of times of measurement to the universe of times of measurement, from a sample of observers to a universe of observers, and so on.

Generalized system of preferences (GSP): Preferential import restrictions extended by industrial countries to developing countries.

General-line wholesalers: One of the types of full service wholesalers who carry one or two lines. These wholesalers are in the consumer goods category.

Generally accepted accounting principles (GAAP): The accounting standards accepted by the accounting profession in each country as required for the preparation of financial statements for external users. Each country develops its own GAAP. IN the context of international marketing, the companies face difficulties when the differences in the GAAP are more from country to country. This will increase the costs of preparing the financial statements.

General-merchandise wholesalers: One of the types of full service wholesalers who carry several merchandize lines or one or two lines or only a part of a single line. These wholesalers are in the consumer goods category.

Generation segmentation: Some researchers are proposing market segmentation on the basis of generation. The basic premise is that each generation is profoundly influenced by the time in which it grows up particularly in the music, movies, politics and defining events of that period. Demographers called these groups as *cohorts*. Members of a cohort share the same major experiences. Marketers are turning toward these cohorts by using the icons and images prominent in their experiences.

Generation X: A widely used term to describe “twenty something” (the 18 to 29-year-old post baby-boomer) segment that are stereotypically characterized as being confused, alienated, and depressed.

Generation Y kids: Born between 1979 and 1994 (the younger siblings of Gen Xers)

Generic advertising: Co-operative advertising by competing companies in the same product group, e.g. a campaign to encourage people to watch more videos, to eat meat, or to consume dairy products. Trade associations finance these types of advertising campaigns. For example, Egg Coordination Committee and National Dairy Development Board promote eggs and dairy products respectively.

Generic brand: Product identified with the name of the retail merchandiser, or the product itself. A store's generic merchandise will be branded with the name of the store, as opposed to a name brand, which will carry the brand of a prominent supplier. Generic brand products are usually less expensive than comparable prominent name brands because they don't bear the expenses of national advertising campaigns, nor has any cost been incurred in developing market awareness for the product.

Generic competition: One of the levels of competition, which a company may face in marketing its products and services. This type of competition arises when a company sees its competitors as all companies that compete for the same consumer rupees. A TV manufacturer may see itself competing with all companies that sell major consumer durables or high-ticket items.

Generic demand: The demand demonstrated for a product class rather than a specific brand.

Generic goals: The general classes or categories of goals that individuals select to fulfill their needs.

Generic products: Usually unbranded, perhaps sold loose, such as aspirin, rice or soap.

Generic: Any of a class of products, rather than the brand of a particular company.

Geocentric firm: A company committed to developing worldwide opportunities for coordination and concentration of its business interests.

Geocentrism: A hybrid business practice of companies operating in international markets that lies between polycentrism and ethnocentrism. It refers to operations based on an informed knowledge of both home and host country needs, capabilities, and constraints.

Geoclustering: One of the possible ways through which a product market may be segmented. This is a form of multiattribute segmentation. On the basis of demographic and behavioural variable population clusters may be formed. One such lifestyle group is called PRIZM clusters.

Geodemographic analysis: Demographic data analyzed by geographic area, generally based on census data.

Geodemographic clusters: A composite segmentation strategy that uses both geographic variables (zip codes, neighborhoods, or blocks) and demographic variables (e.g., income, occupation, value of residence) to identify target markets.

Geo-demographic targeting: Reaching target audiences by use of geographic and demographic classifications of residential neighbourhoods.

Geodemography: Techniques that combine consumer demographic information with geographic consumption patterns to permit precise targeting of consumers with specific characteristics.

Geographic division: An organizational structure in which a company's operations are separated for reporting purposed into regional areas.

Geographic information systems (GIS): Combine digitized mapping with key locational data to graphically depict such trading-area characteristics as the demographic attributes of the population, data on customer purchases, and listings of current, proposed, and competitor locations.

Geographic marketing organization: A form of marketing organization where a company that sells in a national market often organizes its sales force (and sometime other functions, including marketing) along geographic lines. For example, the national sales manager may be supervising four regional sales managers and each regional sales manager may be looking a number of territory mangers.

Geographic segmentation: Dividing a market into different geographical units such as nations, states, regions, counties, cities, or neighborhoods.

Geographic specialist: A niche-marketing firm that sells only in a certain locality, region, or area of the world.

Geographic strategy in new product launch: The decision of a company regarding the launching of a new product in the specific geographic area. It has to decide whether to launch the new product in a single locality, a region, several regions, the national market or the international market. This decision is also sometimes known as planned market rollout over time.

Geographical pricing: This refers to the adaptation of basic price to the various geographic conditions. This pricing adaptation involves the company in deciding how to price its products to different customers in different locations and countries. For example, should a company charge higher prices to distant customers to cover the higher transportation costs or a lower price to win additional business

Geographical weighting: A media scheduling strategy where certain geographic areas or regions are allocated higher levels of advertising because they have greater sales potential.

Gerontographics: A segmentation approach that divides the mature market into groups based on both level of physical well-being and social conditions such as becoming a grandparent or losing a spouse.

Gestalt: A German term meaning “pattern” or “configuration” that has come to represent various principles of perceptual organization. While Gestalt psychology refers to a German school of psychology that focuses on total configuration or whole patterns. Stimuli, such as advertising messages, are seen as an integral whole. In short, the whole is greater than the sum of the parts.

Get-up: Distinctive design or a package, resemblances or near-copies of which may be legally actionable as passing off.

Ghost shopping: It is one of the tools of tracking and measuring customer satisfaction by a company. Here, a company can hire people to pose as potential buyers to report on strong and weak points experienced in buying the company’s and competitors’ products. These mystery shoppers can even test how the company’s sales personnel handle various situations.

Gift close: One of the sales closing techniques that provides the prospect an added inducement for taking immediate action.

Gift-giving ritual: The events involved in the selection, presentation, acceptance, and interpretation of a gift.

Global advertising: This falls under the umbrella of global marketing as a way to implement by using the same basic advertising approach/theme in all the markets. Few products are capable of global advertising or global marketing but exceptions are Coca-Cola, Pepsi-Cola, Fuji and Kodak films.

Global bond: Introduced by the World Bank in 1989, is a combination of domestic bond and Eurobond, in that it must be registered in each national market according to that market's registration requirements. It also is issued simultaneously in several markets, usually those in Asia, Europe, and North America. These types of bonds are a small but growing segment of the international bond market.

Global brand: A brand that is used by a MNC in all the national markets it serves.

Global branding: Coordinating advertising and publicity with the intent to establish the same brand name identification all over the world. Because of language differences, logos, symbols and graphic displays are important to this effort. Global branding is particularly important as trade barriers are lowered. It is also helpful to international travelers who are able to recognize familiar brands wherever they go.

Global firm: A firm that, by operating in more than one country, gains, marketing production, R&D, and financial advantages in its costs and reputation that are not available to purely domestic competitors. Global firms plan, operate, and coordinate their activities on a worldwide basis. Also referred to as multi-national corporation (MNC), transnational corporation etc.

Global industry: It is an industry in which the strategic positions of competitors in major geographic or national markets are fundamentally affected by their global positions.

Global influences: Common needs and values across countries.

Global marketing: A strategy of using a common marketing plan and program for all countries in which a company operates, thus selling the product or services the same way everywhere in the world.

Global positioning system (GPS): A digital technique that is used by Cemex, a giant cement company based in Mexico. It equips every truck with a global positioning system (GPS) so that its real-time location is known and full information is available to drivers and dispatchers. In this way Cemex has been able to reduce the time considerably.

Global sourcing: The acquisition on a worldwide basis of raw materials, parts, and sub assemblies for the manufacturing process.

Global strategy: In the context of decision making pattern of a multinational corporation this strategy refers to taking the major decisions at a global level though the knowledge and technology might be developed in the home country. This strategy is followed when there may be a global performance improvement through the transference of resources internationally, economies through standardization, and synergies through systematic dealing with stakeholders.

Globalized consumption ethics: The global sharing of a material lifestyle including the valuing of well-known multinational brands that symbolize prosperity.

Glocal strategy: One of the organizational approaches that a company may adopt in the international marketing. Here a company may standardize certain core elements and localize other elements. This strategy makes sense for an industry where each nation requires some adaptation of its equipment, but the providing company can also standardize some of the core components.

Glossy magazines: Originally referred to minority of up-market magazines, but with modern shiny offset-litho papers is commonly if wrongly used to describe many popular magazines.

Goal incompatibility: In the context of channel conflict, this is one of the sources of latent conflict between the channel members as well as with the producer. Goal incompatibility is a situation in which the goals of the producer or retailer if pursued will hamper the goal attainment of the other. Because producers have different goals than the retailers, they often engage in behaviour that is in conflict with the retailer.

Goal setting: A process theory that shows a way to achieve the firm’s objectives, resulting in inducing a person to behave in the desired manner.

Goal-Oriented job description: Enumerates a position’s basic functions, the relationship of each job to overall goals, the interdependence of positions, and information flows.

Goals: The sought-after results of motivated behaviour. A person fulfills a need through achievement of a goal.

Go-error: One of the possible errors that accompany may commit in screening the new product ideas. A go-error occurs when the company permits a poor idea to move into development and commercialization. The purpose of the screening is to drop poor ideas as early as possible. The rationale is that product development costs rise substantially with each successive development stage. The consequences of go-error are high probability of product failure and loss.

Going-rate pricing: A pricing practice in which a firm bases prices of its products and services largely on competitors' prices. The company might charge the same, more, or less than major competitor(s). This pricing practice is popular in those industries where costs are difficult to calculate or competitive responses are uncertain and firms in these industries may feel that the going-rate prices a good solution to reflect the industry's collective wisdom.

Gone-aways: Customers who have moved house or died.

Go-no-go decision: A decision, such as on foreign investments, that is based on minimum-threshold criteria and does not compare different opportunities. Of course, before go-n-go decision is made, a good deal of weeding out of possible projects at various scanning and decision points has occurred.

Goodness-of-fit test: Statistical test employing χ^2 to determine whether some observed pattern of frequencies corresponds to an expected pattern.

Goods: Products that have tangible form, in contrast to services, which are intangible.

Goodwill: The commercial value attached to a business because of its reputation, service, location, customer base, and so forth. Goodwill is not a physical asset, but it often represents a more tangible advantage to an enterprise than anything else it owns. As such, its worth is often taken into account when establishing the selling price for a business.

Government market: Governmental units—Central, State, and Local—that purchase or rent goods and services for carrying out the main functions of government.

Government sources: One of the important secondary data sources available to marketers and marketing research. The government of every country including India produces large amount of secondary data. It publications include census data and other publications. Census data are the largest source of statistical data in terms of population characteristics. Many government departments publish various publications, which are of great importance to markets.

Graeco-Latin square experimental design: An experimental design that allows the researcher to control statistically for three non-interacting extraneous variables in addition to the independent variable**.**

Grand mean: The mean of all observations across all treatment groups. This term is generally used in the context of ANOVA.

Granfalloon: Term coined by writer Kurt Vonnegut to mean a false and arbitrary sense of belonging to a group.

Graphic scale: Scale in which individuals indicate their rating of an attribute by placing a check at the appropriate point on a line that runs from one extreme of the attribute to the other.

Graphical evaluation and review technique (GERT): One of the more advances scheduling techniques, in which both the completion probabilities and the activity costs can be build into a network representation.

Graphical models: One of the analytical models that provide a visual picture. They are used to isolate variables and suggest direction of relationships but are not designed to provide numerical results. They are logical preliminary steps to develop mathematical models.

Graphics: The imagery used on the package, either in terms of illustrations or in terms of style of print and design. It also refers to the visual element of an advertisement.

Grass-roots campaign: A method of influencing governmental action from the bottom up.

Grassroots innovator: An innovator in a lower socioeconomic group (generally from a rural area) who disseminates tastes and influence to higher socioeconomic groups.

Gravity model: Computerized site selection tool based on the premise that people are drawn to stores that are closer and more attractive than competitors.

Gray market goods: Brand-name products bought in foreign markets or goods transshipped from other retailers. They are often sold at, low prices by unauthorized dealers.

Gray market: (1) The term gray market, in a very special sense, is employed to refer to economic potential created by the increasing numbers of affluent elderly consumers. (2) Illegal or shadowy market for products outside that product’s normal channels of distribution.

Gray marketing: Products distributed by wholesaling middlemen do not always wind up where their manufacturers intend (i.e. the gray market). Occasionally products are sold through distribution channels that are not authorized by the manufacturer. This practice is called gray marketing and it usually involves products made in one country and destined for sale in another country.

Green consumers: Environmentally aware consumers.

Green marketing: The marketing and promotion of products on the basis of environmental sensitivity and safety.

Green products: Products designed to protect the environment.

Green washing: Advertising which exploits environmental issues.

Greeters: Supplier employed sales representatives who solicit business from retailers on buying trips.

Grid layout: Store layout in which all the counters and fixtures are at right angles to each other, forming a maze.

Gross domestic product (GDP): Measures the value of production that occurs within a country's borders without regard to whether the production is done by domestic or foreign factors of production during a given year. For most countries, GDP and GNP are very similar. However GDP more accurately reflects economic activity within a country's borders.

Gross margin return on inventory (GMROI): One of the measures of profitability in the manufacturing as well as retailing business. this measure incorporates both inventory turnover and profit into a single measure. It can be computed as follows: /// Gross margin return on inventory = (Gross margin/Net sales) (Net sales/ average inventory at cost) = (Gross margin/Average inventory at cost)

Gross Margin Return on Investment (GMROI): Shows relationship between total operating profits and the average inventory investment (at cost) by combining profitability and sales-to-stock measures**:** /// Gross margin in Net Sales GMROI = X Net sales Average inventory at cost <u>Gross margin in </u>Average inventory at cost. xxxx

Gross margin: It is determined by subtracting cost of goods sold from the net sales. Thus it the difference between net sales and the total cost of goods sold. It is also called gross profit, is a key figure in the entire marketing program.

Gross national product (GNP): It is the broadest measure of economic activity and is defined as "the market value of final goods and services newly produces by domestic factors of production". These domestic factors could takes place at home or abroad. It comprises *gross domestic product* (GDP) plus net factor income from abroad, which is the income residents receive from abroad for factor services less similar payments made to nonresidents who contribute to the domestic economy.

Gross opportunity to see (GOTS): Measuring opportunities to see any type of advertisement in any medium in order to calculate coverage of a campaign.

Gross profit difference: Between net sales and the total cost of goods sold. It is also known as *gross margin.*

Gross ratings points (GRPs): A measure that represents the total delivery or weight of a media schedule during a specified time period. GRPs are calculated by multiplying the reach of the media schedule by the average frequency.

Gross sales: The total of the retailer's sales whether the sales were later returned or allowances were given.

Gross-sales: It is the total amount sold by a company, stated in monetary terms (Rupees). From this figure the company deducts sales returns (the customer is refunded the full purchase price in cash or credit), and sales allowances (the customer keeps the merchandise but is given a reduction from the selling price because of some dissatisfaction). Also the company deducts discounts granted to employees when they purchase merchandise or services.

Group cohesiveness: The extent to which group members tend to "stick together" and follow group norms.

Group means and group standard deviation: One of the possible statistics and terms used in discriminant analysis. These are computed for each predictor for each group.

Group norms: The implicit rules of conduct or standards of behaviour which members of a group are expected to observe.

Group of 7 (G-7): A group of developed countries that periodically meet to make economic decisions, this group consists of Canada, France, Germany, Italy, Japan, the United Kingdom, and the United States.

Group pricing: One of the new pricing practice that has emerged on account of increased use of Internet. Internet is facilitating a method whereby consumers and business buyers can join groups to buy a product at a lower price. Here, consumers can go to a relevant website that offers a group price mechanism. If the consumer finds a desired product, he or she can see the current pool price, which is the function of the number of orders received so far. The web page may also indicate that if (say) three more orders were to come, the price would fall by a specified amount.

Group system: The organization of an advertising agency by dividing it into groups consisting of specialists from various departments such as creative, media, marketing services, and other areas. These groups work together to service particular accounts.

Group-discussion method: One of the variants used under the expert opinion method of sales forecasting. In this variant the experts who are invited to prepare a sales forecast exchange view among them and come to an estimate.

Grouping principle: A Gestalt theory of perceptual organization that proposes that individuals tend to group stimuli automatically so that they form a unified picture or impression. The perception of stimuli as groups or chunks of information, rather than as discrete bits of information, facilitates their memory and recall.

Groupware: Online technologies that lead to collaboration and sharing between members.

Growth stage of product life cycle: The second stage of the product life cycle during which sales are increasing at an increasing rate, profit are increasing and competitors enter the market. Product differentiation takes place, and price competition begins.

Growth-share matrix: A portfolio-planning method that evaluates a company's strategic business units in terms of their market growth rate and relative market share. SBUs are classified as stars, cash cows, question marks, or dogs. One of the growth share matrices have been developed by Boston Consulting Group and is known as BCG-Growth Share Matrix as shown in the figure given below.

Guarantees: The assurance given by a manufacturer to replace, exchange or refund the good if it is not functioning properly or not up to the expectations of the buyer. Guarantees may be general or specific. In the general guaranty the manufacturer promises to return for replacement, exchange or return for any reason. Other companies offer specific guarantees. Guarantees reduce the buyer's perceived risk. Guarantees are most effective in two situations. The first is where the company or the product is nor well known. The second situation is where the product's quality is superior to the competition. The company can gain by guaranteeing superior performance, knowing that competitors cannot match its guarantee.

Guerilla marketing: Promotional strategies that use unconventional locations and intensive word-of-mouth campaigns.

Guerilla warfare: One of the possible attacking strategies that may be done by a market challenger to attack a market leader. This strategy consists of waging small, intermittent attack to harass and demoralize the opponent and eventually secure permanent footholds. The guerilla challenge uses both conventional and unconventional means of attack. These include selective price cuts, intense promotional blitzes, and occasional legal actions.

Guideline (concept cooperation) advertising: In the context of international advertising, it is a flexible way of standardizing an advertising campaign in several countries. Guidelines are provided on concept uniformity, but not necessarily on execution. The head office usually circulates the concept guidelines. Instructions are given on product positioning, brand personality. Log use, etc.

Gutter crossing: In the context print advertising, it refers to the headline, which extends across center margins of facing pages (not necessarily centre spread), when it is best to avoid break words.

Guttman scaling or scalogram analysis: One of the less used measurement scaling techniques in marketing research. This is a procedure for determining whether a set of objects can be ordered into an internally consistent, unidimensional scale.

H

Habitual behavior: A factor to be taken into consideration in deciding the media timings for an advertising campaign to be effective. This refers to how much brand holdover occurs independent of the level of advertising. High habitual behaviour means that the buyers repeat their brand choice in the next period.

Habitual buying behavior: Consumer buying behavior in situations characterized by low consumer involvement and few significant perceived brand differences. Here the information processing is limited or non-existent. Consumers passively receive information from the various sources and this information may lead to brand familiarity rather than brand conviction. In this situation marketers' responsibility is to convert low involvement products by linking them to some involving issues, which may be solved with the purchase and use of the product.

Hacking: Gaining illicit access to a database.

Halftone: The term is used in the context of print advertisement's production. It refers to continuous tonal effect of a photograph or painting, created by imposition of a dot screen. Can be applied to letterpress, lithography, flexography and screen-printing.

Halo effect: A situation in which the perception of a person on a multitude of dimensions is based on the evaluation of just one (or a few) dimensions (e.g., a man is trustworthy, fine, and noble because he looks you in the eye when he speaks.)

Handling objections: The step in the selling process in which the salesperson seeks out, clarifies, and overcomes customer objections to buying.

Hard currency: It is a currency, such as the US dollar and Japanese yen, that is usually fully convertible. Such currencies are also relatively stable in value or tend to be strong in comparison with other currencies. They are desirable assets to hold. Currencies that are not fully convertible are often called *soft currencies* or *weak currencies*.

Hard savings: Measurable cost and margin benefits from using Internet technologies, especially in customer support and distribution.

Hard sell: Using high-pressure tactics in the attempt to close an order. The more sophisticated the product or the customer, the less likely hard selling will work. In many situations it is counterproductive because prospects become angry.

Hard-core loyals: It refers to the group of buyers for a particular brand who stick to one brand it all the times. In any circumstances they may not switch to any other brand.

Hardship allowance: In the context of international business it refers to an allowance given to compensate expatriates for working in dangerous or adverse conditions in a foreign country.

Harris Donovan model (outdoor): Computerized system of measuring the audience exposed to out-door advertising.

Harvesting strategy (decline stage of PLC): A strategy adopted by a company in the decline stage of a product and service. It calls for gradually reducing a product or business costs while trying to maintain its sales. The first step in this regard is to cut R&D costs and plant and equipment investment. The company might also reduce product quality, sales force size, marginal services, and advertising expenditures. It would try to cut these costs without letting customers, competitors, and employees know what is happening. Harvesting can substantially increase the company's current cash flows.

Headline (Print advertisement): Words in the leading position of the advertisement; the words that will be read first or are positioned to draw the most attention. Headlines are usually set in larger, darker type and are often set apart from the body copy or text portion of the advertisement to give them prominence. Most advertising people consider headline most important part of a print advertisement.

Healthy skepticism: One of the characteristics of good marketing research wherein the marketing researchers show a healthy skepticism toward glib assumptions made by mangers about how a market works. They must be alert to problems caused by "marketing myths".

Heavy-user target marketing: An approach used by marketers in the context of consumer-adoption process of a new product. This approach calls identifying the possible heavy users in that product category and then focusing promotional strategies to them. This approach makes sense if the heavy users are found to be early adopters.

Hedge: An attempt to protect foreign-currency holdings against an adverse movement of an exchange rate.

Hedonic consumption: The multisensory, fantasy, and emotional aspects of consumers' interactions with products. It involves use of a product to fulfill fantasies and satisfy emotions. Level of satisfaction cannot be determined in the same orderly manner in hedonic as in utilitarian consumption. It is more likely to be based on the pleasurable experiences that result from using the brand.

Hedonic need: The need to achieve pleasure from a product; most likely associated with emotions or fantasies derived from consuming a product.

Heightened attention: It refers to one of the types of information search process where a consumer pays more attention to the product information at a receptive level. In this state of information search a consumer simply becomes more receptive to the information, which comes to him or her and does not seek the information in an active manner.

Heli-blimp advertising: Balloon painted with customer's name, design, message, or fitted with interchangeable banners.

Hemisphere lateralisation: The notion that the human brain has two relatively distinct halves or hemispheres with each being responsible for a specific type of function. The right side is responsible for visual processing while the left side conducts verbal processing. The marketers can use the concept when they are considering the processing of marketing information by the consumers.

Heterogeneous shopping goods: One of the types of shopping goods that differ considerably in product features and services that may be more important than price. The seller of heterogeneous shopping goods carries a wide assortment to satisfy individual tastes and must have well-trained salespeople to inform and advice customers.

Hetrophilous groups: Groups outside of an individual's primary social network i.e. secondary groups. It is one of the types of reference groups.

Heuristic: The mental rules-of-thumb that lead to a speedy decision when algorithms are unavailable. Commonly used in the new products field because solid experience data are rarely available. These are simplified or basic decision rules that can be use by a consumer to make a purchase choice, such as to buy the cheapest brand available.

Hidden assets: It refers to those depreciated assets, such as store buildings and warehouses that are reflected on a retailer's balance sheet at low values relative to their actual worth.

Hidden issue questions: One of the techniques used in the depth interviews. In hidden issue questioning, the focus is not on socially shared values but rather on personal "sore spots"; not on general lifestyles but on deeply felt personal concerns**.**

Hierarchical clustering: One of the clustering procedures or methods used in the cluster analysis. This procedure is characterized by the development of a hierarchy or tree-like structure. Hierarchical methods can be agglomerative or divisive.

Hierarchical database: A database that holds customer details within one access method, e.g. a name.

Hierarchy of authority: Outlines the job interactions within a company by describing the reporting relationships among employees. Coordination and control are provided.

Hierarchy: An organizational structure in which management of an alliance of companies is shared by so-called equals rather than being set up in a superior subordinate relationship.

Hierarchy-of-effects model: A marketing behavioral response model consisting of stages which a buyer is hypothesized to pass through, including awareness, knowledge, liking, preference, intention to buy, and purchase. This model has been developed by Robert Lavidge and Gary A. Steiner.

Hierarchy-of-needs: A motivation theory proposed by Abraham Maslow which opines that human needs are arranged in a hierarchy, from the most pressing to the least pressing. In order of importance, they are physiological needs, safety needs, social needs, esteem needs, and self-actualization needs. Maslow's theory helps marketers understand how various products fit into the plans, goals, and lives of consumers.

High context cultures: Cultures in which cultural nuances are an important means of conveying information because human behaviour is covert and implicit.

High involvement: A situation where consumers judge a purchase decision to be important enough to engage in extensive information search prior to making a decision.

High performance results: A retailer achieves high performance results when it achieves financial performance in the upper 25 percent of all retailers selling its merchandise lines in terms of profitability, liquidity, and growth.

High-low pricing: A pricing strategy used by some retailers where they charge higher prices on everyday basis but then run frequent promotions in which prices are temporarily lowered even some times below than everyday low pricing (EDLP).

Highly focused specialty stores: These are relatively small stores that serve special market niches with unique product assortments.

High-need achiever: In the context of consumer behaviour it refers to an individual who works very hard to achieve material or career success, sometimes to the detriment of social relationships or spiritual achievements. Marketing communication may take this into consideration while preparing the advertisements for their products.

High-performance businesses: Companies that have created high customer value and satisfaction can be called as high performance businesses. They achieve this by setting strategies to satisfy key stakeholders, by improving critical business process, and aligning resources and organization

High-quota school for sales force: A philosophy in setting sales quotas for the sales force. This school sets quotas higher than what most sales people will achieve but that are attainable. Its protagonists believe that high quotas spur extra efforts.

High-value activities: Activities that either produce high profits or are done by high-salaried employees such as managers.

Histogram: Form of bar chart on which the values of the variable are placed along the abscissa or x-axis and the absolute frequency or relative frequency of occurrence of the values is indicated along the y-axis or ordinate.

Historically planned economy (HPE): It is a World Bank's term for second-world countries in transition to market economies.

History: Used in the context of experimental research. This refers to specific events that are external to an experiment, but occurring at the same time, which may affect the criterion or response variable.

Hit ratio: A term used in connection with discriminant analysis, which refers to the percentage of cases correctly classified by the discriminant analysis.

Hoarding: A type of out door advertising, which refers to, a roadside poster site, for a product or service. These are considered to be the forerunner of modern outdoor advertising.

Holdout or validation sample: This term is used in connection with conducting discriminant analysis. During the formulation of the problem, the sample to be analyzed is divided into two samples. A holdout or validation sample is reserved for validating the discriminant function. In other words this sample is used to check the results of the estimation sample.

Holdout set: This term is used in the context of multidimensional scaling procedures. In MDS, generally two sets of data are obtained. The holdout set is the second set of data that is used to assess reliability and validity.

Home country: The country in which an international company is headquartered.

Home page: The first or main page of a website. This will usually contain links to other pages on the site. If the web site operator is advertising and offering goods and services, menus of these items will be displayed.

Home run: In the context of new product development it refers to a major new product project, entailing high risk and high investment. It contrasts with singles, which are improvement and near line extensions.

Home-country nationals: Expatriate employees who are citizens of the country in which the company is headquartered.

Homeostasis: The state of being in which the body is in physiological balance; goal oriented behavior attempts to reduce or eliminate an unpleasant motivational state and returns to a balanced one.

Homogeneous preferences: This refers to pattern of consumer preferences in terms of various attributes of a product or service. One of the preferences is known, as homogeneous preferences where all the consumers have roughly the same preferences. The market shows no natural segments.

Homogeneous shopping goods: One of the types of shopping goods that are similar in quality but different enough in price to justify shopping comparisons.

Homophilous groups: In the context of reference groups it refers to groups that are part of an individual's primary social network i.e. primary groups.

Homophones: Words, which sound alike but have different meanings.

Hopscotch pattern: Hub-and-spoke-like sales routing pattern in which the salesperson starts a calling sequence at the outer end of a spoke and works back to the club.

Horizontal channel conflict: One of the types of channel conflict, which involves conflict between the channel members at the same level within the channel. This type of channel conflict arises more in the exclusive distribution if the territorial rights and boundaries are not well defined by the manufacturer.

Horizontal cooperative advertising: A cooperative advertising arrangement where advertising is sponsored in common by a group of retailers or other organizations providing products or services to a market.

Horizontal expansion: Any foreign direct investment by which a company produces the same product it produces at home.

Horizontal marketing system: A channel arrangement in which two or more companies at one level join together to follow a new marketing opportunity. Many supermarket chains have arrangement with local banks to offer in-store banking. Each company lacks the capital, know-how, production , or marketing resources to venture alone, or it is afraid of the risk. The companies might work on temporary or permanent basis.

Horizontal price fixing: Agreement among manufacturers, among wholesalers, or among retailers to set certain prices. This is illegal, regardless of how "reasonable" prices may be.

Horizontal product team: One of the types of product-team structures in product management marketing organization. This type of product team comprises of product manager and several specialist from marketing and other functions, such as from sales, marketing, design, engineering, accounting, and marketing research. Product teams may consist between five to eight people and each team manages a specific product, market, and process.

Horizontal retail audit: Analyzes a retail firm's overall performance, from mission to goals to customer satisfaction to basic retail strategy mix and its implementation in an integrated, consistent way.

Horizontal sales organization: Organization in which the number of management levels is small and the number of managers at any particular level is large.

Host country: Any foreign country in which an international company operates.

Host: A computer connected to the Internet. A host-name is the identifying name of that computer. xxxx

Hot prospects: Potential customers who are almost certain to have an interest in buying the product category.

Hot shop: Small/creative advertising agency, which buys no media and does not require recognition. Some have become larger and are called *la carte* agencies.

House mark: A primary mark of a business concern usually used with the trademark of its products. Dupont is a house mark; Teflon II is a trademark. Reliance is a house mark. RIM is a trademark.

Household life cycle: A more modern (westernized) version of the family lifecycle that includes categories such as divorced couples, married couples without children, and remarried people with children and stepchildren.

Household using television (HUT): The percentage of homes in a given area that are watching television during a specific time period.

Huff's law of shopper attraction: Delineates trading areas on the basis of the product assortment carried at various shopping locations, travel times from the shopper's home to alternative locations, and the sensitivity of the kind of shopping to travel time.

Human resource audit: A careful examination by top management or an outside consultant of the strengths and weaknesses of all employees.

Human resource management process: Consists of these interrelated activities**:** recruitment, selection, training, compensation, and supervision. The goals are to obtain, develop, and retain employees.

Human resource manager (expert system): One of the artificial intelligence based expert system used in corporate retailing that will assign tasks to different retail personnel. The time taken to complete these tasks is monitored and then it reports to senior management and recommend corrective actions when value judgments are required.

Hundred (100) percent location: In the context of retailing it refers to the location with the greatest amount of the kind of traffic desired for a given store. **A** 100 percent location for one type of retailer may not be one for another type of retailer.

Hurdle rate: Any criterion or test figure that a new product must meet or exceed as it goes through development.

Husband dominant decision: One of the types of purchase decision-making in the family with respect to various products and services. In this type of decision-making, husband is predominantly responsible for making decisions for various products and services.

Hybrid communities: Commercial communities, which merge the online, and offline contact.

Hybrid conjoint analysis: A form of conjoint analysis that can simplify the data collection task and estimate selected interactions as well as main effects.

Hybrid marketing channel: Multichannel distribution system in which a single firm sets up two or more marketing channels to reach one or more customer segments. Companies that mange hybrid channels must make sure these channels work well together and match each target customer's preferred ways of doing business.

Hybrid services: One of the types of offerings by the companies. A hybrid service is one that consists of equal parts of goods and services. For example, people patronize restaurants for both food and service.

Hyper reality: The becoming real of what is initially simulation or "hype".

Hyperinflation: A rapid increase in general price levels for a sustained period of time.

Hyperlink: A connection, in the form of text or pictures on a web page or Email, which connects a user to another web page or website. It can also connect user to another part of the same page.

Hypermarket: A huge retail outlet, usually over 100,000 square feet, which is typically discount-oriented, pioneered in Europe that blends an economy supermarket with a discount department store. It is even larger than a supercenter. It sells a wide variety of goods and performs some functions ordinarily performed by whole-sellers.

Hypertext markup language (HTML): It is the language of the web, and is posted on a web. Apart from other uses of HTML it is used for conducting Internet surveys in the marketing research online. Respondents are asked to go to a particular website and complete the survey in HTML language.

Hypertext transfer protocol (HTTP): A language, which enables computers to transfer web pages to one another via the Internet.

Hypothesis testing: The process of testing i.e., accepting or rejecting the null hypothesis framed in the initial part of the research process. Hypothesis testing can be related to either an examination of associations, or an examination of differences. In tests of associations, the null hypothesis is that there is no association between the variables of interest. In tests of differences, the null hypothesis is that there is no difference in two or more set of data.

Hypothesis: A hypothesis is an unproven statement or proposition or "educated guess" about a factor or phenomenon that is of interest to the researcher. It may, for example, be a tentative statement about relationships between two or more variables as stipulated by the theoretical framework of the research. There are two types of hypotheses, null and alternative hypothesis.

I

Iceberg principle: Concept that managers should view not only aggregate data when evaluating sales performance; data should be broken down to permit insight into the performance of individual sales segments.

Icicle diagram: One of the statistics associated with cluster analysis technique used in marketing in general and marketing research in particular. This is a graphical display of clustering results, so called because it resembles a row of icicles hanging from the eaves of a house. The columns correspond to the objects being clustered, and the rows correspond to the number of clusters. An icicle diagram is read from bottom to top.

Icon: A visual image directly connected with the object of the communication.

Id: In Freudian theory, the part of the personality that consists of primitive and impulsive drives that the individual strives to satisfy. Marketers use this concept in preparing advertising messages for those products, which may be considered "Id driven".

Idea (non-product) advertising: Advertising used to promote an idea or cause rather than to sell a product or service.

Idea generation: The first stage of new product development process. It is the systematic search for new-product ideas. A company has to generate many ideas in order to find a few good ones. There are basically two sources of new ideas: internal sources and external sources. Internal sources include company employees, sales persons, executives and external sources include customers, competitors, distributors and suppliers. Company can find new ideas through R&D also.

Idea screening: The second stage of new product development process. It refers to Screening of new-product ideas in order to spot good ideas and drop poor ones as soon as possible. The purpose of this stage is to reduce the number of ideas through a system of evaluation. In evaluating the new ideas the company should try to avoid *go* and *drop* errors.

Ideal self-image: Used in consumer behaviour. How consumers would like to perceive themselves (as opposed to actual self-image-the way they do perceive themselves.)

Identification information: One of the types of information that is obtained through a questionnaire from the respondents. This includes names, addresses, and telephone numbers of the respondents. Identification information may be obtained for a variety of purposes, including that the respondents listed were actually interviewed, remitting promised incentives, and so on.

Identification: This term is used in the context of advertising. This refers to the process by which an attractive source influences a message recipient. Identification occurs when the receiver is motivated to seek some type of relationship with the source and adopt a similar position in terms of belief, attitudes, preference, or behavior. Use of celebrities as a source would create more identification. Therefore marketers recognize that the receivers of persuasive communication are more likely to attend to and identify with people they find likeable and similar to themselves.

Identity discloser: The issue of whether to release to the user the name of the firm making the product being tested.

Identity media: One of the major tools used in marketing public relations (MPR). As companies need their visual identification for their immediate recognition among public identity media serve this purpose. Its logos, stationary, brochures, signs, business forms, business cards, employees and executives uniforms and business suits and dress codes can carry the visual identity of a company.

Image advertising: Advertising that creates an identity for a product or service by emphasizing physiological meaning or symbolic association with certain values, lifestyle, and the like.

Image analysis: A process though which a company assesses its current image, its products and its competitors in the target market.

Image brands: This refers to all those products and services that are difficult to differentiate, or to assess quality, or convey a statement about the user. For this type of brand marketers use different strategies, which may include: (1) Creating a distinctive design, (2) Associating them with celebrity users or endorsers, (3) By creating powerful advertising image through image advertising. These strategies are designed to say something positive about the brand user. Image brands are also found in B2B products. In order to be successful in the market image brands require advertising creativity and high advertising expenditures.

Image measurement: A technique that compares the customers' and non-customers' perceptions of the firm with the firm's perception of itself and thus identify perceptual gaps. Multidimensional scaling procedures provide this measurement, which can be used by the marketers in developing their promotional and other marketing strategies.

Image pricing: One of the variants of price discrimination where the seller charges two different prices for the same product at two different levels based on image differences. For example, a perfume manufacturer can put the perfume in one bottle, give it a name and image, and price it very high. In the second case the same perfume is put in another bottle with a different name and image and price it differently, lower than the earlier one.

Image reinforcement: The effect of enhancing the image of a product or of fixing it in a customer's mind through sales promotion activities.

Image transfer: A radio advertising technique whereby the image of a television commercial is implanted.

Imagery transfer research: A technique that measures the ability of radio listeners to correctly describe the primary visual elements of related television commercials.

Imitation barrier: A structure of organizational design and capability that must be adapted for Web use, and can be a competitive advantage.

Imitation lag: A strategy for exploiting temporary monopoly advantages by moving first to those countries most likely to develop local production.

Imitative innovations: A strategy of copying the creativity of others, but modifying each copy enough to give it some originality and, hopefully, market value. The improvement is not enough to call it an adaptive strategy.

Imitator strategy: One of the strategies that a market-follower may adopt with respect to the market leader in a specific industry or in a product category. The imitator copies some things from the leader but maintains differentiation in terms of packaging, advertising, pricing, or location. The leader does not mind the imitator as long as the imitator does nor attack the leader aggressively.

Immersion: Two and three-dimensional Web based capabilities producing an illusion of physical reality.

Impact: Effect advertisement has on reader, viewer or listener. A TV campaign can be shown as many times as it is likely to achieve a given number of impacts per viewer, bearing in mind that the viewer will not see every appearance of the commercial.

Impersonal communication: Communication directed to a large and diffuse audience, with no direct communication between source and receiver. It is also known as mass communication.

Implied alternative: In the context of a questionnaire this refers to a question asked in a way, which leaves unstated other alternatives. Example**:** "Should the state legislature use the budget surplus to give state employees a raise?" The implied alternative is other uses for the monies, such as '... or should the money be used to lower the tax rate?" It is also called implicit alternative.

Implied warranty of fitness for a particular purpose: Warranties that arise when a customer relies on the retailer to assist the customer or to select the right goods to serve a particular purpose.

Implied warranty: A warranty (promise of performance) extended to the customer but unstated. It usually is assumed from common practice in the trade or suggested by statements made about the product by the seller.

Import broker: An individual who obtains various governmental permissions and other clearances before forwarding necessary paperwork to the carrier that will deliver the goods from the dock to the importer.

Import deposit requirement: Governmental requirement of a deposit prior to the release of foreign exchange.

Import license: A formal permission from a governmental authorities before importing any good from the foreign country.

Import licensing: A method of governmental control of the exchange rate where by all recipients, exporters, and others who receive foreign exchange are required to sell to the central bank at the official buying rate.

Import Quotas: The most common type of import or export restrictions based on quantity is the quota. From the standpoint of imports, a quota most frequently limits on the amount of goods that an importing country will accept in certain product categories; it is designed to conserve on foreign exchange and to protect local industry and employment.

Import restrictions: A policy of government of a country to impose restriction on the goods to be imported in order to create domestic employment. However, import restrictions may lead to retaliation by other countries, are less likely to be met with retaliation if implemented by smaller economies, may decrease export jobs because of price increases for components, and may decrease export jobs because of lower incomes abroad.

Import substitution: A policy for economic growth adopted by many developing countries encourages domestic production of goods, which are formerly imported. In recent years, most countries have concluded that import substitution is not the best way to develop new industries through protection. If the protected industries do not become efficient, consumers may have to pay higher prices for an indefinite period of time to support them.

Import tariff: A tax placed on goods entering a country.

Importance rating: One of the methods used in assessing the customer value in business markets. In this method customers are asked to rate the importance of different attributes. They are also asked to rate the supplier firms with respect to their performance on these attributes. The company can then estimate the relative value of each competitor's offer.

Importance ratings: One of the methods a business marketer uses to assess customer value in which customers are asked to rate the importance of different attributes. They are also asked to rate the supplier firms with respect to their performance on these attributes. The company can then estimate the relative value of each competitor's offer.

Importance-performance analysis: A technique that can be used to rate various elements of the product or service bundle and identify what actions are required. Here, first various attributes are identified and then their importance is rated by the consumers on a five-point scale ranging from highly important to not important. Then on the same attributes the perceived performance is measured again on five-point scale ranging from very high performance to very low performance. These importance and performance ratings are compared and certain decisions are recommended.

Importers: Retailers and wholesalers that fulfill the same functions as distributors. Generally do not have exclusive rights to the product.

Imports: Goods or services entering a country.

Impressions: The number of times an ad was served to unique site visitors. It is equivalent to cost per thousand (CPM), which is a measure of effectiveness for print media.

Improved services strategy: A strategy that may be adopted by a market challenger or follower. Here the company following this strategy can come up with new or better services to customers than the market leader.

Impulse goods: One of the types of convenience goods, which are purchased without any planning or search effort

Impulse purchases: Occur when consumers buy products and/ or brands they had not planned to before entering a store, reading a catalog, seeing a TV shopping show, turning to the Web, and so forth. It is also called impulse buying.

Imputation estimates for nonresponse: One of the approaches available to the researcher for adjusting for nonresponse in a research project. In this approach the researcher adjust for nonresponse by assigning the characteristic of interest to the nonrespondents based on the similarity of the variables available for both nonrespondents and respondents.

Inability error: One of the possible sampling errors that may emanate from some of the respondents in a research project based on survey method. It results from the respondent’s inability to provide accurate answers. Respondent may provide inaccurate answers because of unfamiliarity, fatigue, boredom, faulty recall, question format, question content, and other factors.

Inadvertent role of advertising: Advertising sometimes communicates social messages unintended by the advertiser. Stereotyping and less than flattering portrayals of individuals and ethnic or social audience segments can lead to negative perceptions of advertising.

In-bond industry: Any industry that is allowed to import components free of duty, provided that the components will be re-exported after processing.

Inbound telemarketing: Telemarketing efforts in which potential customers contact the selling company.

Incentive-based system: A form of compensation whereby an advertising agency's compensation level depends on how well it meets predetermined performance goals such as sales or market share.

Incentives: Any type of additional benefit provided by the company to many people. This may be done in the form of consumer sales promotion, where the incentive is given to consumers. This may be done in the form of trade sales promotion where the incentive is given to wholesalers, retailers, or a company's sales force.

Incidence rate: This term is used in the context of adjusting the sample size determined earlier by a particular method. It refers to the rate of occurrence or the percentage of persons eligible to participate in the study. Incidence rate determines how many contact needs to be screened for a given sample size requirement.

Income elasticity of demand: A means of describing responsiveness to a change in demand relative to a change in income.

Income receipts and payments on asset accounts: A component of current account balance that measures foreign investment in the home country and its investments abroad. For example, a dividend received by an Indian company from one of its subsidiaries fro other country is considered to be an income receipt. A dividend sent by, for example, Ford India to its parent company in US is considered to be an income payment.

Income satisfiers: Salespersons who adjust the level of their activities and sales to maintain the same level of income.

Income segmentation: Dividing a market into different income groups.

Income statement: Summary of the sales and expenses for a given time period, usually monthly, quarterly, or annually.

Incorporated Society of British Advertisers (ISBA): Trade body for protection and advancement of advertising interests of member firms. Advises on all forms of media and publishes useful guidance booklets.

Incoterms: Terms of sale developed in international trade over the years that have been precisely phrased by the International Chamber of Commerce and are now regarded as standard.

Incremental approach: Term used to describe collectively the quantitative approaches that can be used to determine optimum sales force size.

Incremental budgeting: Process whereby a firm uses current and past budgets as guides and adds to or subtracts from them to arrive at the coming period's expenditures.

Incremental innovation: A strategy of producing a stream of new products, each of which is an improvement on earlier models. Mostly singles.

Incremental Method: (1) Promotional budgeting procedure by which a percentage is either added to or subtracted from one year's budget to determine the next year's. (2) Establishing additional territories as long as the marginal profit generated by the territories exceeds the cost of servicing them.

Indent: To start a paragraph with a space as in books and newspapers. Makes copy more readable than the unindented block paragraphs of business letters. A useful way of introducing white spaces into text of advertisements.

Independent delivery companies: Private companies that contract with magazine publishers to deliver their publications.

Independent delivery system: In the context of retailing it refers to one of the systems of delivering the merchandise up to the house or premises of the customer. In this system the retailer gives a third party to handle the delivery of merchandise to the customer's house or office. Advantage is the retailer does not have to incur the expenses, but the disadvantage is that the retailer has the lack of control over the quality of delivery.

Independent off-price retailer: Off-price retailer that is either owned and run by entrepreneurs or is division of larger retail corporation. This type of retailer buys merchandise at less than regular wholesale prices and sold at less than retail: often leftover goods, overruns and irregulars.

Independent retailer: A retailer that owns only one retail unit.

Independent samples: Two or more samples are said to be independent if the selection of sample elements to be included in one sample does not affect the sample elements to be included in the other samples.

Independent variable: A variable that can be manipulated to effect a change in the value of a second (i.e. dependent) variable. For example, price is an independent variable that often affects sales (the dependent variable). Also sometimes called criterion variable.

Index numbers: A ratio used to describe the potential of market. The index number is derived by dividing the percentage of users in a market segment by the percentage of population in the same segment and multiplying by 100.

Index of fit: A term used in the context of multidimensional scaling procedures. The index of fit or R-square is a squared correlation index that indicates the proportion of variance of the optimally scaled data that can be accounted for by the MDS procedure. Although higher values of R-square are desirable, values of 0.60 or better are considered acceptable.

Index of predictive association: A statistic used to measure the extent of association between two nominally scaled attributes.

Index of retail saturation (IRS): The ratio of aggregate household demand to aggregate retail supply for a particular location. /// IRS can be calculated as follows: $IRS_1=(H_1xRE_1)/RF_1$, where, // IRS_1=index of retail saturation for area one, H_1=number of households in area one' RE_1=annual retail expenditure for particular line of trade per household in area one, RF_1=square feet of retail facilities of a particular line of trade in area one.

Index of status characteristics (ISC): It is used in consumer behaviour to ascertain the social standing of prospects. A measure of social class that combines occupation, source of income (not amount), house type, and dwelling area into a single weighted index of social class standing. Also known as Warner's ISC.

Indian market research bureau (IMRB): One of the largest market research consultancy firms in India, which conducts market research studies in various fields of marketing. Hindustan Thomson Associates, a leading advertising agency has setup IMRB for looking after its research work.

Indirect approach: A type of qualitative research technique in which the true purpose of the project is disguised from the respondents. Projective techniques, the commonly used indirect techniques, consist of association, completion, construction, and expressive techniques. Indirect approaches are also known as disguised approaches or techniques.

Indirect channels: A marketing channels where intermediaries such as wholesalers and retailers are utilized to make a product available to the customer.

Indirect exporting: Selling overseas through domestic intermediaries. Indirect exporting can be done through different intermediaries. They include: (1) Domestic-based export merchants, (2) Domestic-based export agents, (3) Cooperative organizations, and (4) Export-management companies or export houses.

Indirect headlines: A type of headline that is not straightforward with respect to identifying a product or service or providing information regarding the point of an advertising message.

Indirect marketing channel: Channel containing one or more intermediary levels.

Indirect observation: An observation technique in which some record of past behaviour is used, rather than observation of behaviour as it occurs.

Indirect quote: An exchange rate given in terms of the number of units of the foreign currency for one unit of the domestic currency.

Indirect reference group: Individuals or groups with whom a person identifies but does not have direct face-to-face contact, such as movie stars, sports heroes, political leaders, or TV personalities.

Indirect sales channels: Independent sales representatives or agencies used by a company in place of its own field sales force.

Indirect scale: A self-reporting technique in which a respondent's judgments on several questions are combined in order to develop a measure of his or her position on the attitude in question.

Indirect selling: A sale of goods by an exporter through another domestic company as an intermediary.

Individual brand: The brand identity given to an individual product, as separate from other products in the market and from other items in the product's own line.

Individual branding: Using separate brands names for each product, without a family brand to tie them to other brands of that firm.

Individual marketing: Tailoring products and marketing programs to the needs and preferences of individual customers—also labeled customized marketing, one-to-one marketing, and markets-of-one-marketing.

Individual network value: The value to a specific individual of belonging to and using a network.

Individualist culture: A cultural orientation that encourages people to attach more importance to personal goals than to group goals; values such as personal enjoyment and freedom are stressed.

Individually validated license (IVL): A special export license under which certain restricted products need to be shipped.

Industrial advertising: Advertising that is addressed to manufacturers who buy machinery, equipment, raw materials, and the components needed to produce goods they sell.

Industrial analysis: The assessment of the potential attractiveness of a market. It involves analyzing a particular industry, including competing firms, intermediaries, suppliers and the labour force.

Industrial distributor: Full-service wholesaler in industrial markets who sells to manufacturers (companies) rather than to retailers and provides several services—carrying stocks, offering credit, and providing delivery.

Industrial policy: Official planning for industry as a whole or for a particular industry.

Industrial product: Product bought by individuals and organizations for further processing or for use in conducting a business.

Industrialization argument: A rationale for protectionism that argues that the development of industrial output should come about even though domestic prices may not become competitive on the world market.

Inelastic demand: One of the important characteristics of business or industrial products as the demand for these products and services tend to be inelastic than the demand for consumer products and services—that is, not much affected by price changes. Moreover, the demand is especially in elastic in the short run because producers cannot make quick changes in production methods.

Inept set: The brand alternatives of which the consumer is not aware and therefore, is not even included in the consumer's choice process.

Inert set: Brands that a consumer is indifferent towards because they are perceived as having no particular advantage.

Inertia (purchase): A passive process of information processing, brand evaluation, and brand choice among consumers. This type of consumers frequently purchases the same brand by inertia to save time and energy.

Infant-industry argument: One of the oldest arguments for protectionism, which holds that an emerging industry should be guaranteed a large share of the domestic market until it becomes efficient enough to compete against imports. The argument is still used by developing countries to support their protectionist policies. This argument is based on the logic that although the initial output costs for an industry in a given country may be so high as to make it noncompetitive in world markets.

Inference: Involves the development of an association between two stimuli; for instance, consumers may associate high price with quality.

Inferential statistics: The branch of statistics that allows researchers to make judgments concerning the population based on the results generated by samples.

Inflation: A general rise in price level that reduces consumer purchasing power. Inflation is a dimension of the economic environment that affects the interest rates, exchange rates, the cost of living, and the general confidence in a country's political and economic system.

In-flight advertising: A variety of advertising media, which targets air travelers while they are in flight.

Influencers: (1) A person in a family purchases who exerts influence as what criteria will be used in the purchase decision process. All members of the family may be involved or some members may be involved depending on the nature of product and the type of the buying situation. (2) People in an organization's buying center who affect the buying decision; they often help define specifications and also provide information for evaluating alternatives.

Infomediaries: Independent organization who publish on a regular basis the various product or brand evaluations. Example includes consumer reports and ratings in special interest journals, book reviewers, and recently, the chat rooms where people discuss products, services, and companies. Consumers are undoubted are influenced by these evaluations. Infomediaries are also online organizations that aggregate and distribute information. One form of infomediary is a market research firm. Usually the infomediary compensates the consumer for sharing information.

Infomercial: Lengthy program-length TV commercial (most often 30 minutes) with Web address through which to order the product or request additional information, for a specific good or service that airs on cable television or on broadcast television, often at a fringe time. It is particularly worthwhile for products that benefit from visual demonstrations. Infomercials are designed to provide consumers with detailed information about a product or service. One study found that early adopters, opinion leaders, and active shoppers are more likely to view infomercials than other consumers.

Informal buying organization: Does not consider merchandising (buying) as a distinct retail function; the same personnel handle both merchandising (buying) and other retail tasks.

Informal Group: A group of people who see each other frequently on an informal basis, such as weekly poker players or social acquaintances.

Informal Interpersonal Communication: Direct communication between two or more persons who are friends, neighbors, relatives, or co-workers.

Informal learning of culture: Situations in which a child learn primarily by imitating the behavior of selected others (family, friends, TV heroes.)

Informal organizational structure: The organizational structure depicting how employees within the organization actually behave in terms of lines of authority and responsibility.

Informal selling: A type of market test in which one or a few salespeople make calls on intended market users and full presentations are made. There is actual request for the order. However, product has not been released to the full sales force.

Information acceleration (IA): A virtual system designed to place a consumer in a virtual buying environment similar to one available at the time the consumer makes the purchase decision.

Information aggregation: A design criterion applied to marketing information systems, specifically the detail with which individual items is to be entered in the system.

Information control: A term applied to research studies, particularly marketing research, using questionnaires and concerning the amount and accuracy of the information that can be obtained from respondents.

Information currency: A design criterion applied to marketing information system that focuses on the elapsed time between the occurrence of an event and the inclusion of the data describing the event in the system.

Information overload: A situation in which the consumer is presented with too much product or brand–related information from company and other information sources. The result of this overload is confusion, resulting in poor purchase decision. However, there is no clear definition about what constitutes information overload. Therefore, research is needed to determine at what point information overload sets in for various subsets of consumers.

Information power: Power of knowing something others would like to know

Information processing model: A model of advertising effects developed by William McGuire (1978) that views the receiver of a message as an information processor and problem solver. The model views the receiver as passing through hierarchy that includes a series of stages including message presentation, attention, comprehension, and acceptance or yielding, retention and behavior.

Information search: The stage of the buyer decision process in which the consumer is aroused to search for more information about the product or service he/she intends to purchase. The consumer may simply have heightened attention i.e. seeks information passively or may go into active information search i.e. seeking information by spending time and money.

Information technology (IT): The full set of people, hardware, and software by which information is processed today. Acronym is IT.

Informational influence: The influence of experts or experienced friends or relatives on consumer brand evaluations.

Informational/rational appeals: Advertising appeals that focus on the practical, functional, or utilization need for a product or service and emphasize features, benefits, or reason for owning or using the brand. The content of these messages/appeals emphasizes facts, learning, and the logic of persuasion. Rational based appeals tend to be informative, and advertisers using them generally attempt to convince customers that their product or service has a particular attribute(s) or provides a specific benefit that satisfies their need. Many rational motives can be used as the basis of advertising appeals, including comfort, convenience, economy, health, quality, durability, efficiency, efficacy, performance and sensory benefits such as touch, taste, and smell.

Informative advertising: A type of advertising, which is based on objectives to be achieved. Its basic aim is to create awareness and knowledge of new products or new features of existing products.

Infrastructure: The underlying foundation of a society, such as roads, schools, and so forth, that allows it to function effectively.

Ingredient co-branding: One of the forms of co-branding in which one company advertises that it is using another company's components as they are of highest quality. For example, Maruti Udyog may advertise that it is using MRF tyres.

Ingredient sponsored cooperative advertising: Advertising supported by raw material manufacturers with the objective being to help establish end products that include materials and/or ingredients supplied by the company. For example, the 'Intel Inside' logo comes under this category.

Inherent drama: An approach propounded by Leo Burnett whereby advertising focuses on the benefits or characteristics that lead a consumer to purchase a product or service and uses dramatic elements to emphasize them.

In-home tests of advertising effectiveness: In broadcast media, a videotape of those advertisements which are to be tested are taken into the homes of target consumers, who then view and rate the advertisement on some criteria.

In-house agency: An advertising agency set up whereby the advertiser handles the total agency function by buying individually, on a fee basis, the needed services (for example, creative, media services, and placement) under the direction of an assigned advertising director.

Initial markup percentage: In the context of retail business it is the markup decided initially by a retailer on merchandise it carries. It is based on the original retail value assigned to merchandise less the merchandise costs, expressed as a percentage of the original retail price. To determine the initial markup the following formula may be used. //// Initial markup percentage = (gross margin + alteration costs + reductions)/(net sales + reductions)

Initial Public Offering (IPO): Method whereby a firm raises money by selling stock to the public.

Initiator(s): One of the buying roles identified both in the consumer buying and in the industrial buying. In the context of consumer buying decision process it refers to the person who first suggests the idea of buying the product or service. In the context of business/industrial buying decision process it refers to those people in the organization who request that something be purchased. They may be users or others in the organization.

Ink-jet-imaging: A printing process where a message is reproduced by projecting ink into paper rather than mechanical plates. Ink-jet imaging is being offered by many magazines allow advertisers to personalize their messages.

Innate needs: These are physiological needs every individual has such as food, water, air, clothing, shelter, and sex. These are also known as biogenic needs. Because they are needed to sustain biological life, these are considered primary needs.

Inner brand: That tangible asset that no other brand owns.

Inner-directed consumers: Consumers who tend to rely on their own "inner" values or standards when evaluating new products and who are likely to be consumer innovators.

Innovation decision process: An update of the traditional adoption process model consisting of the following four stages**:** knowledge, persuasion, decision, and confirmation.

Innovation diffusion process: It may be defined as the spread of a new idea from its source of invention or creation to its ultimate users or adopters.

Innovation-adoption model: A model developed by Everett M. Rogers (1962) that represents the stages a consumer passes through in the adoption process for an innovation such as a new product. The series of steps includes**:** awareness, interest, evaluation, trial and adoption.

Innovations: The act of creating a new product or process; includes invention as well as the work required to bring an idea or concept into final form. An innovation may have various degrees of newness, form very little to highly discontinuous, but must include at least some degree of newness to the market, not just to the firm.

Innovative marketing: A principle of enlightened marketing that requires that a company seek real product and marketing improvements.

Innovativeness: (1) When applied to the seller, it is the degree to which the firm has the capability, and follows the practice, of being innovative. (2) When applied to a buyer, it is the extent to which that person or firm is willing to accept the risks of early purchase of an innovation.

Innovators: Firms or persons that are innovative. The term is often applied to those (1) who are the first to create a new type of product or (2) who are the first to adopt a new product introduced to the marketplace. Innovators are often thought to be opinion leaders.

Inoculation theory: A theory proposing that consumers can be "inoculated" against negative thoughts about a product when processing a marketing message with messages that anticipates these negative thoughts and refutes them.

Input-output table: A tool used widely in national economic planning to show the resources utilized by different industries for a given output as well as the interdependence of economic sectors.

Inquiry tests: Used in both consumer and business-to-business market testing. These tests are designed to measure advertising effectiveness on the basis of inquiries generated from the ad such as requests for information, number of phone calls, or number of coupon redeemed.

Inseparability (service): 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.

Inserts: Loose leaflets inserted into magazines or newspapers. These are used a form of advertisement which include return cards, recipe booklets, coupons, records and even product samples. Inserts are also used in conjunction with direct response ads and as part of sales promotion strategy.

Inside buying organization: Staffed by a retailer's own personnel; merchandise decisions are made by permanent employees of the firm.

Inside cards: A form of transit advertising where messages appear on cards or boards inside of vehicles such as buses, subways, or trolleys.

Inside sales force: Salespeople who conduct business from their offices via telephone or visits from prospective buyers.

Inside transport advertising: Advertisements on the insides of buses, taxis, trams and trains.

Insiders in marketing channel: One of the roles that an individual firm or company may perform in the channel system. Insiders are members of the dominant channel. They enjoy access to preferred sources of supply and high respect in the industry. They want to perpetuate the existing channel arrangements and the main enforcers of industry code of conduct.

Installation (service): It refers to the work one to make a product operational in its planned location. Buyers of heavy equipments expect good installation service. Installation service can be used as a differentiation tool as it may become important for companies with complex products. Ease of installation becomes a true selling point, especially when the target market is technically novice.

Instant coupon: Coupons attached to a package that can be removed and redeemed at the time of purchase.

Instant messaging: Direct one-to-one and few-to-few communication; a form of personal Internet chat room.

Institutional advertising: Advertising done by an organization speaking of its work, views and problems as a whole, to gain public goodwill and support rather than to sell a specific product. Sometimes called public relations advertising.

Institutional market: A type of market that consists of schools, colleges, universities, hospitals, nursing homes, prisons, and other institutions that provides goods and services to people in their care. Many of these have low budgets and captive clients and the main buying motive of these markets is cost minimization and not profit.

In-store couponing: The distribution of coupons in retails stores through various methods such as tear-off pads, handouts, and on-shelf or electronic dispensers.

In-store media: Advertising and promotional media that are used inside of a retail store such as point-of-purchase displays, ads on shopping carts, coupon dispensers and display boards.

Instrumental actions: Actions necessary to complete the purchase of a brand (e.g., obtaining finances for a car).

Instrumental conditioning: A behavioral theory of learning based on a trial-and-error process, with habits formed as the result of positive experiences (reinforcement) resulting from certain responses or behaviors.

Instrumental roles (family): Family-purchasing roles related to task oriented functions meant to provide direction to the group. Decisions on budgets, timing, and product specifications are task oriented.

Instrumental values: Instrumental values are the means to attain cultural goals. As applied to consumers, instrumental values are consumption specific guidelines.

Instrumental variables: Alternative names given to dummy, dichotomous, or qualitative variables, which may take only two values such as 1 or 0.

Instrumentation error: An experimental error that occurs when the measurement instrument changes over time. For example, an experimenter may become more skilled at recording subjects' responses to a new ad as an experiment progresses. Instrumentation errors are likely when interviewers make pre- and posttreatment measurements the effectiveness of the interviewers can be different at different times.

Intangibility (service): A major characteristic of services--they cannot be seen, tasted, felt, heard, or smelled before they are bought.

Intangible asset: Something that is owned by a person/company but which cannot be seen, tasted or touched in a conventional sense. It can however, be assigned a value on the basis of its usefulness. It is that characteristic of services which most strongly differentiates them from products.

Integrated direct marketing: Direct-marketing campaigns that use multiple vehicles and multiple stages to improve response rates and profits. This is also sometimes called *maximarketing*.

Integrated information response model: A model of the response process or sequence advertising message recipients goes through which integrates concepts from the traditional and low involvement response hierarchy perspectives.

Integrated logistics management: The logistics concept that emphasizes teamwork, both inside the company and among all the marketing channel organizations, to maximize the performance of the entire distribution system.

Integrated logistics system: A logistics system that involves material management, material flow systems, and physical distribution, abetted by information technology (IT).

Integrated marketing communication objectives: Statement of what various aspects of the integrated marketing communications program will accomplish with respect to factors such as communication tasks, sales market share, and the like.

Integrated marketing communications (IMC): A concept of marketing communications planning that recognizes the added value of a comprehensive plan that evaluate the strategic roles of a variety of communication disciplines-for example, general advertising, direct response, sales promotion and public relations and combines these disciplines to provide clarity, consistency and maximum communications impact.

Integrated marketing: One of the main pillars of the marketing concept as basic philosophy of carrying marketing function. Integrated marketing happens when all the company's departments have to work together to serve the customer's interests. Integrated marketing takes place on two levels. First the various marketing functions—sales force, advertising, customer service, product management, and marketing research—must work together. All these marketing functions must be coordinated from the customer's point of view. Second, other departments of the company such as purchasing, production, design, and accounting must embrace marketing concept. They must also "think customer"

Integration processes: The way information such as product knowledge, meanings and beliefs is combined to evaluate two or more alternatives.

Integration: (1) Control of different organization merges through the building of a tight network of interrelationships between a business and its partners. (2) Used in the context of consumer behaviour it refers to the tendency to perceive stimuli as an integrated whole; for example, a brand image.

Integrative growth: A growth strategy in which a company increases its sales and profits through backward, forward, or horizontal integration within its industry. A company may acquire one or more of its suppliers to gain more control or generate more profits (backward integration). It might acquire some wholesalers or retailers, especially if they are highly profitable (forward integration). Or finally, it might acquire one or more competitors through acquisition (horizontal integration).

Intellectual property rights: It refers to ownership rights to intangible assets, such as patents, trademarks, copyrights, and technical know-how.

Intelligent shopping agent: A website that provides relevant product information and helps them to select the best buys may be called intelligent shopping agent. For example, mySimon.com helps consumers who are looking for the best buys in several categories including books, toys computers, and electronics. This is sometimes also called a *"bot"*, short form of "robot". A person who wants a digital camera can go to mySimon.com, click on cameras, then digital cameras, then brand, and find which of the several merchants offer the camera at lowest price.

Intensive distribution: One of the types of market coverage strategies which takes place when the companies stock their products in as many outlets as possible. These goods must be available where and when consumers want them. Producers of convenience and common raw materials typically seek intensive distribution. This often maximizes producers' sales and lets retailers offer many brands and product versions.

Intensive growth: A growth strategy in which a company reviews opportunities that exist for improving its existing business performance. There are three possible intensive growth strategies. These are (1) Market penetration strategy, (2) Market development strategy, and (3) Product development strategy.

Intention: Used in the context of consumer behaviour it refers to the anticipated or planned future behaviour in the purchase process.

Interacting testing effect: One of the types of testing effects which may be presented in an experimental design. In this type of testing effect, a prior measurement affects the test unit's response to the independent variable. Due to prior measurement the respondent become more receptive or less receptive to the independent variable and therefore, the measured effects can be generalized to the population. The interactive testing effect, therefore, influence the external validity.

Interaction effect: An effect (that the total effect is greater than the sum of their main effects) that occurs when the relationship between an independent variable and the dependent variable is different for different categories of another independent variable.

Interaction error: An experimental error that occurs when subjects react differently to the independent variable because of a previous measurement. Example**:** if you were asked to participate in an opinion survey concerning Maruti cars, your reactions to subsequent Maruti commercials would be different from those who did not participate in the opinion survey to measure the effectiveness of the advertisement, interaction error may occur.

Interactive agency: An organization that specializes in the creation of interactive media such as CD-ROMs, kiosks, and websites.

Interactive communication: These are interactive communication systems, such as videotext and pay-TV. Though they are still in the process of development in many countries they may become important media in future. For example, in France, Minitel, the world leader in videotext, offers more than 3000 different services to its subscribers, from horoscopes to daily shopping.

Interactive kiosk: A computer and screen, usually in-store, that provide the customer with an interactive information source.

Interactive marketing: (1) Marketing by a service firm that recognizes that perceived service quality depends heavily on the quality of buyer-seller interaction. (2) With the rapid growth of Internet there has been a paradigm shift in the marketing function. There have been dramatic changes in the very nature of how companies do business and the ways they communicate and interact with consumers. Also called Internet marketing or E-marketing.

Interactive media: A variety of media that allows the consumer to interact with the source of the message, actively receiving information and altering images, responding to questions and so on.

Interactive point of sale (iPOS) terminals: These are small customer facing machines near the brick and mortar cash register, used to record the buyer’s signature for credit card transaction. They are important because they can gather survey and other data as well as present individually targeted advertising and promotion as well.

Interactive systems: TV or computer-based advice systems used by consumers in the stores to explain the use of the available products.

Interactive testing effect: One of the testing effects in h a prior measurement affects the test unit’s response to the independent variable in an experiment. Interactive testing effect adversely affects the external validity of an experiment.

Interactive TV: An emerging advertising medium which combines computer, telephone and TV hookups and make it possible for people to participate in two way communications via their TV sets. Interactive TV allows the consumers to use a computer keyboard to communicate directly with sellers on their TV screens.

Interactive voice response (IVR): A computer-based system for handling routine enquiries without human intervention. For example, the Indian Railways has introduced IVR system for disseminating information to its passengers.

Interactivity: The back-and-forth flow of information. For a Web site, participation plus procedural rules lead to interactivity.

Interbank market: The market for foreign-exchange transactions among commercial banks.

Interbank transaction: Foreign-exchange transactions that take place between commercial banks.

Interconnects: Group of cable systems joined together for advertising purpose.

Interdependence analysis: Problem in multivariate analysis to determine the relationship of a set of variables among themselves; no one variable is selected as special in the sense of the dependent variable.

Interdependence techniques: One of the multivariate statistical techniques used for data analysis. In interdependence techniques the variables are not classified as dependent or independent; rather, the whole set of interdependence relationships is examined. The major technique for examining variable interdependence is factor analysis. Analysis of interobject similarity can be conducted by cluster analysis and multidimensional scaling.

Interest arbitrage: This involves investing in interest-bearing instruments in foreign exchange in an effort to earn a profit due to interest-rate and exchange rate differentials in different countries.

Interest articulation: The process by which politicians, individuals, businesses, and interest groups make their desires known in the political process.

Interest rate differential: An indicator of future changes in the spot exchange rate.

Interest rate: Price paid for the use of money.

Interface (new product development): The points where different functions in a firm come together during the product innovation process. Usually applies to pairings of the major players**:** design, R&D, engineering, operations (especially manufacturing) and marketing.

Interference (advertising): Occurs when related information blocks the recall of the relevant information. Competitive advertising often causes consumers to be unable to recall advertising for a related brand; or consumers may sometimes confuse one brand with another.

Interior transit signs: Signs carried inside mass transit vehicles.

Intermarket segmentation: Forming segments of consumers who have similar needs and buying behavior even though they are located in different countries. For example, Mercedes-Benz targets the world's rich, regardless of their country or MTV targets the world's teenagers.

Intermediary audiences: Wholesalers, distributors, and retailers who are sent trade advertising designed to persuade them to order and stock merchandise, and relevant professionals (such as architects or physicians) who are sent professional advertising in the hopes that they will specify or prescribe the marketers' products.

Internal analysis of preferences: This term is used in connection with MDS procedures. It is method of configuring a spatial map such that the special map represents both brands or stimuli and respondent points or vectors and is derived solely from the preference data.

Internal analysis: The phase of the promotional planning process that focuses on the product/service offering and the firm itself including the capabilities of the firm and its ability to develop and implement a successful integrated marketing communications program.

Internal audiences: In public relations a term used to refer to individuals or groups inside the organization or with a close connection to it.

Internal branding: It refers to the training the employees of a company to understand desire, and deliver on the brand promise as too many companies make brand promises but fail to do so.

Internal comparison reliability: Exists when the scores on several questions, all of which were designed to measure a characteristic such as a person's brand loyalty proneness, are all highly correlated with each other.

Internal consistency reliability: One of the types of reliability, which is used to assess the reliability of a summated scale (Likert scale) where several items are summed to form a total score. In a scale of this type, each item measures some aspect of the construct measured by the entire scale, and the items should be consistent in what they indicate about the characteristics. This measure of reliability focuses on the internal consistency of the set of items forming the scale.

Internal data: Data that originate within the organization for which the research is being done. There are various sources of internal data. These include: (1) Company accounting records, (2) Sales records, (3) Cost figures, and (4) Earlier marketing research reports.

Internal databases: Computerized collections of information obtained from data sources within the company.

Internal engineering assessment: One of the methods used in assessing the customer value in business markets. In this method company engineers use laboratory tests to estimate the product's performance characteristics. If the performance is one and half time better than the closest competitor's performance, the company feels that it can charge up to one and half times more.

Internal environment analysis (Strength/weakness): The analysis a company does to assess its strengths and weaknesses vis-à-vis its competitors. This will help the company to take advantage of those opportunities that are compatible with its strengths and avoid or postpone for the time being those opportunities, which are not in tune with its present strengths.

Internal estimate: A statistical estimate of a range of values with a known probability of a parameter (such as a population mean).

Internal information: Information found in a retailer's normal records (e.g. customers' charge accounts).

Internal marketing: 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.

Internal PR: Public relations exercises aimed at those within the organization.

Internal record system: One of the components of marketing information system of a company. It consists of records of sales, costs, prices, inventory levels, receivables, payables and so on. By analyzing this information a company can spot important opportunities and problems.

Internal search: The process by which a consumer acquires information by accessing past experiences or knowledge stored in memory.

Internal secondary data: Available within a company's internal sources, sometimes from the data bank of information system. These may include company profit and loss statements, balance sheets, sales figures, sale-call reports, invoices, inventory records, and prior research reports.

Internal secondary data: This refers to that secondary data that are available within the organization for which the research is being done. Internal secondary data have two significant advantages. They are easily available and inexpensive.

Internal suppliers: These are the in-house marketing research departments of a company. Many companies, particularly the big ones maintain in-house marketing research departments. The marketing research department's place in the organization structure may vary considerably. At one extreme, the research function may be centralized and located at the corporate headquarters. At the other extreme is a decentralized structure in which the marketing research function is organized along divisional lines.

Internal validity: One criterion by which an experiment is evaluated; the criterion focuses on obtaining evidence demonstrating that the variation in the criterion variable was the result of exposure to the treatment or experimental variable.

Internalization (advertising): This term is used in the context of the use of credible source in advertising to influence a message recipient. Internalization occurs when the receiver is motivated to have an objectively correct position on an issue and the receiver will adopt the opinion or attitude of the credible communicator if he or she believes the information from this source represents an accurate position on the issue.

International Accounting Standards Committee (IASC): The international private-sector organization that sets financial accounting standards for worldwide use.

International Bureau for the Protection of Industrial Property Rights (IBPIPR): A multilateral agreement to protect patents, trademarks, and other property rights.

International business: All business transactions involving private companies or governments of two or more countries.

International commodity control agreements (ICCAs): One of the types of commodity agreements which are based on cooperation between producing and consuming countries and provide for equal voting rights for both groups. Examples of ICCAs are the International Cocoa Organization and the International Sugar Organization.

International competitiveness: The ability of a company, an industry or a country to compete in the international market while maintaining a stable or rising standard of living.

International division: An organizational structure of an international company that handles all foreign operations within the same division. International division is, normally, headed by a division president, who sets goals and budgets and is responsible for company's international growth.

International Fisher Effect (IFE): The theory that the relationship between interest rates and exchange rates implies that the currency of the country with the lower interest rate will strengthen in the future.

International Labor Organization (ILO): A multilateral organization promoting the adoption of humane labor conditions.

International marketing research: Marketing research carried out in the foreign markets. This is usually done by multinational companies or enterprises. There are two forms of international marketing research. These are foreign marketing research—research carried out in a country other than the country of the research-commissioning organization, and multinational research—research conducted in all or important countries where the company is represented.

International media: It refers to all those advertising media that have multi country coverage and can be used to reach audiences in various countries.

International Monetary Fund (IMF): A multi-governmental association organized in 1945 to promote exchange-rate stability and to facilitate the international flow of currencies. The agreement establishing the IMF initially was signed by 29 countries; by 1996, it had been signed by 182. the IMF major objectives are: (1) To promote exchange-rate stability, (2) To maintain orderly exchange-rate arrangements, (3) To avoid competitive currency devaluations, (4) To establish a multilateral system of payment, (5) To eliminate exchange restrictions, and (6) To create standby reserves.

International Monetary Market (IMM): A specialized marked located in Chicago and dealing in select foreign-currency futures.

International Organization of Securities Commissions (IOSCO): An international organization of securities regulators that wants the IASC to establish more comprehensive accounting standards.

International product life cycle: The theory of international product life cycle states that certain kind of products go through a continuum, or cycle, that consists of roughly four stages—introduction, growth, maturity, and decline—and the location of production will shift internationally depending on the stage of the cycle.

International standard of fair dealing: The concept that investors should receive prompt, adequate, and effective compensation in cases of expropriation.

International Trade Administration (ITA): A branch of the U.S. Department of Commerce offering a variety of services to US exporting companies.

Internationalization process: The stages through which a domestic company after passing them becomes an international company.

Internet databases: It refers to all those databases that are available on web or Internet. These databases can be accessed, searched, and analyzed on the Internet. It is also possible to download data from the Internet and store them in the computer or an auxiliary storage device.

Internet generation (Net-Geners): This refers to people who purchase online through Internet. Particularly, teens and young adults are spending quite large sum on purchasing various products and services through online shopping. In order to successfully market to these groups, marketers should keep in mind five things. These are: (1) Provide options and choice, (2) Customize the products or services to the possible extent, (3) Give options to change their minds in purchase decisions, (4) Give the option of trial before final purchase decision, and (5) Give importance to the functional aspects of products and service instead of form.

Internet service provider (ISP): Any organization through which one gets access to the Internet: its information and facilities.

Internet surveys: These surveys use HTML. The respondents are selected over the Internet from potential respondent maintained by the marketing research firm. Respondents are asked to go to the particular website to complete the survey. Responses are collected in an adjoining database.

Internet time: This phrase is used to describe the rapid change and evolution of Internet tools, marketplace, and business practices. It also describes the acceleration of competitive new product development activity, and of new product development (competitive) activity, and business tactics that the Internet has made possible.

Internet: Global electronic superhighway of computer networks that use a common protocol and that are linked by telecommunications lines and satellite. The vast and burgeoning global web of computer networks has no central management or ownership. Many of the computers in Internet hold files, such as web pages, that can be accessed by all other networked computers. Every computer, cell phone, or other networked device can send and receive data in the form of e-mail or files over the Internet. These data move over phone lines, cables, and satellites from sender to receiver. The Internet, then, consists of computers with data, users who send and receive the data files, and a technology infrastructure to move, create, and view or listen to the content.

Interpersonal communication: Communication that occurs directly between two or more people by mail, by telephone, or in person.

Interpretation: The process whereby meanings are assigned to stimuli.

Interpretivism: A postmodernist approach to the study of consumer behavior that focuses on the act of consuming rather than on the act of buying.

Interquartile range: One of measures of variability which may be available in a set of data. It is the difference between the 75^{th} and 25^{th} percentile. For a set of data points arranged in order of magnitude, the p^{th} percentile is the value that has p percent of the data points below it and (100 – p) percent above. If all the data points are multiplied by a constant, the Interquartile range is multiplied by the same constant.

Intersegment cooperation: A way of managing market segments in which independent managers are appointed for managing each segment with sufficient authority and responsibility for building their segment business. At the same time segment mangers should not be so focused as to resist cooperating with other groups in the company.

Interstitials on websites: Java-based advertisements that pop-up between changes on a website. On many websites advertising can be seen if viewers go to the other pages. Users can download these if they want to see full screen advertisement in the form of 10-second interstitials with sound.

Intertype competition: Competition between different types of retail outlets selling the same lines of merchandise in the same trade area.

Interval panel: A sample of respondents who have agreed to complete a number of questionnaires during their tenure as panel members.

Interval scale: A scale of measurement in which the numbers are used to rate objects such that numerically equal distances on the scale represent equal distances in the characteristics being measured. In marketing research, attitudinal data obtained from rating scales is often treated as interval data. In an interval scale, the location of zero point is not fixed. Both the zero point and the units of measurement are arbitrary.

Intervention currencies: The currencies in which there is maximum trading in a particular country.

Interviewer bias: It refers to the bias, which may creep in the results of survey due to the interviewers. This bias may come because of two factors. These are: (1) the way respondents are selected, and (2) the way they ask research questions and record answers.

Interviewer effect: The effect the interviewer has on the responses received from sample members. The interviewer's age, sex, appearance, mannerisms, race, opinions, social class, and voice can affect results.

Interviewer-interviewee interaction model: Model that attempts to describe how an interviewer and a respondent could be expected to respond to each other during the course of an interview; it is helpful in suggesting techniques by which response errors can be potentially reduced.

Intracultural data analysis: This term is used to refer to the level of data analysis in the context of international marketing research. It refers to within-country or cultural unit analysis, the data are analyzed separately for each country or cultural unit. This level of data analysis is quite similar to that conducted in domestic marketing research. The objective is to gain an understanding of the relationships and patterns existing in each country or cultural unit.

Intranets (Internal networks): Internal computer network accessible only to employees and internal members of a company.

Intrapreneurships: The practice of entrepreneurship within a large firm. Intrapreneurship is a style of management to be independent; risk taking, innovative, daring, and typical of the style used is successful startup firms.

Intratype competition: The most common type of competition that occurs when two or more retailers of the same type compete with each other for the same households.

Intrazonal trade: Trade among countries that are part of a trade agreement, such as the EU.

Intrepreneurial marketing: It refers to the last stage of three stages through which marketing practice might pass. It says that many large companies are stucked in formulated marketing. These companies lack the creativity. Only some companies come out with new ways to visualize customer requirements and in this way add value to their customers' lives.

Intrinsic cues: Physical characteristics of the product (such as size, color, flavor, or aroma) that serve to influence the consumer's perceptions of product quality.

Introductory market strategy: It refers to how a company can develop an action plan before introduction of the new product in the target market. This requires coordination among many activities. A company may use network-planning techniques such as *critical path scheduling*, which calls for developing master chart showing the simultaneous and sequential activities that must take place to launch the new product. By estimating how much each activity takes, the planner estimate completion time for the entire project.

Introductory stage of product life cycle: The first stage of the product life cycle. The new product is introduced to the market, sales are slow, promotion is usually heavy, costs are accumulated, and expectation is focused on determining when and if the product will soon enter the second (growth) stage of the cycle.

Intuitive process for attributes: One of the methods that can be used by a company to discover new attributes of a product, which may be relevant to the consumers. Entrepreneurs get hunches and undertake product development without marketing research. Natural selection determines winners and losers. If a manufacturer has intuited an attribute that the market wants, that marketer is considered smart or lucky.

Invention: A new device, process and so on, that has been created. This can be in either physical or conceptual form. Preexisting knowledge is combined in a new way to yield something that did not earlier exist, not to be confused with a product innovation, which is an invention that has been converted by further management and process development into a marketable product.

Inventive creativity: The creativity required for product innovation. Is thought to combine artistic creativity and engineering creativity, either of which alone can be very strong but not productive of new product ideas.

Inventory management process: Whereby a firm seeks to acquire and maintain a proper merchandise assortment while ordering, shipping, handling, storing, displaying, and selling costs are kept in check.

Inventory shrinkage: In the context of retailing, it encompasses employee theft, customer shoplifting, and fraud and administrative errors by vendors.

Inventory turnover: It is a measure that shows how long inventory is on hand before it is sold. In the context of retailing this is called merchandise Stockturn and is a key performance measure.

Invidious distinction: The display of wealth or power to inspire envy in others.

Invitation pricing: A pricing strategy that attempts to induce trial at a lower entry price and aims for repeat purchase on other days of the week at normal price. Many cellular service providers use this strategy by offering extra talk time or full talk time on a particular day to encourage the subscribers. Similarly, newspapers also adopt this pricing strategy for selling their space to advertisers.

Involvement theory: A theory of consumer learning which postulates that consumer engage in a range of information processing activity from extensive to limited problem solving, depending on the relevance of the purchase.

Involvement: The degree of personal importance attached to the attitudinal object i.e. anything that can exist in the psychological world.

Irregular demand: One of the demand states that company may face for some of its products or services. Here the demand varies on a seasonal, daily or even hourly basis. For many products that are of seasonal nature the demand fluctuates considerably. The marketing task called *synchromarketing,* is to find ways and means to alter the pattern of demand so that it may synchronize with the production.

Irresponsible advertising: Advertising that depicts or encourages irresponsible behaviour or portrays groups in an irresponsible manner.

Irrevocable letter of credit: One of the forms of letter of credit that cannot be cancelled or changed without the consent of all parties involved. However, both exporter and importer may prefer an irrevocable letter of credit. With this type of letter of credit, the importer's bank is obligated to pay and is willing to accept any drafts (bill of exchange) at sight, meaning these drafts will be paid as soon as the correct documents are presented to the bank.

ISO 9000: A quality standard developed by the International Standards Organization in Geneva that requires companies to document their commitment to quality at all levels of the organizations.

Isolated store: Freestanding retail outlet located on either a highway or a street. There are no adjacent retailers with which this type of store shares traffic.

Issue (Problem) Definition: Step in the marketing research process that involves a clear statement of the topic to be studied.

Item equivalence: In international marketing research, it is critical to establish equivalence of scales used to obtain data from different countries. In this regard item equivalence presupposes both construct and operational equivalence. To establish item equivalence, the same instrument in different countries should measure the construct.

Item nonresponse: Source of nonsampling error that occurs when a respondent to a survey fails to answer one or more questions on an other wise complete questionnaire.

Item price removal: Practice whereby prices are marked only on shelves or signs and not on individual items. It is banned in several states and local communities.

Itemized rating scale: A type of rating scale used in attitude measurement distinguished by the fact that individuals must indicate their ratings of an attribute or object by selecting one from among a limited number of categories that best describes their position on the attribute or object.

Itemized response: A unique process whereby one person hearing another person's new product idea is to (1) give a full statement of support by citing several advantages to the idea and (2) express any problems or concerns in positive (what's the best way to solve this) form.

J

Jamaica Agreement: A 1976 agreement among countries that permitted greater flexibility of exchange rates, basically formalizing the break from fixed exchange rates.

Java: A computer language, designed to create and deliver applications via the Internet.

Jingles: An important musical element both in TV and radio commercial. Jungles are catchy songs about a product or service. Jingles make a brand name and slogan more easily remembered.

Job-shop specialist: A niche-marketing firm that customizes its products for individual customers.

Joint decision: See syncratic decision.

Joint decisions: Family purchase decisions in which the husband and wife are involved. Also known as syncratic decisions.

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.

Joint probability: The probability that two or more events will occur; in symbols, P $(A \cap B)$, the probability of A and B.

Joint promotion: Sales promotion undertaken by two or more companies in order to take advantage of synergies and economies of scale.

Joint sale calls: Prospects and customer visits that sales managers make in the company of staff members. These help in closing a deal or to make a concession to a prospect that the salesperson is not authorized to make. Joint calls are an excellent method to train by example.

Joint venture co-branding: A form of co-branding in which two companies belonging to two different countries come together and combine their brands in an offer.

Joint venture: A direct investment of which two or more companies share the ownership. In most cases joint venturing involves a domestic firm entering into partnership with a foreign firm. A joint venture usually requires a big commitment from both parties—and they both must agree on a joint plan. Although a joint venture usually is formed for the achievement of a limited objective, it may continue to operate indefinitely as the objective is redefined. Joint venture are often thought of 50/50 companies, but often more than two companies participate in the ownership. Further more, one company frequently controls more than 50 percent of the venture.

Judgment (judgmental) sample: Nonprobability sample, which is often, called a purposive sample. Here the sample elements are selected purposively based on the judgment of the researcher because they are expected to serve the research purpose.

Jungian personality types: Carl Jung's theories and insights concerning personality types that are especially relevant to consumer behaviour, particularly the dimensions of sensing-intuiting, thinking, feeling, extroversion-introversion, and judging-perceiving.

Junk mail: Uncomplimentary name for unsolicited direct mail. It is commonly used in the context of unsolicited email.

Jury of executive opinion: Panel charged with developing a sales forecast.

Just noticeable difference (JND): The minimal difference that can be detected between stimuli. The consumer will not be able to detect any difference between stimuli below his or her differential threshold. The JND varies not only with (a) the sensitivity of the receptor and (b) the type of stimuli, but also with (c) the absolute intensity of the stimuli being compared.

Just-in-time inventory II (JIT II): A refinement of JIT inventory system, created by The Bose Corporation in US. Rather than concentrating on reducing inventory, as JIT does, JIT II focus is on reducing the cost and time involved in day-to-day transaction with suppliers. The central concept of JIT II is that that the supplier, at his or her own expense, places one or more full time employees at the customer's location and take the place of the customer's buyer and materials planner and of the supplier's sales representative. Three relationships have been streamlines into one. The key ingredient for JIT II to work is the "trust". In addition to saving time it also adds value. Many companies in US have since implemented JIT II.

Just-in-time inventory system (JIT): Inventory system popularized by Japanese manufacturers that brings raw materials, parts ad sub-assemblies to the production point at the exact time they're needed an not a moment before. The advantage of JIT is that less money and warehouse space is tied up in raw goods inventory. The disadvantage is that much responsibility is shifted to the company's suppliers. If one of them fails, the system breaks down. The Japanese are so enamored of the concept that the streets of Tokyo and other major cities in Japan are clogged with trucks rushing from point to point to meet JIT deadlines.

K

Kaiser-Meyer-Olkin measure of sampling adequacy: One of the statistics associated with factor analysis. It is an index used to measure the appropriateness of factor analysis. High values (between 0.5 and 1.0) indicate factor analysis is appropriate. Values below 0.5 imply that factor analysis may not be appropriate.

Kaizen: Japanese term describing a process of continuous improvement.

Keiretsu: A corporate relationship linking certain Japanese companies, usually involving a non controlling interest in each other, strong high-level personal relationships among managers in the different companies, and interlocking directorships.

Keiretsus: A Japanese practice which is used in connection with the linkage of companies in an organization structure where there are more than one companies in a group. This refers to a situation in which organizations in which each company owns a small percentage of other companies in the group. There are long-term strong personal relationships among high-level managers in the different companies, and there are often interlocking directorships. Sometimes keiretsus are vertical, such as that between Toyota and its part suppliers. Sometimes keiretsus are horizontal. For example, the Mitsubishi group consists of core companies in which no single company predominates.

Key buying influencers: In the context of business buying behaviour it refers to those important people in the organization's buying center who will influence the buying process. Business marketers are required to identify these key buying influencers and concentrate on them. Over a period of time as the buyer's policies change the key participants in the buying centers may also change. Therefore, business marketers must periodically review their assumptions about buying center participants.

Key industry: Any industry that might affect a very large segment of a country's economy or population by virtue of its size or influence on other sectors.

Key informant method: A method of measuring various aspects of consumer behaviour (such as opinion leadership or social class) by which a knowledgeable person is asked to classify individuals with whom he or she is familiar into specific categories.

Key line: Outline used for positioning artwork in piece of print.

Key: Device printed on advertisement or in coupon to identify source of enquiry or order. Best if unobtrusive, such as number in corner of coupon, or as part of address.

Keyword advertising: A form of online advertising and a targeting approach. It refers to search word buys at search engine sites. For example, advertisers can buy the word 'automobile' and when users search using that word, the advertisers banner or message will appear on the resulting page. Usually keyword buys are more expensive because they deliver a more highly targeted audience.

Keyword meta-tags: A suggested list of key words to match against user requests.

Kickback: Illegal payment made to a person or a company in exchange for an order. The kickback is collusion between buyer and seller. Often, the payment to the buyer is provided by raising the price of the merchandise far beyond normal schedules. In these instances the buyer is cheating his employer.

Kicker: Brief line of copy in smaller type above headline of an advertisement. Knock down Dismantling of stand at close of exhibition.

Kin-network system: The rituals intended to maintain ties among family members both immediate and extended

Kiosk marketing: A type of direct selling in which a kiosk, a small building that might house a selling or information unit, is involved. The term kiosk describes newsstands, refreshment stands, and freestanding carts whose vendor sell watches, costume jewelry, and other items often seen along the aisles in a mall. The term also covers computer-linked vending machines and "customer-order-placing machines" that one sees in stores, airports, and other locations. All of these are direct selling tools.

KISS Em" principle: In the context of marketing research report oral presentation, this principle states: Keep It Simple and Straightforward (hence the acronym KISS).

Knocking copy: Advertisement, which denigrates a rival advertiser.

Knowledge function: A component of the functional approach to attitude-change theory that suggests that consumers have a strong need to know and understand the people and things with which they come into contact.

Knowledge management: It is a combination of a company's database contents, the technology used to create the system, and the transformation of data into useful information and knowledge. KM systems create a storehouse of reports, customer account information, product sales, and other valuable information managers can use to make decisions.

Knowledge structures: Organized systems of concepts relating to brands, stores, and other concepts

Kolmogrov-Smirnov test: A statistical test employed with ordinal data to determine whether some observed pattern of frequencies corresponds to some pattern; also whether two independent samples have been drawn from the same population or from populations with the same distribution. There are two variations of this test. These are: (1) Kolmogrov-Smirnov one sample test, and (2) Kolmogrov-Smirnov two-sample test.

Krishi Vigyan Kendra: A grass root level nodal institution connected with the agricultural extension services marketing in India, which provides training to practicing farmers, and service extension staff and agricultural teachers in increasing agricultural production through need based and skill oriented short and long term vocational training.

Kruskal-Wallis one-way analysis of variance: A nonmetric ANOVA test that uses the rank value of each case, not merely its location to the median. This is more powerful test than the Mann-Whitney test. This test also examines the difference in median.

K-sample median test: A nonmetric ANOVA test that is used to examine differences among groups when the dependent variable is measured on an ordinal scale. The test involves the computation of a common median over the k samples. Then a 2 X k table of cell counts based on cases above or below the common median is generated. A chi-square statistic is computed. The significance of chi-square implies a rejection of the null hypothesis.

Kurtosis: It is a measure of the relative peakedness or flatness of the curve defined by the frequency distribution. The kurtosis of normal distribution is zero. If the kurtosis is positive, then the distribution is more peaked than a normal distribution. A negative value means that the distribution is flatter than a normal distribution.

L

Labeling: It refers to the description part on the package of a product. The label may be a simple tag attached to the product or an elaborately designed graphic that is part of the package. The label might carry only the brand name or a great deal of information. The basic purpose of the label is identification and possible grading, description, and product promotion. Sellers may be required by law to present certain information on the label to protect and inform consumers.

Laboratory environment: It refers to creating an artificial setting during an experiment, in which the researcher constructs with the desired conditions specific to the experiment. The laboratory environment offers a high degree of control because it isolates the experiment in a carefully monitored environment.

Laboratory experiment: Research investigation in which investigators create a situation with exact conditions so as to control some, and manipulate other variables.

Laboratory tests for advertising effectiveness: Tests conducted to gauge consumer reactions to advertising under controlled conditions. These tests use equipments to measure physiological reactions—heartbeat, blood pressure, pupil dilation, and galvanic skin response—to an ad; or consumers may be asked to turn a knob to indicate their movement-to-movement liking or interest while viewing sequential material. These tests measure attention-getting power but reveal nothing about impact on beliefs, attitudes, or intentions.

Laddering up: A technique used in research in which the consumers are probed with lot of "why" questions. This technique may be used to understand the deeper motivations of a consumer in purchasing a brand. This technique helps the marketers to identify the brand essence and subsequently in developing advertising campaign..

Lag strategy: An operational strategy that involves delaying collection of foreign-currency receivables if the currency is expected to strengthen or delays payment of foreign-currency payables when the currency is expected to weaken; the opposite of a lead strategy.

Laggards: The fifth, and last group of users to adopt an innovation. They are tradition bound and are suspicious of changes. Laggards adopt the innovation only when it has become something of a tradition.

Laissez-faire: The concept of minimal governmental intervention in a society's economic activity.

Lambda coefficient: This is a coefficient used on nonmetric data particularly when the data are in nominal scale. There are two lambda coefficients, asymmetric lambda and symmetric lambda.

Laminate: To apply plastic film surface to print, such as a wall chart or cover of a publication in order to protect.

Laplace's criterion: Selection of the alternative with the highest average value.

Last In, First Out (LIFO): Inventory control method in which the cost of goods sold is based on the cost of the most recently purchased inventory. This technique is considered to be more useful in inflationary times for reducing taxes.

Late adopters: The majority of consumers who are moderately receptive to adopting innovations.

Late entry (new product): One of the possible choices a company may use in commercializing a new product with respect market entry timings. The company may delay its new product launch until after the competitor has entered. The competitor will have borne the cost of educating the market. Its product may show some faults that the late entrant may avoid. The late entrant may also gauge the size of the possible market potential

Late majority: The fourth group of users to adopt an innovation. They adopt an innovation only after majority of people have tried it.

Latent conflict: An underlying situation that, if left unattended, could eventually result in conflicting behaviour between channel members as well as between channel members and the producer. In the context of channel conflict, there are three major sources of latent conflict: perceptual incongruity, goal incompatibility, and domain dissensus.

Latent demand: One of the demand states that company may face in certain situations. This happens because consumers may share a strong need that cannot be satisfied by any existing product. There is a strong latent demand for a specific product. The marketing task is to measure the size of the potential market and develop goods and services to satisfy this latent demand. Most of the new products are result of latent demand.

Lateral cycling: A process in which already purchased objects are sold to others or exchanged for other items.

Lateral search: A term usually applied to ideation techniques that force the ideator to stretch mentally out of normal channels. The mind assumes unique positions of viewing people or happenings.

Latin American Free Trade Association (LAFTA): A free-trade area formed by Mexico and the South American countries in 1960; it was replaced by ALADI in 1980.

Latin American Integration Association (ALADI): A form of regional economic integration involving most of the Latin American countries.

Latin square design: A statistical experimental design in which two non-interacting extraneous variables in addition to the independent variable may be controlled. For example, to observe the effect on sales (the dependent variable) of three different alternative-package designs in three different types of retail stores in three different economic conditions.

Launch control: The process by which a management plans for and supervises the introduction of a new product**:** the product's progress is monitored against reestablished norms, variances are detected, and corrections made such that the original goals set for the product are achieved.

Launch cycle: The sub-phases of the innovation stage of a traditional product life cycle. The big step of innovation is broken into preparation (for marketing), announcement, beachhead, and early growth.

Launch: A term signifying the marketing of new product. It can be either in a full-sale form of market testing or the full market being covered. The new product launch may be done on a phase manner in order to overcome production bottleneck.

Law of diminishing returns: Additional units of input will first result in increasing, then diminishing, and finally negative returns.

Layaway service: In the context of retailing, with a layaway service, a customer can place a deposit on an item, and in return the retailer will hold the item for the customer. The customer will make periodic payments on the item and, when it is paid for in full, the customer can take it home. In a sense, a layaway transaction is similar to an installment credit transaction, but the retailer retains physical possession of the item until it is completely paid for.

Layout: (1) The arrangement of selling and non-selling departments, aisles, fixtures, displays, and equipment in the proper relationship to each other and to the fixed elements of the building structure. (2) It also refers to the physical arrangement of the various parts of an advertisement including the headlines, subheads, illustrations, body copy and any identifying marks.

Lead country strategy: A strategy of some multinational corporations or those companies who want to enter foreign markets by introducing a product on a test basis in a small-country market that is considered representative of a region before investing to serve larger-country markets. For example, Colgate-Palmolive used this strategy for successful launching of its Optims shampoo. On the basis of test market in Hong Kong, Colgate-Palmolive introduced Optims throughout Asia.

Lead strategy: An operational strategy that involves collecting foreign-currency receivables early when the currency is expected to weaken or paying foreign-currency payables early when the currency is expected to strengthen; the opposite of a lag strategy.

Lead user: Those people or firms who most need the innovation being worked on and who will most likely participate in the innovation process. The idea itself often originates with a lead user and may even appear in prototype form in the lead user's firm.

Lead: In the context of sales management it refers to someone who is prepared to see a salesperson or likely to convert into a customer.

Leader pricing: Occurs when a retailer advertises and sells selected items in its goods/service assortment at less than the usual profit margins. The goal is to increase customer traffic so as to sell regularly priced goods and services in addition to the specially priced items.

Leadership pricing: Many retailers use a technique called leadership pricing that is establishing a price on an item at a markup significantly lower than the demand warrants for that item. This pricing policy is used primarily to attract and build traffic and generate sales for related items.

Leading indicators: Time series that change in the same direction but in advance of company sales.

Leading question: A question that suggests what the answer should be, or that reflects the researcher's point of view. Example**:** "Do you agree, as most people do, that TV advertising serves no useful purpose?" The negative consequence of a leading question is that respondents may give the answer favourably towards the sponsor's intention, which may ultimately affect the validity of the study.

Lean production: A new way of manufacturing that enables a firm to produce a greater variety of high quality products at lower cost, in less time, using less labour. One of the main elements of lean production is just-in-time (JIT) inventory system.

Learning curve: A concept that costs will decrease as workers and managers gain more experience. Also called experience curve.

Learning organization: Name given to an organization that uses internal and external to quickly adapt to its changing environment, creating organizational change that improves both its competitive positions and employee satisfaction. Learning organizations recognize the importance of employee empowerment and development, cross-functional teams for brainstorming and risk-taking for breakthrough ideas. The idea of a learning organization has been around for decades but information technology advances have made the process more important.

Learning requirements: Various types of learning that new products often require from their purchasers. Without that learning, the purchase, trial use, or satisfaction will be threatened.

Learning: The process by which individuals acquire the knowledge and experience they apply to future purchase and consumption behavior.

Leased department retailer: It is an independent retailer who owns the merchandise to be sold but who leases floor space from another retailer, usually operating under that retailer's name.

Leased department: It is a site in retail store-usually a department, discount, or specialty store-that is rented to an outside party.

Leasing: It is a type of leasing system in which industrial buyers lease (rent) instead of buying heavy equipment like machinery and trucks. The lessee gains a number of advantages: conserving capital, getting the latest products, receiving better service, and gaining some tax advantage. The lessor gets a larger net income and the chance to sell to customer who could not afford outright purchase.

Least-square procedure: It is technique for fitting a straight line to a scattergram in regression. This technique determines the best-fitting line by minimizing the square of the vertical distance of all the points from the line. The best-fitting line is called the regression line.

Legal environment: The set of laws established by a society to govern the behaviour of its members. This includes public policies, laws, government agencies, and pressure groups that influence and regulate various companies and individuals. Important areas of laws include patents, trademarks, royalties, trade agreements, taxes, and tariffs.

Leisure-sensitive salespersons: Salespersons not motivated to work harder by an increase in remuneration.

Length of product mix: One of the important dimensions of a company's product mix, which has significant marketing implications. It refers to the total number of items (brands/models) in all the product lines of the mix. One can also talk about the average length of a product line. This is obtained by dividing the total length (all items in all existing lines) by the number of existing lines.

Leontief paradox: A surprising finding by Wassily Leontief that overall US exports were less capital –intensive and more labor-intensive than US imports.

Letter of credit: An important financial document in the export operation in which the importer's bank extends credit to the importer and agrees to pay the exporter. A documentary letter of credit stipulates that payment will be made by the bank on the basis of the documents, not on the terms of the sale. However, the exporter still needs to be sure that the bank's credit is valid as well. A letter of credit can be revocable or irrevocable.

Letter shop: A firm that not only addresses the mailing envelope but also is mechanically equipped to insert material, seal and stamp envelopes, and deliver them to the post office according to mailing requirements.

Letterbox marketing: A name given to **d**irect advertising. It is the door-to-door distribution of mail drops, which are delivered free with newspapers.

Level of confidence: A percentage or decimal value that tells how confident a researcher can be about being correct. It states that the long run percentage of the time that a confidence interval will include the true population mean. Alternatively, it is the probability of not rejecting the null hypothesis when it is true, equal to $1-\alpha$. Confidence level is used in sample size selection. There is inverse relationship between sample size and the level of confidence. Traditionally, researchers have used 95% confidence level. It is also referred to as level of significance.

Levels of service in retailing: Retailers may offer services to customers at four levels. These are (1) *Self-service* where customers are required to pickup the merchandise from the store, (2) *Self-selection* where the customers select the goods but some help is provided by store personnel, (3) *Limited service* where the retailer's personnel and retailer may provide limited services such as more information and sometimes even credit, (4) *Full service* where sales people are ready to assist in every phase of the locate-compare-select process.

Leverage products: In the context of business/industrial buying situations this refers to those products that are of high value and cost to the customer but involve little risk of supply because many companies make them. Those suppliers who minimize the customer total costs may get the order.

Leverageable advantage: Used in the context of competitive advantage. Many competitive advantages of a company may not be sustainable but they may be leverageable. A Leverageable advantage is one that a company can use as a springboard to new advantages. For example, Microsoft has leveraged its operating system to Microsoft Office and then to networking applications. In general, any company that hopes to endure must be in the business of continuously inventing new advantages.

Leveraged Buyout (LBO): Ownership change mostly financed by loans from banks, investors, and others.

Leveraged creativity: A strategy of pioneering whereby the innovations are technically new and unique but considerably less significant than the original.

Leveraged sales force: An emerging concept in sales force management that envisages that the sales force should focus on selling the company's more complex and customized products to large accounts and the company should turn over low-end selling to others and to web ordering. Sales people should handle fewer accounts, and be rewarded for key account growth.

Lexicographic decision rule: A noncompensatory decision rule where consumers first rank product attributes in terms of their importance, then compare brands in terms of the attribute considered most important. If one brand scores sufficiently high, it is selected; if not, the process is continued with the second ranked attribute, and so on.

Liabilities: Financial obligations a firm incurs in operating a business.

Liability of foreignness: A term that describes foreign companies' lower survival rate than local companies for many years after they begin operations. The probable cause of this lower survival rate is their lesser ability to predict and deal with the operating environment. However, those foreign companies that manage to overcome their early problems have comparable survival rates to those of local companies in later years.

Licensing: (1) A strategy or practice of granting contractual permission to use intellectual property rights such as patents, trademarks, or know-how during a specified time period in a given geographic area. It may go sideways (competitors), upstream (vendors), or down stream (customers, resellers). A way one firm gains the right to use the creations of another. It may be exclusive or nonexclusive. (2) 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.

Lifestyle profiles of social classes: A constellation of specific lifestyle factors (shared beliefs, attitudes, and behaviours) that tend to distinguish the members of each class from the members of all other social classes.

Lifestyle research: Form of research, which places people in numerous interest groups. There are those symbolized by expressions such as empty nesters, baby boomers, yuppies or other psychographic types. Lifestyle databases are based on answers to very elaborate questionnaires inserted in magazines and delivered door-to-door.

Lifestyle segmentation: Identifying consumers by combining several demographics and lifestyles.

Lifestyle: A person's pattern of living as expressed in his or her activities, interests, and opinions. In the context of consumer behaviour, this refers to how a consumer buys, how one uses them, what one thinks about them, and how one feel about them. Both individuals and families exhibit distinct lifestyles.

Lifetime employment: The Japanese custom that workers are effectively guaranteed employment with the company for their working lifetime and that workers seldom leave for employment opportunities with other companies.

Light reader: Those consumers who spend less than 4.5 hours a week on leisure reading. One third of all adults fall within this category. They also tend to be heavy viewers of TV.

Light viewers: This refers to those people in a society that belong to higher social strata or whose activities preclude watching TV. These people watch less TV than majority of viewers.

Likability of source in advertising: One of the three important characteristics of a source of a message in advertising. This refers to how the source is attractive to the audience in an advertising message. Qualities like candor, humour, and naturalness make a source attractive.

Likert scale: A summated attitude scale that requires the subject to indicate his/her degree of agreement or disagreement with a statement. The Likert scale may have odd categories, ranging three to eleven.

Limited decision making: A type of buying situation where a consumer uses every step in the purchase process but does not spend a great deal of time on each of them.

Limited item store: Offers the consumer lower prices with less product assortment.

Limited problem solving: Limited search by a consumer for a product that will satisfy this or her basic criteria from among a selected group of brands.

Limited service retailers: Those retailers that carry shopping goods, and customers require more information and assistance. These stores also offer certain limited service such as credit and merchandise-return policy.

Limited service wholesalers: One of the types of wholesalers that offer fewer services to retailers and customers. They may include Cash-and-carry wholesalers, Truck wholesalers, Drop shippers, Rock jobbers, Producer’s cooperatives, and Mail-order wholesalers**.**

Linage: Advertisements, which are charged for by the line of copy. They do not contain any graphics.

Line chart: Two-dimensional chart constructed on graph paper in which the x-axis represents one variable (typically time) and the y-axis another variable. This is an attractive way of illustrating trends and changes over time. Several series can be compared on the same chart, and forecasts, interpolations, and extrapolations can be shown.

Line extension: A new product marketed by an organization that already has at least one other product being sold in that product/market area. Line extensions are usually new flavors, sizes, models, applications, strengths and so on.

Line family branding: Grouping related products under a single brand name.

Line filling: A product line stretching strategy in which an existing line may be increased by adding more items within the present range. For example, Maruti has added Swift model of car between Esteem and Baleno. Line filling may increase profits, satisfy dealers and utilize excess capacity, and plug holes to keep out competitors.

Linguistic equivalence: In international marketing research, it is critical to establish equivalence of scales used to obtain data from different countries. In this regard linguistic equivalence refers to both the spoken and written language forms used in scales, questionnaires, and interviewing. The scales and other stimuli should be translated so that they are readily understood by respondents in different countries and have equivalent meaning. Back-translation method may be helpful in this regard.

Linkage methods: One of the agglomerative methods of cluster analysis. These methods come under the hierarchical clustering procedures, which cluster objects based on a comparison of the distance between them. Linkage methods include single linkage, complete linkage, and average linkage.

Liquidity preference: A theory that helps explain capital budgeting and, when applied to international operations, means that investors are willing to take less return in order to be able to shift the resources to alternative uses. Liquidity is needed in part to make near-term payments, such as paying out dividends; in part to cover unexpected contingencies, such as stockpiling materials if a strike threatens supply; and in part to be able to shift funds to even more profitable opportunities, such as purchasing materials at a discount during a temporary price depression.

Liquidity: A measure of how many of the firm's assets can be readily converted to cash. Reflects the firm's ability to meet its current payment obligations, measured by the acid-test ratio, current ratio, and quick ratio. In general liquidity is important to a company because it protects the company from economic downturns and potential insolvency.

List broker: In direct-mail advertising an agent who rents the prospect lists of one advertiser to another advertiser. The broker receives a commission from the seller for this service.

List manager: Promotes client's lists to potential renters and buyers.

Literature survey: Search of statistics, trade journal articles, other articles, magazines, newspapers, and books for data or insight into the problem at hand.

Live-marketing database: An abbreviated version of a full-customer database. A live-marketing database sacrifices some degree of customer information to allow marketing decision to be made in real-time.

Livery: An entire vehicle painted to advertise a product.

Lobbying: One of the functions of a good public relation department or a company as a whole. This refers to dealing with legislators and government officials in a persuasive manner to promote or defeat legislation and regulation

Lobbyist: An individual who participates in advancing or otherwise securing passage of legislation by influencing public officials before and during the legislation process.

Local advertising: Advertising done by companies within the limited geographic area where they do business.

Local marketing: Tailoring brands and promotions to the needs and wants of local customer groups—cities, neighborhoods, and even specific stores.

Localized advertising strategy: An advertising strategy followed by a company in a foreign market where it develops an advertising campaign specifically for a particular country or market rather than using a global approach.

Location based marketing: It involves promotional offers that are pushed to mobile devices and customized based on the user's physical location. The technology behind this is either a global positioning system (GPS) in a hand-held device or automobile or user address information stored in a database.

Location pricing: One of the types of price discrimination in which the same product or service is priced differently at different locations even though the cost of offering at each location is the same. A movie hall varies its seat prices according to the distance from the screen.

Logistics alliances: One of the types of marketing alliances in which one company offers logistical services for another company's product.

Logistics: Total process of planning, enacting, and coordinating the physical movement of merchandise from supplier to retailer to customer in the most timely, effective, and cost efficient manner possible.

Logotype, or, logo: Part of corporate identity scheme. A trademark of trade name embodied in the form of a distinctive lettering or design. Famous example**:** Coca-Cola.

Long-distance selling: One-time sale effort to a foreign customer.

Longitudinal study (design): A research study in which the same respondents are measured repeatedly over time. Those companies who maintain panels usually carry this type of study. The longitudinal studies can be carried through traditional (true) panels or through omnibus panels.

Long-term contracts in business buying: One of the factors that may be kept in mind in the case of business buying behaviour. Business buyers are increasingly going for long-term contracts with reliable suppliers. In addition business marketers are using Internet to set up extranets with important customers to facilitate and lower the cost of transaction. Their customers enter orders directly on the computer, and these orders are automatically transmitted to supplier. Some companies

Long-term memory: In information-processing theory, the stage of real memory where information is organized, reorganized and retained for relatively extended periods of time.

Lookalike branding: Packaging a product in such a way that it looks similar to the brand leader, without actually making the pack or brand name identical.

Loss leader pricing: A pricing strategy used by supermarkets and departmental stores when they drop the price on well-known brands and advertise in local media to attract additional store traffic. This strategy works when the revenue on the additional sales compensate for the lower margins on the loss-leader items.

Loss leader: In the context of retailing business it refers to any product that is sold at a very low, even sometimes sold below the cost. Retailers to attract customers into the store sometimes use this strategy of loss leader.

Lost customer analysis: One of the tools of tracking and measuring customer satisfaction by a company. Here, a company can contact customers who have stopped buying or who have switched to another supplier to learn why this happened. Not only it is important to conduct this analysis when customer first stop buying; it is also important to monitor customer loss arte, particularly in industrial marketing.

Low context culture: Cultures in which most information is conveyed overtly and explicitly rather than through cultural nuances.

Low involvement hierarchy: A response hierarchy whereby a message recipient is viewed as passing from cognition to behavior to attitude change.

Low involvement: A situation where consumers judge a purchase decision to be so unimportant or routine that they engage in little information search prior to making a decision.

Lower price goods strategy: A pricing strategy that may be adopted by a market challenger or follower. Here the company following this pricing strategy offers an average- or low quality product at much lower price. Companies that establish themselves through a lower-price strategy, can be attacked by firms whose prices are even lower.

Low-interest financing: A marketing tactic or technique where a company instead of cutting its price, may offer its customers low-interest financing. Many carmakers announce zero-interest financing to attract customers.

Loyalty card: A card issued by a retailer that allows the customer to collect points or obtain discounts whenever he or she shops at the retail outlet issuing the card.

Loyalty status: It refers to the degree of loyalty a consumer displays toward a particular brand. Loyalty is the deeply held commitment to re-buy or re-patronize a preferred product or service in the future despite situational influences and marketing efforts having the potential to cause switching behaviour. Marketing experts have divided consumers into four groups according to brand loyalty status. They are: hard-core brand loyals, split loyals, shifting loyals, and switchers.

M

Machine interactivity: Used in the context of Internet marketing it refers to interactions between a user and web technology.

Macro economic approach: An analysis dealing with the economy as a whole with respect to total output, income, employment and other aggregate economic variables.

Macro environment: The larger societal forces that affect the microenvironment—demographic, economic, natural, technological, political, and cultural forces that may influence the marketing function of a company. It is also known as broad environment.

Magazine network: It is a group of magazines owned by one publisher or assembled by an independent network that offers advertisers the opportunity to buy space in a variety of publications through a package deal.

Magazines: One of the major media available to advertisers for placing their ads. Magazines enjoy high geographic and demographic selectivity; credibility and prestige; high quality reproduction; long life; good pass along readership. Their limitation includes long advertisement purchase lead time; some waste circulation; no guarantee of position.

Magnitude estimation: A type of comparative scaling technique for measuring attitudes, in which numbers are assigned to objects such that ratios between the assigned numbers reflect ratios on the specified criterion. For example, respondents may be asked to indicate whether they agree or disagree with each of a series of statements measuring attitude toward an advertisement. Then they assign a number between 0 to 100 to each statement to indicate the intensity of their agreement or disagreement.

Mahalanobis procedure: In the context of conducting discriminant analysis, this refers to a stepwise procedure used in discriminant analysis to maximize a generalized measure of the distance between the two closest groups. This procedure allows marketing researchers to make maximal use of the available information.

Mail bombing: The process whereby large numbers of individuals send lengthy e-mails to an individual or firm. This is often a response to spamming.

Mail order houses: Establishments primarily engaged in the retail sale of products by catalog and mail order through catalog offerings.

Mail order protection scheme (MOPS): Reader protection scheme run by Newspaper Publishers' Association and Periodical Publishers' Association. Advertisements are displayed in newspapers/magazines. Direct response advertisements are vetted before publication and advertisers have to contribute to pool, which may be used to compensate a reader who loses money because a trader goes bankrupt. The scheme does not cover classifieds, goods supplied on approval and some other categories.

Mail order wholesaler: One of the major types of wholesalers who sends catalogue to retail, industrial, and institutional customers featuring jewellery, cosmetics, specialty foods, ready-made garments etc. It maintains no outside sales force. Normally orders are filled and sent by mail, truck or other transportation.

Mail panel: A panel of respondents that consists of a large and nationally represented sample of households who have agreed to participate in periodic mail questionnaires and product tests. The households are compensated with various incentives. Data on the panel members are updated on a regular basis. Mail panels can be used to obtain information from the same respondents repeatedly. Thus they can be used to conduct longitudinal designs.

Mail questionnaire: Mailing of questionnaires to designated respondents under an accompanying cover letter and their return, by mail, by the subject to the research organization.

Maildrop: It is a form of direct advertising delivered door-to-door. Generally, it is unsolicited and unaddressed.

Mailing list: A type of database containing names and addresses of present and/or potential customers who can be reached through a direct-mail campaign.

Mailsort: Post Office service offering special postal rates for large mailings presorted by postal code. Uses distinctive mailsort printed badge instead of postage stamp, which reveals that it could be a direct mail shot.

Main testing effect: One of the types of testing effects which may be presented in an experimental design. The main testing effect occurs when a prior observation (pre-measurement) affects a latter observation (post-measurement). As a result of main testing effect, post-measurement attitudes are influenced more by pre-measurement attitudes than by the independent variable itself. The main testing effect may also be reactive, causing the respondents to change their attitudes simply because these attitudes have been measured. The main testing effect compromises the internal validity of the experiment.

Maintained Markup (at Retail): Based on the actual prices received for merchandise sold during a time period less merchandise cost, expressed as a percentage**:** /// Actual retail operating Maintained markup - expenses + Actual profit percentage (at retail) - Actual net sales or Average selling price Merchandise cost Average selling price xxxx

Maintained markup percentage: In the context of retail management this refers to difference between the price paid by the retailer for merchandise and the actual selling price. The formula for determining maintained markup percentage is as follows: //// Maintained markup = (Actual selling price – costs)/ actual selling price. /// Another formula to determine the maintained markup is: //// Maintained markup % = Initial markup % - [(reduction %) (100 – initial markup %)] /// Where /// Reduction % = Amount of reductions/Net sales

Major account management: More often used in business/industrial marketing this refers to managing the important customers (major accounts) by offering major account contracts, which provide a uniform pricing and coordinated service to all the divisions or units. A major account manager is appointed who supervises field sales force calling on customer plants within their territories. If a company has several such accounts, it may establish a major account management division.

Major account manager (MAM): A responsible manager who may be appointed by a business marketer to look after the major accounts. The main responsibilities of MAM is to supervise the field sales force to service major accounts at their plants on a regular basis. On an average a MAM handles nine accounts. Major account managers (MAMs) typically report to national sales manger who report to the vice-president marketing and sales.

Major accounts: Any customer who represents, alone, a significant portion of the firm's turnover. It is also called by key accounts, national accounts, global accounts or house accounts. Major accounts normally receive more favourable pricing based on their purchase volume, but business marketers should not rely exclusively on this as other may lure away on the basis of further lower price. Therefore, business marketers should look for value addition more than price.

Major regional trading groups: There are major trading groups in every region of the world. These groups can be divided on the basis of types. These are: free-trade area, custom unions, and common market.

Major selling idea: The basis for the central theme or message idea in an advertising campaign. Advertising experts argue that for an ads campaign to be effective it must contain a big idea that attracts the consumer's attention, gets a reaction, and sets the advertiser's product or service apart from the competitior's.

Major service with accompanying minor goods and services: One of the types of offerings by the companies. It consists of major service along with additional services or supportive goods. For example, airline passengers primarily buy transportation service. The trip includes some tangibles, such as food and drinks, newspapers and magazines. The auxiliary services may include airport facilities, prompt clearance of baggage, and courteous staff.

Make-or-buy-decisions: Decision as to whether it is less expensive to manufacture a product, a part, an assembly, or buy it from an outside supplier. In the recent past, large companies would try to manufacture every component in a product because it gave them complete control over every aspect of an operation. Now, many companies are finding it less expensive to outsource that is to obtain parts, assemblies, and entire products from other suppliers.

Mall intercept survey: A type of survey conducted in shopping malls that involve approaching shoppers and asking them to take part in the survey being conducted. The interviewer then administers a questionnaire as in the in-home personal survey. The advantage of mall intercept survey is that it is more efficient for the respondent to come to the interviewer than for the interviewer to go to the respondent.

MAN approach: In the context of consumer research, it is a qualifying method that involves answering questions about a prospect's money, authority, and need to buy.

Management contracting: A joint venture in which the firm supplies the management know-how to a domestic/foreign company that supplies the capital; the firm provides management services rather than products for a fee. In doing so it avoids the risk or benefit of ownership. This is one of the possible ways of entering a foreign market without much investment.

Management contracts: A type of foreign market entry strategy, which is used primarily when the foreign company is perceived to be able to manage an existing or new operation more efficiently than the parent company. Management contract are a means by which a company may use part of its management personnel to assist a foreign company for a specified period of time for a fee. Thus the company may earn income with little capital investment. Management contracts are drawn to cover three to five years, and fixed fees based on volume rather than profits are more common.

Management decision problem: It relates with a problem that is faced by the management or decision maker. It asks what the decision maker needs to do. The management decision problem is action oriented. It is concerned with the possible actions the decision maker can take.

Managerial commitment: It refers to the degree to which the management of a company is willing to act on an idea or a strategy.

Manifest conflict: In the context of conflict between a manufacturer and a channel member, this is the behavioural or action stage of conflict. This is often characterized by verbal or written threats or other actions by the producers or retailers to block the other from what the other is doing.

Mann-Whitney *U* test: A statistical test for a variable measured on an ordinal scale comparing the difference in the location of two populations based on observations from two independent samples. In the Mann-Whitney *U* test, the two samples are combined and the cases are ranked in order of increasing size. The test statistic *U,* is computed as the number of times a score from sample 1 or group 1 precedes a score from sample or group 2. if the samples are from the same population, the distribution of scores from the two samples in the rank list should be random.

Manufacturability: The extent to which a new product concept or prototype is worth manufacturing by available resources. The process has been facilitated by computer-aided manufacturing software. It is also known as producibility.

Manufactured materials and parts: It is a type of industrial goods that enter the manufacturer's product completely. They fall into two categories: *component materials* and *component parts*. Component materials are usually fabricated further—pig iron is made into steel, and a yarn is woven into cloth. Components parts enter the finished product with no further change in form such as tyres are put into an automobile.

Manufactured sponsored retailer franchise: The traditional channel system in which the manufacturer licenses dealers to sell its products. The dealers are independent business people who agree to meet specified conditions of sales and services.

Manufactured sponsored wholesaler franchise: The traditional channel system in which the manufacturer licenses bottlers (wholesalers) in various markets who buy its product and then sell it to retailers in local markets. The classic example one finds in soft drink market (Coke and Pepsi).

Manufacturer (national) brands: Produced and controlled by manufacturers. They are usually well known, supported by manufacturer ads, somewhat pre-sold to consumers, require limited retailer investment in marketing, and often represent maximum product quality to consumers.

Manufacturer brand: A brand sponsor decision, which means that the manufacturer has given the brand name or it is manufactured under its own name. It is also called *national brand*.

Manufacturer promotion: A promotion campaign that is undertaken by the manufacturer aimed at consumers.

Manufacturer's agent: A facilitating institution that acts as the sales force for several manufacturers at the same time within a prescribed market area. They may take possession of goods but do not take title.

Manufacturer's image: The way in which consumers view (i.e., perceive) the "personality" of the firm that produces a specific product.

Manufacturer's representatives: Independent commercial sales agents who sell products of several manufacturers of non-competing products.

Manufacturers' agents: One of the types of wholesalers who represent two or more manufacturers of complementary lines. They enter into a formal written agreement with each manufacturer covering pricing policy, territories, order-handling procedure, delivery service and warranties, and commission rate. Most manufacturers' agents are small businesses, with only a few skilled sales people.

Manufacturers' sales branches and offices: Wholesaling by sellers or buyers themselves rather than through independent wholesalers.

Manufacturing interchange: A process by which various plants produce a range of components and exchange them so that all plants assemble the finished product for the local market.

Manufacturing-cost reduction strategy: A strategy that may be adopted by a market challenger or follower. Here the company following this strategy might achieve lower manufacturing costs than its competitors through more efficient purchasing, lower labour costs, and more modern production equipment.

Maquilaadora: An industrial arrangement between the Mexican and US governments in which US sourced components are shipped to Mexico duty-free, assembled into final products, and re-exported to the United States.

Marcon manager: In integrated marketing communication organizations adapting the business-to-business structure where all the communication activities are centralized under one person or office.

Margin change ratio: The impact of a Web enhancement on the margin of the firm relative to the margin before the change.

Margin spread bundling: The bundling of items that have high contribution-margin ratios.

Marginal analysis: A principle of resource allocation that balances incremental revenues against incremental costs.

Marginal cost: The incremental cost to a company of the next unit produced.

Marginal propensity to import: The tendency to purchase imports with incremental income.

Marginal revenue: The revenue a company receives from the next unit sold.

Mark up: The amount added to the cost of a product to arrive at the selling price. An example is**:** Cost of product Rs.200.00 Mark up 20% Rs.40.00 Price to customer Rs.240.00 Many people confuse mark up with margin. This is a dangerous ignorance for those concerned about bottom line profits.

Mark: Any word, symbol, design, or combination of these used to identify a product or service.

Markdown percentage: Sometimes retailers are unable to sell products at the originally stated prices. When this occurs, they often reduce these prices to move the products. A markdown percentage is a reduction from the original selling price. Markdowns are expressed as a percentage of net sales and not as a percentage of original selling prices.

Markdown timing policy: In the context of retail management this refers to the policy adopted by the retailers with regard to the timing of the markdowns. It is the decision of a retailer to implement when and how much of markdown for different lines of merchandise. There are two types of markdown timing policies. These are: (1) Early markdown policy, and (2) Late markdown policy.

Markdown: Reduction from the original retail price of an item to meet the lower price of another retailer, adapt to inventory overstocking, clear out shopworn merchandise, reduce assortments of odds and ends, increase customer traffic and to stimulate sales. Markdowns are necessary because of buying errors, pricing errors, merchandising errors, and promotion errors.

Market acceptance testing: In the context of new product development process, it applies to product use testing. Occasionally it also includes product testing done as part of a market test.

Market attractiveness: An approach to building a product portfolio, which considers market growth, degree of competition, relative market size and corporate competencies.

Market based scorecard analysis: One of the five tools companies used to check on the marketing performance in a financial year. This analysis reflects marketing performance and provides early warning signals. There are two measures, which are used in market-based scorecard analysis. They are: customer performance scorecard and stakeholder performance scorecard.

Market beliefs: The specific beliefs or decision rules pertaining to marketplace phenomena.

Market broadening strategy: A strategy that involves the company in shifting its focus from the current product to the underlying generic need. The company gets involved in R&D across the whole range of technology associated with that need.

Market buildup method: One of the forecasting methods to estimate the area market potential of a company. In this forecasting method that calls for identifying all the potential buyers in each market and estimating their potential purchases. This method produces accurate results if the company is able to list all potential buyers and a good estimate of what each will buy. Unfortunately, this information is not always easy to get.

Market capitalization: A common measure of the size of a stock market, which is computed by multiplying the total number of shares of stock listed on the exchange by the market price per share.

Market challenger strategies: All the marketing strategies that a challenger firm undertakes to attack the market leader in a specific product/service market.

Market challenger: A runner-up firm in an industry that is fighting hard to increase its market share.

Market coverage strategy: It refers to a strategy that is followed by a company with regard to covering its target market with the distribution network. There may be different levels of intensity and coverage through distribution in the different sales territories in the market. Basically, it relates to the usage of number of intermediaries at each level in various sales territories. There are three possible market coverage strategies. These include: (1) Intensive distribution, (2) Selective distribution, and (3) Exclusive distribution.

Market demassification: The recent phenomenon in which the markets for various products and services has been fragmented as a result of ever-increasing number of market niches.

Market development: One of the growth strategies of a company involving the increase in sales volume without product innovation. It may involve taking of current products to new customers or users. In practice, market development often does involve some product modifications.

Market economy: An economic system in which two social units play important roles: the individual and the company. Individuals own resources and consumer products; companies use resources and produce products. The market mechanism involves an interaction of price, quantity, and demand for resources and products.

Market evolution: The process of gradual changes that occur in a product/service market with respect to needs, competitors, technology, channels and other developments. Like products markets evolve through four stages: emergence, growth, maturity, and decline.

Market factor index method: A forecasting method that identifies market factors that correlates with market potential and combines them into a weighted index.

Market follower strategies: All the marketing strategies that a market follower firm undertakes to remain in the market and also grow. Many market followers do not challenge the market leader rather prefer to follow. The main thing is that a market follower must know how to hold current customers and win a fair share of new customers.

Market follower: A runner-up firm in an industry that wants to hold its share without rocking the boat.

Market forecast: The level of market demand, given an expected level of industry marketing effort and an assumed environment.

Market fragmentation: A phenomenon where the market of a mature product splits into finer segments that leads to fragmentation. A fragmented market is characterized by large number of segments and each segment requires a different product offer. Sometimes market fragmentation may be followed by market consolidation caused by the emergence of a new attribute that has strong appeal. Mature markets swing between fragmentation and consolidation. Fragmentation is brought about by the competition and consolidation is by the innovation.

Market imperfections: Departures from the strict assumptions of competitive economic theory.

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 logistics: It involves the planning the infrastructure of a company to meet demand, then implementing and controlling the physical flows of materials and final goods from the points of origin to points of use, to meet customer requirements at a profit. Market logistics leads to an examination of the most efficient way to deliver value.

Market logistics: It refers to the planning the infrastructure to meet demand, then implementing and controlling the physical flows of materials and final goods from points of origin to points of use, to meet customer requirements at a profit.

Market mavens: Individuals whose influence stems from a general knowledge or market expertise that leads to an early awareness of new products and services.

Market minimum forecast: The base level sales that would take place without any demand stimulating expenditures. For this reason, it can be called market minimum.

Market modification strategy: One of the possible strategies that a company may adopt for its mature products, which are facing slow down in sales. Under this strategy a company may do a umber of things. These include: (1) It looks for new users and market segments. (2) It tries to increase usage among present customers, and (3) It may also reposition the brand to appeal to a larger or faster-growing segment.

Market nicher: A firm in an industry that serves small segments (niche) that other firms overlook or ignore.

Market opportunities: Area where a company believes there are favorable demand trends, need, and/or wants that are not being satisfied and where it can compete effectively.

Market partitioning: A way to discover new segments is to investigate the hierarchy of attributes consumers evaluate in choosing a brand.

Market penetration index: The ratio that compares the current level of market demand to the potential demand level. A low market potential index indicates substantial growth potential for all the firms. A high market potential index suggests that there will be increased costs in attracting the few remaining customers/prospects. In this situation, generally price competition increases and margins fall when the market penetration index is extremely high.

Market penetration pricing: Strategy in which a company seeks to achieve large revenues by setting low prices and selling a high unit volume. This pricing strategy will be effective in the following conditions: (1) the market is highly price sensitive, and the low price stimulates market growth; (2) production and distribution costs fall with accumulated production experience and (3) a low price discourages actual and potential competition.

Market penetration: It is the degree or depth with which a product has moved into a market. Initial penetration is always the most difficult because most markets have a kind of armor around them that resist entry.

Market performance objectives: These are the objectives, which compare company's position in the marketplace to that of the competition. The most popular measures of market performance are sales volume and market share.

Market pioneer: It refers to a company, which introduces a new product for the first time in a market. The market pioneer should visualize the various product markets in order to get the pioneer advantage.

Market positioning: Arranging for a product to occupy a clear, distinctive, and desirable place relative to competing products in the minds of target consumers.

Market potential: The undeveloped or unrealized possibilities within a market that exist for a product. "Potentials" always seem more exciting when contemplated from afar. In other words it is the limit approached by market demand as industry marketing expenditures approach infinity for a given marketing environment. In different situations the market potential may differ. For example, the market potential for automobiles will be high in a period of boom or prosperity and will be low in the period of recession.

Market profile: A demographic and psychographic description of the people or the households of a product's market. It may also include economic and retailing information about a territory.

Market rollout: The phase of new product development when the new item and its marketing plan are tested together. Prior testing, if any, involved separate components. A market test stimulates the eventual marketing of the product and takes many different forms, only one of which bears the names test market.

Market segment product groupings: It refers to placing together of various related products that appeal to a given target market.

Market segmentation: Dividing a market into distinct groups of consumers on the basis of needs, characteristics, or behaviour who might require separate products or marketing mixes. There are number of basis on which a marketer can divide and segment a product market.

Market sensing process: All the activities of a firm that are involved in gathering, disseminating, and acting on market intelligence information.

Market share studies: One of the types of marketing research conducted by a company to determine the proportion of total sales received by a company and its competitors.

Market share: The percentage of sales enjoyed by a product in a specific market. The company with the largest market share usually controls the market, that is, sets the price points for all the vendors, defines the product's capabilities, has the pick of distributors, has the advertising muscle, and so forth.

Market skimming: Pricing strategy wherein a firm charges premium prices and attracts customers less concerned with price than service, assortment, and status.

Market specialization: One of the options available to a company in the selection of target market. Here the company concentrates, on serving many needs of a particular group. For example, a company markets an assortment of scientific instruments to the academic institutions including universities. Thus, the company gains strong reputation in serving this customer group and becomes a channel for additional product the customer group can use.

Market studies: One of the types of marketing research conducted by a company, which is undertaken to determine the size of a product or service market, to estimate the buying power of the consumers, the identification of availability of distributors, and to prepare the consumer profiles.

Market targeting: The process of evaluating each market segment's attractiveness and selecting one or more segments to enter.

Market test: Controlled experiment, done in a limited but carefully selected sector of the market place; its aim is to predict the sales or profit potential, either in absolute or relative terms, of one or more proposed marketing actions.

Market: The set of all actual and potential buyers of a product or service. This may include both the existing and potential consumers of a product or service.

Market-centered company: A company that pays balanced attention to both customers and competitors in designing its marketing strategies.

Market-driven: A strategy whereby a firm lets the marketplace direct its product innovation. Consumer product firms tend to be the primary practitioners of this strategy.

Marketing alliances: One of the types of strategic alliances that take into account various aspects of marketing. These alliances include: (1) Product or service alliances, (2) Promotional alliances, (3) Logistic alliances, and (4) Pricing collaborations.

Marketing audit: A comprehensive, systematic, independent, and periodic examination of a company's environment, objectives, strategies, and activities to determine problem areas and opportunities and to recommend a plan of action to improve the company's marketing performance.

Marketing automation: CRM software that usually takes data from web sites and databases and turns it into reports for fine tuning CRM efforts. It aids e-marketers in effective targeting, efficient marketing communication and real-time monitoring of customer and market trends. It is a disciplined approach to capture, integrate and analyze customer data that is needed in effective management of CRM.

Marketing channel: The set of interdependent organizations involved in the process of making a product or service available to customers. To reach the target market, the marketer has three types of marketing channels: *communication channels,* deliver and receive messages from target buyers and include newspapers, magazines, radio, television, mail, telephone, billboards, posters, CDs, audio tapes and the Internet; *distribution channels*, display, sell or deliver the physical product or service to the buyer or user. They include, distributors, wholesalers, retailers and agents; *service channels*, carry out transactions with potential buyers. These include warehouses, transportation companies, banks and insurance companies that facilitate transactions. Marketers face a design problem in choosing the best mix of marketing channels.

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

Marketing concept: The marketing management philosophy that holds that achieving organizational goals depends on determining the needs and wants of target markets and delivering the desired satisfactions more effectively and efficiently than competitors do.

Marketing control: The process of measuring and evaluating the results of marketing strategies and plans, and taking corrective action to ensure that marketing objectives are achieved.

Marketing controller: A marketing executive whose responsibility is to improve marketing efficiency of the company. Marketing controller works out of the controller's office but specializes in the marketing side of the business.

Marketing decision support system (MDSS): Information system that links sales and marketing managers with relevant databases. It is defines as a coordinated collection of data, systems, tools, and techniques with supporting software and hardware which an organization gathers and interprets the relevant information from business and environment and turns it into a basis for marketing action.

Marketing environment: The actors and forces outside marketing that affect marketing management's ability to develop and maintain successful transactions with its target customers.

Marketing excellence review: One of the instruments that is used to rate the marketing performance in relation to best practices of high-performing companies. This instrument may place the companies in poor, good and excellent business and marketing practices. Management can place a check mark to indicate its perception of where the business stands. The resulting profile exposes weaknesses and strengths, highlighting where the company should make changes to increase its performance in future.

Marketing expense-to-sales analysis: One of the tools of annual plan control. In order to find out whether the company is overspending or not marketing expense-to- sales ratio is calculated. Management is required to monitor this ratio and any fluctuation beyond the normal range is not good. The expense -to-sales ratio should be analyzed in an overall financial framework to determine how and where the company is making its money.

Marketing goals: The overall objectives that a company wishes to accomplish through its marketing program.

Marketing implementation: The process that turns marketing strategies and plans into marketing actions in order to accomplish strategic marketing objectives. Strategy and implementation are closely related in that one layer of strategy implies certain tactical implementation assignments at a lower level.

Marketing information system (MIS): It consists of people, equipment, and procedures to gather, sort, analyze, evaluate, and distribute needed, timely, and accurate information to marketing decision makers. The company's MIS should represent a balance between what mangers think they need, what mangers really need, and what is economically feasible.

Marketing intelligence system: It is the set of procedures and sources used by managers to obtain everyday information about development in the marketing environment. Marketing managers collect marketing intelligence by reading books, newspapers, and trade publications; talking to customers, suppliers and distributors; and meeting with other company managers.

Marketing intelligence: It refers to everyday information about developments in the marketing environment that helps managers prepare and adjust marketing plans.

Marketing intermediaries: Firms that help the company to promote, sell, and distribute its goods to final buyers; they include resellers, physical distribution firms, marketing service agencies, and financial intermediaries.

Marketing management: The analysis, planning, implementation, and control of programs designed to create, build, and maintain beneficial exchanges with target buyers for the purpose of achieving organizational objectives.

Marketing mix modification strategy: One of the possible strategies that a company may adopt for its mature products, which are facing slow down in sales. Under this strategy a company may do number of things. These include: (1) Cutting prices to attract new users and competitors' customers, (2) May launch a better advertising campaign or use aggressive sales promotions—trade deals, rebates, and contests, (3) The company can also move into larger market channels, using mass merchandisers, if these channels are growing, and (4) The company can offer new or improved services to buyers

Marketing mix: The controllable elements of a marketing program including product, price, promotion and place that the firm blends to produce the response it wants in the target market.

Marketing myopia: Inability of some marketing companies to see beyond the end of their noses. A notorious example is the myopia of America automotive company marketing "geniuses" who kept building big, gas-guzzling cars while the Japanese captured market share with their small, economical models. For years the American car companies simply denied the trend was occurring saying, "If consumers want a less expensive car, they can buy a used model."

Marketing network: It consists of the company and its supporting stakeholders (customers, employees, suppliers, distributors, retailers, ad agencies, scientists and others) with whom it has built mutually profitable business relationships.

Marketing objectives: Goals to be accomplished by an organization's overall marketing program such as sales, market share, or profitability.

Marketing of social causes: Advertising campaigns designed to promote socially desirable behavior.

Marketing plan: A written document that describes the overall marketing strategy and programs developed for an organization, for a particular product line, or a brand. The marketing plan operates at two levels: strategic and tactical. The strategic marketing plan lays out the target markets and the value proposition that will be offered based on analysis of the best market opportunities. The tactical marketing plan specifies the marketing tactics, including product features, promotion, merchandising, prices, sales channels, and service.

Marketing process: It consists of (1) analyzing marketing opportunities, (2) selecting target markets, (3) developing the marketing mix, and (4) managing the marketing effort. Planning at the corporate, division, and at business unit level is an integral part of the marketing planning.

Marketing program: It consists of numerous decisions on the mix of marketing tools to use in order to achieve company's desired objectives.

Marketing public relations function (MPR): Public relations activities designed to support marketing objectives and programs. As the power of mass advertising weakens, marketing managers are turning more to MPR. Companies have found that MPR has been effective in building awareness in building brand awareness and knowledge, for both new and established products.

Marketing research problem: This refers the broad statement of the general problem and identification of the specific components of the marketing research problem. Only when the marketing research problem has been clearly defined can research be designed and conducted properly. It also entails determining what information is needed and how it can be obtained in the most feasible way.

Marketing research proposal: It is the formal layout of the planned marketing research activity for management. It is the essence of the research project, which describes the research problem, the approach, the research design, data collection methods, data analysis methods, and reporting methods. It also gives the cost estimates and a time schedule for completing the project. Although the format of a research proposal may vary to certain extent, most proposals address all steps of the marketing research process.

Marketing research: It is the systematic and objective identification, collection, analysis, dissemination, and use of information for the purpose of assisting management in decision making related to the identification and solution of the problem (or opportunities) in marketing. The data are collected using the most appropriate method; they are analyzed and interpreted, and inferences are drawn. Finally, the findings, implications, and recommendations are provided in a format that allows the information to be used for marketing decision making.

Marketing sensitivity of demand: This refers to the distance between the market minimum and the market potential.

Marketing strategy development: The fourth step in the new product development process. It involves designing an initial marketing strategy for a new product based on the product concept. It consists of three parts; the first part describes the target market; the plant product positioning and the sales market share and profit goals for the first few years. The second part outlines the products planned price, distribution and marketing budget for the first year. The third part describes the planned long run sales; profit goals and marketing mix strategy.

Marketing strategy: The marketing logic whereby the business unit hopes to achieve its marketing objectives. There may be a number of marketing strategies that a company may pursue to achieve its marketing objectives, such product strategy, pricing strategy, promotion strategy, and distribution strategy.

Marketing translation: It is used in the context of international marketing. It is the process of adapting a general marketing plan to a multinational environment.

Marketing web site: Web sites designed to engage consumers in an interaction that will move them closer to a purchase or other marketing outcome.

Marketing: A social and managerial process whereby individuals and groups obtain what they need and want through creating and exchanging products and value with others. The central point in marketing is the exchange process through which individuals and organizations achieve their objectives.

Marketing-profitability analysis: A method of profitability control in which a company analyses it marketing profitability. This involves: (1) Identifying functional expenses, (2) Assigning functional expenses to marketing entities, and (3) Preparing a profit-and-loss account for each marketing entity

Market-management organization: A type of organizing the marketing function in a firm where markets manger supervises several market managers (also called market development managers). The market managers draw on functional services as needed. Market managers of important markets even have functional specialists reporting to them. This type of marketing arrangement is desirable when customers fall into different user groups with distinct buying preferences and practices.

Market-penetration pricing: A type of price setting procedure where the price of a product or service is set at a low level for a new product in order to attract a large number of buyers and a large market share.

Market-segment scope: One of the competitive scopes within which a company may operate. This refers to the type of market or customers a company would like to serve. Some companies would serve only the upscale market, some may downscale market, and some would like to serve the entire market. Market-segment scope should be reflected in the company mission statement.

Market-skimming pricing: Setting a high price for a new product to skim maximum revenues layer by layer from the segments willing to pay the high price; the company makes fewer but more profitable sales.

Marketspace: A digital market place where one does the shopping on the Internet. In the recent years, increased amount of purchasing has been shifted from the traditional market place to marketspace.

Markov-process model: One of the quantitative models that is used in marketing decision support system (MDSS). This model shows the probability of moving from a current state to any future state. For example, a branded packaged goods company can determine the period-to-period switching and staying rates for its brand and, if the probabilities are stable, the brand's ultimate brand share.

Markup on retail (or markup on selling price): Markup divided by the selling price of the goods.

Markup percentage (at Cost): Difference between retail price and merchandise cost expressed as a percentage of merchandise cost**:** /// Retail selling price Markup percentage - Merchandise cost (at cost) Merchandise cost

Markup percentage (at retail): Difference between retail price and merchandise cost expressed as a percentage of retail price**:** /// Retail selling price Markup percentage - Merchandise cost (at retail)- Retail selling price.

Markup percentage on cost: It is the markup divided by the cost of the merchandise./// Markup percentage = markup/ cost of merchandise

Markup percentage on selling price: It is the markup divided by the selling price/// Markup percentage = markup/ selling price

Markup pricing: Form of cost-oriented pricing in which a retailer sets prices by adding per-unit merchandise costs, retail operating expenses, and desired profit.

Markup: The difference between the cost of the merchandise and the selling price.

Marquee: Sign used to display a store's name and/or logo.

Marugakae: Japanese management philosophy; literally, "total embrace". xxxx

Maslow's need hierarchy: A theory of motivation that postulates that individuals strive to satisfy their needs according to a basic hierarchical structure, starting with physiological needs, then moving to safety needs, social needs, egoistic needs, and finally self-actualization needs.

Mass customization or customization: Ability of a company to efficiently and economically offer goods and services more tailored to individual consumers. By going online, companies may enable customers to design their own goods; in effect, it enables them to be *prosumers*, namely self-producing customers. The customer can request customization of products, services prices, and delivery channels.

Mass marketing: Selling goods and services to a broad spectrum of consumers.

Mass media: Nonpersonal channels of communication that allow a message to be sent to many individuals at one time.

Mass merchandising: Positioning approach whereby retailers offer a discount or value-oriented image, a wide and/or deep merchandise assortment, and large store facilities.

Massed learning: Used in the context of consumer behaviour, it refers to compressing of the learning schedule into a short time span to accelerate consumer learning. When advertisers want immediate impact, they generally use a massed schedule to hasten consumer learning.

Massed promotion effort: A type of promotion, which is used by retailers that promote mostly in one or two seasons.

Match print: In the context of advertising, it refers to a high-quality color proof used for approvals prior to printing. It is similar to a signature print.

Matching: One of the methods used to control extraneous variables that involve matching test units on a set of key background variables before assigning tem to the treatment condition in an experiment. In matching the researcher should keep in mind that the characteristics used for the matching purposes should be relevant to the dependent variable.

Match-up hypothesis: A celebrity's image and that of the product he or she endorses should be similar to maximize the credibility and effectiveness of the communication.

Material culture: The standard of living or level of economic development, which a society has achieved.

Materialism: It refers to the importance people attach to worldly possessions. People who give importance to materialism are called materialists. They are more likely to value possessions for their status and appearance related meanings, whereas those who do not emphasize these values tend to prize products that connect them to other people or that provide them pleasure in using them. As a result products valued by high materialists are more likely to be publicly consumed and more expensive.

Materials and parts: One of the major groups of industrial goods that enter the manufacturer's product completely. They fall into two classes: *raw materials* and *manufactured materials and parts*.

Mathematical model: It is one of the types of analytical models used in the marketing and marketing research. Mathematical models explicitly specify the relationships among various variables, usually in equation form. These models can be used as guides for formulating the research design and have the advantages of being amenable to manipulations.

Mathematical programming: One of the quantitative techniques that may be used in marketing decision support system (MDSS). This technique allows finding the values that would optimize some objective function that is subject to a set of constraints.

Mathematically derived scales: One of the types of attitude scales, which allow researchers to infer respondents' evaluations of characteristics of similar objects. These evaluations are inferred from the respondents' overall judgments of the objects. Two popular mathematically derived scales are multidimensional scaling and conjoint analysis.

Matrix organization: A method of arranging teams or groups of people representing various functions of a firm. Each member of the group reports both to the head of the group (say, a program manager or project director) and to the head of the function where housed (say, the vice president of marketing).

Matrix structure: An organizational structure in which company's units report (by product, function, or area) to more than one group, each of which shares responsibility over these units.

Maturation error: A type of error in an experimental design in which processes operating within the test units in an experiment are a function of the passage of time per se. Examples include hunger, boredom, and fatigue.

Mature market: A market for a product that is no longer expanding or one that is shrinking. An example might be the cigarette market. It's generally a bad idea for a company to be a late entrant into a mature market. Mature markets often produce the highest profits for companies because development costs for products have already been amortized and attention can be given to lowering other costs of doing business. Many companies use these profits to fund R&D costs for products with promise for the future.

Maturity stage of product life cycle: The third stage of the product life cycle, when initial rapid growth is over and when sales level off (though there may be intermittent surges and declines over the years before final decline sets in).

Maximax criterion: Selection of the alternative that maximizes the maximum payoff.

Maximum chance criterion: Decision rule used in discriminant analysis to develop a comparison yardstick for assessing the predictive accuracy of the discriminant function; the maximum chance criterion holds that an object chosen at random should be classified as belonging to the largest size group.

Maximum demand price: The highest price that a consumer would be willing to pay for one unit of a product.

Mazur plan: Divides all retail activities into four functional areas**:** merchandising, publicity, store management, and accounting and control.

McNemar test: One of the statistical tests used in data analysis, when the data are in nonmetric scale having two or more samples and these samples are interrelated with each others.

Mean square: One of the statistics associated with one-way analysis of variance (ANOVA). The mean square is the sum of squares divided by the appropriate degrees of freedom.

Mean: A measure of central tendency; obtained by adding all observations and dividing the sum by the number of observations.

Measurability (market segment): One of the criteria for determining the attractiveness of a market segment. It refers to the ability to obtain information about the size, nature, or behaviour of a market segment. Consumers may behave in similar ways, but that behaviour must be able to be measured directly or with close correlates in order to formulate and implement marketing mix strategies.

Measure of location: It is one of the statistics associated with frequency distribution. It is a statistic that describes a location within a data set. Measures of central tendency describe the center of distribution. Mean, median, and mode are three important measures of location.

Measurement error: It refers to the variation in the information sought by the researcher and the information generated by the measurement process employed. The measurement error includes systematic error and random error.

Measurement timing error: Occurs when the pre-or post-measurement is made at an inappropriate time to indicate the effect of the experimental treatment.

Measurement: It refers to assigning of numbers to objects to represent quantities of attributes according to certain specified rules. What is measured is not the object, but some characteristic of it. Thus in marketing research, one does not measure consumers—only their perceptions, attitudes preferences, or other relevant characteristics. These numbers permit statistical analysis of the resulting data.

Measures of dispersion: A type of descriptive statistic, including such measures as the standard deviation, the coefficient of variation, the interquartile range, and relative and absolute frequencies.

Measures of shape: It refers to a characteristic of distribution which indicates the distribution's variation. The measures of variations are calculated on interval or ratio data and include the range, interquartile range, variance or standard deviation.

Measures of shape: It refers to a characteristic of distribution which

Mechanical observation: In the context of consumer/marketing research, it refers to observation techniques involving mechanical observers in conjunction with or in place of human observers. Examples are the motion picture camera, the audimeter, the psycho-galvanometer, the eye-camera, and the pupilometer.

Media buyer: Agency executive who negotiates purchase of space/time with advertisement manager of a publication/media.

Media buyers: Media buyers execute and monitor the media schedule developed by media planners.

Media buying services: Independent companies that specialize the in buying of media, particularly radio and television time. Media buying services are paid a fee or commission for their work.

Media demassification: Publishers shifting their focuses from large, general-interest audiences to smaller, more specialized audience.

Media event: A publicity exercise aimed at arousing interest in the organisation from the news media.

Media imperatives: Based on research by Simmons Media Studies, showed the importance of using both TV and magazines for full market coverage.

Media mix: The combination of media used in an advertising campaign, e.g. press, TV, outdoor.

Media objectives: The specific goals an advertiser has for the media portion of the advertising program.

Media organizations: One of the four major participants in the integrated marketing communications process whose function is to provide information or entertainment to subscribers, viewers, or readers while offering marketers and environment for reaching audiences with print and broadcast message.

Media panels: It is a data gathering technique that is comprised of samples of respondents whose television viewing behaviour is automatically recorded by electronic devices, supplementing the purchase information recorded online or in a diary. Given the growing popularity of Internet, syndicated services are geared to this medium.

Media plan: A document consisting of objectives, strategies, and tactics for reaching a target audience through various media vehicles. In a basic sense, the goal of the media plan is to find that combination of media that enables the marketer to communicate the message in the most effective manner to the largest number of potential customers at the lowest cost.

Media planner: Agency executive who proposes media schedule for approval by client.

Media planning: The series of decisions involved in the delivery of an advertising message to prospective purchasers and/or users of a product or service.

Media schedule: The detailed plan or calendar showing when ads and commercials will be distributed and in what media vehicles they will appear.

Media strategies: Plans of action for achieving stated media objectives such as which media will be used for reaching a target audience, how the media budget will be allocated, and how advertisements will be scheduled.

Media vehicle: The specific program, publication, or promotional piece used to carry an advertising message. Each media vehicle has its own characteristics as well as its relative advantages and disadvantages.

Media: In the context of advertising these are the means of conveying advertising messages. The major media available to an advertiser include, press, radio, television, outdoor, direct mail, and Internet.

Median: A measure of central tendency given as the value above which half of the values fall and below which half of the values fall. If the number of data points is even, the median is usually estimated as the midpoint between the two middle values—by adding the two middle values and dividing their sums by 2. The median is the 50^{th} percentile.

Mediascapes: One of the dimensions of global changes, which may be important to international marketers. Mediascapes refer both to the distribution of the electronic capabilities to produce and disseminate information and to the images of the world created by these media. These mediascapes provide large and complex repertoires of images, narratives and "ethnoscapes" to viewers throughout the world.

Megamall: Enormous planned shopping center with l-million+ square feet of retail space, multiple anchor stores, up to several hundred specialty stores, food courts, and entertainment facilities.

Megamarketing: It refers to the strategic coordination of economic, psychological, political, and public-relation skills, to gain the cooperation of a number of parties in order to enter or operate in a given market. Pepsi used megamarketing to enter the Indian market. Instead of relying on the normal four Ps for entering Indian market, Pepsi added two additional Ps, namely, *politics* and *public opinion*.

Membership group: In the context of consumer behaviour, it refers to a group to which a person either belongs for qualifies for membership. It is a type of reference group.

Meme theory: A perspective that uses a medical metaphor to explain how an idea or product enters the consciousness of people over time, much like a virus.

Memorandum purchase: A type of purchase that occurs when the retailer does not do the payment for the merchandise until they are sold. The retailer can return unsold merchandise. However, it takes title on delivery and is responsible for damages.

Mentoring: In the context of retailing, it refers to the association between a new salesperson and an experienced salesperson or manager who serves as a role model.

Mercantilism: An economic philosophy based on the beliefs that a country's wealth is dependent on its holdings of treasure, usually in the form of gold, and that countries should export more than they import in order to increase wealth.

Merchandise budget: In the context of retail management, it refers to a formal plan for the merchandising activities of an upcoming season. The budget includes projected sales, planned inventory, and planned gross margin, planned purchases and reductions for the period.

Merchandise line: A group of products that are closely related because they are intended for the same end use, are sold to the same customer group, or fall within a given price range.

Merchandise management: In the context of a retail management of a big departmental store or corporate retailing, this is refers to the analysis, planning, acquisition, handling and control of the merchandise investments of a retail operation.

Merchandise productivity: Net sales divided by average investment in inventory.

Merchandise return policy: This term refers to the policy of the retailer in returning the merchandise in different situations. The handling of merchandise returns is an important customer service—it can even make the difference between making a profit and losing money. The return policy can range from 'no returns, no exchanges" to "the customer is always right". A retailer needs to choose these extreme policies or a more moderate one. Few services build customer goodwill as effectively as a fair return policy.

Merchandise trade account: A component of current account balance that measures the trade deficit or surplus. Its balance is derived by subtracting merchandise imports from merchandise exports. A negative result indicates a balance-of-trade deficit; a positive result, a balance-of-trade surplus.

Merchandising conglomerate: A free-form retail organization that combines several diversified retailing lines and forms under central ownership, along with some integration of distribution and management.

Merchandising errors: In the context of retail management this refers to one of the possible errors that may be committed by a retailer, which may affect the markdown. These errors occur when a retailer keeps the seasonal or fashion merchandise and hope to sell them in the next merchandise season and fails. Many times new merchandise is not shown to the consumers and consumers do not able to know the new one. Another merchandising error is the improper handling of the merchandise by the sales staff or ineffective visual presentation of the merchandise. These errors can be quite costly and affect the markdown percentage of the retailer substantially

Merchandising philosophy: Sets the guiding principles for all the merchandise decisions a retailer makes.

Merchandising: Activities involved in acquiring particular goods and/or services and making them available at the places, times, and prices and in the quantity to enable a retailer to reach its goals.

Merchant wholesaler: Independently owned business that takes title to the merchandise it handles.

Merchantilism: An old trade theory that formed the economic thought from about 1500 to 1800 AD. This theory holds that a country's wealth is measured by its holdings of treasure, usually in the form of gold. According to merchantilist theory, countries should export more than they import and, if successful, would receive the value of their trade in the form of gold from the country or countries that run deficits

MERCOSUR: Latin America's largest planned common market. It was formed on 26 March 1991 when the governments of Argentina, Brazil, Paraguay, and Uruguay signed the Treaty of Asuncion.

Merge/purge (merge & purge): A system used to eliminate duplication by direct response advertisers who use different mailing lists for the same mailing. Mailing lists are sent to a central merge/purge office that electronically picks out duplicate names. Saves mailing costs, especially important to firms that send out a million pieces in one mailing. Also avoids damage to the goodwill of the public.

Message board: In the context of Internet, it refers to a website hosting messages and information about a specific company or area of interest to visitors.

Message comprehension: This refers to the amount of meaning accurately derived by the consumers from the advertising message.

Message framing: Positively constructed messages (those that specify benefits to be gained by using a product) are more persuasive than negatively constructed messages (that specify benefits lost by not using a product.)

Message management: Utilizes database information to offer different message to various consumer categories.

Message: The thought, idea, attitude, image, or other information that a sender wishes to convey to an intended audience.

Metamarket: This refers to the whole cluster of activities which precede the purchase decision process are known as metamarket.

Metamediary: An agent that represents a cluster of manufacturers, e-tailors, and content providers organized around a life event or major asset purchase is called a metamediary and this term has been coined to reflect a practice that is quite stable online. Metamediaries solve four major customer problems—reducing search times, providing quality assurance about vendors, facilitating transactions for a group of related purchases and providing relevant and unbiased content information about the purchase.

Metatags: HTML statements that describe a web site's content. They are not normally displayed by browsers. They allow search engines to identify sites relevant to topics of their inquiries. Accordingly, these tags can valuable means of attracting users to a site. Since metatags are defined by HTML, it is possible to insert words or phrases that are calculated to provide optimal attractiveness, including materials protected by trade mark.

Metric (MDS) Multidimensional scaling: One of the multidimensional scaling methods that assumes that input data are metric. Because the output is also metric, a stronger relationship between the output and input data is maintained, and the metric (interval and ratio) qualities of the input data are preserved.

Metric data: This refers to one of the types of data. Metric data are measured on an interval or ratio scale.

Micro economic approach: An analysis concerned with outputs and prices in individual markets.

Microenvironment: The forces close to the company that affect its ability to serve its customers—the company, suppliers, marketing channel firms, customer markets, competitors, and publics.

Micromarketing: Emerging application of data mining whereby the marketer uses differentiated marketing and focused strategy mixes for specific segments, sometimes fine-tuned for the individual consumer.

Micromerchandising: Strategy whereby a retailer adjusts its shelf-space allocations to respond to customer and other differences among local markets.

Microsales analysis: A tool of sales analysis that looks at specific products, territories and so-forth that fails to produce expected sales. For example, a company sells in three territories and in territory number One there is a shortfall of seven per cent in terms of expected sales. Microsales analysis will be helpful to find out the reason for the shortfall in Territory One.

Microsite: It refers to a limited area on the web managed and paid for by an external advertiser or company. Microsites are particularly relevant for companies selling low interest products such as insurance. By creating a microsite on others' websites, a company may be able to get responses from the prospective customers.

Microtransactions: Very low-priced sales of online content, perhaps as low as one thousandth of a cent.

Middleman: Someone who acts to bring buyer and seller together, or someone who purchases goods from the producer and sells them to a retailer or directly to the consumer. The "middleman" is often portrayed as a villain who adds cost to products for doing nothing. In reality, middlemen provide a valuable distribution service that gets goods into the marketplace.

Middle-of-month dating: One of the ways of getting cash discounts from the manufacturer. It is a method of billing, which allows for cash discount and the full payment period to begin from the middle of the month for billing purposes.

Mind-mapping: On of the techniques of creativity that may be used in idea generation stage of a new product development process. This technique starts with a thought, such as a car, write it on a piece of paper then think of the next thought that comes up (say Mercedes) link it to car, then think of the next association (Germany) and do this with all association that come up with each new word. Perhaps a whole new idea will materialize.

Minigroups: One of the variants of focus groups. In this type of focus group interview the group consists of a moderator and only four or five respondents. They are used when the issue of interest requires more extensive probing than is possible in the standard group of 8 to 12 people.

Minimarket test: A type of controlled-sale market testing whereby the outlets used are a small, non-representative sampling of the market. Product is usually place into the outlets (not sold), and promotion is much less than planned ultimately. Primarily tests just the customer’s willingness to spend money for a product trial.

Minimum price laws: State regulations preventing retailers from selling certain items for less than their cost plus a fixed percentage to cover overhead. These laws restrict loss leaders and predatory pricing.

MIPS: Millions of instructions per second, one measure of computer power.

Missing responses: It refers to the values of a variable that are unknown, either because respondents provided ambiguous answers or their answers were not properly recorded. Treatment of missing responses poses problems, particularly if the proportion of missing responses is more than 10 percent.

Mission statement: A long-range strategic intent, part of corporate or division strategy. A statement of the organization's purpose—what it wants to accomplish in the larger environment. Organizations develop mission statements to share with mangers, employees, and possibly with customers. A clear thoughtful mission statement provides employees with a shared sense of purpose, direction, and opportunity. Good mission statements have three major characteristics. These are: (1) They focus on a limited number of goals, (2) They stress the major policies and values the company wants to honour, and (3) They define the major competitive scopes within which the company likes to operate.

Missionary sales force: A type of sales position where the emphasis is on performing supportive activities and services rather than generating or taking orders. For example, pharmaceutical salespeople who persuade doctors to prescribe new drugs

Mixed bundling: A variant of product bundling pricing in which the seller offers goods both individually and in bundles. When offering a mixed bundle the seller normally charges less for the bundle than if the items were purchased separately.

Mixed economy: An economic system characterized by some mixture of market and centrally planned economies and public and private ownership of resources.

Mixed venture: A special type of joint venture in which a government is in partnership with a private company.

Mixed-effects model: this term is used in the context of analysis of variance. A mixed-effect model results if some treatments are considered fixed and other random.

Mnemonics: Basic cues such as symbol, rhymes, and associations that facilitate the consumer learning and memory process.

Mobile billboards: An out-of-home ad medium in which advertisements can be transported to different locations (signs painted on automobiles, trailers pulling billboards and the like).

Mobile commerce (m-commerce): Mobile commerce or m-commerce, is the wireless avatar of e-commerce. It is the result of fusion of mobile communication with electronic commerce. M-commerce is set to be the next major trend as consumers are offered an array of e-services over mobile devices.

Mobile defense: One of the defense strategies by a market leader I the wake of attack from a market challenger. Here the market leader stretches its domain over new territories that can serve as future centers for defense and offense. It spreads through market broadening and market diversification.

Mode: A measure of central tendency; the value that occurs most frequently in a sample distribution. The mode is a good measure of location when the variable is inherently categorical or has otherwise been grouped into categories.

Model based decision-making: A type of decision-making where the decisions are based on models, data and facts on how the market place works instead of intuitions.

Model building: It refers to the process a researcher adopts to build an analytical model before undertaking a research project. Model s can be built in different ways. These are: verbal models, graphical models, and mathematical models. Different model building approaches are used to build these types of models.

Model fit: It is the final step in factor analysis. Here, the correlations between the variables can be deduced or reproduced from the estimated correlations between the variables and the factors in order to find out the observed correlation between variables can be attributed to common factors. The differences between the observed correlations and the reproduced correlations can be examined to determine model fit.

Model Stock Plan: In the context of retailing business it is an inventory plan giving precise items and their respective quantities that should be on hand for each merchandise line. A model stock plan needs to be compiled for each line of merchandise.

Model: A simplified representation of reality designed to show the relationships between the various elements of a system of process under investigation.

Moderators (focus groups): It refers to those people who conduct and mange the focus group interviews. The moderator plays a key role in the success of a focus group, as he/she has to establish rapport with the participants, keep the discussion on the right direction, and probe the respondents to elicit insights. In addition, the moderator may have a central role in the analysis and interpretation of data.

Modest-quota school for sales force: A philosophy in setting sales quotas for the sales force. This school sets quotas that a majority of the sales force can achieve. Its protagonists believe that sales force will accept the quotas as fare, will attain them, and gain confidence.

Modified rebuy: One of three industrial/business buying situations in which the buyer wants to modify product specifications, prices, terms, or suppliers or other terms. The modified rebuy situation involves additional decision participants on both sides. The “in suppliers” become nervous and have to protect the account. The “out suppliers see it as an opportunity to propose a better offer to gain some business.

Modularization: The division of a product into components.

Monadic rating scale (non-comparative rating scale): A type of scale for measuring the consumer preferences where the consumers are asked to rate on a scale. A five-point monadic scale could be where one signifies intense dislike, three stands for indifference and five may denote intense like. Higher the mean for any brand, more is the preference for that brand. /// For example, a respondent may be asked to indicate his level of satisfaction with respect to engine power and pick-up for the car he owns with the help of following scale: /// Completely satisfied Very satisfied

Monadic tests: A product concept or use test in which subjects are asked to evaluate the product or concept and then rate it on an intention-to-buy, preference, or attitudinal scale without examining other products.

Money-sensitive salespersons: Salespersons motivated to work harder by an increase in remuneration.

Monica: A marketing research database tool, which predicts the likely age group of consumers on the basis of their first names.

Monopolistic competition: Market in which several competitors offer products that are relatively heterogeneous to the consumer.

Monopoly: Market dominated by one firm offering a product for which no close substitute exists.

Monthly sales index: Measure of sales seasonality that is calculated by dividing each month's actual sales by average monthly sales and then multiplying the results by 100.

Mood/affect: An individual's subjectively perceived "feeling state".

Moore's law: The observation that computing power doubles roughly every 18 months.

More usage strategy: A market expansion strategy where a company tries to convince people to use more product per use occasion. For example, shampoo manufacturers may convince consumers to use more shampoo by printing the directions on the label of the package.

Morphing: Special computer graphics effect often used in TV commercials, such as when a vacuum cleaner is shown sucking up objects. It is a technique that enables transforming of one object into another object. Creates bending and stretching or warping effects.

Morphological analysis: An analytical attribute approach ideation method. Is based on relationships and includes using a multiple set of product forms, attributes, uses, users, and so on in matrix format.

Mortality error: An experimental error that occurs when multiple groups are used and some groups lose subjects who are fundamentally different from those subjects lost by other groups. This error does not necessarily occur simply because a group loses some members.

Most-favored nation (MFN) clause: To belong to GATT or the WTO, countries must adhere to this clause. This clause requires that if a country grants a tariff reduction to one country it must grant the same concession to all other countries. The MFN clause also applies to quotas and licenses. Although the clause initially was unconditional, countries have always made exceptions.

Mother hen with branch store chickens organization: Exists when headquarters executives oversee and operate the branches. This works well if there are few branches and the buying preferences of branch customers are similar to those of the main store.

Motivation research: Quantitative research designed to probe the consumer's subconscious and discover deeply rooted motives for purchasing a product.

Motivation: The driving force within individuals that impels them to action

Motivational research: Qualitative research designed to uncover consumers' subconscious or hidden motivations. The basic premise of motivational research is that consumers are not always aware of, or may not wish to reveal, the basic reasons underlying their actions.

Motive (drive): A need that is sufficiently pressing to direct the person to seek satisfaction of the need. Motives are the reasons for consumer behavior.

Moving average forecast: A forecasting model where the value for the next period will be equal to the average value for the last 'x' periods, where 'x' is some multiple of the number of periods in a year.

Multi item scales construction: A type of attitude rating scale in which a number of statements are used to measure comprehensively a particular construct or concept. Here, the scale development begins with an underlying theory of the construct being measured. The next step is to generate an initial pool of scale items. From the pool, a reduced set of potential scale items is generated by the judgement of the researcher and other knowledgeable persons. Further reduction is done in a quantitative manner by applying certain relevant statistical techniques. Then the resultant scale is evaluated for reliability and validity. On the basis of assessment a final set of scale items is selected.

Multiattribute attitude model: A model of attitudes that views an individual's evaluation of an object (product, brand, service, etc.) as being a function of the beliefs that he or she has toward the object on various attributes and the importance of these attributes.

Multiattribute segmentation (Geoclustering): A method of market segmentation where companies instead of segmenting a product market on one attribute they combine several variables (attributes) in an effort to identify smaller, better defined target groups. One of the most promising developments in multiattribute segmentation is called Geoclustering, where the consumers profile is prepared on the basis of demography and neighborhood.

Multibrand strategy: A strategy where a company introduces a new product with a new brand name in the same product category. A multibrand strategy enables a company to lock up dealer's shelf space and to protect its major brand by setting up flanker brands. A major pitfall in introducing multibrand items is that each might obtain only a small market share and none may be particularly profitable.

Multichannel conflict: One of the channel conflict that arises or exists when the manufacturer has established two or more channels that sell to the same market. One of the major current examples of multichannel conflict is brick and mortar companies sweating over whether to add an online e-commerce channel.

Multichannel marketing: Today with the proliferation of customer segments and channel possibilities, more and more companies are adopting multichannel marketing, which occurs when a single firm uses two or more marketing channels to reach one or more customer segments. By adding more channels, companies can gain increased market coverage, lower channel cost and customized selling.

Multichotomous questions: One of the types of questions in a questionnaire. Fixed-alternative questions in which respondents are asked to choose the alternative that most closely corresponds to their position on the subject. Here the researcher provides a choice of answers and respondents are asked to select one or more of the alternatives given.

Multicollinearity: A condition present in a multiple-regression analysis when the predictor variables are not independent as required, but are correlated among themselves. Multicollinearity arises when intercorrelations among the predictors are very high.

Multidimensional scaling (MDS): Approach to measurement in which people's perceptions of the similarity of objects and their preferences among the objects are measured, and these relationships are plotted in a multidimensional space. Perceived or psychological relationship among stimuli is represented as geometric relationships among points in a multidimensional space.

Multidomestic company: A company with international operations that allows operations in one country to be relatively independent of those in other countries.

Multidomestic strategy: In the context of decision making pattern of a multinational corporation this strategy refers to taking the major decisions keeping in mind the differences in cultural, legal, and economic conditions of the various foreign markets. These conditions favour a multidomestic strategy in which local management exploits local opportunities and in which knowledge is primarily developed and retained within each operating unit. Whereas headquarters mangers have information on the entire operation, local managers are usually in better position to know what work locally. They are normally given greater latitude when local conditions are perceived to be significantly different.

Multifunctional: Often called multidisciplinary and cross-functional. It refers to persons or operations involving a multiple set of functions or departments. Product development/innovation process in a company is considered to be multifunctional activity as people from different departments are involved.

Multilateral agreements: Agreements that regulate trade between two or more countries.

Multilateral Investment Guarantee Agency (MIGA): A member of the World Bank Group that encourages equity investment and other direct investment flows to developing countries by offering investors a variety of different services.

Multilateral trade negotiations: Trade negotiations held between more than two parties/countries or nations.

Multilevel marketing: A system of personal selling in which recruiting new salespeople is the responsibility of the sales force, and where promotion is dependent on the number of recruits found.

Multi-level selling: One of the forms of nonstore retailing which is also known by direct selling, and network marketing. In this form of selling a salesperson goes to the homes of a prospective customer unsolitated or invited and demonstrates the products and takes order.

Multimagazine deals: A type of arrangements whereby two to more publishers offer advertisers the opportunity to buy space in their magazines with one single media buy.

Multi-mode organization: Retailers that are organized not around single-mode functions, locations, or merchandise categories, but around several modes.

Multinational advertising: The coordination and execution of advertising campaigns that is to be used in different countries of the world.

Multinational enterprise (MNE)/Multinational Corporation (MNC): A company that has an integrated global philosophy encompassing both domestic and overseas operations; sometimes used synonymously with Multinational Corporation (MNC) or transnational corporation. The true multinational enterprise usually utilizes most of the operating forms in its international operations.

Multinational marketing research: Research conducted in all or all-important countries where the company is represented. Multinational corporations conduct this type of research usually and is much more complex than domestic marketing research.

Multiple η^2: This term is used in the context of N-way analysis of variance. This shows the strength of the joint effect of two or more factors, or the overall effect.

Multiple buying influences: In the context of organization buying behaviour this refers to the idea that a number of different individuals may influence the purchase process for a product or service within an organization.

Multiple comparison test: In the context of analysis of variance, posteriory contrasts are made after the analysis. Multi comparison tests enable the researcher to construct generalized confidence intervals that can be used to make pairwise comparisons of all treatment means.

Multiple correlation coefficient: In multiple regression, the correlation coefficient between the observed Y_i, and the estimated Y_i's.

Multiple cross sectional designs: A type of research design in which two or more samples of respondents and information from each sample is obtained only once. Often, information from different samples is obtained at different times over long intervals. These types of designs allow comparison at the aggregate level but not at the individual respondent level.

Multiple discriminant analysis: This refers to the discriminant analysis when three or more categories of criterion variables are involved. In multiple correlation analysis one can derive more than one discriminant function.

Multiple exchange rates: A way to control foreign exchange is what is known as multiple exchange-rate system. Under this system a government sets different exchange rates for different types of transactions. Further, if a government wants to discourage imports, it can establish a very high exchange rate for the transactions it does not favour, thereby making those imports very expensive.

Multiple exchange-rate system: A means of foreign exchange control whereby the government sets different exchange rates for different transactions

Multiple factor evaluations: In the context of multidimensional scaling procedure this refers to an approach that evaluates full or complete profiles of brands for all attributes. Typically each profile is described on a separate index card. This is also known as full-profile approach.

Multiple factor index method: One of the methods used for estimating the area market potential of a company in consumer market. In this method a number of factors are identified which may have bearing on the sales and then each factor is assigned a weightage and then a composite index is formed which may give the possible area sales potential.

Multiple regression analysis: A statistical technique of multivariate data analysis appropriate for use with an intervally scaled dependent variable and intervally scaled independent variables; an extension of the simple regression technique to more than one independent variable.

Multiple segment targeting: A target marketing strategy in which the companies first focus their marketing efforts on one segment and then expand to other segments.

Multiple time series design: One of the time series designs that include another group of test units to serve as a control group. This design is an improvement over the simple one group time series design as this enables the researcher to test the treatment effect twice.

Multiple transaction premium: A type of sales promotion technique where a consumer receives a gift or may qualify for after more than one transaction.

Multiple-choice question: A question that requires the respondent to choose among a set of predetermined alternative responses. In a multiple-choice question all the possible alternatives should be included and the response alternatives should be mutually exclusive.

Multiple-Unit Pricing: Discounts offered to customers who buy in quantity or who buy a product bundle.

Multiple-vehicle, multiple-stage campaign: A marketing communication including advertising campaign that involves a number of media vehicles and is carried in multiple stages such as inserting print ad in different issues of various magazines over a specified period.

Multiplexing: An arrangement where multiple channels are transmitted by one cable network. Several major TV networks including Star, ESPN, and the Discovery, own several channels

Multi-step flow of communication theory: A revision of the traditional two-step theory that shows multiple communication flows; from the mass media simultaneously to opinion leaders, opinion receivers, and information receivers (who neither influence nor are influenced by others); from opinion leaders to opinion receivers; and from opinion receivers to opinion leaders.

Multitasking: A concept used in the context of those people who experience shortage of time or time famine consumers. These types of consumers are prone to multitasking, that is, doing two or more things at the same time. They will phone or eat at the same time. Companies aiming to serve them will create convenient services for this group.

Multivariate analysis of variance (MANOVA): An ANOVA technique, which is similar to one-way analysis of variance, except that instead of one metric dependent variable two or more metric dependent variables are analyzed. Whereas ANOVA examines group differences on a single dependent variable, MANOVA examines group differences across multiple dependent variables simultaneously.

Multivariate techniques: Statistical techniques in which there are two or more measures of each of *n* sample objects, and the variables are to be analyzed simultaneously. Multivariate techniques are concerned with the simultaneous relationships among two or more phenomena.

Mutually exclusive: Two or more events are said to be mutually exclusive if, when one occurs, none of the other will occur.

Mystery shoppers: People hired by research organizations or companies to pose as customers and observe their operations, from sales presentations to how well displays are maintained to in a store, or how helpful the employees were in answering questions. Customers also rate the employee's friendliness and other factors on a scale.

N

Naive forecasting model: A time series forecasting model that relies heavily on the value of the variable in the most recent period to forecast a value for the variable in the next period in a time series.

Narrowband cable: Older cable television system that was limited to television programmes.

Narrowcasting: The reaching of very specialized market through programming aimed at particular target audiences. Cable television networks offer excellent opportunities for narrow casting. For example, advertisers in many countries including India to reach teenagers and young adults use MTV. CNBC is the worldwide leader in business news and reaches a highly educated and affluent audience.

National advertisers: Companies that advertise their products or services on a nationwide basis or in most regions of the country.

National advertising review board (NARD): A part of the National Advertising Division of the council of Better Business Bureau in US. The NARD is the advertising industry's primary self-regulatory body.

National advertising review council (NARC): An organisation founded by the council of Better Business Bureaus and various advertising industry groups to promote high standard of truth, accuracy, morality and social responsibility in national advertising in the US.

National advertising: Advertising done large companies on a nationwide basis or in most regions of the country. Most of the ads for well-known companies and brands that are seen on prime time TV or in other major national or regional media are examples of national advertising. The goals of national advertisers are to inform or remind consumers of the company or brand and its features, benefits, advantages, or uses and to create or reinforce its image so consumers will be predisposed to purchase it.

National firms: Companies that focus their business interest one domestic markets.

National newspapers and magazines: Print media (newspapers and magazines) with national circulation.

National Readership Survey: A survey conducted every year b y Indian Newspaper Agency (INS) to show the readership and demographics of readers of various magazines and newspapers.

National responsiveness: In the context of international business it refers to readiness to implement operating adjustments in foreign countries in order to reach a satisfactory level of performance.

National sovereignty: The supreme right of nations to determine national policies, free from any external controls.

National spot advertising: All non-network advertising done by a national advertiser in local markets. Spot advertising offers the national advertiser flexibility in adjusting to local market conditions. The advertiser can concentrate commercials in areas where market potential is greater or where additional support is needed. This appeals to advertisers with uneven distribution or limited advertising budgets, as well as those interested in test marketing or introducing a product in limited market areas. National advertisers often use spot television advertising through local retailers or dealers as part of their cooperative advertising programs and to provide local dealer support.

Nationalism: The feeling of pride and/or ethnocentrism focused on an individual's home country or nation.

Nationality subcultures: Nationality subcultures in a larger society in which members often retain a sense of identification and pride in the language and customs of their ancestors. This is especially true for a population of a country like UK and US that have a history of attracting people from all over the globe. When it comes to consumer behaviour, this pride or identification is manifested most strongly in the consumption of ethnic foods, in travel to the "homeland", and in the purchase of numerous cultural artifacts (ethnic clothing, art, music, foreign language newspapers).

Nationalization: The transfer of ownership to the state.

Natural advantage: A condition for the theory of absolute advantage to work. This refers to climatic conditions, access to certain natural resources, or availability of labor, which gives a country an advantage in producing some product.

Natural environment: Natural resources that are needed as inputs by marketers or that are affected by marketing activities.

Natural observations: One of the ways of obtaining information through an observation method. Natural observation involves observing behaviour as it takes place in the environment. For example, one could observe the behaviour of eating fast food in a restaurant. The advantage of natural observation is that the observed phenomenon will more accurately reflect the true phenomenon. The disadvantage is the cost of waiting for the phenomenon to occur and the difficulty of measuring the phenomenon in the natural setting in certain situations.

Need for cognition (NC): The personality trait that measures a person's craving for or enjoyment of thinking. Available research indicates that consumers who are high in NC are more likely to be responsive to the part of an advertisement that is rich in product related information or description; consumers who are relatively low on NC are more likely to be attracted to the background or peripheral aspects of an advertisement, such as an attractive model or well-known celebrity.

Need recognition: The first stage of the buyer decision process in which the consumer recognizes a problem or need. Consumers recognize a need when there is a disparity between their current state and some desired end state. This disparity creates tension and arouses a motivation to act i.e., to go for purchase. Among consumers, there may be two different need recognition styles. Some consumers are actual state types, who perceive that they have a problem when a present product fails to perform satisfactorily. In contrast, other consumers are desired state types, for whom the desire for something new may trigger the decision process.

Need-hierarchy process for attributes: One of the methods that can be used by a company to discover new attributes of a product, which may be relevant to the consumers. This approach takes into account the need-hierarchy motivation theory of Maslow. In any product the marketer first see the basic or lower order need to be fulfilled and then go for those attributes that may satisfy higher order needs as stipulated in need-hierarch theory. For example, a car provides transportation and be designed for safety, later marketers may start appealing its social acceptance and status needs.

Needledrop: An occupational term common to advertising agencies and the music industry. It refers to the music that is prefabricated, multipurpose, and highly conventional. It is, in that sense, the musical equivalent stock photos, clip art, or canned copy. Needledrop is an inexpensive substitute for original music; paid for on a one-time basis, it is dropped into a commercial or film when a particular normative effect is desired.

Needs: A state of felt deprivation. Needs are the basic human requirements. People need food, air, water, clothing, and shelter to survive. People also have strong needs for recreation, education, and entertainment. Needs are fulfilled through the purchase of various products and services available in a society.

Need-satisfaction approach: A sales technique based on the principle that each customer has a different set of wants; thus, a sales presentation should be geared to the demands of the individual customer.

Negative demand: One of the demand states that company may face for some of its products or services. Here the major part of the market or a segment of the market dislike the product and even makes an effort to avoid it. Many people have negative demand for planned families; teetotalers may have negative demand for meat and other non-vegetarian products. This demand state is not common. The marketing task is to analyze why the market dislikes the product, service, or idea and whether a marketing program consisting of product redesign, lower prices and more positive promotion can change beliefs and attitudes.

Negative motivation: A driving force away from some object or condition. For example, a person may avoid a motorcycle transportation to fulfill a safety need.

Negative reinforcement: An unpleasant or negative outcome that serves to encourage a specific behavior. For example, a skin cream advertisement that shows a model with wrinkled skin is designed to encourage consumers to buy and use the advertised skin cream. Fear appeals in advertising messages are examples of negative reinforcement. Many life insurance commercials rely on negative reinforcement to encourage the purchase of life insurance policies. However, negative reinforcement should not be confused with punishment, which discourages repetition of a specific behaviour.

Negotiated commission: A method of compensating advertising agencies whereby the client and agency negotiate the commission structure rather than relying on the traditional 15% media commission. This commission system can take the form of reduced percentage rates, variable commission rates, and commission with minimum and maximum profit rates. Negotiated commission systems are designed to consider the needs of the clients (advertisers) as well as the time and effort exerted by the agency, thereby avoiding some of the problems inherent in the traditional 15% commission system.

Negotiated exchange: A type of negotiation in B2B selling where price and other terms are set via bargaining behaviour, in which two or more parties negotiate long-term binding agreements. Although price is the most frequent negotiated issue, other issues include contract completion time, quality of goods and services offered, purchase volume, responsibility for financing, risk taking, promotion, and product safety.

Neighborhood Business District (NBD): Normally used in the context of US but it can be used for other countries too. This is an unplanned shopping area that appeals to the convenience shopping and service needs of a single residential area. The leading retailer is typically a supermarket, a large drugstore, or a variety store and it is situated on the major street(s) of its residential area. It is also sometimes referred to as Neighborhood shopping center. Usually the major anchor store is a supermarket.

Neo-Freudian personality theory: A school of psychology that stresses the fundamental role of social relationships in the formation and development of personality. Marketers use this theory in the context of consumer behaviour particularly in developing advertising campaigns.

Neomercantilism: The approach of countries that apparently try to run favorable balances of trade in an attempt to achieve some social or political objective.

Neon advertising: One of the types of outdoor advertising, which is seen in the busy centers of major cities. These are also called neon spectaculars.

Net capital flow: In the context of balance-of-payment it refers to capital inflow minus capital outflows, for other than import and export payment in a given year. Although it is a useful concept it should be used with caution because there is a time lag between the outward flow of investment funds and the inward flow of remitted earnings from the investment in a given year.

Net cost of delivered purchases: It is the gross purchases at billed cost minus any purchases that were returned or any purchase allowances received. The company also deducts any discounts taken for payment of the bill within a specified period of time. Deducting purchase returns, allowances, and discounts gives the net cost of purchases. Freight charges paid by the buyer (called freight in) are added to net purchases to determine the net cost of delivered purchases.

Net Lease: In the context of retail business this refers to the **c**alls for all maintenance costs, such as heating, electricity, insurance, and interior repair, to be paid by the retailer-which is responsible for their satisfactory quality.

Net price analysis: A technique that is used to find out the “real price” of company’s offering when the customers are given various discounts. The real price is not only affected by the discounts, but by many other expenses that reduce the realized price.

Net Profit Before Taxes: Profit earned after all costs have been deducted.

Net profit margin: Performance measure based on a retailer's net profit and net sales. It is equal to net profit divided by net sales.

Net profit: It is the difference between gross margin and total expenses. Obviously, a negative net profit is a loss.

Net Sales: (1) Revenues received by a retailer during a given time period after deducting customer returns, markdowns, and employee discounts. (2) One of the most important parts of the operating statement. It represents the net amount of sales revenue, out of which the company will pay for the products and all expenses. The net sales figure is also the one on which many operating ratios are based.

Net Worth: Company’s assets minus its liabilities.

Net-Gens: *See* Internet generation.

Netting: The transfer of funds from subsidiaries.

Network computer: A simple access device that ties into powerful servers for functionality.

Network database: A database in which the records can be sorted by any of the factors held in the records.

Network latency: The delay in the flow of information through the network.

Network marketing: Pioneered by Amway, the network marketing sales system consists of recruiting independent business people or housewives who act as distributors. The distributor’s compensation includes a percentage of sales of those the distributor recruits as well as earnings on direct sales to customers

Network: (1) Interconnecting stations for the simultaneous transmission of TV or radio broadcasts. (2) Any group of media sold as a single unit. (3) The informal mix of people, departments, or firms necessary to implement a product innovation project. Goes well beyond the persons assigned to the team and includes everyone whose work contributes significantly to the project. A network is established and managed by the project manager.

Networking: (1) Placing of commercials on a network of local radio or regional TV stations. Also, working with an international network of advertising agencies or PR consultancies. (2) Process of acquiring new contacts and cultivating existing ones.

Never-out list: Used when a retailer plans stock levels for best sellers. The goal is to purchase enough of these products so they are always in stock.

New offering realization process: One of the components of a company's core business processes where it relates to all activities involved in researching, developing, and launching new high quality offerings (products/services) quickly and within budget.

New product development agency: One which plans advertising right from the initial stages of marketing research, branding, packaging and pricing right through to distribution, advertising sales promotion and, if applicable, after-sales service.

New product development: (1) The overall process of strategy, organization, concept generations, product and marketing plan creation and evaluation, and commercialization of a new product. (2) Sometimes this term is restricted in meaning to that part of the process done by technical (R&D and manufacturing) departments. (3) Sometimes used to denote the person or persons an organization, in contrast to the acquisition of finished new products from outside. (4) The development of original products, product improvements, product modifications, and new brands through the firm's own R&D efforts.

New product failure: A new product that does not meet the objectives of its developers. Depending on what those objectives are, a profitable new product can be failure and an unprofitable new product can be a success. New product failure may be an absolute failure, where the company may not be able to recover both fixed as well as variable costs. A relative product failure is one where the company is able to recover the fixed costs but not able to recover the variable costs.

New product manager: A product manager with a new products assignment. May direct a single project team, or several teams, or an entire product innovations program.

New product pretest models: One of the quantitative models that is used in marketing decision support system (MDSS). This model involves estimating functional relations between buyer states of awareness, trial, and repurchase based on consumer preferences and actions in a pretest situation of the marketing offer and campaign. There are number of models available in this regard.

New product strategy: Strategy that guides a product innovation program. Is unique to new product and is a spin-off from overall corporate or division strategy.

New product: A term of many opinions and practices, but most generally defined as an original product, product improvements, product modifications, and new brands that the firm develops through its own research and development efforts.

New product's management: Similar to product innovation management and refers to the overall management of a new product project or a total product program.

New task buying situation: Used in the context of organizational buying behaviour it refers to a business-buying situation in which the buyer purchases a product or service for the first time. The greater the cost or risk, the larger the number of decision participants and the greater their information gathering—and therefore the longer the time to decision completion.

Newbies: A term often used to denote the beginning users of Internet.

Newly industrialized countries (NICs): Highly competitive, export oriented manufacturing countries which are characterized by low rates of inflation and unemployment and by high rates of economic growth. They may also referred to as Newly industrializing countries (NICs), i.e., third-world countries in which the cultural and economic climate has led to a rapid rate of industrialization and growth since the 1960s

Newscaster: Large electronically operated outdoor advertising site, message appearing as moving horizontal strip of lighted words.

Newspaper networks: Groups of newspapers that allow advertisers to buy several papers simultaneously with one insertion order and one invoice.

Newspaper Proprietors Association (NPA):. Trade body of national newspapers (US). Recognizes advertising agencies for commission purposes.

Newspaper Society (NS): Trade body of regional newspapers. Recognizes advertising agencies for commission purposes. In India this body is called Indian Newspaper Society (INS).

Niche marketing: A combination of product and target market strategy. It is a flanking strategy that focuses on niches or comparatively narrow windows of opportunity within a broad product market or industry. This strategy focuses on small segments or niches with distinctive traits that may seek a special combination of benefits. Its guiding principle is to pit your strength against their weakness. It is also sometimes called micromarketing.

Niche retailing: Enables retailers to identify small customer segments and deploy unique strategies to address the desires of those segments.

Nielsen ratings: A system of calculating audience sizes used in the USA and some other countries.

No demand: One of the demand states that company may face for some of its products or services. This situation arises because prospective consumers may be unaware of or uninterested in the product or service. The marketing task is to find ways to connect the benefits of the product or service with people needs and interests. This demand state is common for new products before they are launched in the market.

No notice rate: The probability that a Web page viewer will not notice an online banner ad.

Node: Each word or image in long-term memory. Each node is linked to other words or images (e.g., good food and fast service are nodes that a consumer may link to the McDonald’s node.

Noise (in communication process): One of the components of communication process. It refers to the extraneous factors that create unplanned distortion or interference in the communication process. It may be errors or problems that occur in encoding of the message, distortions in the transmitting media. Noise may also occur because the fields of experience of the sender and receiver do not match. Lack of common ground may result in improper encoding of the message—using a sign, symbol, or words that are unfamiliar or have different meaning to the receiver. The more common ground there is between the sender and the receiver, the less likely it is this type of noise will occur.

Nominal scale: One of the types of primary scales of measurement used in marketing research. A nominal scale is a figurative labeling scheme in which the numbers are simply assigned to objects or classes of objects solely for the purpose of identification or classification with a strict one-to-one correspondence between the numbers and the objects.

Nomological validity: A type of validity in which a measure correlates positively in the theoretically predicted way with measures of different but related constructs. For example, the tendency to purchase prestige brands should show a high correlation with a person's need for status and materialism and a negative correlation with price sensitivity.

Nonauthority: Describes a situation where a manager has responsibility for a given outcome, but lacks line authority to command the tasks.

Noncomparative rating scales: A rating scale in which respondents are not given a standard to use when asked to assign a rating to some object. There is no referent given, such as "compared to your favorite brand, "when noncomparative rating scales are used. Respondents evaluate only one object at a time, and for this reason noncomparative scales are often referred to as monadic scales. Noncomparative scales consist of both continuous and itemized rating scales.

Noncompensatory decision rule: A type of consumer decision rule by which positive evaluation of a brand attribute does not compensate for (i.e. is not balanced against) a negative evaluation of the same brand on some other attribute. There are three noncompensatory decision rules. They are (1) conjunctive decision rule, (2) disjunctive rule, and (3) lexicographic decision rule. Some consumer experts refer to it as n**oncompensatory integration strategies**

Noncoverage error: One of the nonsampling errors that arise because of a failure to include some units, or entire sections, of the defined survey population in the actual sampling frame.

Noncumulative quantity discount: A price discount determined by the size of the individual order. The larger the order, the bigger the discount on that order. The purpose of this discount is to encourage large order sizes.

Nondurable goods: One of the types of consumer goods classified on the basis of durability and tangibility. These are tangible goods normally consumed in one or few uses, such as most eatables, toiletries, etc. because these goods are consumed quickly and purchased frequently, the appropriate strategy is to make them available in many locations and outlets, charge only a small markup, and advertise heavily to induce trial and build preferences.

Nonevaluative strategies: Strategies for brand evaluation that involve the use of a simple decision rule to avoid the necessity to evaluate brands (e.g., some consumers simply buy the cheapest brand).

Non-financial incentives: Incentive techniques used for specific, special effort situations.

Nonforced rating scale: One of the types of attitude rating or measuring scale that does not force the respondent to express an opinion. Normally, a nonforce rating scale includes a “no opinion” response alternative.

Nonfranchise–building (non-FB) promotion: Sales promotion activities that are designed to accelerate the purchase decision process and generate an immediate increase in sales but do little or nothing to communicate information about a brand and contribute to its identity and image. Price-of deals, bonus packs, and rebates or refunds are examples of non-FB sales promotion techniques.

Nongoods services: Area of service retailing in which intangible personal services (not goods) are offered to consumers-who experiences the services rather than possess them.

Nonhierarchical clustering: One of the types of clustering procedures used in the cluster analysis. The nonhierarchical clustering method, is frequently referred to as k-means clustering. This method first assigns or determines a cluster center and then groups all objects within a prespecified value from the center**.**

Nonmarket environment: Public institutions (such as government, governmental agencies, and government owned businesses) and nonpublic institutions (such as environmental and other special-interest groups).

Nonmeasured media: A term commonly used in the advertising industry to describe support media. Support media are referred to by several titles, among them alternative media, nonmeasured media, and nontraditional media. These terms describe a vast variety of channels used to deliver communications and to promote products and services.

Nonmetric analysis of variance: An ANOVA technique for examining the difference in the central tendencies of more than two groups when the dependent variable is measured on an ordinal scale.

Nonmetric data: One of the basic types of data that are derived or measured on a nominal or ordinal scale. There are number of statistical techniques which analyze the data obtained from nominal or ordinal scales.

Nonmetric multidimensional scaling (nonmetric MDS): One of the types of multidimensional scaling procedures that assume that the input data are ordinal in nature, but they give the results in metric output. The distances in the resulting spatial map may be assumed to be interval scale.

Nonparametric tests: Class of statistical tests, also known as distribution-free tests, which are applicable when the data reflect nominal or ordinal measurement or when the data reflect interval measurement but the assumptions required for the appropriate parametric test are not satisfied. These tests can further classified based on whether one, two or more samples are involved.

Nonpersonal communication channels: Channels of communication that carry a message without involving interpersonal contact between sender and receiver. Nonpersonal channels are often referred to as mass media or mass communications, since the message is sent to many individuals at one time. For example, a TV commercial broadcast on a prime time show may be seen by millions of households at a given time.

Nonprobability sampling: A type of sampling that relies on personal judgment somewhere in the element selection process and therefore prohibits estimating the probability that any population element will be included in the sample. The researcher can arbitrarily or consciously decide what elements to include in the sample. Nonprobability samples may yield good estimates of the population characteristics. However, they do not allow for objective evaluation of the precision of the sample results. Because there is no way of determining the probability of selecting any particular element for inclusion in the sample, the estimates obtained or not statistically projectable to the population. Commonly used Nonprobability sampling techniques include convenience sampling, judgemental sampling, quota sampling and snowball sampling.

Nonprofit marketing: The use of marketing concepts and techniques by not-for-profit organizations (such as museums or government agencies) to impart information, ideas, or attitudes to various segments of the public.

Nonpublic institutions: Special interest groups, such as environmentalists.

Nonresident convertibility: The ability of a nonresident of a country to convert deposits in a bank to the currency of any other country; also known as external convertibility.

Nonresponse bias: One of the types of biases that result on account of nonresponse of some of the respondents in a data collection method. This occurs when the actual respondents, those who responded, differ from those who refused to participate. The magnitude of response bias increases as the response rate decreases.

Nonresponse error: A type of nonsampling error that represents a failure to obtain information from some elements of the population that were selected and designated for the sample. This error may be defined as the variation between the true mean value of the variable in the original sample and the true mean value in the net sample.

Nonresponse rate: This refers to the percentage of respondents who refused to participate in any data collection procedure—survey, interview, experiment, or observation. Higher nonresponse rate may lead to nonresponse error. The strategies available to adjust for non-response error include subsmpling of nonrespondents, replacement of nonrespondents, substitution, subjective estimates, trend analysis, simple weighting, and imputation.

Nonsampling errors: Errors that arise in research those are not due to sampling. Nonsampling errors can occur because of errors in conception, logic, misinterpretation of replies, statistics, arithmetic, errors in tabulating or coding, or in reporting the results.

Nonstore retailing: It refers to a type of retailing in which retail selling operations occur outside of a retailer’s fixed location. It utilizes strategy mixes that are not store-based to reach consumers and complete transactions. Nonstore retailing falls into four major categories: direct selling, direct marketing (which includes telemarketing and internet selling), automatic vending and buying services.

Nontariff trade barriers: Nonmonetary barriers to imports that are not tariffs; examples include administrative controls, “Buy Indian” policies, and so forth.

Nontraceable common costs: One of the marketing costs whose allocation to specific marketing entities is highly arbitrary. For example, to allocate “corporate image” expenditures equally to all products and brands would be arbitrary, because all products do not get benefit equally. To allocate them proportionately to the sales of the various products would be arbitrary because relative product sales reflect many factors besides corporate image building. Other expenses are top management salaries, taxes, interests, and other overhead.

Nontraditional FLC stages: A categorization that is a family life-cycle schema that includes nontraditional household configurations such as divorced or widowed young adults, homosexual couples, couples without children, unmarried couples, etc.

Nonwired networks: Groups of radio and TV stations whose advertising is sold simultaneously by station representatives.

Normal distribution: A type of distribution that is bell-shaped and symmetrical in appearance its measures of central tendency—mean, median, and mode are all identical or same. Normal distribution is a significant concept in statistical inference and also used in calculating the sample size. The normal distribution is defined by the population mean and population standard deviation.

Normative influence: The influence exerted on an individual to conform to group norms and expectations.

Normative reference group: A group that influences the general values or behaviour of an individual. An example of a child's normative reference group is the immediate family, which is likely to play an important role in molding the child's general consumer values and behaviour.

Normative social influence: The conformity that occurs when a person alters his or her behavior to meet the expectations of a person or group.

Norms: They refer to a society's underlying set of beliefs about what it considers to be acceptable behaviour.

North American Free Trade Agreement (NAFTA): A free trade agreement involving the United States, Canada, and Mexico that went into effect on January 1, 1994 and will be phased in over a period of fifteen years.

Nostalgia: A bittersweet emotion; the past is viewed with sadness and longing; many "classic" products appeal to consumers' memories of their younger days.

Not-at-home: Source of nonsampling error that arises when replies are not secured from some designated sampling units because the respondents are not at home when the interviewer calls. In telephone and in-home personal interviews, low response rates can result if the potential respondents are not at home when a contact is attempted. Employing a series of callbacks or periodic follow-up attempts to contact non-respondents can substantially reduce the percentage of not-at-home.

Nuclear family: A household consisting of a husband and wife and at least one offspring. In case of India, the percentage of nuclear families is definitely on the rise. Yet, the percentage may vary from region to region. Keeping track of the trends in nuclear families may help the marketers in developing marketing strategies.

Null hypothesis (H_o): One that, if accepted, will result in no opinion being formed and/or action being taken that is different from any currently held or being used. The null hypothesis is always the hypothesis that is tested. The null hypothesis may be rejected but it can never be accepted based on a single test. In marketing research, the null hypothesis is formulated in such a way that its rejection leads to the acceptance of the desired conclusion.

Numeric databases: One of the databases available to researchers for obtaining various types of information in undertaking marketing research project. These databases contain numerical and statistical information that may serve an important source of secondary data. For example, some numeric databases provide time series data (data arranged in relation to time) about the economy and specific industries.

Numeric taxonomy: Another name for cluster analysis. This is also sometimes is known as classification analysis.

N-way analysis of variance: In the context of analysis of variance, this refers to the analysis where two or more variables are involved. The major advantage of this technique is that it enables the researcher to examine interactions between the factors.

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Objective evidence: An evidence that is unbiased and supported by empirical findings. A research should be based on objective evidence. Objective evidence can be gathered by compiling relevant findings from secondary as well as from primary sources.

Objective measurement of social class: A method of measuring social class whereby individuals are asked specific socioeconomic questions concerning themselves or their families. On the basis of their answers, people are placed within specific social-class groupings. These measurements are of considerable value to marketers concerned with segmenting markets. Marketers who have developed socio-economic profiles of their target markets can locate these markets by analyzing the socio-economic data periodically collected by the government or other organizations.

Objective-and-task method: One of the build-up approaches used in developing the promotion/advertising budget. It involves (1) defining specific objectives; (2) determining the tasks that must be performed to achieve these objectives; and (3) estimating the costs of performing these tasks. The sum of these costs is the proposed promotion budget.

Objectives: Performance measures that permit evaluation of results, to determine whether the company has determined its mission.

Oblique rotation: One of ways of rotating the factors in factor analysis. In this technique rotation of factors is done when the axes are not maintained at right angles, and the factors are correlated. Oblique rotation is used when factors in the population are likely to be strongly correlated.

Observability (communicability): The ease with which a product's benefits or attributes can be observed, visualized, or described to potential customers. Products that have a high degree of social visibility such as fashion items are more easily diffused than products that are used in private such as new type of deodorant. Similarly, a tangible product is promoted more easily than an intangible product.

Observation bias: A type of bias, which may occur due to inaccuracy in the observation method of data collection, which may lead to observation error. In case of human observation of a phenomenon the observation bias will be low if the observer(s) follow the instructions religiously. Normally observation bias is low in case of mechanical observation as compared to human observation.

Observation error: Nonsampling error that arises because inaccurate information is secured from the sample elements or because errors are introduced in the processing of the data or in reporting the findings.

Observation form: The research instrument that is used in observation method of data collection. In order to have uniform information a standardized observation form will ensure comparability of data, increases speed and accuracy of recording, and facilitating data processing. Observation forms are easier to construct than questionnaires. Observation forms should specify the who, what, when, where, why, and way of behaviour to be observed.

Observation method: A general method of collecting data from respondents in which the respondent's behavior is recorded. This includes such techniques as overt behaviour and physiological reaction measurement, in which the procedures are based on observing the behaviour of the subject. The observer does not question or communicate with the people being observed. Information may be recorded as the events occur or from records of past events. Observational methods may be structured or unstructured, direct or indirect. Furthermore, observation may be conducted from natural or contrived (artificial) environment.

Observational learning: A process by which individuals observe the behavior of others, remember it, and imitate it. It is sometimes referred to as modeling or vicarious learning. Consumers often observe how others behave in response to certain situations and the ensuing results that occur and they imitate the positively reinforced behaviour when faced with similar situations. Advertisers recognize the importance of observational learning in their selection of models such as celebrities.

Observational research: On of the important methods of consumer research. It relies on observation of consumers in the process of buying and using products. Many large companies and ad agencies use trained researchers/observers to watch, note and sometimes videotape consumers in stores, malls, or their own homes. By watching people interact with products, observational researchers gain a batter understanding of what the product symbolizes to a consumer and greater insight into the bond between people and products, which is the essence of brand loyalty.

Observed sales call: In sales management, it refers to a field-coaching technique in which a sales manager makes a joint call with a salesperson.

Occasion segmentation: Dividing the market into groups according to occasions when buyers get the idea to buy, actually make their purchase, or use the purchased item. It can help firms to increase product usage. For example, air travel is triggered by occasions related to business, location or family. An airline can specialize in serving people for whom one of these occasions dominates.

Odd prices (sometimes called odd-even prices): A price that is a few paise/rupee less than the nearest round price. The intent is to psychologically "lower" the price of item. For example, Bata India uses this particular odd-pricing strategy by keeping the prices of its shoes as Rs 299.90, etc. Also referred to as psychological pricing.

Odd-even pricing: One of the pricing strategies that many retailers use wherein they price items either slightly below an even rupee figure (Rs.99.10 versus Rs.100.00) or just below an even denomination. This is sometimes known as psychological pricing. Basic rationale is that consumer views these odd numbered prices as substantially lower than the even numbered prices. However, the empirical research is inconclusive.

Offer rate: The amount for which a foreign-exchange trader is willing to sell a currency.

Office error: A type of nonsampling error that arises in the processing of the data because of errors in editing, coding, tabulation, or in some other part of the analysis.

Official reserves: A country's holdings of monetary gold, Special Drawing Rights, and internationally acceptable currencies.

Off-invoice allowance: A type of trade allowance involving promotional discount offered to retailers or wholesalers whereby a certain per-case amount or percentage is deducted from the invoice.

Offline databases: One of the types of databases that can be used in marketing research projects. Offline databases make the information available on diskettes and CD-ROM disks. Thus the offline databases can be accessed at the user's location without the use of external telecommunication network.

Off-network syndication: Syndicated programs that previously have been aired by a major network.

Off-price retailer: Retailer that buys at less-than-regular wholesale prices and sells at less than retail. Examples are factory outlets, independents, and warehouse clubs. These are independent retailers that aggressively promote nationally known brands at low prices.

Off-Retail Markdown: Percentage markdown for each item or category of items computed as a percentage of original retail price. Off-retail markdown = Original price - New price percentage Original price. xxxx

Offset trade: A form of countertrade in which an exporter sells goods for cash but then helps businesses in the importing country find opportunities to earn hard currency. Offsets are most often used for big-ticket items such as defense sales and civilian aircraft sales. Some of the most common offset practices in military sales include co-production, license production, sub-contractor production, overseas investment and technology transfer.

Offset: In the context of international trade it is a form of barter transaction in which an export is paid for with other merchandise.

Offshore financial centers: Cities or countries that provide large amounts of funds in currencies other than their own and are used as locations in which to raise and accumulate cash.

Offshore manufacturing: Manufacturing outside the borders of a particular country.

Off-the-screen selling: Advertising goods, which can be purchased using a direct telephone line, with the purchaser paying by credit card.

Oligopoly: One of the major industry structures where a small number of (usually) large firms produce products that ranges from highly differentiated to standardize. Pure oligopoly consists of a few companies producing essentially the same commodity (oil, steel). Differentiated oligopoly consists of few companies producing products (cars, TVs, cameras, etc) partially differentiated along line of quality, features, styling, or services.

Omega squared ω^2: In the context of analysis of variance, this is a measure indicating the proportion of the variation in the dependent variable explained by a particular independent variable or factor.

Omission: In the context of data collection through a questionnaire from the respondents, it refers to the inability of respondents to recall an event or information that actually took place.

Omnibus panel: A fixed sample of respondents measured on different variables over a period of time.

Omnibus panel: One of the two types of panels used in marketing research studies by the companies in which fixed sample of respondents are measured repeatedly over time but on variables that change from measurement to measurement. The information is collected from the members selected for this type of panel varies. At one time, it may be attitudes with respect to a new product. At other time, the panel members might be asked to evaluate alternative proposed advertising copy.

Omnibus surveys: Market research exercises that include questions from a number of different firms.

One group pretest posttest design: One of the elementary types of preexperimental designs. In this design, a group of test units is measures twice. There is no control group. First, pretreatment measure is taken (O_1), and then the group is exposed to the treatment (X). Finally, a post treatment measurer is taken (O_2). The treatment effect is computed as O_2 - O_1.

One Hundred Percent Location: Optimum site for a particular store. A location labeled as 100 percent for one firm may be less than optimal for another.

One-air tests: One of the pretesting tests of measuring the effectiveness of TV ads. Here the firm inserts the proposed commercial into actual TV programs in certain test markets. Typically, the commercials are in finished form, although the testing of ads earlier in the developmental process is becoming more common.

One-level channel: It refers to a channel arrangement where it contains one selling intermediary, such as retailer in case of consumer marketing and industrial distributor in case of industrial marketing.

One-more--yes close: One of the sales closing techniques in which the salesperson restates the benefits of the product in a series of questions that result in positive responses, and then asks for the order.

One-on-One Interviews: In depths interviews involving a one-to-one relationship between the interviewer and the respondent.

One-piece mailer: Mailing shot which is complete as folder or booklet, but usually consisting of single sheet of paper which folds down like a map.

One-price policy: In the context of retailing it refers to a strategy wherein a retailer charges the same price to all customers buying an item under similar conditions.

One-shot case study: One of the most elementary types of preexperimental designs in which a single group of test units is exposed to a treatment X, and then a single measurement on the dependent variable is taken.

One-sided message: In the context of advertising and other marketing communications this term is used to describe the structuring of a message. While structuring a message the one decision is to communicate only positive attributes or benefits of a product or service. It is argued that one-sided messages are most effective when the target audience already holds a favorable opinion about the product. Most advertisers use one-sided messages. They are concerned about the negative effects of acknowledging a weakness in their brand or don't want to say anything positive about their competitors.

One-sided Versus Two-sided Messages: A one-sided message tells only the benefits of a product or service; a two-sided message also includes some negatives, thereby enhancing the credibility of the marketer.

One-step approach: A direct-marketing strategy in which the medium is used directly to obtain an order (for example, television direct-response ads). Here the viewer or reader is urged to phone a toll-free number to place an order immediately. Usually these ads accept credit cards or cash on delivery and give an address. Their goal is to generate an immediate sale when the ad is shown. This type of advertising is known as direct response advertising.

One-tailed test: A statistical null hypothesis test in which the alternative hypothesis specifies the direction of anticipated difference between two values. Examples include "sales greater than 100 units per week, " "consumption is less than 10 units per month," or "males consume more than females.' Values in only one tail of the normal distribution are used in the test of the null hypothesis.

One-way analysis of variance (ANOVA): An ANOVA technique in which there is only one factor or categorical variable. For example, if a researcher wants to know the preferences of consumers for a specific product in terms of heavy, medium, light and nonusers then one-way ANOVA may be used.

One-way exclusive dealing: An arrangement in which, the producer agrees to give the dealer the exclusive right to merchandise the producer's product in a particular trade area. The dealer, however, does not agree to do any thing for the producer; hence the term one-way. A weak manufacturer will often have to offer one-way exclusive dealing arrangements to get shelf space at the retail level.

One-way exclusive dealing: Supplier agrees to give the retailer the exclusive right to merchandise the supplier's product in a particular trading area without the retailer agreeing to do anything. This is legal.

One-way frequency distribution: A frequency distribution for a single variable. It is a list of the number of times each response occurred.

Online (Internet) marketing research: Collecting primary data through Internet surveys and online focus groups.

Online ads: Ads that appear while subscribers are surfing online services or Web sites, including banners, pop-up windows, "tickers," and "roadblocks."

Online agents: These are the intermediaries that assist in the purchase negotiations and tend to represent either the buyer or the seller and earn a commission for their work.

Online brokers: Intermediaries that assist in the purchase negotiations without actually representing either buyers or sellers. The revenue stream in these models is commission or fee based. Examples of companies using the brokerage model are E*trade (online exchange), Converge B2B exchange for electronic components and eBay (online auction). Brokers usually create a market space for exchanges to occur, taking a peace of the action.

Online contribution: The incremental profit received from an online sale. xxxx

Online database: A computerized database to which the user has direct access, typically by telephone connection. Internet databases are also online databases.

Online In-depth Interviews (IDIs): A research technique that involves semi-structured conversations with a small number of respondents. Generally the interviewer develops a set of questions and encourages the respondent to speak at length on particular issues through careful probing techniques. Many large companies conduct website usability studies to watch users as they click through the company's website. In this case the respondent and interviewer are in the same room while the respondent performs specified tasks on the computer. IDIs are better conducted in person; however email can facilitate communication when respondents live far from the researcher.

Online marketing: Marketing conducted through interactive online computer systems, which link consumers with sellers electronically.

Online retailing: This is the counterpart of conventional retailing on the Internet and one of the most visible e-business models. Merchants setup online storefronts and sell to businesses and or consumers. Digital goods may be delivered directly over the Internet while physical goods are shipped via a logistic provider. Online retailers selling physical goods can make any level of commitment from pure play to barely dabbling.

Online services: Refers to computer-accessed databases and information services for business and home use.

Online storefront: A mechanism for virtual shopping on the web; a medium through which web subscribers can buy goods using credit card payments.

Open account: In the international business or trade it refers to conditions of sale under which the exporter extends credit directly to the importer. This means the necessary shipping documents are mailed to the importer before any payment from the importer. An exporter ordinarily sells under such conditions only if it successfully conducted business with the importer for an extended time. This is generally the arrangement used when the importer and exporter are related entities.

Open credit account: Requires a consumer to pay his or her bill in full when it is due.

Open rate structure: A rate charged by newspapers to the advertisers for purchasing space in which variable discounts are given based on frequency or bulk purchases of space.

Open rate: In print, the highest advertising rate at which all discounts are placed. It is also called Basic rate, Transient rate, or One-time rate.

Open standards: Software protocols and operations, which are made readily available, documented widely, and not controlled by a private company.

Open-ended questions: One of the types of questions that may be used in a questionnaire to elicit information from the respondents. In open-ended questions the respondents are free to provide the requested information in their own words or sentences. Open-ended questions are good as first question on a topic. Respondents' comments and explanations can provide the researcher with rich insights. However, there is a strong potential for interviewer's bias.

Opening questions: These are used in the initial part of the questionnaire in gaining the confidence and cooperation of respondents. The opening questions should be interesting, simple, and nonthreatening. Questions that ask respondents for their opinions can be good opening questions, because most people like to express their opinions.

Open-to-Buy (OTB): In the context of buying merchandise by the retailers this is a controlling technique. This technique represents the rupee amount currently available to a retailer to spend on merchandise without exceeding planned rupee stock. In other words this is the difference between planned purchases and the purchase commitments already made by a buyer for a given time period, often a month. It represents the amount the buyer has left to spend for that month and is reduced each time a purchase is made.

Operant conditioning (instrumental conditioning): A learning theory that views the probability of behaviour as being dependent on the outcomes or consequences associated with it.

Operating expense ratio: It is the ratio of total operating expenses divided by the net sales. In this way one can determine the expense ratio for any given cost.

Operating expenses: Those expenses that a business firm incurs in the operation of the business. These are deducted from gross margin to determine net profits. These include marketing, administrative, and miscellaneous expenses.

Operating margin percentage: Operating profit divided by net sales.

Operating profit: A measure of performance defined either as (a) The difference between gross margin and operating expenses or (b) Net sales less the cost of goods sold, direct expenses, and a share of all indirect expenses the business incurs.

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).

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. The operating statement shows whether the business earned a net profit or suffered a net loss during the period covered. An operating statement can cover any period of time. To fulfill income tax requirements, virtually all companies prepare a statement covering operations during a fiscal year.

Operational centers: Offshore financial centers that perform specific functions, such as the sale and servicing of goods.

Operational definition: A type of definition of a construct or a concept that describes how the construct to be measured empirically. It specifies the activities that the researcher must complete in order to assign a value to the construct or concept. In essence, the operational definition tells the researcher what to do and in what manner to measure the concept. Conceptual definitions logically precede operational definitions.

Operational equivalence: In international marketing research, it is critical to establish equivalence of scales used to obtain data from different countries. In this regard operational equivalence concerns how theoretical constructs are operationalize to make valid measurement. For example, in one country, leisure may be operationalize as playing golf, tennis, or other sports; watching TV; or basking in the sun. This operationalization may not be relevant in countries where people do not play these sports or do not have round-the-clock TV transmission.

Operations Blueprint: A blueprint that systematically lists all the operating functions to be performed, their characteristics, and their timing.

Operations Management: (1) Process used to efficiently and effectively enact the policies and tasks to satisfy a firm's customers, employees, and management (and stockholders, if a publicly owned company). (2) A term that includes manufacturing but is usually broadened to include procurement, physical distribution, and for services, management of the offices or other areas where the services are provided supply management.

Ophthalmograph: A mechanical device employed to study the eye movements of subjects while they are reading advertising copy; the operation of an Ophthalmograph involves a light positioned to strike the cornea of the subject’s eye from which it is reflected through a lens tube to a moving film; after passing through a developer fixer tank, the film emerges ready for study.

Opinion leader: Person within a reference group who, because of special skills, knowledge, personality, or other characteristics, exerts influence on others. Opinion leader offers advice or information about a specific product or product category, such as which of several brands is best or how a particular product is used. Marketers try to reach opinion leaders by identifying demographic and psychographic characteristics associated with opinion leadership.

Opinion leadership: The process by which one person (the opinion leader) informally influences the consumption actions for attitudes of others, who may be opinion seekers or merely opinion recipients.

Opinion receiver/seeker:. An individual who either actively seeks product information from others or receives unsolicited information.

Opportunistic buying: Negotiates low prices for merchandise whose sales have not met expectations, end-of-season goods, and items returned to the manufacturer or another retailer, and closeouts.

Opportunities to see (OTS): First applied to out-door advertising but now applies to all visual media. This is a measure of number of people who have opportunity to see advertisement, such as number of travelers on a particular location.

Opportunity (marketing): It is an area of buyer need or potential interest in which a company can perform profitably. In other words, the positive trends in the environment that may give a competitive advantage to a company if it is exploited in time. Marketing opportunities can take many forms and marketers have to be good at spotting them through Marketing Opportunity Analysis (MOA). A company should identify market opportunities by carefully examining the marketplace and noting demand trends and competition in various market segments.

Opportunity costs: Possible benefits a company forgoes if it invests in one opportunity rather than another.

Opportunity-risk matrix: A technique of plotting opportunities and risks on a matrix or grid. The opportunities are plotted on one axis and risks on other. On the basis of this matrix a company can decide on indicators and weight them. Evaluate each market on the weighted indicators and plot them to see relative placements. This matrix can be used both for domestic and foreign markets.

Opticals: Visuals effects that are put on a TV film in a laboratory, in contrast to those that are included as part of the original photography.

Optimal merchandise mix: That combination of variety, breadth and depth, which maximizes a retailer's return.

Optimism: A characteristic of an accounting system that implies that companies are more liberal in recognition of income.

Optimizing decision strategy: A strategy whereby a consumer evaluates each brand in terms of significant product criteria.

Optimizing partition method: One of the nonhierarchical clustering methods used in the cluster analysis technique. This method allows for later reassignment of objects to clusters to optimize an overall criterion.

Optimum market share: The market share beyond which the profitability of a company might fall as the costs of gaining further market share might exceed the value. Pushing for higher market share is less justified when there are few experience economies and attractive market segments, buyers want multiple sources of supply and exit barriers are high.

Optimum stimulation level (OSL): The level or amount of novelty or complexity that individuals seek in their personal experiences. In the context of consumer behaviour research has indicated that high OSL consumers tend to accept risky and novel products more readily than low OSL consumers.

Optimum tariff theory: A theory on trade that holds that a foreign producer will lower its prices if a tax is placed on its products. If this occurs, benefits shift to the importing country. As long as the foreign producer lowers its price by any amount, some shift in revenue goes to the importing country and the tariff is considered to be optimum one.

Optimum-tariff theory: The argument that a foreign producer will lower its prices of an import tax is placed on its products.

Opt-In, Opt-Out: Net users that have voluntarily agreed to receive commercial e-mail about topic of interest to them. NetCreations' is a list broker who maintains huge numbers (>1 billion) of opt-in and email addresses segmented country wise. Opt-out is similar to opt-in, however, users have to uncheck the box on a web page to prevent being put on the email list.

Opt-in: Active permission given by a customer for use of personalized information or receipt of solicitation. The default is "no permission."

Option credit account: Form of revolving account that allows partial payments. No interest is assessed if a person pays a bill in full when it is due.

Option: A foreign-exchange instrument that gives the purchaser the right, but not the obligation, to buy or sell a certain amount of foreign currency at a set exchange rate within a specified amount of time.

Optional-feature pricing: Additional price charged by many companies for optional products, features, or services along with main product.

Optional-product pricing: The pricing of optional or accessory products along with a main product.

Opt-out: A customer choice to receive no solicitation. The default is "permission granted".

Order bias (position bias): This term is used in the context of designing a questionnaire. This refers to bias that results from the order in which alternatives in a multiple-choice question, or the order in which questions in a questionnaire are presented. There is a tendency on the part of the respondents to check an alternative merely because it occupies a certain position or is listed in a certain order. To overcome the order bias, several forms of the questionnaire should be prepared with the order in which the alternatives are listed varied from form to form. Each alternative should appear once in each of the extreme positions, once in middle, and once somewhere in between.

Order lead-time: Period from when an order is placed by a retailer to the date merchandise is ready for sale (received, price marked, and put on the selling floor).

Order takers: One of the many types of salespersons who collect orders after the buyer has made a decision to purchase.

Order taking: A personal selling responsibility in which the salesperson's primary responsibility is taking the order.

Order-getting salesperson: A type of salesperson who is **a**ctively involved with informing and persuading customers, and in closing sales.

Order-routine specification: The stage of the business buying process in which the buyer writes the final order with the chosen supplier(s), listing the technical specifications, quantity needed, expected time of delivery, return policies, and warranties.

Order-to-payment cycle: One of the issues faced by a company in market logistic decisions, which refers to the time elapsed time between the order's receipt, delivery, and payment. This cycle involved many steps, including order transmission by the salesperson, order entry and customer credit check, inventory and production scheduling, order and invoice shipment, and receipt of payment. Company should try to reduce this cycle because the longer this cycle takes, the lower the customer's satisfaction and the lower the company's profits.

Ordinal interaction: A term used in connection with the analysis of variance technique. It refers to an interaction where the rank order of the effects attributable to one factor does not change across the levels of the second factor.

Ordinal scale: One of the types of primary scales of measurement used in marketing research. An ordinal scale is in which numbers are assigned to data on the basis of some order (for example, more than, greater than) of the objects. Thus it is possible to determine whether an object has more or less of a characteristic than some other object, but not how much more or less. Therefore, an ordinal scale indicates relative position, not the magnitude of differences between the objects. In marketing ordinal scales are used to measure relative attitudes, opinions, perceptions, and preferences.

Organization chart: A chart, which graphically displays the hierarchical relationships within a firm or organization.

Organization for Economic Cooperation and Development (OECD): A multinational forum based in Paris that allows the major industrialized nations to discuss economic policies and events.

Organization for European Economic Cooperation (OEEC): A sixteen-nation organization established in 1948 to facilitate the utilization of aid from the Marshall Plan; it evolved into the EU and EFTA.

Organization learning: Contrasts with individual learning. It basically means that organizations improve their new product process by studying past projects. The knowledge stays with the organisation, but only if it is sought out.

Organization of African Unity (QAU): An organization of African nations that is more concerned with political than economic objectives.

Organization of Petroleum Exporting Countries (OPEC): A producer's alliance among twelve petroleum exporting countries that attempt to agree on oil production and pricing policies.

Organizational consumer: A business, government agency, or other institution (profit or nonprofit) that buys the goods, services, and/or equipment necessary for the organization to function. This may include both profit as well as non-profit organizations.

Organizational mission: Organization's commitment to a type of business and a distinctive marketplace role. It is reflected in the attitude to consumers, employees, suppliers, competitors, government, and others.

Organizational structure: An arrangement of human resources in terms of lines of authority and responsibility.

Organizing: The second of five virtual value activities. Organizing involves analyzing the form, function, and theme of information collected.

Original source of data: The source, which generated the data. In the context of collecting the secondary data a researcher should see that data were obtained from an original source, one that generated the data, or an acquires source, one that procured the data from the original source. As a general rule, secondary data should be obtained from an original rather than an acquired source.

Originals: In advertising it refers to the artwork for reproduction.

Orthogonal arrays: One of the statistics and terms associated with conjoint analysis technique. These are the special class of fractional designs that enable the efficient estimation of all main effects.

Orthogonal rotation: One of ways of rotating the factors in factor analysis. In this technique rotation of factors is done when the axes are maintained at right angles, and the factors are correlated.

Other-directed consumers: Consumers who tend to look to others for direction and for approval; thus they are less likely to be consumer innovators. Research has indicated that this type of consumers prefers ads that feature an approving social environment or social acceptance. Thus other-directed individuals may be more easily influenced because of their natural inclination to go beyond the content of an ad and think in terms of likely social approval of a potential purchase..

Outbound telemarketing: Telemarketing efforts in which the selling company contacts prospects and customers.

Outcome: In the context of retail management this term denotes one of the components of the store visit process through which a shopper may pass. This is the final step in the store-patronage process. There are two basic outcomes: a purchase occurs or a purchase does not occur. The negative outcome occurs because either the consumer is not satisfied with the product or with the retailer. In case of positive outcome the consumer actually goes for the purchase.

Outcome-based control systems: Control systems that monitor the final outcomes of the sales process.

Outliers: In the data analysis process some observations are so different in magnitude from the rest of the observations that the analyst chooses to treat it as a special case. Outliers are not errors but the unique observations in the collected data.

Out-of home media: Another name for outdoor advertising. It is also referred to as transportation advertising.

Out-of-home advertising: The variety of advertising forms including outdoor, transit, skywriting, and other media viewed outside the home.

Outside buying organization: Company or person external to the retailer hired to fulfill the buying function, usually on a fee basis.

Outside innovators in marketing channel: One of the roles that an individual firm or company may perform in the channel system. These are firms that are not the part of dominant channel but they pose real challenge and may disrupt it. They develop a new system for carrying out the marketing work of the channel. If successful, they force major channel realignments from the present system.

Outside posters: Out-door transit posters appearing on buses, taxis, subways, and trolley cars.

Outside sales force: Also known as field sales force/outside salespeople who travel to call on customers.

Outside transport advertising: Advertisements on the sides of buses, trams, taxis and trains.

Outsourcing: A situation whereby an organization pays an outside party to undertake one or more operating tasks such as recruiting or manufacturing rather than investing in the infrastructure to accomplish the task internally. From making every thing inside the company to buying more goods and services from outside if they are cheaper and better. More companies prefer to own brands rather than physical assets; they are decapitalizing. A few companies are moving towards outsourcing everything, making them virtual companies owning very few assets and therefore, earning extra ordinary rates of return.

Overage: A condition that occurs when physical inventory is greater than the book inventory.

Overall cost leadership: One of the three generic marketing strategies proposed by Michael Porter for a business. Under this strategy the business works hard to achieve the lowest production and distribution costs so that it can price lower than its competitors and win a large market share. Companies pursuing this strategy must be good at engineering, purchasing, manufacturing, and physical distribution.

Overall efficiency: A relative assessment of a sampling procedure based on its statistical efficiency and cost; defined as the cost per standard error.

Overall market share: It refers to the company's sales expressed as a percentage of total market sales.

Overall review: Analysis of the overall performance of company to see if the objectives are reasonable and the strategy is workable.

Overbought: A condition whereby the buyer has become committed to purchases in excess of planned purchases. Also occurs when purchases of merchandise are in excess of customer demand.

Overcoverage error: A type of nonsampling error that arises because of the duplication of elements in the list of sampling units.

Overfull demand: One of the demand states that company may face for some of its products or services. Some companies face a demand level that is higher than they can or want to handle. The marketing task requires finding ways to reduce demand temporarily or permanently. This process o0f reducing demand is called Demarketing, which seeks to discourage overall demand by increasing prices and reducing promotions and services. However, Demarketing sometimes harmful to the company in the long run.

Overpositioning: One of the positioning errors that sometimes accompany commits. Under this the buyers may have too narrow an image of the brand though in reality it may not be so.

Override: Commission paid to managers based on the sales made by their subordinates.

Overseas sales branch (or subsidiary): One of the methods of direct exporting where a company's branch established overseas handles sales and distribution and also handles warehousing and promotion. It often serves as a display and customer service center.

Overshadowing effect: This term is used in the context of classical conditioning learning theory, which refers to a stimulus that becomes as important as or more important than the unconditioned stimulus.

Overstored trading area: Geographic area with so many stores selling a specific good or service that some retailers will be unable to earn an adequate profit.

Over-the-counter (OTC) market: Trading in stocks, usually of smaller companies, that are not listed on one of the stock exchanges; also refers to how government and corporate bonds are traded, through dealers who quote bids and offers to buy and sell "over the counter."

Owned-goods services: Area of service retailing in which goods owned by consumers are repaired, improved, or maintained.

Owner's equity: Part of a balance sheet that reflects the difference between an owner's assets and liabilities.

P

Package: The container used to protect, promote, transport, and or identify a product. May be primary (contains the product), secondary (contains one or more primary packages), or tertiary (contains one or more secondary packages). Well-designed packages can create convenience and promotional value.

Packaging: The activities of designing and producing the container or wrapper for a product. Packaging is becoming increasingly important as sellers recognize the problems, as well as the marketing opportunities, associated with it. Companies must choose among strategies such as family packaging, multiple packaging, and changing the package.

Packaging-to-price deceptions: One of the unethical practices used by some marketers who deceive the consumers by maintaining the size of their packages but decrease the quantity in the package while they retain the original prices.

Packet switching: The method used by the Internet to break up communication into multiple information packets, with origin and destination information.

Packet: Small files used to transmit message over the Internet, containing portion of messages together with routing information.

Page impressions: The minimum currency of website auditing. A combination of one or more IDs sent to a user via that user's request received by the server in question.

Page: A piece of information or a document, containing advertising, text, graphics, video material, sound, files and so on, accessed via the Internet.

Paired comparison scaling/test: A method of ranking objects by presenting all possible pairs of the objects, one pair at a time, to subjects who identify which of the two objects possesses more of the characteristic of interest. Example**:** three brands of soft drink may be ranked by presenting the three pairs A-B, A-C, and B-C to subjects, who state their preference for one brand in each pair. It is the most widely used comparative scaling technique.

Paired samples *t* test: A test used to find out the significant differences in the means of paired samples. To compute *t* for paired samples, the paired difference variable, denoted by D, is formed and its mean and variance calculated. Then the *t* statistic is calculated.

Paired samples: It refers to observations for the two groups of data that are not selected from two independent samples. Here the observations relate to paired samples in that two sets of observations relate to the same respondents. For example, a sample of respondents may rate two competing brands, indicating the relative importance of two attributes of a product, or evaluate brand at two different times.

Pairwise deletion: One of the options or methods available to a researcher in treating the missing responses from the filled up questionnaires. In this option, instead of deleting all cases with any missing number, the researcher uses only the cases or respondents with complete responses for each calculation. As a result, different calculations in an analysis may be based on different sample sizes. This procedure may be appropriate when (1) the sample size is large, (2) there are few missing responses, and (3) the variables are not highly related. Yet, this procedure can produce results that are unappealing or even infeasible.

Pairwise tables: One of the statistics and terms associated with conjoint analysis. In pairwise tables, the respondents evaluate two attributes at a time until all the required pairs of attributes have been evaluated.

Palming off: A form of deceitful diversion of patronage that a retailer does. Palming off occurs when a retailer represents merchandise as being made by a firm other than the true manufacturer. For example, an apparel retailer purchases some apparels from a local manufacturer and replaces their labels with those of a top designer.

Palming-off: A form of deceptive merchandising where a retailer represents goods as being made by a firm other than the true manufacturer; an illegal practice.

Pancultural data analysis: This term is used to refer to the level of data analysis in the context of international marketing research. It refers to across-countries analysis, in which the data for all respondents from all countries are pooled and analyzed.

Panels: It refers to a sample of respondents who have agreed to provide information at specified interval over an extended period. In longitudinal experiment designs the panels are used for collecting data on a specific variable repeatedly. Syndicated services firms maintain panels, and panel members are compensated for their participation with gifts, coupons, information, or cash.

Par value: The benchmark value of a currency, originally quoted in terms of gold or the U.S. dollar and now quoted in terms of Special Drawing Rights.

Paradigm: A widely accepted view or model of phenomena being studied; the perspective that regards people as rational information processors is currently the dominant paradigm, though this approach is now being challenged by a new wave of research that emphasizes the frequently subjective nature of consumer decision making

Paradox of community size: The observation that small groups produce more active members and stimulate contributions, while large group sizes are necessary to produce enough extreme, committed members.

Parallel entry (new product): One of the possible choices a company may use in commercializing a new product with respect market entry timings. The company may postpone its new product entry and may time its entry to coincide with the competitor's entry. The market may pay more attention when two companies are advertising the new product.

Parallel threshold method: One of the nonhierarchical clustering methods used in the cluster analysis. It specifies several cluster centers at once. All objects that are within a prespecified threshold value from the center are grouped together.

Parallel translation technique: A translation method in which a committee of translators, each of whom is fluent in at least two languages, discuss alternative versions of a questionnaire and makes modifications until consensus is reached.

Parameter: A summary description of a fixed characteristic or measure of the defined population. A parameter denotes the true value that would be obtained if a census rather than a sample was undertaken.

Parametric tests: Class of statistical tests used when the variable(s) is/are measured on at least one interval scale. The most popular parametric test is the ***t*** test, conducted for examining hypotheses about means.

Parasite store: Outlet that does not create its own traffic and has no real trading area of its own.

Parental yielding: The process that occurs when a parental decision maker is influenced by a child's product request particularly in the context of consumer behaviour and purchase decisions.

Pareto principle: A well-known principle that states that 80 percent of a company's business usually comes from the top 20 percent of customers. These top 20 percent tend to the most loyal customers who may become brand advocates to their friends and others. Not only they are loyals but they are also heavily consume or use the product or service.

Part correlation coefficient: It is a measure of the correlation between Y and X when the linear effects of the other independent variables have been removed fro X but not from Y.

Partial correlation coefficient: It is a measure of the association between two variables after controlling or adjusting for the effects of one or more additional variables. Partial correlation coefficient can be helpful in detecting spurious relationships between X and Y variables.

Partial F test: One of the statistics associated with multiple regression analysis. The significance of a partial regression coefficient, β_I, of X_1 may be tested using an incremental *F* statistic. The incremental *F* statistic is based on the increment in the explained sum of squares resulting from the addition of the independent variable X_i to the regression equation after all the other independent variables have been included.

Partial product failure: A type of new product failure in which a company loses money but its sales cover all its variable costs and some of its fixed costs.

Partial run editions: When magazines offer less than their entire circulation to advertisers. Partial runs include demographic, geographic, and split-run editions.

Participant observers: Researchers who participate in the environment that they are studying without notifying other participants.

Participations: One of the methods of buying media time by the advertisers. In this situation several advertisers buy commercial time or spots on a particular program. Majority of network advertising time is sold as participations. An advertiser can participate in a certain program once or several times on a regular or irregular basis. Participating advertisers have no financial responsibility for production of the program. The network television or individual station that sells and controls the commercial time, network television assumes this responsibility.

Participatory environment: The responsiveness of computer programs to a user's choice, command or preference.

Partnership marketing: This term is used in the context of customer relationship building. This refers to the commitment of a company to work continuously with its large customers to help improve their performance. In a way the company develops partnership relations with its key customers, particularly in business-to-business situations.

Partner-suppliers: Many companies have adopted this approach in the recent years where instead of using many suppliers for the purchase of their key items, they use a few more reliable suppliers who work closely in a "partnership" relationship with the company.

Part-worth function: Function that describes the relationship between the perceived utilities associated with various levels of an attribute and the objective or physical levels of the attributes, for example, utilities associated with various prices. This is used in conjoint analysis.

Party plan: A system of selling based on inviting the hostess's friends to a party at which products are demonstrated and sold.

Pass-along readership rate: The audience that results when the primary subscriber or purchaser of a magazine gives the publication to another person to read, or when the magazine read in places such as waiting rooms in doctor' offices, etc. Pass-along readers are considered inferior to the primary audience, but this is usually not the case with business publications.

Passive exporting: A type of exporting method in which unsolicited orders from overseas are executed by the company.

Passive income: Income from investments in tax-haven countries or sales and services income that involves buyers and sellers in other than the tax-haven country, where either the buyer or the seller must by part of the same organizational structure as the corporation that earns the income; also known as Subpart F income.

Passive learning: Occurs when consumers learn about brands with little involvement and purchase with little evaluation of alternative brands. Consumers are more likely to form attitudes after, rather than before, a purchase. The research indicated that passive learning occurs through repeated exposures to a TV commercial and produces changes in consumer behaviour prior to changes in the consumer's attitude toward the product.

Passive man theory: A theory of man that depicts the consumer as a submissive recipient of the promotional efforts of marketers.

Passive meters: Unobtrusive device that measures individual viewing habits through sensors keyed to household members.

Passive moderator: In a group discussion the moderator does not actively screen content for relevance or quality, but may intervene if group members raise the problem.

Past-sales analysis: One of the methods of estimating future sales of a product or service. Here sales forecasts are developed on the basis of past sales. There are three ways of estimating sales under this method. These are: (1) *Time-series analysis*, which consists of breaking down past time series into four components (trends, cycle, seasonal, and erratic) and projecting these components into the future. (2) *Exponential smoothing*, which consists of projecting the next period's sales by combining an average of past sales and the most recent sales, giving more weight to the latter. (3) *Statistical demand analysis*, which consists of measuring the impact of each of a set of causal factors (e.g., income, marketing expenditures, price) on the sales level. (4) *Econometric analysis*, which consists of building set of equations that describe a system, and proceeding to fit the parameters statistically.

Patent cooperation treaty: A multilateral agreement to protect patents.

Patent: The legal right of exclusive use and licensing granted by a government to the person who invents something, an invention is patentable if it is a useful, novel, and nonobvious process, machine, manufacture, or composition of matter. The government's granting of a 17-year legal monopoly for the marketing of a process or product.

Patronage reward: One of the consumer sales promotion tools in which the company gives cash or other award for the regular use of a certain company's products or services.

Patten advertising: Advertisements that follow a basic global approach although ad themes, copy, and sometimes even visual elements may be adapted to differences in local markets. Many global marketers use this advertising strategy

Payback: The date when a new product/project has recovered its costs of development and marketing. In years, the time needed to reach payback.

Payoff table: Table concerning three elements; alternatives, states of nature, and consequences of each alternative under each state of nature.

Payout plan: One of the methods used for advertising budgeting. The advertiser determines the investment value of the advertising and promotion appropriation. The basic idea is to project the revenues the product will generate, as well as the costs it will incur, over two to three years. Based on an expected rate of return, the payout plan will assist in determining how much advertising and promotions expenditures will be necessary when the return might be expected.

Peering arrangements: The formal and informal agreements among independent networking companies governing how Internet traffic moves between their networks.

Peg: To fix a currency's exchange rate to some benchmark, such as another currency.

Penetrated market: That part of the company's target market to which a company ia able to sell its products. One can defined it as the set of consumers who are buying the company's product.

Penetration strategy: A strategy of introducing a product at a low price to induce a maximum number of consumers to try it.

Penetration: In the context of an advertising medium this refers to the ability of medium to reach a certain proportion of readership or audience.

People meter: An electronic device that automatically records a household's television viewing including channels watched, number of minutes of viewing and members of the household who are watching.

Per inquiry (PI): Advertising time or space where medium is paid on a per response received basis.

Perceived age: How old a person feels as compared to his or her true chronological age.

Perceived anonymity: It refers to the respondents' perceptions that the interviewer or the researcher will not divulge their identities. Perceived anonymity of the respondent is high in mail surveys, mail panels and Internet surveys because there is no personal contact with an interviewer while responding. It is low in personal interviews due to face-to-face contact with the interviewer.

Perceived conflict: This term is used often in the context of channel-producer conflict situation. Perceived conflict is a cognitive stage. It represents the point at which either the producer or retailer becomes aware of one or more of the preceding sources of latent conflict.

Perceived quality: Consumers often judge the quality of a product or service on the basis of a variety of informational cues that they associate with the product; some of these cues are intrinsic to the product (or service); others are extrinsic, such as price, store image, service environment, brand image, and promotional messages. In the absence of direct experience or other information, consumers often rely on price as an indicator of quality.

Perceived risk: It is defined as the uncertainty that the consumers face when they cannot foresee the consequences of their purchase decisions. Consumers often perceive risk because of uncertainty as to the consequences of their product purchase decisions. The degree of risk that consumers perceive and their own tolerance for risk taking are factors that influence their purchase decisions. The major types of risks that consumers perceive when making purchase decisions include functional risks, physical risk, financial risk, social risk, psychological risk, and time risk.

Perceived value pricing: One of the pricing strategies where a company fixes the price for a product not on the basis of its cost or required profit margin, but rather on the perceived value of that product in the eyes of the customer. Perceived value is made up of several elements, such as the consumer's image of the product performance, the channel deliverables, the warranty quality, customer support, and softer attributes such as the supplier's reputation, trustworthiness, and esteem.

Percentage charges: In the context of ad agency compensation this refers to the markups charged by advertising agencies for the various services it purchase from outside suppliers for its clients. These may include market research, artwork, printing, photography, and other services materials. Markups usually ranges from 17.65 percent to 20 percent and are added to the client's overall bill.

Percentage of projected future sales method: A variation of the percentage of sales method of advertising budget allocation in which projected future sales are use as the base instead of the current year sales. Here the sales are projected for the coming year based on the marketing manager's estimates. One advantage of using future sales as abase is that the budget is not based on last year' sales. As the market changes, management must factor the effect of these changes on sales into next year's forecast rather than relying on past data. The resulting budget is more likely to reflect current conditions and the more appropriate.

Percentage of sales method: One of the most commonly used advertising budget method in which the advertising and/or promotions budget is set based on a percentage of sales of the product. Management determines the amount by either (1) taking a percentage of the sales volume (Rupees) or (2) assigning a fixed amount of the unit product cost to advertising and multiplying this amount by the number of units sold (sometimes known as percentage of unit).

Percentage of variance: One of the statistics associated with factor analysis. This refers to the percentage of the total variance attributed to each factor.

Percentage variation method: A method for determining planned stock level in a departmental chain store or in any corporate retailing establishment. Monetary merchandise planning postulating that the percentage fluctuations in monthly stock from average stock should be half as great as the percentage fluctuations in monthly sales from averages sales. This method is used when the retailer does not desire to have a given level of inventory available at all times, but does face fluctuations in sales.

Perception data: In the context of multidimensional scaling procedure, this refers to the data collected from the respondents with regard to their perception on various attributes of different competing brands. The respondents are asked to judge how similar or dissimilar the various brands or stimuli, using their own criteria. Respondents are often required to rate all possible pairs of brands or stimuli in terms of similarity on a Likert scale.

Perception: The process by which an individual receives, selects, organizes, and interprets information to create a meaningful picture of the world. Perception is an individual process; it depends on internal factors such as person's beliefs, experiences, needs, moods, and expectations. The perceptual process is also influenced by the characteristics of a stimulus (such as its size, colour, and intensity) and the context in which it is seen or heard. Individuals act and react on the basis of their perceptions, not on the basis of objective reality. Thus to the marketers, consumers' perceptions are much more important than their knowledge of objective reality.

Perceptual blocking: This refers to the subconscious "screening out" of stimuli that is threatening or inconsistent with one's needs, values, beliefs, or attitudes. In the context of consumer behaviour it has been found that consumers protect themselves from being bombarded with marketing stimuli by simply "tuning out"—blocking such stimuli from conscious awareness.

Perceptual categorization: Tendency of consumers to place marketing information into logical categories to process information quickly and efficiently and to classify new information. For example, consumers often categorize prices such that different prices connote different categories or goods. For example, cars over six lakhs and under six lakhs may elicit two different meanings.

Perceptual defense: The process of subconsciously distorting stimuli to render them less threatening for more consistent with one's needs, values, beliefs, or attitudes. In the context of consumer behaviour it has been found that consumers perceive information to conform to their beliefs and attitudes because it protect them from threatening or contradictory stimuli. For example, a cigarette smoker may avoid antismoking advertisements or play down their importance. Perceptual defense tends to operate when consumers are involved. Involved consumers have strong beliefs and attitudes, which are difficult to change. Research has shown that perceptual defense is more likely in anxiety producing situations because it leads consumers to avoid stimuli that produce fears or anxieties.

Perceptual equilibrium/disequilibrium: Consumers seek to maintain equilibrium in their psychological set by screening out information that does not conform to their predispositions. When consumers choose information consistent with prior beliefs or interpret information to conform to these beliefs, they are processing information to ensure perceptual equilibrium. Acceptance of contradictory information means consumers are in a state of perceptual disequilibrium.

Perceptual gap: A gap that appears on a mapping of products where the positions of the products are determined by user opinions, not necessarily fact.

Perceptual incongruity: In the context of channel conflict, this is one of the sources of latent conflict between the channel members as well as with the producer. Perceptual incongruity occurs when a channel member and producer have different perceptions of reality. A retailer, for example, may perceive that the economy is entering a recession and therefore wants to cut inventory investments, while the producer may perceive that the economy will remain strong and therefore feels that inventory investments should be maintained.

Perceptual interpretation: The individual interpretation of stimuli based on expectations in light of previous experiences, on the number of plausible explanations that they can envision, and on their motives and interests at the time of perception.

Perceptual map/mapping: A graphic representation technique of the perceived relationships among elements in a set, where the elements could be brands, services, or product categories. This is a “map” of perceptions of positions of brands or products as received by consumers. Commonly used to describe the output of a multidimensional scaling (MDS) analysis. The technique of perceptual mapping helps marketers to determine just how their brands/products or services appear to consumers in relation to competitive brands on one or more relevant characteristics. It enables them to see gaps in the positioning of all brands in the product or service class and to identify areas in which consumer needs are not being fulfilled.

Perceptual organization: The subconscious ordering and perception of stimuli into groups or configurations according to certain principles of Gestalt psychology.

Perceptual selection: Process by which people attend to only a small portion of the stimuli to which they are exposed. In the context of consumer behaviour the consumers’ selection of stimuli from the environment is based on the interaction of expectations and motives with the stimulus itself. Each of these factors can serve to increase or decrease the probability that the stimulus will be perceived. The principles of selective perception include the following concepts: selective exposure, selective attention, perceptual defense, and perceptual blocking.

Perceptual vigilance: A form of selective perception whereby the consumers’ needs determine the information perceived or the tendency for consumers to be more aware of stimuli that relate to their current needs. This tendency of consumers to select the information that helps them in evaluating brands to meet their needs (e.g., words that connote important values are often perceived more readily. As a result, consumers will recognize preferred brands names more quickly than they will non-preferred brand names).

Perfect/pure competition: One of the possible market structures where many competitors offer the same product and service (stock market, commodity market). Because there is no basis for differentiation, competitors' pro\ices will be the same. No competitor will advertise unless advertising can create psychological differentiation in which case it would be more proper to describe the industry as monopolistically competitive.

Performance measures: Criteria used to assess effectiveness, including total sales, sales per store, sales by product category, sales per square foot, gross margins, gross margin return on investment, operating income, inventory turnover, markdown percentages, employee turnover, financial ratios, and profitability.

Performance of objective tasks: One of the methods of assessing attitudes that rests on the presumption that a subject's performance of a specific assigned task (for example, memorizing a number of facts) will depend on the person's attitude. The assumption is that subjects would be more apt to remember those arguments that are more consistent with their own position.

Performance quality: It is the level at which the product's primary characteristics operate. Higher performance quality may benefit the manufacturer in terms of profits, repeat purchase, consumer loyalty and positive word-of-mouth.

Performance review: (1) The formal, systematic assessment of how well employees are performing their jobs in relation to established standards, and the communication of that assessment to employees. (2) The stage of the business buying process in which the buyer rates its satisfaction with suppliers. In this regard there are three methods of performance review. Firstly, the buyer may contact the end users and ask for their evaluations. Secondly, the buyer may rate the supplier on several criteria using a weighted score method. Finally, the buyer might aggregate the cost of poor supplier performance to come up with adjusted cost of purchase including price. The performance review may lead the buyer to continue, modify or end the relationship with the supplier.

Performance-monitoring research: Research that provides information regarding the monitoring of the marketing system. It is an essential element in the control of marketing programs in accordance with plans. The purpose of this research is to signal the presence of potential problems or opportunities. The objectives of performance monitoring research are to monitor and report changes (1) in performance measures, such as sales and market share, to determine whether plans are accomplishing desired objectives; (2) in subobjectives, such as awareness and knowledge levels, distribution penetration, and price levels, to determine whether the marketing program is being implemented according to plans; and (3) in the situation variables, such as competitive activity, economic conditions, and demand trends, to determine whether the situational climate is as anticipated when plans were formulated.

Periodicity problem: In the context of systematic random sampling it refers to a cyclical pattern within a list of elements forming the sampling frame that coincides with a multiple of the size of the sampling interval. This is one of the major problems associated with systematic random sampling technique and some times may lead to the biased estimates of the population under study. The researcher must be sensitive to periodicity in a sampling frame if the intension is to use systematic sampling

Peripheral route to persuasion: In the elaboration likelihood model, one of two routes to persuasion in which the receiver is viewed as lacking the ability or motivation to process information and is not likely to be engaging detailed cognitive processing. Rather than evaluating the information presented in the message, the receiver relies on peripheral cues that may be incidental to main arguments. The receiver's reaction to the message depends on how he or she evaluates these peripheral cues.

Perishability (service): A major characteristic of services—they cannot be stored for later sale or use. The perishability of services is not a problem when demand is steady. When demand fluctuates, services firms have problems.

Permission marketing: A new term coined by Seth Godin, a new type of marketing in which the manufacturer uses the interactivity of the Internet to let consumers have a say is what is sent to them.

Perpetual intermediate: A software design philosophy that assumes an intermediate level of expertise by the user.

Perpetual inventory system: An inventory control system that provides a running total of the cost value of inventory on hand at a given time.

Inventory is not physically counted; rather, invoices and other accounting records are used to keep track of inventory on paper.

Personal analogy: One of the synetic techniques of creativity, which is some times used in generating new product ideas. Group members imagine themselves to be one of the problem objects, and then try to figure out, how they would change to solve the problem.

Personal communication channels: One of the major communication channels that are used in disseminating information by the companies. Some of these channels are not under the control of a company. These channels involve two or more persons communicating directly with each other face-to-face, person-to-audience, over the telephone, or through e-mail. Personal communication channel derive their effectiveness through individualized presentation and feedback. Personal communication channels can be further classified into advocate, expert, and social communication channels.

Personal community: a community organized around a small network of individuals linked together by online tools. The members of personal community usually know each other.

Personal consumer: The individual who buys goods and services for his or her own use, for household use, for the use of family member, or for a friend. in each of these contexts, the products are bought for final use by individuals, who are sometime referred to as the ultimate consumer or end user.

Personal drive analysis (PDA): A technique used to uncover a consumer's individual psychological drives.

Personal interactivity: Network interactivity which takes place between groups of individuals.

Personal interview method: One of the modes of administration of survey method used for collecting primary data. It is direct, face-to-face conversation between a representative of the research organization (the interviewer) and a respondent or interviewee. This versatile and flexible method is a two-way conversation between an interviewer and a respondent. Personal interviews may take place in a factory, in homes, in a shopping mall, or in other settings.

Personal observations: It is one of the ways of data collection through observation methods. In this method the researcher or an observer actually observes the actual behaviour as it occurs. However the researcher does not attempt to control or manipulate the phenomenon being observed. The observer merely records what takes place. For example, a researcher might records traffic counts and observe traffic flows in a departmental store.

Personal selling: One of the components of marketing communication or promotion. It is a form of person-to-person communication in which the seller attempts to assist and/or persuade prospective buyers to purchase the company's product or service or to act an idea. Personal selling involves direct contact between buyer and seller, either face to face or through some form of telecommunications such as telephone sales. This interaction gives the market communication flexibility; the seller can see or hear the potential buyer's reactions and modify the message accordingly. Therefore, personal selling is a dyadic relationship between a seller and a buyer and allows the seller to tailor the message to the consumer's specific needs or situation.

Personal sources: One of the major sources of information that a consumer looks for product information before making a purchase decision. This is also known as social channel. This includes family members, friends, neighbors, colleagues and opinion leaders. This source of information is considered to most effective because the customer gives more credibility than to the commercial sources, which normally emanate from the company.

Personality scale: A series of questions or statements designed to measure a single personality trait.

Personality test: A pencil-and-paper test designed to measure an individual's personality in terms of one or more traits for inner characteristics.

Personality: A person's unique psychological makeup, which consistently influences the way the person responds to his or her environment. Personality is likely to influence the individual's product choices. Various personality traits affect the way consumers respond to marketer's promotional efforts, and when, where and how they consume particular products and services. Therefore, the identification of specific personality characteristics associated with consumer behaviour has proven to be highly useful in the development of a firm's market segmentation strategies.

Personalized consumer or shopper: It refers to one of the shopping orientations exhibited by the people while shopping various goods and services. This type of consumer shops "where they know my name". This type of shoppers or consumers develop strong personal attachments with store personnel, and this personal relationship, often approaching intimacy, is crucial for patronizing a store. The shopper/consumer shops at "her or his" store rather than on "public" store.

Personnel differentiation (positioning): One of the variables of differentiation, which may be used by a company in its positioning strategy. Here, the company tries to differentiate itself to gain a competitive advantage through better-trained people who can serve their customers in an excellent manner. Better-trained personnel exhibit six characteristics: competence, courtesy, credibility, reliability, responsiveness and communication.

Persuasion matrix: A communications planning model in which the stages of the response process (dependent variables) and the communications components (independent variables) are combined to demonstrate the likely affect that the independent variables will have on the dependent variables. Here independent variables are the controllable components of the communication process; dependent variables are the steps a receiver goes through in being persuaded.

Persuasion: The process of active attempt to change attitudes

Persuasive advertising: A type of advertising, which is based on objectives to be achieved. Its basic aim is to create liking, preference, conviction, and purchase of a product or service. Some persuasive advertising uses comparative advertising, which makes an explicit comparison of the attributes of the two or more brands.

Phantom partnership: Implying a connection with a prestigious event or company without actually saying so, or having such a connection.

Phase review: Times during a process where people stop to check progress. Usually asked for by upper managements. May be very formal, informal, or even done only by the team evaluating its own progress.

Phi (ω) coefficient: It is a measure of the strength of association in the special case of a table with two rows and two columns (a 2 X 2 table). The phi coefficient is proportional to the square root of the chi-square statistic.

Photomatics: A method of testing TV commercials, which involves the taping of photographs of storyboard sequences. It is more expensive than aniamatic.

Physical distribution (marketing logistics): The tasks involved in planning, implementing, and controlling the physical flow of materials, final goods, and related information from points of origin to points of consumption to meet customer requirements at a profit.

Physical inventory system: It refers to actual counting of merchandise. A firm using the cost method of inventory valuation and relying on a physical inventory can derive gross profit only when it does a full inventory.

Physical risk: One of the types of perceived risk. It refers to the physical risk to self and others that the product may pose.

Physiological needs: Innate needs (i.e. biogenic), including the needs for food, water, air, clothing, shelter and sex. Also known as primary needs.

Physiological reaction technique: A method of assessing attitudes in which the researcher monitors the subject's response, by electrical or mechanical means, to the controlled introduction of some stimuli.

Pictogram: Bar chart in which pictures represent amounts, for example, piles of coins for income, pictures of cars for automobile production, people in a row for population.

Picture-response technique: A projective technique requiring the subject to use his or her imagination to describe what is happening in a series of vaguely structured pictures (a construction type projective technique). In some of these pictures, the persons or objects are clearly depicted, whereas in others, they are relatively vague. The respondent's interpretation of the pictures gives indications of the individual's personality.

Pie chart: A circle, representing a total quantity, divided into sectors, with each sector showing the size of the segment in relation to that total.

Piggyback exporting: Practice of a foreign seller representing complementary, non-competing lines. Here an exporter is using another exporter as an intermediary. For example, a company may agree to supply products to a foreign distributor even though it does not produce the entire range of products. Then it might look for other manufacturer to fill the gaps in the product line. In this way, the second manufacturer becomes an exporter indirectly by using the first exporter's distribution channel.

Piggybacking: This term is used in the context of administering a questionnaire by a marketing research company who works for more than one client. This occurs when a questionnaire contains questions pertaining to more than one client. This is often done in omnibus panels. Piggybacking can substantially reduce costs and can be agued way for clients to collect primary data they would not be able to afford otherwise. However, piggybacking should be done with the prior consent and knowledge of the clients.

Pilot plant: A trial manufacturing facility where the new process of production is tried out and revised.

Pilot survey: A survey conducted on a small scale to ascertain the various dimensions of a research problem faced by a company. Many times the problems faced are not clear and they require some exploratory research to clarify the decision situation. Under these conditions the company or researcher conducts pilot survey. This is also done when the researcher wants to refine the questionnaire before using it in a larger survey. This will enable the researcher to find out the weakness of the questionnaire before it is being administered on a larger group of respondents.

PIMS database: A computerized database maintained by the Strategic Planning Institute, containing data on over 200 marketing, financial, and operating performance variables collected from almost 2,000 business units in Profit Impact of Marketing Strategies (PIMS) studies.

Pioneering innovativeness: A strategy of trying to be the first to market a new type of product, during which the pioneers are trying to build primary demand for the product type more than secondary demand for their particular brands.

Pioneering stage: The advertising stage of a product in which the need for such product is not recognized and must be established or in which the need has been established but the success of a commodity in filling those requirements has to be established.

Pipeline rationalization: Efforts to keep a rational set of new product projects in the pipeline of development.

Piracy: The unauthorized use of property rights that are protected by patents, trademarks, or copyrights.

Placement (product): It refers to the insertion of a specific of specific products and the sue of brand names in movie and TV scripts. These real brands are prominently displayed or discussed in movies and on

TV. Research has found that product placement can aid in consumer decision making because the familiarity of these props create a sense of cultural belonging while generating a feeling of emotional security. American and British police films and TV series use Ford cars. Advertisers are not permitted to pay for placements, so most items are supplied free of charge. Recent development has seen companies, which specialize in placing products for clients. Also referred to as 'product props'.

Plan processing strategy: An information processing strategy in which more than one decision rule is applied during the purchase decision process.

Planned contraction: A strategy in which, a company withdraws its operations from its weaker territories and reassigning resources to stronger territories. It is move to consolidate competitive strength in the market and concentrate at important positions. This strategy is also known as *strategic withdrawal*.

Planned obsolescence: Marketing strategy of planning the life span of products by scheduling the introduction of improved models with additional features, style change, lower costs, and better operational efficiency. The market share leader often sets the industry pace for planned obsolescence. For example, Intel employs this strategy in case of its processors.

Planned shopping center: Group of architecturally unified commercial facilities on a site that is centrally owned or managed, designed and operated as a unit, based on balanced tenancy, and surrounded by parking.

Planograms: A technique of using shelf space more efficiently by the retailers. Planograms are configuration of products that occupy a shelf section in a store that is used to provide more efficient shelf space utilization. Some manufacturers have developed computer-based programs that allow retailers to input information from their scanner data and determine the best shelf layouts by experimenting with product movement, space utilization, profit yields and other factors.

Plans board: Account executive and agency department heads who form a planning committee to consider client's requirements and jointly produce a proposed campaign for presentation to the client.

Plant operator (advertising): In outdoor advertising the local company who arranges to lease, erect, and maintain the outdoor sign and to sell the advertising space on it.

Platform: Term applies to a set of new product projects; especially where more than one projects pursues a broad strategy. In the automobile industry, a platform is often a basic body configuration – e.g., the L.H. platform for Chrysler. But platforms can be brands, packages, customer groups, and so on, based on something in common that gives each project its strength.

Pleasing products: Products that give high immediate satisfaction but may hurt consumers in the long run.

Pleasure principle: The belief that behavior is guided by the desire to maximize pleasure and avoid pain.

Plug-ins: Additional programs that create new functions for the browser without having to alter the browser program.

Pluralistic societies: Societies in which various segments hold different ideologies rather than all adhering to one ideology.

Plus-one dialing: Technique used in studies employing telephone interviews in which a single randomly determined digit is added to numbers selected from the telephone directory.

Point estimate: It refers to a statistical estimate of a parameter (such as a population mean) involving only a single value. For example, if a single sample mean is used as the estimate of the population mean, the sample mean is a point estimate. A point estimate may be made for any population value, but the estimates most commonly made are for the mean and the proportion of the population.

Point of indifference: Used in the context of retailing. Geographic breaking point between two cities (communities), so that the trading area of each can be determined. At this point, consumers would be indifferent to shopping at either area.

Point of purchase (POP) display: Product display located at a retail buying point designated to attract a consumer and impel a buying decision. Point-of-purchase displays compete for limited counter and store space. Those displays that stay on the counter are those that work to produce sales.

Point of purchase (POP) material: Any promotional communication vehicle within the store, including signs, banners, and elevator cards, used to attract attention to specific products where those products are purchased. Also called some times point of purchase stimuli.

Point of purchase: The place at which the customer makes the final buying decision and commitment.

Point plan: Combination plan under which points, which are convertible to money, are given for selling various products, for performing certain duties, or for making certain intangible contributions.

Pointcast media: Electronic media with the capability to transmitting to an audience of just one person, such as the Internet or the cell phone. Pointcast media can transmit either personalized or standardized messages in bulk to entire audience of those who have the equipment to receive them, and these individuals can transmit a single message back to the sender using the same equipment. Receiving devices include pagers, cell phones, PDAs, computers, TV, fax machines and more.

Point-to-point communication: communication between a single sources and a single receiver.

Political marketing: The use of marketing concepts and techniques by candidates for political office and by those interested in promoting political causes.

Political risk: Potential changes in political conditions that may cause a company's operating positions to deteriorate.

Politz-Simmons method: A method of adjusting survey results for nonresponse. It assumes that the responses of "not-at-home" (nonrespondents) would have been similar to the actual responses of respondents who characterize themselves as "seldom at home." The basic rationale is that people who are usually not at home are more difficult to catch for an interview and therefore will to be unrepresented in the survey. Consequently, the less a subject reports being at home, the more that subject's should be weighted.

Polycentric firm: A company, which regards international markets as a series of domestic or national markets.

Polycentrism: Characteristic of an individual or organization that feels that differences in a foreign country, real and imaginary, great and small, need to be accounted for in management decisions.

Pooled within-group correlation matrix: It is one of the statistics associated with the discriminant analysis procedure conducted for a marketing research project. It is computed by averaging the separate covariance matrices for all the groups.

Pooling of individual estimates: One of the variants used under the expert opinion method of sales forecasting. In this variant the experts provide their estimates of forecast individually, and an analyst combines them into a single estimate.

Popular culture The music, movies, sports, books, celebrities, and other forms of entertainment consumed by the mass market.

Population definition error: It is defined as the variation between the actual population relevant to the problem at hand and the population selected or defined by the researcher.

Population density: The number of persons or households per square mile.

Population: The aggregate of all the elements sharing some common set of characteristics that comprises the universe for the purpose of marketing research problem. The population parameters are typically numbers such as the proportion of the consumers who are loyal to a particular brand. Information about population parameters may be obtained by taking a census or a sample.

Portal presence: Visibility at the main search engine and directory portals. Good portal presence can increase traffic to a site.

Portal sites: A site that provides general Internet capabilities, and serves as a gateway to additional information such as the Yahoo! and AOL. They are portal because they provide many services in addition to such capabilities. For example, they are destination for news, games, maps, shopping, and so forth in addition to being jump-off points for content provided by others.

Porter diamond: A diagram showing four conditions–demand, factor endowments, related and supporting industries, and firm strategy, structure, and rivalry–that usually must all be favorable for an industry in a country to develop and sustain a global competitive advantage.

Portfolio analysis: In the context of marketing it refers to how a firm determines the manner in which its strategic business units (SBUs) are distributed in relation to various factors that influence business success and to various measures of success.

Portfolio investment: It is an investment that gives the investor a noncontrolling interest in a company or ownership of a loan to another party. Usually a portfolio investment takes one of the two forms: stock (shares) in a company or loans to a company or country in the form of bonds, bills, or notes that the investor purchases.

Portfolio management services (PMS): A type of financial services, which refers to, the services provided to the investors wherein the agency takes the responsibility of using the funds effectively for maximum results. The firm, which provides these services, converts the funds into compatible portfolios on the basis of the objectives and constraints of the investor. It continuously evaluates and makes necessary adjustments for better results. PMS in India are expanding and experiencing a boom because of the attraction of good return in a shorter period for the investors.

Portfolio tests: One of the methods of pretesting of finished ads. These test are designed to expose a group of respondents to a portfolio consisting of control and test ads**.** Consumers are then asked what information they recall from the ads. The assumption is that the ads that yield the highest are the most effective.

Position defense: One of the marketing strategies adopted by a market leading firm to defend its position in the wake of attack by the market challenger. Position defense strategy involves building superior brand power, making the brand almost impregnable.

Positioning Advertising Copy Testing (PACT): A set of principles endorsed by 21 of the largest U.S. and agencies aimed at improving the research used in preparing and testing ads, providing a better creative product for clients, and controlling the cost of TV commercials.

Positioning analysis: Research used to determine whether a desired position has been established in the mind of the customers and whether the company is achieving this goal more successfully than its competitors.

Positioning strategy: An organization’s use of elements in the marketing mix to influence the consumer’s interpretation of a product’s meaning vis-à-vis competitors.

Positioning: Strategic placing of a product in the market place vis-à-vis its competitors. The decision on how to position a product can be vital to that product’s success. Factors in determining how a product is positioned include**:** (1) The product itself. (2) The price that must be charged to make reasonable margins. (3) The strength of the competition. (4) The company's reputation and marketing muscle. (5) The lines of distribution open to the product.

Positive motivation: A (positive) driving force toward some object or condition. For example, a person may be impelled toward a restaurant to fulfill hunger need.

Positive reinforcement: The term is used in the context of instrumental conditioning learning theory. It is a form of reward, the response is strengthened and appropriate behaviour is learned. For example, a woman who gets compliments after using a particular brand of perfume will learn that using this product has the desired effect, and she will be more likely to keep buying the same product.

Positivism (modernism): (1) A research perspective that relies on principles of the "scientific method" and assumes that a single reality exists; events in the world can be objectively measured; and the causes of behavior can be identified, manipulated, and predicted. (2) A consumer behaviour research approach that regards consumer behaviour discipline as an applied marketing science. Its main focus is on consumer decision-making.

Positivist research: Research primarily concerned with predicting consumer behaviour.

Positivists: Researchers who endorse the assumptions on which positivism (modernism) is based.

Post transaction service: Service provided to the customer after the sale has been made, including complaint handling, return policies, merchandise repair, servicing, and delivery.

Poster panel: A standard surface on which outdoor posters are placed. Generally, the posting surface is of sheet metal.

Postproduction (advertising): After shooting on film or videotape, the adding of computer graphics and editing, using software tools to complete the commercial or video, or for inserting animated scenes.

Postpurchase behavior: The stage of the buyer decision process in which consumers take further action after purchase based on their satisfaction or dissatisfaction. Marketers job does not end when the product is bought. Marketers must monitor postpurchase satisfaction, postpurchase actions and postpurchase product uses.

Postpurchase dissonance: Cognitive dissonance that occurs after a consumer has made a purchase commitment. Consumers resolve this dissonance through a variety of strategies designed to confirm the wisdom of their choice.

Postpurchase evaluation: An assessment of a product based on actual trial after purchase.

Post-testing: Experimental trial and evaluation of advertising or other communications after they have been made public or in other words post-testing occurs after the ad or commercial has been in the field. Posttesting is designed to (1) determine if the campaign is accomplishing the objectives sought and (2) serve as input into the next period's situation analysis.

Posttest-only control group design: It is one of the types of true experimental designs in which the experimental group is exposed to the treatment or independent variable but the control group is not and no pretest or before measurement is taken.

Posttransaction service: This term is used in the context of retailing business, which means servicing the customer after the sale is made and most common cervices are complaint handling, return policies, merchandise repair, and servicing and delivery.

Potential market: It is the set of consumers who have shown a sufficient level of interest in a product or service.

Potential product: One of the possible five levels of a product that a product planner has to keep in mind in managing a product. Potential product stands at the fifth level, which encompasses all the possible augmentations and transformations, the product or offering might undergo in future.

Potential Rating Index by Zip Market (PRIZM): A composite index of geographic and socioeconomic factors expressed in residential zip-code neighborhoods from which geodemographic consumer segments are formed. This is in the context of US.

Power center: Shopping site with (a) up to a half dozen or so category killer stores and a mix of smaller stores or (b) several complementary stores specializing in one product category.

Power of a test: (1) The probability of rejecting a null hypothesis when it is in fact false and should be rejected. The power of the test is the probability (1-β) where β is unknown.

Pragmatic validity: Approach to validation of a measure based on the usefulness of the measuring instrument as a predictor of some other characteristic or behaviour of the individual; it is sometimes called predictive validity or criterion related validity.

Pre-approach: One of the stages in sales call preparation in which the sales person seeks out additional information after the prospecting process is completed. Typical information sought is**:** (1) The size of the prospect company. (2) The names and titles of decision makers. (3) The industry the prospect in and its industry position. (4) The prospect's business reputation. (5) The name of the competitors who currently serve the prospect. (6) The prospect's current focus. This information, which is usually not too difficult to acquire, is enough to develop a sales plan that will give that first sales call a better chance of success.

Pre-bid sessions: Meetings, which take place with prospective TV commercial producers to explain the brief for the commercial. The production companies are then invited to tender for producing the commercial.

Precedence: In product innovation, this term refers to the order of market entry. A product is first to market, second, and so on.

Precision Level/Interval: Desired size of the estimating interval when the problem is one of estimating a population parameter; the notion of degree of precision is useful in determining sample size. This is the maximum permissible difference between the sample statistic and the population parameter.

Precoding: In questionnaire design, assigning a code to every considerable response before data collection. In precoding, the codes to enter in the computer are printed on the questionnaire. Typically, the code identifies the line number and the column numbers in which a particular response will be entered. In case of CATI and CAPI the precoding is built into the software.

Predatory pricing: Involves large retailers that seek to reduce competition by selling goods and services at very low prices, thus causing small retailers to go out of business. It is a tactic used to gain market share by destroying competitors will to compete. This may be done by a large retail chain, who may charge different prices in different geographical areas in order to eliminate competition in selected areas.

Predictive validity: The extent to which the future level of some variable can be predicted by a current measurement of the same or a different variable. Examples include using a person's current score on the CAT exam to predict his or her future success in postgraduate management program; using a person's current attitude about a product/brand to predict his or her future purchase of the product/brand.

Predictor variable: The independent variable in an associative relationship among variables.

Preemptive defense: One of the marketing strategies adopted by a market leading firm to defend its position in the wake of attack by the market challenger. An aggressive defense strategy in which, the market leader attacks the challenger before it attacks.

Pre-experimental design: Experimental designs that do not control for extraneous factors by randomization. They are considered preexperimental because inherent weaknesses in the designs make the internal validity questionable.

Preference data: In the context of multidimensional scaling, this refers to the data collected from the respondents regarding the preferences shown by them with regard to various brands or stimuli as a whole or on some property. The respondents are required to rank the brands from the most preferred to least preferred. Alternatively the respondents are required to make paired comparisons and indicate which brand in a pair they prefer.

Preference map: A map used for evaluating an opportunity first discovered on determinant gap maps or perceptual gap maps. It shows preferences customers have for the various attributes being mapped. Perceptual gaps often coincide with areas of no preference.

Preference ranking: One of the important terms associated with multi-dimensional scaling (MDS) techniques. This is the rank ordering of brands or other stimuli from the most preferred to the least preferred. In MDS they are obtained from the respondents.

Preference: When all marketing conditions are equal, a consumer will choose a preferred brand over another.

Preferred position rate: A rate charged by newspapers that ensure the advertiser the ad will appear in the position required and/or in a specific section of the newspaper.

Prelaunch: The first stage of the launch cycle. Involves getting ready to launch the product, including getting distribution and building necessary field service capability.

Preliminary market analysis: A type of market research that follows ideation and entry evaluation. Often used to gain greater knowledge of a particular market prior to setting up a concept test plan.

Premarketing era: The period from prehistoric times of the 18^{th} century. During this time, buyers and sellers communicated in very primitive ways.

Premium (in foreign exchange): The difference between the spot and forward exchange rates in the forward market; a foreign currency sells at a premium when the forward rate exceeds the spot rate and when the domestic currency is quoted on a direct basis.

Premium house: Special agency, which buys and supplies goods used for sales promotion purposes, often buying on an international scale.

Premium: One of the important consumer sales promotion devices. It is an offer of an item, other than the product itself, given to purchasers of a product as an inducement to buy. Premiums can be free, or at a low price with the purchase of a particular product. Free premiums are usually small gifts or merchandise included in the product package or sent to consumers who mail in a request along with a proof of purchase.

Prepaid expenses: Goods and services that the retailer has already paid for but has not yet received.

Preposterior analysis: A method of analysis allowing the researcher to measure the value of alternative research studies prior to undertaking research.

Prepotent need: An overriding need, from among several needs, that serves to initiate goal-directed behaviour.

Preprinted inserts: Advertising distributed through newspapers that is not part of the newspaper itself, but is printed by the advertiser and then taken to the newspaper to be inserted before delivery. Many retailers use inserts such as circulars, catalogues, and brochures in specific circulation zones to reach possible consumers in their particular trade areas.

Pre-purchase search: A stage in the consumer decision-making process in which the consumer perceives a need and actively seeks out information concerning products that will help satisfy that need.

Prescreening: In the context of new product development, it refers to those evaluation steps that follow ideation and precede the full screen.

Involves entry evaluation, preliminary market analysis, and concept testing and development.

Presentation: (1) Making of a detailed presentation by an agency before of its clients of a possible proposal for an advertising campaign, usually with mocked up advertisements, and media schedule supported by statistics. Could be a competitive presentation when client is seeking new agency, or a scheme seeking renewal of contract with existing client. Can be elaborate and justify making a charge for its time and effort. (2) 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.

Presenter: Actor or unseen commentator making sales pitch in TV commercial, or person making vocal appeal in radio commercial.

Pressure group: A group that tries to influence legislation or practices to foster its objectives.

Prestige goods strategy: A strategy that may be adopted by a market challenger or follower. Here the company following this strategy can launch a higher-quality product and charge a higher price than the leader. Mercedes gained on Cadillac in US market by offering a car of higher quality at a higher price.

Prestige pricing: Assumes consumers will not buy goods and services at prices deemed too low. It is based on the price-quality association.

Presumptive close: One of the closing techniques in which the salesperson assumes the prospect has made a positive buying decision. In the presumptive close technique the salesperson may say something such as, "Can we deliver the entire batch next week, or would you prefer divided shipments?"

Preteens: Consumers who are between the ages of 8 to 12; together with teens, this market represents substantial proportion of the population in a country.

Pretest: Using a questionnaire/observation form on a trial basis in a small pilot study to determine how well the questionnaire/observation form works.

Pre-testing: Testing of advertisements at an early stage to see which, or which elements, are remembered, and which advertisement is most likely to achieve the required response. The methodologies employed to conduct pretests vary. The advantage of pretesting is to get feedback about an advertisement before it is being released to media. It is an inexpensive method and the agency may modify the final advertisement to make it more effective.

Pre-training: Indoctrination on the history and policies of the organization and a job orientation, compensation, the chain of command, and job duties.

Price discrimination: One of the adjustments companies practice by charging different prices to customers on the basis of products, locations, and so on. Price discrimination

Price discrimination: One of the adjustments companies practice by charging different prices to customers on the basis of products, locations, and so on. Price discrimination It is a situation that occurs when a company sells a product or service at two or more prices that do not reflect a proportional difference. This is not necessarily illegal.

Price Elasticity of Demand: It refers to the responsiveness of the quantity changes to price changes. Specifically, it gauges the effect that a change in the price of the product has on the amount sold and on total revenue (total revenue i.e. total sales in rupees—equals the unit price times the number of units sold). The demand is elastic when (1) reducing the unit price causes an increase in total revenue or (2) raising the unit price a decrease in total revenue.

Price escalation: The process by which the lengthening of distribution channels increases a product's price by more than the direct added costs, such as transportation, insurance, and tariffs.

Price fixing: Illegal agreement between two companies in the same industry to set prices at certain levels. Price fixing is such a sensitive and legally lethal issue that during industry seminars and conventions, pricing policies are never on the agenda.

Price leader: Company whose product is priced lowest of all comparable competitive products. If the price leader is also the low cost producer, the competition is in deep trouble.

Price lining: Practice whereby retailers sell merchandise at a limited range of price points, with each point representing a distinct level of quality.

Price off deals: A consumer oriented sales promotion technique, which reduces the price of the brand. Price-off reductions are typically offered right on the package through specially marked packs.

Typically, price-off range from 10 to 25 per cent of the regular price, with the reduction coming out of the manufacturer's margin, not the retailer's. Keeping the retailer's margin intact, during the price-off promotion enables the marketer get its support from cooperation.

Price point: In the context of retailing business this refers to a specific price within a price range that a retailer would charge within a price zone.

Price zone: In the context of retail business this refers to a range of prices for a particular merchandise line that appeals to customers in a certain demographic group. The demographic groups can be either psychographic or socioeconomic.

Price: The amount of money charged for a product or service, or the sum of the values that consumers exchange for the benefits of having or using the product or service.

Price-oriented customers: One of the groups of business buyers classified on the basis of type of selling they require. These are the business who want value through lowest price and they require only what is called a transactional selling. Long-tem relationships building is not possible with this type of business buyers.

Price-quality association: Concept stating that many consumers feel high prices connote high quality and low prices connote low quality. Also called as price-quality relationship.

Pricing analysis: A term specifically used in the context of using multidimensional scaling procedure. In MDS, spatial maps developed with and without pricing information can be compared to determine the impact of pricing.

Pricing collaborations: One of the types of marketing alliances in which one or more companies join in a special pricing collaboration. It is common for hotel and rental car companies to offer mutual price discounts.

Pricing errors: In the context of retail management this refers to one of the possible errors that may be committed by a retailer, which may affect the markdown. They occur when the price of the item is too high to move at the speed and in the quantity desired. The merchandise could have bought in the right styles, at the right time, and in the right quantities, but the price on the merchandise may simply be too high. This could result in purchase resistance on the part of the prospective consumers. This pricing error can be quite costly and affect the markdown percentage of the retailer substantially.

Pricing studies: One of the types of marketing research conducted by a company, which is undertaken to determine the possible price range for a specific product or brand which may be acceptable to the target market. It is also done to find out the possible reactions of consumers and competitors in the case of any price change.

Prima Donna: A conceited temperamental salesperson that has enjoyed several consecutive periods of above-quota performance and lets the whole office know it. The Prima Donna doesn't fill out call reports on time, is late for office meetings, ignores some company regulations, and may almost be insubordinate, but he or she always seems able to bring in the big orders. Managers tend to ignore the antics of the Prima Donna as long as the good performance continues.

Primacy effect: This term is used in the context of message structure of a marketing communication. This refers to a theory that proposes that the strongest arguments should be presented at the beginning of a message. It assumes that the primacy effect is operating, whereby information presented first is most effective.

Primary (unconditioned) stimulus: An object, character, or person that elicits a particular response. In the consumer behaviour context, an unconditioned stimulus might consist of a well-known symbol (cowboy in case of Marlboro cigarettes). The primary stimulus elicits positive feelings (unconditioned response).

Primary circulation: The number of copies of a magazine distributed to original subscribers or purchasers. This is the basis of the magazines rate structure. Circulation fluctuates from issue to issue, particularly for magazines that relay heavily on retail or news stand sales. Many magazine publishers base their rates on guaranteed circulation and give advertisers a rebate if the number of delivered magazines falls below the guarantee. Advertisers are not charged extra, if the magazine exceeds its guaranteed circulation.

Primary data: Information collected specifically for the purpose of the investigation or research problem at hand. This type of data may be gathered internally or externally via surveys, observations, experiments, and simulation.

Primary demand: The level of total demand for all brands of a given product or service—for example, the total demand for motorcycles.

Primary domain name: The part of the domain name that indicates the type of organization controlling the Web site, such as .com or edu.

Primary formal group: It refers to a group, which has some formal structure than do family, friends and peer groups (e.g., school or business groups) with whom the consumers frequently come in contact with.

Primary media: Those media, which spearhead an advertising campaign, e.g. press or TV.

Primary research: Original research undertaken by individual researchers or organizations to meet specific objectives. Collected information is called primary data.

Primary source: It refers to the source that originated the data. One of the fundamental rules of using secondary data is to use the primary source of a secondary data. There are two main reasons for this rule. First and foremost, the researcher the researcher needs to search for general evidence of quality. The primary source will typically be the only source that describes the process of collection and analysis. Thus, it is the only source by which this judgement can be made. Second, a primary source is usually more accurate and complete than a secondary source.

Primary trading area: Encompasses 50 to 80 percent of a store's customers. It is the area closest to the store and possesses the highest density of customers to population and the highest per-capita sales.

Primary/intrinsic stimuli: Unconditioned stimulus; that is, the initial stimulus (e.g., cowboy) that another stimulus is linked to (e.g., Marlboro cigarettes) to produce a conditioned response. In marketing, the product and its components (package, contents, physical properties) are primary stimuli.

Principal axis factoring: One of the approaches/methods used for conducting factor analysis. Under this approach the factors are estimated based only on the common variance. Communalities are inserted in the diagonal of correlation matrix. This method is appropriate when the primary concern is to identify the underlying dimensions and the common variance is of interest. This method is also known as common factor analysis.

Principal component analysis: One of the approaches/methods used for conducting factor analysis that considers the total variance in the data. The diagonal of the correlation matrix consists of unities, and full variance is brought into the factor matrix. This method is recommended when the primary objective is to determine the minimum number of factors that will account for maximum variance in the data for use in subsequent multivariate analysis.

Principle of cognitive consistency: The belief that consumers value harmony among their thoughts, feelings, and behaviors and that they are motivated to maintain uniformity among these elements.

Principle of congruity: A concept derived from psychology and used in the context of marketing communication. This principle may be applied when a company wants to change the attitudes of its consumers by using celebrity endorsers. Suppose a consumer hears a likeable celebrity praise a brand that he or she dislikes, this principle holds that attitude change will take place in the direction of increasing the amount of congruity between the brand and the celebrity. This implies that a company can use the good image of celebrity to reduce some negative feelings toward a brand but in the process it might loose some esteem with respect to that celebrity. Therefore, celebrities should be used with some discretion.

Principle of similarity: The gestalt principle that describes how consumers tend to group objects that share similar physical characteristics.

Prior informed consent (PIC): The concept of requiring each exporter of a banned or restricted chemical to obtain, through the home-country government, the expressed consent of the importing country to receive the banned or restricted substance.

Prior notification: In the context of conducting marketing research and to increase the response rate, a researcher may inform the respondents in advance the sending of a mail questionnaire or request for a personal interview. Prior notification may increase the response rate and may create a more cooperative atmosphere.

Privacy statements: Information provided to customers that makes clear what type of information is collected about them and how it is used.

Private (Dealer, Store) Brands: Contain names designated by wholesalers or retailers, are more profitable to retailers, are better controlled by retailers, are not sold by competing retailers, are less expensive for consumers, and lead to customer loyalty to retailers (rather than to manufacturers). Also known as private label brand.

Private responses: Complaints, which the consumer makes to friends or family about products or services.

Privatization: The transfer of ownership from the public to the private sector known as privatization. Privatization is both political and economic process and as such it is not easy. Many times political and economic objectives do not coincide.

Privatizing: Selling of government-owned assets to private individuals or companies.

Proactive marketing orientation: A marketing approach that emphasizes understanding and meeting customers' expressed as well as latent needs. High-level innovation will only be possible if the companies adopt this approach.

Proactive marketing orientation: A marketing orientation that focuses on both customers' expressed and latent needs. Many companies have made a practice of researching and imagining latent needs through a "probe-and-learn process".

Probabilistic causation: The scientific concept of causality, in which one event or a series of events results in the probable occurrence of another event.

Probability sampling: A sampling procedure in which each element of the population has a known non-zero chance of being selected for the sample. The chances of each member of the population being included in the sample may not be equal, but every one has a known probability of inclusion. That probability is determined by the specific mechanical procedure that is used to select sample elements. In this type of sampling, it is required that not only precise definition of the target population, but general specification of the sampling frame have to be clearly stated because sample elements are selected by chance, it is possible to determine the precision of the sample estimates of the characteristics of interest.

Probability-proportional-to-size sampling: A form of cluster sampling in which a fixed number of second stage units is selected from each first-stage cluster. The probabilities associated with the selection of each cluster are in turn variable because they are directly related to the relative sizes of each cluster.

Problem (opportunity) definition in research: It refers to the initial stage of conducting a marketing research project. Problem definition involves stating the general problem or opportunity and identifying the specific components of the marketing research problem. Only with the marketing research problem has been clearly defined can research be designed and conducted properly.

Problem (opportunity) identification research: One of the types of marketing research done by the companies in order to identify problems or opportunities that are not necessarily apparent on the surface and yet exist or are likely to arise in future. Examples of problem or opportunity research include market potential, market share, brand or company image, and so on.

Problem analysis: A part of the problem-based method of concept generation. Relates to finding problems and involves study of users to learn their dissatisfactions and unmet needs.

Problem audit: It is a comprehensive examination of a marketing problem to understand its origin and nature. The problem audit provides a useful framework for interaction between a manger and researcher in identifying the underlying causes of the problem. It is important to perform problem audit before undertaking any research because many times the manager has only a vague idea of what the problem is, as the manger often tends to focus on symptoms rather than on causes. This will enable to understand not only the symptoms but also some of the underlying causes before taking a decision to undertake any research.

Problem detection technique: A creative research technique sometimes a company uses in which a feedback is taken from the consumers who are familiar with a product (or service) are asked to generate an exhaustive list of problems encountered in its use.

Problem identification subsystem: That part of a MIS that monitors and scans trends in behavioral, environmental, and operating performance areas.

Problem recognition (consumer decision process): (1) The first stage in the consumer's decision-making process in which the consumer perceives a need and becomes motivated to satisfy it. (2) The first stage of the business buying process in which someone in the company recognizes a problem or need that can be met by acquiring a good or a service. (3) The process that occurs whenever the consumer sees a significant difference between his or her current state of affairs and some desired or ideal state; this recognition initiates the decision making process.

Problem solving research: One of the types of marketing research, which is undertaken by the companies in order to help solve specific marketing problems. The findings of problem solving research are used in making decisions that will solve specific marketing problems. It includes segmentation, product, pricing, and distribution research.

Problem-solver stage: A stage of personal selling in which the seller obtains the participation of buyers in identifying their problems, translates these problems into needs, and then presents a selection from the supplier's offerings that can solve those problems.

Process- and outcome-based company: A new type of organizing marketing in a company. Many companies are refocusing their marketing structures on key processes rather than departments. Departmental organization is increasingly viewed as a barrier to the smooth performance of fundamental business processes. To achieve customer-0related process outcomes, companies appoint process leaders who manage cross-disciplinary teams. Marketing and sales people spend an increasing percentage of their time as team members.

Process manager: A manager responsible for developing a successful new product process or processes. Assists all project managers in setting up the best process for their projects.

Procreator stage: A stage of personal selling in which the seller defines the buyer's problems or needs and the solutions to those problems or needs through active buyer-seller collaboration, thus creating a market offering tailored to the customer.

Procurement orientation: In the context of business buying behaviour this refers to purchasing orientation that a company adopts in its purchasing process. Here, the business buyers simultaneously seek quality improvements and cost reductions, buyers develop collaborative relationships with major suppliers and seek savings through better management of acquisition, conversion, and disposal costs. They encourage early supplier involvement in material handling, inventory levels, just-in-time management, and even product co-design. They negotiate long-term contracts with major suppliers to ensure the timely flow of materials.

Producers' alliances: One of the types of commodity agreements which are exclusive memberships of producing and exporting countries. Examples are the Organization of Petroleum Exporting Countries (OPEC) and the Union of Banana Exporting Countries.

Product adaptation process: The sequence of stages that individuals and firms go through in the process of accepting new products. The stages vary greatly in usage but tend to include (1) becoming aware of the new product, (2) seeking information about it, (3) developing favorable attitudes towards it, (4) trying it out in some direct or indirect way, (5) finding satisfaction in the trial, and (6) adopting the product into a standing usage or repurchase pattern.

Product adaptation: In the context of international marketing, it refers to dovetailing of a product to meet local conditions or wants in foreign markets.

Product and service symbolism: products and services that satisfy hedonistic needs often purchased for their symbolic value as they are viewed not as objective entities but rather as subjective symbols. In other words people buy products and services not only for what they can do, but also for what they mean. Therefore, marketers in developing marketing strategies should keep in mind the consumer evaluation of brands as both objective entities and subjective symbols.

Product attributes: The characteristics by which products are identified and differentiated. Usually comprise features, functions (uses), and benefits.

Product audit: It refers to a survey of sales of a specified product in all types of retail outlets during a given time period. Product audits are commercially available.

Product augmentation: Attempts by the company to augment the capabilities and reliability of its products, by extending warranties and services related to the products and applying new technologies.

Product bundle pricing: Combining several products and offering the bundle at a reduced price.

Product champion: A person who takes an inordinate interest in seeing that a particular process or product is fully developed and marketed. The role varies from situations calling for little more than stimulating awareness of the item to extreme cases where the champion tries to force the item past the strongly entrenched internal resistance of company policy or that of objecting parties.

Product class: The group of products that are homogeneous or generally considered substitutes for each other. The class is considered narrow or broad depending on how substitutable the various products are. Examples include cars, toothpastes, and toiletries.

Product complementarity: The view that products in different functional categories have symbolic meanings that are related to one another.

Product concept: (1) One of the philosophies of marketing. It believes that consumers will favor those products that offer the most quality, performance, and features and that the organization should therefore devote its energy to making continuous product improvements. (2) A detailed version of the new-product idea stated in meaningful consumer terms.

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.

Product differentiation: A marketing strategy to distinguish a product or brand from that of competitors on the basis of an attribute that is relevant, meaningful and valuable to consumers. Many products can be differentiated in form—the size, shape or physical structure of the products can be offered with varying features that supplement the products basic functions.

Product division: An organizational structure in which different foreign operations report to different product groups at headquarters.

Product form: The physical shape or nature of a good or the sequential steps in a services is provided by one or more technologies and yields benefits to the user; for example, front-wheel-drive form of an automobile, sedan, SUV, etc. Differences in form of service include discount and full-service stockbrokers.

Product hierarchy: An organizational – chart type of array of the product offered in a given market, breaking first into class, then form, then variations on form, then brand. There are various options within these product hierarchy dimensions, so the array can be designed to fit the needs of the analyst. The hierarchy concept fits services as well as goods.

Product innovation charter: The summary statement of strategy that will guide a department or project team in their efforts to generate new product ideas. It specifies the area within which the people will operate, their goals and objectives, and the general approaches they will use. May apply to a single project or groups of projects.

Product introduction: The first stage of product life cycle, during which the new item is introduced to the market and offered for sale.

Normally, in this stage profits are non-existent or very low because of the heavy expenses incurred in product development.

Product liability: The obligation a seller incurs regarding the safety of a product. The liability may be implied by custom or common practice in the field, stated in the warranty, or decreed by law. If injury occurs, law and judicial precedent prescribe various defenses. Sellers are expected to offer adequate instructions and warnings about a product's use.

Product life cycle (PLC) theory: The theory that certain kinds of products go through a cycle consisting of four stages (introduction, growth, maturity, and decline) and that the location of production will shift internationally depending on the stage of the cycle.

Product life cycle: The four stages that a new product is thought to go through from birth to death**:** introduction, growth, maturity, and decline. Controversy surrounds whether products do indeed go through such cycles in any systematic, predictable way. The product life-cycle concept is primarily applicable to product forms, less to product classes, and very poorly to individual brands.

Product line extension: A marketing strategy of introducing additional adding related items under the same product category under the same brand name, such as new flavours, forms, colours, added ingredients, and package sizes. The vast majority of product introductions consist of line extensions.

Product line pricing: Setting the price steps between various products in a product line based on cost differences between the products, customer evaluations of different features, and competitors' prices.

Product line: A group of products that are closely related because they function in a similar manner, are sold to the same customer groups, are marketed through the same types of outlets, or fall within given price ranges.

Product manager: In a product management organization, a manager is assigned responsibility for overseeing all of the various functional activities (such as manufacturing, pricing and research) that concern a particular product. Actual responsibility varies widely, but the common feature is a narrow, product focus on the part of the manager. In some industries, the term brand manager is used in place of product manager. The product manager's responsibilities include**:** (1) Defining the product. (2) Developing the marketing strategy. (3) Pricing the product. (4) Developing the budget to market the product. (5) Promoting the product both to the marketplace and internally to the company sales force. (6) Developing product improvements and options.

Product mix (or product assortment): Refers to the set of all products that a particular offers for sale. A company's product mix has a certain width, length, depth and consistency. These four product mix dimensions permit the company to expand its business in four ways. It can ad new product lines, thus widening its product mix, it cam lengthen each product line. It can ad more product variants to each product and deepen its product mix. Finally, a company can pursue more product line consistency.

Product modification strategy: One of the possible strategies that a company may adopt for its mature products, which are facing slow down in sales. Under this strategy a company may do number of things. These include: (1) Changing characteristics such as quality, features, or style to attract new users and to inspire more usage. (2) Improving the product's quality and performance—its durability, reliability, speed, or taste. (3) Adding new features that expand the product's usefulness, safety, or convenience, and (4) Improving product's styling and attractiveness.

Product or brand management organization: A type of organization structure of marketing function in a company. Companies producing a variety of products and brands establish a product or brand management organization, which serves as another layer of management in addition to the conventional functional management organization. In this type of organization structure a product manager supervises product category managers, who in turn supervise specific product and brand managers. A product management organization makes sense if the4 company's products are quite different, or if the sheer number of products is beyond the ability of a functional marketing organization to handle.

Product or product-line specialist: A niche-marketing firm that carries or produces only one product-line or product. A firm may produce only lenses for microscopes. A retailer may carry only pens or ties.

Product or service alliances: One of the types of marketing alliances in which one company licenses another to produce its products, or two companies jointly market their complementary products or a new product.

Product penetration percentage: It refers to the percentage of ownership or use of a product or service in a population. Companies assume that the lower the product penetration percentage, the higher the market potential, although this assumes that everyone in the population will eventually be in the market for every product.

Product placement: The process of obtaining exposure for a product by arranging for it to be inserted into a movie, television show, or some other medium. It is a form of advertising and promotion in which products are placed in television shows and/ or movies to gain exposure.

Product planning: A term of many meanings but generally used to designate a staff position charged with part or the entire task of managing product innovation within an organisation. In some firms, it also includes acquisition of products or processes.

Product position: The way the product is defined by consumers on important attributes—the place the product occupies in consumers' minds relative to competing products.

Product positioning: A marketing strategy designed to project a specific image for a product.

Product proliferation strategy: A strategy that may be adopted by a market challenger or follower. Here the company following this strategy can attack the leader by introducing a larger product variety or versions, thus giving buyers more choice in a specific product category.

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.

Product recall: A policy of a company, which is followed in case, a fault has been found in a product. Generally, the company appeals to purchasers to return product for adjustment or replacement.

Product sales force structure: A sales force organization under which salespeople specialize in selling only a portion of the company's products or lines.

Product specialist: Person in the company who is an expert about a product, its applications, and the various industries where it is used. The product expert is often brought into special situations to help nail down a prospect.

Product specialization: Sales organization in which selling personnel concentrate their efforts on particular product lines, brands, or individual items.

Product specification: The stage of the business buying process in which the buying organization decides on and specifies the best technical product characteristics for a needed item.

Product symbolism: This refers to what a product or brand means to consumers and what they experience in purchasing and using it. For many products, strong symbolic features and psychological meanings may be more important than functional utility. For example, designers' products are often purchased on the basis their symbolic meanings and image. Advertising plays an important role in developing and maintaining the image of these products.

Product use test: One of the key evaluation steps in the product development process. Involves giving some of the new product to persons or firms in the intended target market and asking them to use it for a time and report their reactions to it. The purposes of a product use test are to (1) see if the item developed by the organisation has the attributes prescribed for it, (2) learn whether it satisfies the market needs identified during the ideation process, and (3) disclose information about how and by whom the item is used.

Product/market matrix: A two-by-two matrix in which the column designations are current products and new products, and the row designations are current markets and new markets. The matrix thus defines four types of new product opportunities ranging from the upper-left quadrant of improved versions of "current products to current users" to the right quadrant of "diversification."

Product/trademark franchising: Arrangement in which franchisees acquire the identities/products of franchiser by agreeing to sell the latter's products and/or operate under the latter's names.

Product: Anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a want or need. It includes physical objects, services, events, persons, places, organizations, and ideas.

Product-form pricing: One of the variants of price discrimination where the seller charges two different prices for different versions of the product not in proportion to their respective costs. This is quite a common practice where a company adds new feature and increases the price more than the cost difference it incurred in adding new feature.

Production concept: One of the marketing philosophies that subscribes to the opinion that consumers will favor products that are available and highly affordable and that management should therefore focus on improving production and distribution efficiency.

Production switching: The shifting of production bases from one country to another in response to changes in cost.

Productivity: It is a measure of efficiency expressed as a ratio of output to input.

Product-market expansion grid: A portfolio-planning tool for identifying company growth opportunities through market penetration, market development, product development, or diversification.

Product-minus, brand-minus items: It refers to those products and brands, where the reference groups influence neither the product category nor the brand decision.

Product-minus, brand-plus items: It refers to those products and brands, where the reference groups influence the brand decision but do not influence product category decision.

Product-or brand-management organization: A type of organizing marketing in a company. This organization structure is found in those companies that produce variety of products and brands. The product management organization does not replace the functional management organization, but serves as another layer of management. In this type of marketing organization the product manager supervises product category managers, who in turn supervise specific product and brand mangers. A product-or brand-management organization makes sense if the company's products are quite different, or if the sheer number of products is beyond the ability of a functional marketing organization to handle

Product-plus, brand-minus items: It refers to those products and brands, where the reference groups influence only the product category decision and not the brand decision.

Product-plus, brand-plus items: It refers to those products and brands, reference group may influence both a person's product category ands brand choices.

Product-specific goals: The specifically branded or labeled products that consumers select to fulfill their goals.

Product-specific preplanning input: In order to develop creative advertising messages the creative people in an ad agency are provided with specific studies provided to the creative department on the product or service, the target audience, or a combination of the two. Quantitative and qualitative consumer research such as attitude studies, market structure and positioning studies such as perpetual mapping and lifestyle research, focus group interviews, and demographic and psychographic profiles of users of a particular product, service, or brand are examples of product specific preplanning input.

Product-user segmentation: A type of market segmentation in which a product market may be segmented on the basis of product usage. Heavy users are often a small percentage of the market but account for high percentage of total consumption. For example, heavy soft drink users account for more than 80 percent of the drink consumed—almost many times as much as the light drinkers. Marketers would rather attract one heavy user than several light users. The problem, however, is that heavy users are either extremely loyal to one brand, or never stay loyal to a brand or are always looking for the lowest price.

Profane consumption: The process of consuming objects and events that are ordinary or of the everyday world.

Professional advertising: Advertising directed at those in professions such as medicine, law, or architecture, to encourage them to use a company's product in their business operations. It may also be used to encourage professionals to recommend the use of a particular product or service to their clients.

Profile analysis: It is one of the methods of analysis used to depict attribute-by-attribute differences in how two or more groups of subjects view a specified object, such as a grocery store or a brand. It can also be used to show how Store A is different from Store B on several dimensions such as cleanliness, honesty, dependability, etc. Profile analysis can be carried out through semantic differential scale data in which arithmetic mean or median is calculated for each set of polar opposites for each object evaluated. It is sometimes also referred to as the 'snake plot'.

Profile income: One of the sources of revenues for the dot-com companies. Websites that have accumulated the profiles of a particular target group can sell these profiles if they get permission. At the same time, there is a code of ethics that warn against the wrongful sale or misuse of customer information.

Profit and loss statement (sometimes called an income statement): Summary of the sales and expenses for a given time period, usually monthly, quarterly, or annually.

Profit margin: The ratio of net profit to net sales, showing how much profit a company makes on sales after all expenses and taxes are paid.

Profit pool concept: The identification of the constellation of purchases surrounding a major purchase, and the identification of the rupee value and profitability rates of each of these related sales.

Profitability control: One of the types of marketing control system, needed by the companies to evaluate their marketing effort. It is the task of measuring actual profitability of products, customers, trade channels, and order sizes. For this purpose a company has to redesign its accounting system. Marketing profitability analysis measures the profitability of different marketing activities. Marketing efficiency studies try to determine how various marketing activities could be carried out more efficiently.

Program Evaluation Review Technique (PERT): Identifies and displays the activities and associated time requirements needed to complete a research project or any project.

Program rating: A measure of potential reach in the broadcast industry is the TV or radio programme rating. This number is expressed as a percentage. The programme rating is calculated by dividing the number of households tuned to a particular TV show by the total number of households in a region (or country).

Programmed buyers: A type of business buyers who view the product as not very important to their operations. They buy it as a routine purchase item, usually paying full price and receiving below average service. This is a highly profitable segment for the suppliers.

Programmed decisions: Decisions of a repetitive nature for which a manager's experience and judgment provide the key input.

Programmed merchandise agreements: A joint venture in which a specific retail account and a supplier develop a comprehensive merchandising plan to market the supplier's product line

Progress report: Essential agency paperwork in form of concise minutes of a meeting with a client, reporting topics discussed, decisions taken, and responsibilities of people on both sides concerning these decisions. Sometimes called call report.

Progressive learning model: The perspective that people gradually learn a new culture as they increasingly come in contact with it; consumers assimilate into a new culture, mixing practices from their old and new environments to create a hybrid culture. Research has corroborated this pattern when factors such as shopping orientation, the importance placed on various product attributes, media preference and brand loyalty are examined.

Project evaluation and review technique (PERT): One of the more advances scheduling techniques, which is a probability-based scheduling approach that recognize and measures the uncertainty of the project completion times.

Project innovation gap: The difference between a firm's projected sales/profit goals and what its current product line is expected to produce. Some form of product innovation or acquisition must fill this gap.

Project matrix: An organization option in which the matrix leans towards the project. Participants have dual reporting relationships, but the project is intended to dominate their thinking and action.

Project: A unit of activity in the product development process that usually deals with creating and marketing one new product. A project involves a multifunctional group of people and may often be part of a larger unit of work, a program, which delivers a stream of new products, one from each project.

Projective techniques: Research procedures designed to identify consumers' subconscious feelings and motivations. These tests often require consumers to interpret ambiguous stimuli such as incomplete sentences, cartoons, or inkblots. In projective techniques, respondents are asked to interpret the behaviour of others rather than describe their own behaviour. In interpreting the behaviour of others, respondents indirectly project their own motivations, beliefs, attitudes or feelings. Thus, the respondents' attitudes are uncovered by analyzing their responses to scenarios that are deliberately unstructured, vague and ambiguous.

Projectization: The degree to which a group of people working on new product projects feel committed to the project as against being loyal to the departments where they work. On major innovations, a high degree of projectization is often essential to break through barriers.

Promotion errors: In the context of retail management this refers to one of the possible errors that may be committed by a retailer, which may affect the markdown. Sometimes the right merchandise is purchased by the retailer in the right quantities and is priced correctly, but the merchandise fails to move as planned. This is most often due to a promotional error. The consumer has not been properly informed or prompted to purchase the merchandise. The advertising, personal selling, sales promotion activities, or in-store displays were too weak or sporadic to elicit a strong response from prospective customers.

Promotion online: This refers to placing ads on Internet, as it has become an important advertising medium in the recent years. A company has to decide which form will be most cost-effective in achieving their advertising objectives. Online promotion is showing high growth and costs also reasonable when compared to other advertising media

Promotion: The coordination of all seller-initiated efforts to set up channels of information and persuasion to sell goods and services or to promote an idea. While implicit communication occurs through the various elements of the marketing mix. Most of an organization's communications with the market place take place as part of carefully planned and controlled promotional programs. The basic tools used to accomplish an organization's communication objectives or often referred to as promotion mix.

Promotional alliances: One of the types of marketing alliances in which one company agrees to carry a promotion for another company's product or service. McDonald's, fore example, has often teamed up with Disney to offer products related to current Disney films to people buying its food.

Promotional allowances: A type of reward given to the dealers for participating in advertising and sales support programs.

Promotional discount: Discount received by the retailer for performing an advertising or promotional service for the manufacturer. Promotional discounts encourage the retailer to use a strategy known as forward buying.

Promotional management: The process of coordinating the promotional mix elements to develop a controlled, integrated programme of effective marketing communications. In promotional management, companies must consider which promotional tool to use and how to combine them to achieve its marketing and promotional objectives. In promotional management, companies also face the task of distributing total promotional budget across the promotional mix elements such as what percentage of budget should they allocate to advertising, sales promotion, direct marketing, and personal selling.

Promotional mix: The tools used to accomplish an organization's communications objective. The promotional mix includes advertising, direct marketing, sales promotion, publicity/public relations, and personal selling.

Promotional money (PMs): Push money, or prize money that a manufacturer provides for retail salespeople who sell that manufacturer's brand.

Promotional plan: The framework for developing, implementing, and controlling the organization's marketing communications program and activities. Promotional planners decide on the role and function of specific elements of the promotional mix, develop strategies for each element, and implement the plan. Promotion is only one part of, and must be integrated into the overall marketing plan and program.

Promotional pricing: Temporarily pricing products below the list price, and sometimes even below cost, to increase short-run sales. Promotional pricing strategies are often a zero sum game. If they work, competitors copy them and they lose their effectiveness. If they do not work, they waste money that could have been put into other marketing tools such as building up product quality and service or strengthening product image through advertising.

Promotional product marketing: The advertising or promotional medium or method that uses promotional products such as ad specialties, premiums, business, gift, awards, prizes, or commemoratives.

Promotional pull strategy: A strategy in which advertising and promotion efforts are targeted at the ultimate consumers to encourage them to purchase the manufacturer's brand.

Promotional push strategy: A strategy in which advertising and promotional efforts are targeted to the trade to attempt to get them to promote and sell the product to the ultimate consumer.

Proportion: The number of the elements of the population that have a particular characteristic divided by the total number of elements in the population (a percent).

Proportional chance criterion: Decision rule used in discriminant analysis to develop a comparison yardstick for assessing the predictive accuracy of the discriminant function; the proportional chance criterion holds that the percentage of objects likely to be classified correctly by chance alone.

Proportionate stratified sampling: Stratified sample in which the number of observations in the total sample is allocated among the strata in proportion to the relative number of elements in each stratum in the population. A stratum containing one fifth of all the population elements would account for one fifth of the total sample observations and so on. One advantage of the proportionate allocation is that the researcher needs to know only the relative sizes of each stratum in order to determine the number of sample observations to select from each stratum with a given sample size.

Proposal solicitation: The stage of the business buying process in which the buyer invites qualified suppliers to submit proposals. If the item is complex or expensive, the buyer requires a detailed written proposal from each qualified supplier. After evaluating the proposals, the buyer invites a few suppliers to make formal presentation.

Proprietary standard: Software protocol owned and controlled by a specific company, such as Microsoft Windows.

Prospect call norms: This refers to the norms set by a company with regard to calling prospective customers by the salespeople. Companies often specify how much time salespeople should spend prospecting for new customers. These companies do for a number of reasons. Left to them many sales people will spend most of their time with current customers and minimum time on prospects.

Prospect fees: Payments made to a company for web visitors who actually complete some action, such as click through or filling out an information form.

Prospect: A possible customer, organization or individual who may be interested in purchasing the company’s product or service. Many salespeople don’t understand the distinction between a suspect and a prospect. A suspect is anyone in the marketplace who might possibly use the company’s product. A prospect has been qualified via phone calls, personal visits, surveys and so forth. The prospect has expressed interest in the company's product and has the financial ability to buy it.

Prospecting: The step in the selling process in which the salesperson identifies qualified potential customers. A sales person should be aware that a good prospect generally displays more interest in the product than a poor prospect. The traditional ways of prospecting include: (1) cold calling (2) telemarketing (cold calling on the telephone) (3) direct mail (4) referrals (5) advertising. The first step with each of these approaches is to decide what kind of suspects to concentrate on.

Prospector stage: A selling stage in which activities include seeking out selected buyers who are perceived to have a need for the offering as well as the resources to buy it.

Prosumers: A term, which denotes that in custemerization the consumers can become "self producing consumers". The company is essentially providing a workshop where individual consumer can design what he or she wants.

Protectionism: The use of legal controls by governments to protect specific domestic industries or businesses against foreign competition.

Protestant ethic: A perspective of life, which stresses hard work and individual effort and initiative and views the accumulation of material possessions as evidence of success.

Protestors: Name given to one of the possible segments as revealed by a research study in the US context. Protestors are those TV viewers who were predominantly women in their thirties with technical or professional careers and nearly half of them in high-income category.

Protocol analysis: One of the procedures used in pretesting a questionnaire. In protocol analysis the respondent is asked to "think aloud" while answering the questionnaire. Typically the respondent's remarks are tape-recorded and analyzed to determine the reactions invoked by different parts of the questionnaire.

Prototype concept test: In the context of new product development, a concept test is done after technical work has produced a prototype. The prototype clarifies many aspects of the concept and leads to more reliable concept test reactions. May precede technical work if the prototypes are inexpensive to prepare (such as food products).

Prototype stores: Used with an operations strategy that requires multiple outlets in a chain to conform to relatively uniform construction, layout, and operations standards.

Prototype: The first physical form or service description of new product, still rough or tentative mode. With complex products, there may be component prototypes as well as one finished prototype. For services, the prototype is simply the first full description of how the service will work.

Provider-based revenue models: Fees paid to a Web site owner by other site's visitors. Example includes advertising fees and prospect fees.

Proximity: The tendency to group stimuli by proximity means that one object will be associated with another based on its closeness to that object. Many advertisers use principle of proximity for associating their product with positive symbols and imagery that are depicted close to the product.

Pruning product lines: It refers to the reducing those product items from an existing product line that are doing well and their chances of revival are also very bleak. The weak items can be identified through sales and cost analysis for pruning purposes. Pruning is also done when the company is short of production capacity. Companies typically shorten their product lines in periods of tight demand and lengthen their lines in periods of slow demand.

Pseudo sale: A category of market testing methods wherein the customer does various things to indicate reaction to the product and to its marketing strategy but does not actually spend money.

Psychic proximity: In the context of international marketing this refers to the decision of companies to enter those foreign markets that may not be near in terms of distance but near in psychological terms. For example, many US companies prefer to sell in Canada, England, and Australia—rather than in larger markets such as Germany, and France—because they feel more comfortable with the language, laws, and culture

Psychoanalytic theory: A theory of motivation and personality propounded by Sigmund Freud that postulates that unconscious needs and drives, particularly sexual and other biological drives, are the basis of human motivation and personality. Psychologists and marketers try to use basic postulates of this theory in the context of consumer behaviour. Through motivation research, application of psychoanalytic theory, attempts are made to uncover unconscious needs of the consumers in purchasing various products and services.

Psychogalvanometer: A device that measures a person's reactions to various stimuli by measuring change in the rate of perspiration. It identifies only the presence or absence of an emotional response, not the nature of the response. The application of this device is in advertising research. The theory behind this device is that physiological changes, such as increased perspiration, accompany emotional reaction. Excitement leads to increased perspiration, which increases the electrical resistance of the skin. From the strength of the response, the researcher infers the respondent's interest level and attitude toward the advertisement.

Psychographic characteristics: Intrinsic psychological, sociocultural and behavioral characteristics that reflect how an individual is likely to act in relation to consumption decisions. Also referred to as lifestyle variables. These are relevant to marketers on two levels. First, broad psychographic trends such as changing male and female changing roles have altered the habits, tastes and purchasing behaviour of many consumers. Second, psychographic characteristics can be applied on product specific basis.

Psychographic instrument: A series of written statements (also known as battery of statements) designed to capture relevant aspects of a consumer's personality, buying motives, interests, attitudes, beliefs, and values. This is also sometimes also referred to as psychographic inventory.

Psychographic segmentation: Dividing a market into different groups based on social class, lifestyle, or personality characteristics. Psychographic segmentation helps in identifying, promising consumer segments that are likely to be responsive to specific marketing messages. Marketers are combining psychographic and demographic profile of the consumers for developing their advertising campaigns.

Psychographic types: Form of lifestyle classification, e.g. Baby Boomers who have grown up since the baby boom of the 1960s, Crinklies or Wrinkles who are elderly people who were in their twenties during the Second World War, empty nesters who are married couples without children, and Yuppies, the young upwardly mobile professionals.

Psychographics (sometimes referred to as lifestyle analysis): A description of a market based on factors such as attributes, opinions, interests, perceptions and lifestyle of consumers comprising that market. The first step in conducting psychographic analysis is to determine which lifestyle segments is producing the bulk of consumers for a particular product. According to 80:20 principle only twenty per cent of product users account for 80% of the volume of products sold. Researchers attempt to determine who uses the brand and try to isolate, heavy moderate and light users. Through lifestyle analysis, these heavy users of a product can be reached more effectively.

Psychological characteristics: The inner or intrinsic qualities of the individual consumer.

Psychological consequences: Purchase decision consequences that are intangible, subjective, and personal.

Psychological discounting: A strategy that involves setting an artificially high price and then offering the product at substantial savings. This practice is considered unethical. However, discounts from normal prices are legitimate form of promotional pricing.

Psychological noise: A barrier to message reception (i.e. competing advertising messages or distracting thoughts). A viewer faced with the clutter of successive commercials during a TV program break may actually receive and retain almost nothing of what he has seen. There are various strategies that marketers' use to overcome psychological noise. However, the most effective way to ensure that a promotional message stands out and received and decoded appropriately by the target audience is through effective positioning and unique selling proposition.

Psychological pricing (Odd pricing): A pricing approach that considers the psychology of prices, pricing above competitive levels, raising an unsuitably low price to increase sales, and price lining, and not simply the economics; the price is used to say something about the product. Odd pricing, another psychological pricing strategy, is commonly used in retailing. Odd pricing sets prices at uneven (or odd) amounts, such as 990 rupees, rather than even amounts. The rationale for odd pricing is that it suggests lower prices and, as a result, yields greater sales than even pricing.

Psychological resistance: During the selling process many times a sales person encounters a type of resistance in the form of certain objections, which may not be real but psychological. Customers typically pose objections during the sales presentation or when asked for order. Psychological resistance includes resistance to interference, preference for established supply sources or brands, apathy, reluctance to giving up something, unpleasant associations created by the sales representative, preconceived ideas, and dislike of making decisions.

Psychological segmentation: Dividing the total potential market into smaller subgroups on the basis of intrinsic characteristics of the individual, such as personality, buying motives, lifestyle, attitudes or interests.

Psychological set: The consumer's state of mind toward an object; that is, his or her needs, attitudes, and perceptions relative to various brands. The psychological set is represented at a given point in time prior to the decision process. It will change during the decision process when the consumer processes new information, resulting in changes in needs, attitudes, and perceptions.

Psychological tools in research: All those psychological tools that marketing researchers use in probing a buyer's deeper beliefs and feelings. These may include laddering techniques, depth interviews, and Rorshach tests.

Psychology: The study of the intrinsic qualities of individuals, such as their motivations, perception, personality, and learning patterns.

Psychophysics: The science that focuses on how the physical environment is integrated into the consumer's subjective experience.

Public relations: Building good relations with the company's various publics by obtaining favorable publicity, building up a good "corporate image," and handling or heading off unfavorable rumors, stories, and events. Major PR tools include press relations, product publicity, corporate communications, lobbying, and public service. Public relations generally has a broader objective than publicity, as its purpose is to establish and maintain a positive image of the company among its various publics.

Public sources: One of the types of information sources that a consumer looks for product information before making a purchase decision. These are independent sources and include mass media, and consumer rating organizations. These sources of information are considered to be effective as the customer gives importance because of their non-bias opinions than the commercial sources, which normally emanate from the company.

Public warehouse: Independent warehouse that offers storage and handling facilities to individuals and companies. Public warehousing costs are a variable expense. Customers pay only when they use it.

Public warehouses can also provide office and product display space, and accept and fill orders for sellers. Furthermore, a warehouse receipts covering products stored in public warehouses may be used as collateral for bank loans.

Publicity: Any nonpersonal stimulation of demand for a product, service, or business unit by planting commercially significant news about it in a published medium or obtaining favorable presentation of it upon radio or television, that is not paid for by the sponsor. Organizations seek good publicity and frequently provide the material for it in the form of news releases, press conferences, and photographs. There is, of course, also bad publicity, which organizations try to avoid or deflect.

Publics: Any group that has an actual or potential interest in or impact on an organization's ability to achieve its objectives. With these groups the company wishes to establish a favorable reputation and some times tries to avoid them also.

Public-service activities: One of the tools that is used in public relations. Through public-service activities companies try to build goodwill by contributing money and time to good causes.

Puffery: It is defined as "advertising or other sales presentations that praises the item to be sold using subjective opinions, superlatives, or exaggerations, vaguely and generally, stating no specific facts". The use of puffery in advertising is common. For example, Nestle claims "Nestle makes the very best chocolates". Superlatives such as greatest, best, and finest are puffs that are often used. Puffery has generally been viewed as a form of poetic license or allowable exaggeration.

Pull strategy: A promotion strategy that calls for spending a lot on advertising and consumer promotion to build up consumer demand. If the strategy is successful, consumers will ask their retailers for the product, the retailers will ask the wholesalers, and the wholesalers will ask the producers.

Pulsing: One of the three methods of media scheduling available to a media planner. It is actually a combination of continuity and flighting patterns. In this strategy, continuity of advertising is maintained, but at certain times, advertising is stepped up. For example, car advertising continues throughout the year but may increase in February and March for getting benefit of tax and depreciation.

Punishment: The learning that occurs when a response is followed by unpleasant events (such as being ridiculed by friends for wearing an offensive smelling perfume). In the context of consumer behaviour, punishment leads to non-repeat behaviour for a particular product/brand/service.

Pupil dilation response: In the context of advertising it refers to the increased diameter of the eyes' pupils when the respondent sees something interesting.

Pupillometrics: An advertising effectiveness methodology designed to measure dilation and constriction of the pupils of the eye in response to stimuli. Advertisers use pupillometrics to evaluate product and package designs as well as to test ads. People dilation suggests a stronger interest in (or preference for) for an ad or implies arousal or attention getting capabilities.

Purchase act: Exchange of money or a promise to pay for the ownership or use of a good or service. Purchase variables include the place of purchase, terms, and availability of merchandise.

Purchase behaviour: Behaviour that involves three types of purchases**:** trial purchases (the exploratory phase in which consumers attempt to evaluate a product through direct use); repeat purchases, which usually signify that the product meets with consumer's approval and that the consumer is willing to use it again; and long term commitment purchases.

Purchase decision: The stage of the buyer decision process in which the consumer actually buys the product. Some experts feel that the purchase decision is not the same as an actual purchase. Once a consumer decides which brand to buy, he or she must still implement the decision and make the actual purchase.

Purchase frequency: It refers to the number of times during a particular period that the average buyer buys the product. Higher the purchase frequency, the more continuous advertising is required.

Purchase intention: This refers to the predisposition to buy a certain brand and product. Purchase intentions are generally based on a matching of purchase motives with attributes or characteristics or brands under considerations. Their formation involves many of the personal sub-processes including motivation, perception, attitude formation and integration.

Purchase panels: It is a data gathering technique in which respondents record their purchases online or in a diary. These purchase panels ARE used in experimental as well as descriptive longitudinal research designs.

Purchase probability Scale: Many companies in order to forecast future sales use purchase probability scale. They conduct periodic surveys of consumer buying intensions. Some surveys measuring purchase probability are geared toward getting feedback on specific new products before they are released in the marketplace.

Purchase probability: How likely a consumer is to purchase a particular product within a given time frame (which may vary from product to product).

Purchase time: (1) The amount of time that elapses between consumer's initial awareness of a new product or service and the point at which they purchase or reject it. (2) It may also refer to the sub-decision "When to purchase?".

Purchasing agents: Members of the marketing channel who operate on a contractual basis for a limited number of customers and receive a commission just as sales agents do.

Purchasing power parity (PPP): An alternative measure of wealth that estimates the per capita GNP. The basic idea of PPP is to identify the number of units of a country's currency required to buy the same amounts of goods and services in the domestic market as one dollar would buy in the United States. Thus PPP is an alternative way to measure wealth that is more indicative of the purchasing power of a country's currency.

Purchasing power: Consumer's ability to buy various goods and services for personal consumption.

Pure bundling: One of the pricing strategies that a company uses when it wants ti bundle it related products. Pure bundling occurs when a company only offers its products as a bundle. This is a form of tied-in-sales, which is not common.

Pure monopoly: One of the industry structure types in which there is only one firm provides a certain product or service in a certain country or area. An unregulated monopoly might charge a high price, do little or no advertising, and offer minimum service. If partial substitutes are available and there is some danger of competition, the monopolist might invest in more service and technology.

Pure oligopoly: A form of oligopoly industry structure in which there it consists of a few companies producing essentially the same commodity (oil, steel).

Pure service: One of the types of offerings by the companies. A pure service consists primarily of a service with no tangible good or very insignificant tangible goods such as baby-sitting, coaching, massage, and legal services.

Pure tangible good: One of the types of offerings by the companies. A pure tangible good consists primarily of a tangible good such as soap, toothpaste, or brush. No services accompany the product.

Pure-click companies: All those companies who carry their business operations only online through the Internet. They do not do business offline. These companies have launched themselves only on Internet without any previous existence as a firm. There are several kinds of pure-click companies: search engines, Internet Service P4roviders (ISPs), commerce sites, transaction sites, content sites, and enabler sites.

Purposive sample: A nonprobability sample selected with some specific objective(s) in mind. For example, selecting geographically dispersed people who possess a valid driver's license and a good driving record to test-drive a new front-wheel-drive car.

Push money (PM) (spiffs): Cash payments made directly to the retailers' or wholesalers' sales force to encourage them to promote and sell a manufacturer's product. May be considered as one of the trade sales promotion techniques.

Push strategy: A promotion strategy that calls for using the sales force and trade promotion to push the product through channels. The producer promotes the product to wholesalers, the wholesalers promote to retailers, and the retailers promote to consumers.

Push technique (on Web): A web promotion practice, which reaches out to customers through e-mail, buddy lists, and other services. Many companies are offering push content and ads to targeted audiences who agree to receive them. The advantage is that the targeted push content and ads reach users who are interested in the product or product category.

Push-pull strategy: Process of pushing products through distribution system by means of trade terms, trade advertising, point-of-sale displays and schemes, advertising and sales promotion being used to pull products by creating demand. Sometimes reversed as pull-push strategy.

Q

Q-sort technique (scaling): General methodology developed to discriminate among relatively large number of objects quickly. It gathers data and processes the collected information; the subjects are assigned the task of sorting a number of statements by placing a specific number of statements in each sorting category; the emphases are on determining the relative ranking of stimuli by individuals and in deriving cluster of individuals who display similar preference ordering of stimuli. For example, respondents are given hundred attitude statements on individual cards and are asked to place them into eleven piles ranging from “most highly agreed with” to “least highly agreed with”.

Quadrant analysis: A variation of cross-tabulation table which, plots responses to rating scale questions into four quadrants on a two dimensional scale. Most quadrant analysis in business or marketing research portrays or plots the relationship between the average responses about a product attribute’s importance and average rating of a brand’s performance with respect to the product feature. It is also sometimes known as importance performance analysis.

Qualifying prospects: The process of determining if organizations or individuals (suspects) represents legitimate prospects for the company’s goods or services.

Qualitative audit: An audit of the advertising agency’s efforts in planning, developing, and implementation of the client’s communication programs and considers the results achieved.

Qualitative forecasting methods: Methods that involve collecting judgments or opinions from knowledgeable individuals.

Qualitative measures in research: Research instruments used in marketing research. These are qualitative tools some marketers prefer to use in qualitative research for gauging consumer opinion because consumer actions do not always match their answers to survey questions.

Qualitative media effect: The positive or negative influence the medium may contribute to the message. The image of the media vehicle can effect reactions to the message. For example, an ad for a high quality men’s clothing might have more of an impact in a fashion magazine than in sports.

Qualitative research: Designed to provide more information about consumers' underlying motives by asking them questions in an unstructured manner. It is usually exploratory or diagnostics in nature. It is based on small samples and utilizes techniques such as focus groups, word association and depth interviews. Other exploratory research techniques pilot surveys with small samples of respondents may also be undertaken.

Qualitative variable: *See* binomial variables

Quality cues: Indicators or signs, which help the users gauge quality of a product/website/service.

Quality function deployment: Often stated as QFD. A system of project management developed for use in very complex situations such as automobiles. Especially useful to new products is the first part – the House of Quality – a careful statement of customer needs and wants for the item being developed, followed by stipulation of technologies that will be used to achieve each of those characteristics.

Quality: The totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs.

Quality-price specialist: A niche marketer that operates at the low or high quality ends of the market.

Quantitative research: A research methodology that seeks to quantify the data and typically applies some form of statistical; analysis. Here the researcher investigates with large groups of respondents regarding the "what, when, where, and how" of behaviour.

Quantity controls: Government limitations on the amount of foreign currency that can be used or specific transactions, often used in conjunction with tourism.

Quantity discount: A price reduction to buyers who buy large volumes. A typical example is "Rs 100 per unit for less than 200 units; Rs 90 per unit for 200 or more units". Quantity discounts must be offered equally to all customers and should not exceed the cost savings to the seller. They can be offered on each order placed or on the number of units ordered over a period of time.

Quasi-experimental design: An experimental design that involves periodic measurements on the dependent variable for a group of test units. Then the researcher administers the treatment. After the treatment, periodic measurements are continued in order to determine the treatment effect. This is also called time series design. Such designs are useful because they can be useful in cases when true experimental designs cannot, and because they are quicker and less expensive. However, because full experimental control is lacking the researcher must take into account, the specific variables that are not controlled.

Query expansion: The ability of a search engine to retrieve documents that contain related items and synonyms of search terms in addition to documents containing the search terms themselves.

Questioning error: One the possible errors that may creep in a research project on account of errors made by the interviewer or researcher in asking the respondent questions in a wrong wording or not probing when more information is needed.

Questionnaire: One of the most important aides for conducting research. It is a structured technique for data collection that consists of a series of questions, written or verbal that a respondent answers. Also referred to as ‘research instrument’.

Queuing model: One of the quantitative models that is used in marketing decision support system (MDSS). This model shows the waiting times and queue lengths that can be expected in any system, given the arrival and service times and the number of service channels. For example, Indian Railways uses this model to issue tickets.

Quick ratio: The ratio of current assets less inventory to current liabilities.

Quick response (QR) inventory planning: In the context of retailing this enables a retailer to reduce the amount of inventory it keeps on hand by ordering more frequently and in lower quantity.

Quick response systems (QRS): A computerized delivery system that links the information systems of suppliers, manufacturing plants, distribution centers, and retailing outlets. Buyers will often choose a supplier with a better reputation for speedy or on-time delivery.

Quota sampling: A nonprobability sampling technique chosen in such a way that the proportion of sample elements possessing a certain characteristic is approximately the same as the proportion of the elements with the characteristic in the population; each field worker is assigned a quota which specifies the characteristics of the people he is to contact. In other words, the quotas ensure that the composition of the sample is the same as the composition of the population with respect to the characteristics of interest. Once the quotas have been assigned, there is considerable freedom in selecting the elements to be included in the sample.

Quota system: A commodity agreement whereby producing and/or consuming countries divide total output and sales in order to stabilize the price of a particular product. Quota systems have been used for such products as coffee, tea, and sugar, and such a system often is applied in conjunction with a buffer-stock system

Quota: Rupee amount and/or product quantity of sales assigned to a salesperson for a specific period of time. Most companies use a historical base when establishing quotas. That is they look at what a territory produced last year, add the company growth factor and this year's quota is established.

Quoted currency: The currency whose value is not 1 when an exchange rate is quoted by relating one currency to another.

R

Racial (ethnic) subculture: A self-perpetuating groups of consumers who are held together by common genetic ties, and are identified both by its members and by others as being distinguishable category. Although differences in lifestyles and consumer spending patterns exist among these groups, the vast majority of consumer research has focused on consumer differences among a few racial groups.

Rack display: In the context of retail layout this refers to an interior display that neatly hangs or presents products.

Rack jobbers: One of the types of limited service wholesalers found in grocery and drug business. They send the delivery trucks to stores, and the delivery people set up display, price the good, keep them fresh, set up point-of-purchase displays, and keep inventory records. Rack jobbers retain title to the goods and bill retailers only for goods sold to consumers.

Random effects model: An ANOVA procedure in which interpolation of results between treatments is allowed.

Random error: Error in the measurements caused by the transient aspects of the respondent or measurement setting. A random error is present when a researcher repeats a measurement on an individual or group of individuals and do not get the same scores as the first time, even though the characteristic being measured has not changed. Therefore, random error is not constant but varies from one measurement to another measurement.

Random sampling error: It is one of the sampling errors that occurs because the particular sample selected is an imperfect representation of the population of interest. It is the variation between true parameter value for the population and the true sample statistic value for the original sample if it was perfect representation of the population of interest.

Random-digit dialing (RDD): Technique used in studies employing telephone interviews in which the numbers to be called are randomly generated. RDD consists of selecting all digit (10) telephone numbers at random. Although this approach gives all households with telephones an approximately equal chance being included in the sample, it suffers from limitations. It is costly and time consuming to implement because all possible telephone numbers are not in service.

Also RDD does not distinguish between telephone numbers that are of interest and those that are not.

Randomization: In the context of experimental research designs, it is one of the methods in controlling the extraneous variables. This is done by assigning the test units to experimental groups on a random basis. Treatment conditions are also randomly assigned to experimental groups.

Randomized response model: Interviewing technique in which potentially embarrassing and relatively innocuous questions are paired, and the question the respondent answers is randomly determined.

Randomized-block design: A statistical experimental design in which**:** (1) the test units are divided into blocks or homogenous groups using some external criterion, and (2) the objects in each block are randomly assigned to treatment conditions, the randomized-block design is typically employed when there is one extraneous influence to be explicitly controlled. By blocking, the researcher ensures that the various experimental are matched closely on the external variable.

Range: The maximum distance a consumer is willing to travel for a product or service.

Rank-order scaling: A comparative scaling technique in which the respondents are presented with several objects simultaneously and asked to order or rank them according to some criterion. For example, respondents may be asked to rank brands of soft drinks according to overall preference. Rank order scaling is commonly used to measure preferences for brands as well as attributes. Rank order data are frequently obtained in conjoint analysis and are in the ordinal scale form.

Rapid penetration strategy: It is one of the marketing strategies that company may adopt in the context of introducing a new product or brand in its target market. In this strategy the company introduces the new product keeping relatively low price with high promotion in order to penetrate the target market as fast as possible. The objective is market share and profit maximization in the long run. This strategy works effectively in certain market conditions. These include: (1) Target market is highly competitive, (2) Consumers are not aware of the product, and (3) Consumers are price sensitive.

Rapid prototyping: (1) Describes the general process strategy of attempting to get a concept into prototype as soon as possible, even if still very rough. (2) Software for producing prototypes by stereo lithography rather than by hand molding and shaping methods.

Rapid skimming strategy: It is one of the marketing strategies that company may adopt in the context of introducing a new product or brand in its target market. In this strategy the company introduces the new product keeping relatively high price with high promotion in order to get the top layer of the target market as early as possible. This strategy works effectively in certain market conditions. These are: (1) Customer awareness for the product is not very high, (2) Among those who are aware, willingness to pay any price, (3) Market size for the product is large, and (4) Threat from competition is imminent

Ratchet effect: The process by which sales, having risen by means of sales promotion, are maintained at the higher level by other promotional tools.

Rate card: The price list for advertising in a periodical.

Rate differential: The controversial practice of newspapers charging significantly higher rates to national advertisers as compared to local accounts.

Rate of adoption: The percentage of potential adopters within a specific social system who have adopted a new product within a given period of time. The speed of adoption process depends on the following factors: (1) The risk (cost of product failure or dissatisfaction), (2) the relative advantage over other products, (3) the relative simplicity of the new product, (4) Its compatibility with previously adopted ideas, (5) The extent to which its trial can be accomplished on a small scale basis, and (6) the ease with which the central idea of the new product can be communicated. Therefore, some new products move quickly through the adoption process whereas others take years.

Rate of asset turnover: In the context of retail management it is one of the measures of assessing the profitability of a retail establishment. It is computed by dividing the retailer’s net sales by total assets. This ratio measures how productively the retailer’s assets are being utilized. The asset turnover ratio incorporates data from the income statement (sales) and the balance sheet (assets) and, as such shows how well the retailer is utilizing its capital to generate sales. This ratio may also be used by manufacturing companies.

Rate of usage: The frequency of use and repurchase of a particular product.

Rating scales: A variety of scales usually employed to measure attitudes towards an object, the degree to which an object contains a particular attribute, one's feelings (like or dislike) toward some attribute, or the importance attached to an attribute. Rating scales require the rater to place an attribute of the object being rated at some point along a numerically ordered series of categories.

Ratings point (TV): The percentage of TV households in a market/region a TV channel reaches with a program. Generally, one ratings point is the equivalent of 1 percent of all the television households in a particular area tuned to a specific program. The percentage may vary with the time of day. A channel may have a 10 rating between 6:00 and 6:30 P.M. and a 20 rating between 9:00 and 9:30. The program rating is the key number to the TV programme, since the amount of money they can charge for commercial timings is based on it. Advertisers also follow ratings closely since they are the key measure for audience size and commercial rates.

Ratio scale: A scale of measurement that has all the properties of an interval scale plus an absolute zero point. It allows the researcher to identify or classify objects, rank order the objects, and compare intervals or differences. It is also meaningful to compare ratios of scale values. All statistical techniques can be applied to ratio data.

Rational appeal: Advertising appeals that focus on the practical, functional, or utilitarian need for a product or service and emphasize features benefits or reasons for owning or using the brand. Content of these messages emphasizes facts, learning, and the logic of persuasion. Rational based appeals tend to be informative and advertisers using generally attempt to convince customers that their brand has a particular attribute(s) or provides a specific benefit that satisfies their needs. They are also called informational appeals.

Rational motives: Motives or goals based on economic or objective criteria, such as price, size, weight, or miles-per-gallon. In the context of consumer behaviour rational motives assume that consumers behave rationally by carefully considering all alternatives and choosing those that give them greatest utility.

Rational perspective: A view of the consumer as a careful, analytical decision maker who tries to maximize utility in purchase decisions.

Rationalization: (1) The change that occurs within an industry to compensate for some form of imbalance, such as the need to achieve greater economies of scale. (2) One of the defense mechanisms in which sometimes individuals redefine the frustrating situation by inventing plausible reasons for not being able to attain their goals. Or they may decide that the goal really was not worth pursuing. Rationalizations are not deliberate lies but an explanation on account of some frustrating situation. Thus, a consumer who cannot give up smoking may convince himself that he is smoking less if he smokes fewer (though longer) cigarettes each day.

Rationalized production: In the context of international business, it refers to the specialization of production by product or process in different parts of the world to take advantage of varying costs of labor, capital, and raw materials.

Rationalized retailing: Combines a high degree of centralized management control with strict operating procedures for every phase of business.

Reach: A measure of number of different audience members exposed at least once to a media vehicle in a given period of time.

Reactance theory: The theory that postulates that when an individual's freedom to engage in a specific behaviour is threatened, the threatened behaviour becomes more attractive A "boomerang effect" that sometimes occurs when consumers are threatened with a loss of freedom of choice; they respond by doing the opposite of the behavior advocated in a persuasive message. For example, efforts to censor books, television shows, or rock music that some people find objectionable may result in an increased desire for these products by the public. Similarly, extremely overbearing promotions that tell consumers they must or should use a product may wind up losing more customers in the long run. Reactance more likely to occur when the perceived threat one's freedom increases and as the threatened behavior's importance to the consumer also increases.

Reactive error: One of the possible errors in experimental designs that occurs when the artificiality of the experimental situation or the behaviour of the experimenter causes effects that emphasize, dampen, or alter any effects caused by the treatment variable.

Reactive marketing orientation: A marketing approach that emphasizes understanding and meeting customers' expressed needs. This approach has been criticized on the ground that companies will go only for low-level innovations if they think only the expressed needs of customers.

Reactive marketing: A term used in customer relationship building. The company sells the products and encourages customers to call if he or she has questions, comments or complaints. This is a passive way of building customer relationship.

Readers per copy: A cost comparison figure used for magazines that estimated audience size based on pass-along readership.

Readership: The number of people who read the publication. The Audit Bureau of Circulation of a country certifies readership figures. The print media space rates are governed by the readership figures of a publication.

Real income growth: A term is used in economics, which is also important in the marketing. This refers to the growth in income of people in a country minus the effect of inflation.

Real space primary data collection: It refers to one of the electronic sources of primary data collection that uses technology-enabled approaches to gather information offline that is subsequently stored and used in marketing databases. The most important real space techniques are bar code scanners, and credit card terminals at brick-and-mortar retail stores.

Reality engineering: The process whereby elements of popular culture are appropriated by marketers and converted to vehicles for promotional strategies. These elements include sensory and spatial aspects of every day existence, whether in the form of products appearing in movies, scents pumped into offices and stores, billboards, theme parks, video monitors attached to shopping carts.

Reality principle: In the context of psychoanalytical theory reality principle finds ways to gratify the id that will be acceptable to the outside world.

Real-time personalized marketing: A term used in the context of direct marketing. It is one of the stages that direct marketing has passed through. It refers to that direct marketers know enough about each customer to customize and personalize the offer and message.

Real-time profiling: Customer profiling uses data warehouse information to help marketers understand the characteristic and behaviour of specific target group. Real-time profiling, also known as tracking user clickstream in real-time, allows marketers to profile and make instantaneous and automatic adjustments to site promotional offers and web pages. This is generally done through specialized software.

Rebate: The amount owed to an advertiser by a medium when circulation falls below some guaranteed level or the advertiser qualifies for a higher space or time discount.

Recall tests: Advertising effectiveness tests designed to measure advertising recall. There are several tests to measure recall of print as well as broadcast ads. Recall tests are considered to be more effective than recognition tests on gauging the effectiveness of an advertisement.

Receipt of goods (ROG) dating: One of the ways of getting cash discounts from the manufacturer. It is a method of billing, which allows for cash discount and the full payment period to begin from the date they are received by the buyer.

Receiver: In the context of marketing communication it refers to the person or persons with whom the sender shares thoughts or information. Generally, receivers are the consumers in the target market or audience who read, hear, and/or see the marketer's message and decode it.

Recency effect: A theory that proposes that the last (i.e. most recent) message presented in a sequential series of message tends to be remembered longest. Also sometimes referred to as primacy effect.

Reciprocal quote: In the context of international business or international marketing, this refers to the reciprocal of the direct quote; also known as the indirect quote.

Reciprocity norm: A culturally learned obligation to return the gesture of a gift with one of equal value.

Reciprocity: Situation in which two companies buy products and/or services from one another. Reciprocity appears to be a reasonable procedure**.** The problem that this situation creates is that competition is now excluded. Better deals, lower prices, faster service, and superior quality products are not even considered because any change could damage the arrangement.

Recognition method (test): Perhaps the most common posttest of print ads. This method allows the advertiser to assess the impact of an ad in a single issue of a magazine over time and / or across alternative magazines.

Recognition: For purpose of claiming commission on media purchases, advertising agencies and media independents have to apply to Indian newspaper Society (INS), and other media bodies for recognition. This is granted upon satisfactory evidence of credit worthiness (ability to pay media bills promptly). This process of ad agency recognition by the media is also known as accreditation.

Reconciliation (conflict): One of the types conflict resolution through some procedure between the producer and the retailer**.** A situation in which the value systems of the parties to the conflict change so that they now both want the same state of affairs so that conflict is eliminated.

Recording error: One the possible errors that may creep in a research project on account of errors made by the interviewer or researcher in hearing, interpreting, and recording the answers given by the respondents. For example, a respondent indicates a neutral response but the interviewer misinterprets that to mean a positive response.

Reengineering: A type of company response on account of the rapidly changing marketing environment. Companies instead of focusing on functional departments reorganizing themselves by key processes, each managed by a multi-discipline team.

Reference group: Any group with which an individual identifies such that he or she tends to use the group as a standard for self-evaluation and as a source of personal values and goals. Such groups provide consumers with a means to compare and evaluate their own brand attitudes and purchasing behavior. They may be classified as aspirational, membership, and dissociative. Consumers use reference groups as a guide to specific behaviors, even when the groups are not present. Marketers use reference group influences in developing advertisements and promotional strategies.

Reference prices: Prices that buyers carry in their minds and refer to when they look at a given product by noticing current prices, past prices, or the buying context. Sellers often manipulate these reference prices. For example, a seller can place its products among expensive products to imply that it belong to the same class.

Reference/standard price: The price consumers expect to pay for a certain item that serves as a frame of reference by which consumers compare prices of alternative brands.

Referent power: This is on of the power exhibited by reference groups. This is the power of prominent people to affect others' consumption behaviors by virtue of product endorsements, distinctive fashion statements, or championing of causes. Referent power is important to many marketing strategies because consumers voluntarily change behaviour to please or identify with a referent.

Referral income: One of the sources of revenues for the dot-com companies. These companies can collect revenue by referring customers to others. For example, Marketplace.com charges a fee for the names of the corporate customers who want to sell or buy a business.

Referrals: One of the methods of prospecting where the recommendations from satisfied customers to individuals (or companies) who might be prospects for the company's products or services. Seeking referrals is one of the more productive methods for establishing prospects. It should be part of every salesperson's prospecting system. Some salespeople make it a point to ask their good customers for suggestions on others who might benefit from the company's products.

Refusals: Nonsampling error that arises because some designated respondents refuse to participate in the study, which may result in lower response rates and increase potential for non-response bias.

Refutational appeal: A type of message in which both sides of the issue are presented in the communication, with arguments offered to refute the opposing viewpoint. As refutational appeals tend to 'inoculate' the target audience against a competitors counter claims, they are more effective than one-sided messages in making consumer resistant to an opposing message.

Regiocentric: In the context of international business this refers to the orientation of some companies toward regions rather than individual countries as markets.

Regional economic integration (REI): In the 1950s and 1960s, regional economic integration gained significant momentum. Regional economic integration involves the organizing of individual countries into groups that then abolish restrictions on the trade of goods and services with member countries and also may engage in other activities that promote their citizens.

Regional networks: A network that covers only a specific portion of the country. Regional network purchases are based in proportion to the percentage of the country receiving the message.

Regional shopping center: Large, planned shopping facility appealing to a geographically dispersed market. It has at least one or two full-sized department stores and 50 to 150 or more smaller retailers. The market for this center is 100,000+ people, who live or work up to a 30-minute drive time from the center.

Regional subcultures: Groups who identify with the regional or geographical areas in which they live. Consumer research studies have documented differences in consumption patterns of people who are living in different regional sub-cultures. This knowledge may help the marketer redefine local markets in terms of specific life styles and product preferences.

Regression analysis: Statistical technique used to derive an equation that relates a single criterion variable to one or more predictor variables. When there is one predictor variable, it is simple regression analysis; while in multiple regression analysis there are two or more predictor variables.

Regression coefficient: One of the statistics associated with regression analysis. The estimated parameter b in a regression equation is usually referred to as the nonstandardized regression coefficient.

Regression: One of the defense mechanisms in which some people react to frustrating situations with childish or immature behaviour. A woman attending a bargain sale for example, may fight over merchandise rather than allow some other women have it.

Regressive commission plans: One of the compensation methods given to the sales people in which the rate of commission decreases with increases in sales volume.

Reidenbach and Robin scale: It is a multi item, multi dimensional scale developed by Reidenbach and Robin used for measuring the ethical perceptions of managers.

Reilly's law of retail gravitation: Two cities attract trade from an intermediate place in direct proportion to the population of the two cities, and in inverse proportion to the square of the distance from the two cities to the intermediate place.

Reinforcement advertising: A type of advertising, which is based on objectives to be achieved. It aims to convince current customers that they made the right choice. For example, many consumer durable product ads often depict satisfied customers enjoying special features of their newly purchased brands.

Reinforcement strategies: Used by marketers to reinforce positive attitudes rather than attempting to change them. Can be used to attract new users or appeal to existing consumers with new or existing products.

Reinforcement: A positive or negative outcome that influences the likelihood that a specific behaviour will be repeated in the future in response to a particular cue or stimulus.

Reintermediation: Adding of new layers of intermediaries. This phenomenon is observable in case of both 'brick-and-mortar' and 'pure click' companies. For example, online companies such as Amazon.com and Ebay, are experiencing the mushrooming of new layers of intermediaries (such as bots like Bestbuy.com, Buy.com etc).

Reinvestment: The use of retained earnings to replace depreciated assets or to add to the existing stock of capital.

Relational database: A database in which records are stored in two or more dimensions.

Relationship buyers: A type of business buyers who regard the product as moderately important and are knowledgeable about the competitive offerings. They prefer some discount and a modest amount of services and would go for a supplier as long as the price is not far out of line.

Relationship enterprises: A name given to the new global structure of some of the transnational corporations are coming together through the networks of strategic alliances among big companies, spanning different industries and countries, but held together by common goals which encourage them to act almost as a single firm. These relationship enterprises can be larger than all but the world's six biggest economies. This new structure makes the old global company obsolete.

Relationship equity: One of the three drivers of customer equity which refers to the customer's tendency to stick with the brand, above and beyond objective and subjective assessment of its worth. Subdrivers of relationship equity include loyalty programs, special recognition and treatment programs, community building programs, and knowledge building programs. Relationship equity is especially important where personal relationships count for a lot and where customers tend to continue with suppliers out of habit or inertia.

Relationship marketing: Marketing aimed at creating strong, lasting relationships with a core group of customers by making them feel good about how the company does business with them and by giving them some kind of personal connection to the business. The emphasis here is on developing long-term bonds with customers by making them feel good about how the company interacts (or does business) with them and by giving them some kind of personal connection to the business. It is to a firm's advantage to develop long-term relationship with the existing customers because it is easier and less expensive to make an additional sale to an existing customer than to make a new sale to a new customer.

Relationship retailing: In the context of retail business this refers to the efforts of a retailer who seeks to establish and maintain long-term bonds with customers, rather than act as if each sales transaction is a completely new encounter with them.

Relationship selling: Personal selling based on long-term associations with buyers.

Relationships analysis: This term is used in the context of new product development process, which refers to a category of analytical attribute methods of ideation in which the essential elements are brought together. Two-dimensional matrixes are the simplest technique used in relationship analysis. For more complex product ideas morphological matrixes have been found to be more productive.

Relative advantage: In the context of diffusion of innovation this refers to one of the characteristics of new products, which are accepted by the consumers. Relative advantage refers to the degree to which potential customers perceive a new product to be superior to existing alternatives or substitutes.

Relative cost (media): The relationship between the price paid for advertising time or space and the size of the audience delivered; it is used to compare the prices of various media vehicles. Relative costs are important because the advertising manager must try to optimize audience delivery within budget constraints, since a number of alternatives are available for delivering the message, the advertiser must evaluate the relative costs associated with different media options.

Relative market share: One of the ways of measuring the market share. It can be expressed as market share in relation to its largest competitor. A relative market share over 100 percent indicates a market leader. A relative market share of exactly 100 percent means that the company is tied for the lead. A rise in the relative market share means a company is gaining on its leading competitor.

Relative precision: The degree of precision desired in an estimate of a parameter is expressed relative to the level of the estimate of the parameter.

Relative product failure: A type of new product failure in which a company earns some profits that is less than the company's target rate of return.

Relevance tree: A form of dynamic-leap scenario whereby the company first sets the goal or desirable end point somewhere in the future, and then works back to the present by describing the intermediate steps that must be taken if company has to go from here to there.

Reliability: It refers to the extent to which a measurement scale produces consistent results if repeated measurements are made. Evaluating the reliability of any measuring instrument consists of determining how much of the variation in scores is due to inconsistencies in measurement. The reliability of an instrument should be established before it is used for a substantive research study. In case of reliability it has been found that systematic sources of error do not have an adverse impact because they affect the measurement in a consistent way and do not lead to inconsistency. In contrast, random error produces inconsistency, leading to lower reliability. Therefore, more precisely reliability may be defined as the extent to which a measurement instrument is free from random error.

Reminder advertising: A type of advertising whose objective is to build brand awareness and keep the name of the product or brand in the mind of the consumers. Well-known brands and market leaders often use reminder advertising. Products and services that have a seasonal pattern to their consumption also use reminder advertising, particularly around the appropriate period.

Remnant space: Unsold advertising space in geographic or demographic editions of a magazine . It is offered to advertisers at a significant discount.

Renegotiation: A process by which international companies and governments decide on a change in terms for operations.

Rented-Goods Services: Area of service retailing in which consumers lease and use goods for specified periods of time.

Reorder point: The stock level at which a company places the order for an inventory item for replenishment. For example, an order point of 20 means reordering when the stock falls to 20 units. The order point should balance the risks of stockout against the costs of overstock.

Repeat purchase: The act of repurchasing the same product or brand purchased earlier. Repeat purchase behaviour is closely related to the concept of brand loyalty, which most firms try to encourage because it contributes to greater stability in the market place. A repeat purchase usually signifies that the brand meets the consumer's approval and that he or she is willing to use it again and larger quantities.

Repertory grid: A technique of identifying attributes which consumers can use to describe their perceptions of products; respondents repeatedly think of ways in which any two of three items are similar to each other and different from a third.

Replacement for nonresponse: One of the approaches available to the researcher for adjusting for nonresponse in a research project. In this approach, the nonrespondents in the current survey are replaced with nonrespondents from an earlier, similar survey. The researcher attempts to contact these nonrespondents from the earlier survey and administer the current survey questionnaire to them by offering a suitable incentive.

Replenishment manager (RM): Artificial intelligence-based software of the future which will automatically reorder merchandise and handle all billing, payment, receipt, and stocking of merchandise. More sophisticated softwares will enable the replenishment manager to communicate with new suppliers to assess purchasing opportunities for frequently stocked items.

Repositioning: It is the process of creating a new or modified brand, company, or product position. Repositioning i.e., changing the existing product positioning, is done either on failure of the original positioning or to react to changes in the marketplace. It is also some s called de-positioning. It also refers to the existing products that are targeted at new applications and new market segments.

Reputational measurement of social class: A method of measuring social class by which a knowledgeable community member is asked to judge the social class position of the members of the community. Companies marketing various products and services are interested in social class measurement to understand markets and consumption behaviour of various social classes in order to come up with better marketing strategies.

Required rate of return: A financial hurdle that is a firm's cost of capital adjusted for the risk of the project. Most new product project have more risk than ongoing operations, so most required rates are well above costs of capital.

Research and development: The function of working through various sciences and technologies to design new products. This usually involves some basic research for creating new technologies and some applied research for converting those basic discoveries (and others) into specific new products.

Research design: A framework or blue print for conducting a study or research project. It specifies the details of the procedures necessary for obtaining information needed to structure and/ or to solve research problems in a specific area of management. A research design lays the foundation for conducting the project. A good research design ensures that the research project (1) will be relevant to the problem, and (2) will use economical procedures.

Research process: The series of steps in the design and implementation of a research study, including problem formulation, determination of sources of information and research design, determination of data collection method and design of data collection forms, design of the sample and collection of the data, analysis and interpretation of the data, and the research report.

Research proposal: A document that describes the objectives and purpose(s) of the research, the questions to be answered, the methodologies to be employed, the expected outcome and benefits to be derived from the proposed research, and the cost and time required. Research proposal is prepared and presented by the researcher to the decision maker in the organization and the decision maker approves the proposal if it is viable.

Research questions (RQs): In the context of a marketing research project, research questions are refined statements of the specific components of the problem. Research questions specification in detail is needed for developing the research approach and research design. RQs specify the nature of information to be collected with respect to the problem components.

Research report: The final step in the research process is the preparation and presentation of research findings to a specific audience to accomplish a specific purpose. This is one of the most important parts of the research process. If the report is confusing or poorly return, all the time and efforts of gathering and analyzing the data will become redundant.

Research suppliers (marketing research): These are the independent research organizations that conduct marketing research for various companies. These research suppliers are hired to supply marketing research data. These may range from small one or few persons, to very large global corporations.

Resellers: Intermediaries in the marketing channel such as wholesalers, distributors, and retailers. Resellers buy large quantities of goods for resale to the other organizations or to household consumers.

Reservation price: In the context of comparing prices of alternative brands, the higher end of the acceptable price range or the upper limit above which consumers would judge a product or brand too expensive.

Resident buying office: Inside or outside buying organization used when a chain retail organization wants to keep in close touch with market trends and cannot do so with just its headquarters buying staff. Such offices are usually situated in important merchandise centers (sources of supply) and provide valuable data and contacts.

Residuals: In the context of regression analysis, a residual is the difference between the observed value of Y_i and the value predicted by the regression equation. Residuals are used in the calculation of several statistics associated with regression. In addition, in the scattergrams the residuals are plotted against the predicted values.

Resonance (advertising): It is defined as wordplay, frequently used in advertising, to create a double meaning used in combination with a relevant picture to communicate a product benefit. Researchers have found that by manipulating the resonance in the ad, they can improve consumer attitudes toward the ad and the brand, and unaided recall of advertising headlines.

Resource-based view of the firm: A perspective prevalent in collaborative arrangements among different companies particularly in international operations. This view holds that each company has a unique combination of competencies. A company may seek to improve its performance by concentrating on those activities that best fit its competencies, thus depending on other firms to supply it with products, services, or support activities for which it has lesser competency

Respondent characteristics: Data that describe respondents in terms of demographic socioeconomic, and psychological characteristics.

Respondent selection error: One of the types of nonsampling errors that may emanate on account of mistake committed by a researcher or an interviewer. This error occurs when interviewer selects respondents other than those specified by the sampling design or in a manner inconsistent with the sampling design. For example, in a readership survey, a nonreader is selected for the interview but classified as a reader of particular journal.

Respondent-moderator focus group: One of the variants of focus groups. In this type of focus group interview the moderator asks selected participants to play the role of moderator temporarily to improve group dynamics.

Response bias: A form of contamination in survey research in which some factor, such as the desire to make a good impression on the experimenter leads respondents to modify their true answers. Response bias is more likely to occur in panel studies, as panel members are often bias in their initial response, as they tend to increase their behaviour being measured. Response bias also results from boredom, fatigue, and incomplete knowledge of the respondents.

Response error: One of the types of nonsampling errors arising from respondents who do respond but give inaccurate answers, or their answers are misrecorded or misanalyzed. It may be defined as the variation between the true value of the variable in the net sample and the observed value obtained in the marketing research project.

Response hierarchy models: Different models that have been developed to identify the consumer response stages viz. cognitive, affective and behavioural. There are four better-known response hierarchy models: AIDA model, hierarchy-of-effects model, innovation-adoption model and communication model.

Response latency: The time delay before a respondent answers a question. It is used as an indicator of the respondent's certainty or confidence in his/her answer. It is also used as an indicator of a respondent's "guessing" responses to factual questions and for strength of preference when used with paired comparisons. With the increased popularity of computer assisted data collection, response latency can be recorded accurately and without the respondent's knowledge.

Response rate: Measure used to evaluate and compare interviewers with respect to their ability to induce contacted respondents to participate in the study. It is measured in terms of percentage of the total attempted interviews that are completed. Response rates have been found to vary from one method of administration to another. Personal interviews generate highest level of response rates, followed by telephonic interviews and then mail surveys. Low response rates can lead to serious bias (nonresponse bias), because whether a person responds to a survey is related to his or her interest in the topic. The magnitude of nonresponse bias increases as the response rate decreases. Internet surveys were found to elicit the least response. Callbacks and reminders may increase the response rates to considerable extent.

Responsibility disputes: Conflicts over customer handling, territorial assignments, functions to be served, or technology to be used.

Result node: The ending point on a web chain.

Result-based pricing: One of the pricing strategy that may be used in certain types of services in which the outcome is very important but uncertainty is high and the most relevant aspect of the value is the result of the service. For example, clients value the settlement they receive at the conclusion of a legal case. Similarly, clients value cost saving from tax consultants, while students are willing to pay higher fees to business schools in the hope of getting better job offers. In these and other situations, an appropriate value based pricing strategy, is to price on the basis of results or outcome of the service.

Retail (local) advertising: Advertising done by retailers or local merchants to encourage consumers to shop at a specific store, uses a local service, or patronizes a particular establishment. Retail advertising tends to emphasize specific patronage motives such as price, hours of operations, service, atmosphere of store, image, or merchandise assortment. Retailers are concerned with building store traffic, so their advertising often take the form of direct action advertising designed to produce immediate store traffic and sales. But retailers may also allocate advertising and promotion rupees to image building campaigns designed to create and enhance favorable perceptions of their stores. Retail advertising accounts for significant percentage of all advertising expenditures.

Retail alliances: Exclusive or near exclusive deals to a preferred vendor. In return for payment, the sponsor gets a guaranteed clickable button in prominent place on the vendor's Web site.

Retail audit: A formal examination and verification of product movement of retail and wholesale outlets. Retailers and wholesalers who participate in the retail audit receive basic reports and cash payments from the audit service. Retail audit data focus on the products or services sold through the outlets or the characteristics of the outlets themselves.

Retail chains. These groups allow individual stores to maintain their image and management and merchandising programs, except for the centralizing of some staff functions.

Retail information system (RIS): A blueprint for the continual and periodic systematic collection, analysis, and reporting of data about any past, present, or future developments as relevant to the retailer's performance. Anticipates the information needs of managers; collects, organizes, and stores relevant data on a continuous basis; and directs the flow of information to proper decision makers.

Retail institution: Basic format or structure of a business. Institutions can be classified by ownership, store-based.

Retail inventories: Merchandise that the retailer has in the store or in storage and that is available for sale.

Retail life cycle: Theory asserting that retailer types pass through identifiable life-cycle stages: innovation, accelerated development, maturity, and decline. Older retail forms took many years to reach maturity; newer retail forms reach maturity much more quickly.

Retail method of accounting: Determines closing inventory value by calculating the average relationship between the cost and retail values of merchandise available for sale during a period.

Retail method of inventory: A method of inventory accounting whereby the ending inventory is calculated at retail value and converted to cost by applying the cost complement.

Retail price: The price at which an item is to be sold; this price includes both cost and markup.

Retail promotion: Any communication by a retailer that informs, persuades, and/or reminds the target market about any aspect of that firm. Retailers use a wide range of promotion tools to generate traffic and purchases. They place ads, run special sales, issue money saving coupons, and frequent shopper-reward programs. Each store should use promotional tools that support and reinforce its image.

Retail reductions: Difference between beginning inventory plus purchases during the period and sales plus ending inventory. They encompass anticipated markdowns, employee and other discounts, and stock shortages.

Retail strategy: Overall plan guiding a retail firm. It influences the firm's business activities and its response to market forces, such as competition and the economy.

Retail trading zone: The market outside the city zone whose residents regularly trade with merchants within the city zone.

Retailer (retail store): Any business enterprise whose sales volume comes primarily from retailing. Consumers can shop for goods and services in a wide variety of retail organizations. These are store retailers, nonstore retailers, retail organizations and corporate retailers. .

Retailer and wholesaler audit: A type of audit done by the syndicated service firms on a regular basis. A retailer and wholesaler audit is a formal examination and verification of product movement traditionally carried by auditors who make in-person visits to retail and wholesale outlets and examines physical records or analyze inventory. Retailers and wholesalers who participate in the audit receive basic reports and cash payments from the audit service. Audit data focus on the products or services sold through the outlets or the characteristics of the outlets themselves.

Retailer cooperatives: One of the types of contractual VMS where the retailers take the initiatives and organize a new business entity to carry on wholesaling and possibly some production. Members concentrate their purchases through the retailer cooperatives and plan their advertising jointly. Profits are passed back to members in proportion to their purchases.

Retailer promotion decision: Retailers use a wide range of promotion tools to generate traffic and purchases. They place ads, run special sales, issue money saving coupons, and run frequent shopper-reward programs, in-store free sampling, and coupons on shelves or at checkout points

Retailer promotions: A type of sales promotion tool that originates with the retailer. This includes price cuts, feature advertising, retailer coupons, and retailer contests or premiums. It is also sometimes known as trade promotions.

Retailer's coverage: The theoretical maximum percentage of a retailer's target market that can be reached by an advertising medium, not the percentage actually reached.

Retailer-owned cooperatives: A contractual vertical marketing system organized and owned by retailers that offers scale economies and service thus allowing them to compete with larger chain organizations.

Retailing: Business activities involved in selling goods and services to consumers for their personal, family, or household use. Any organization selling to final consumers—whether it is manufacturer, wholesaler, or retailer—is doing retailing. It does not matter *how* the goods and services are sold (by person, mail, telephone, vending machine, or Internet) or where they are sold (in a store, on the street, or in the consumer's home.

Retention (information): Term used in the context of consumer learning process. Product information stored in customer's memory tends to be brand based, and consumers interpret new information in a manner consistent with the way in which it is already organized. Consumers are confronted with thousands of new products each year and their information search is often dependent upon how similar or dissimilar these products are to product category already stored in memory. Therefore, consumers are more likely to recall the information they receive on new products bearing a familiar brand name, and their memory is less affected by exposure to competitive ads.

Retention costs (customers): Costs incurred by the company to retain and keep the existing businesses and customers loyal. Research has shown that acquiring new customers can cost five times more than the costs involved in satisfying and retaining current customers. It requires great deal of effort to induce satisfied customers to switch away from their current suppliers.

Retentive stage: The third advertising stage of a product, reached when its general usefulness is widely known, its individual qualities are thoroughly appreciated, and it is satisfied to retain its patronage merely on the strength of its past reputation.

Retractive advertising: An advertising that occurs when the FTC orders a firm who has made false or deceptive claims to run new ads in which the former statements are contradicted and the truth stated.

Retrieval (information): The process whereby desired information is recovered from long-term memory. In the context of consumer behaviour marketers maintain that consumers tend to remember the product's benefits rather than its attributes, suggesting that advertising messages are most effective when they link the product's attributes with the benefits that consumers seek from the product.

Return on assets managed (ROAM): Alternative to ROI used by mangers whose control is limited to assets managed.

Return on assets: The ratio of net profit to total assets. This shows the return on all assets employed by the firm regardless of how they were financed.

Return on investment (ROI): A commonly used measure of managerial performance and of the operating success of a company. For calculating return on investment a company uses both balance sheet and the operating statement as source of information. The formula for calculating return on investment is as follows:/// ROI = net profit/sales X sales/investment

Return on net worth: Net profit divided by net worth (owners' or stockholders' equity) which shows the return on capital that the owners or stockholders have invested in the firm. The return on net worth is the product of two ratios, the company's return on assets and its financial leverage. To improve ite return on net worth, the company must increase its ratio of net profits to its assets or increase the ratio of its assets to its net worth.

Return-oriented method: Sales budgeting method based on the profit attributable to individual sales activities.

Revaluation: A formal change in an exchange rate by which the foreign-currency value of the reference currency rises, resulting in a strengthening of the reference currency.

Reverse assumption analysis: One of the techniques of creativity used in generating new product ideas. In this technique all the normal assumption about an entity are listed and then they are reversed. For example, instead of assuming that a restaurant has menus, charges for food, and serves food, reverse each assumption to come out with some novel idea.

Reverse flow channel: The channels where there is a backward movement of products. They are important in case of: (1) Re-use products or containers, (2) Refurbished products for resale, (3) Recycled products and, (4) Dispose of products or packages.

Reverse logistics: Refers to all logistics that **e**ncompasses all merchandise flows from the retailer back through the supply channel.

Reverse timetable: Used in direct mail to schedule a job. The schedule starts with the date it is to reach customers and works backward to a starting date.

Revocable letter of credit: One of the two types of letter of credit that can be changed by any of the parties involved.

Revolving credit account: Allows a customer to charge items and be billed monthly on the basis of the outstanding cumulative balance.

Reward power: (1) When a person or group has the means to provide positive reinforcement to a consumer. (2) In the context of retailing this refers to the power of manufacturers, which can be used to elicit cooperation from the retailers. For example, the manufacturers may offer intermediaries an extra benefit for performing specific tasks or functions.

Ride-alongs: Direct-mail pieces that are sent with other mailings, such as bills.

Risk analysis: One of the methods used in case of estimating the possible profits for new product, which has not yet launched in the market. Here three estimates—optimistic, pessimistic, and most likely—are obtained for each uncertain variable affecting profitability under an assumed marketing environment and marketing strategy for the planning period. The computer simulates the possible outcomes and computes a rate-of-return probability distribution showing the range of possible rates of returns and their probabilities.

Risk barrier: The term is used in the context of innovation of diffusion and new product adaptation It represents the consumers' physical, economic, performance, or social risk of adopting an innovation or a new product. For example, when microwave ovens were first introduced, consumers expressed concerns about physical risk from radiation. Technological improvements and consumer education overcame this perceived risk.

Risk curve: Used to put probabilities onto the net present value output of financial analysis. Is an array of outcomes, either in normal distribution or in some variance from it.

Risk matrix: In the context of new product development process it refers to a matrix of the risks at any particular point in new product's evaluation process. It shows the risk of rejecting a product idea that would ultimately succeed and the risk of going ahead with a project that would ultimately fail.

Risk premium: In the context of new product development process it refers to the amount by which cost of capital is raised to reflect added risks of any particular new product proposal. Such addition yields the required rate of return.

Risky shift phenomenon: Used in the context of family purchase decision making a hypothesis that joint decision-making encourages the group to make riskier decisions because in this way, all members of the group can share the failure of a wrong decision. This hypothesis is more applicable when the level of perceived risk is high in the purchase of a product or service. This means that the decision the husband and wife make may result in the purchase of more expensive big ticket item than if either spouse made a decision alone. One research in US had found that wives were more willing to make riskier decisions for a variety of products after group discussion.

Ritual artifacts: This refers to all those specialty products that are used and consumed in various religious and social rituals irrespective of any religion. For example, Christians use colored lights, mistletoe, wreaths, and Santa Claus for Christmas rituals. Similarly people belonging to other religions also use different types of ritual artifacts.

Road blocking technique: Media scheduling technique in which advertisers buy airtime on all major television networks simultaneously. The goal is to gather attention of as many TV viewers across the country as possible.

Robinson-Pitman Act: A US federal law, enforced by the FTC, requires a manufacturer to give proportionate discounts and advertising allowances to all competing dealers in a market. Purpose to protect smaller merchants from unfair competition of larger buyers.

ROI budgeting method of advertising: A budgeting method in which advertising and promotions are considered investments like plants and equipments. Thus, the budgetary appropriations (investments) lead to certain returns. Like other aspects of the firm's efforts, advertising and promotion are expected to earn a certain return. While this method seems to be good theoretically, in practice it is rarely possible to measure the returns accrued by the advertising as there is immediate as well as delayed impact of advertising.

Rokeach value survey: A popular value instrument frequently used in consumer behaviour studies. It is a self-administered inventory that is divided into two parts, each part measuring different but complementary types of personal values. The first part consists of eighteen "terminal" values items (i.e. personal goals) and the second part consists of eighteen "instrumental" values (i.e. ways of reaching personal goals). Thus the first part of the measurement instrument deals with ends and the second part considers means.

Role model: An individual who demonstrates the use of a product.

Role theory: The perspective that much of consumer behavior resembles actions in a play. As in play, each consumer has lines, props, and costumes necessary to put on a good performance. Because people act out many different roles, they sometimes alter their consumption decisions depending on the particular 'play' they are at the time. The criteria they use to evaluate products and services in one of their roles may be quite different from those used in another role.

Role: A pattern of behaviour expected of an individual in a specific social position, such as the role of a mother, daughter, teacher, or lawyer. One person may have a number of different roles, each of which is relevant in the context of a specific social situation. In group purchasing behaviour, marketers can identify specific roles in an attempt to offer best available brand or product category.

Rolling boards: Advertising painted or mounted on cars, trucks, vans, trailers etc. so the exposure can be mobile enough to be taken to specific target market areas.

Rolling budget: Budget using periodic updates that eliminate the immediate past period; the budgets for the following period are modified as needed, and another period is added at the end of the cycle.

Rollout: A category of market testing methods that is not full scale, but goes beyond standard test marketing. Sometimes called tiered marketing. Commitment is made for full-scale marketing, but the marketing is tentative. It involves a rolling accumulation of geographic areas, or specific firms (such as lead users), or specific applications.

Rooky: A name given to a new inexperienced salesperson.

Rotary bulletins (outdoor): Movable painted bulletins that are moved from a fixed location to another one in the market at regular intervals. The locations are viewed and approved in advance by the advertiser.

Roughcut: Early stage in editing of a TV commercial.

Roughs: Draft advertisements produced by the creative team for the client's approval.

Routers: A term used to refer to computers (or devices) that route online packets to their destinations. They form the backbone of the Internet.

Routine products: In the context of business/industrial buying situations this refers to those products that have low value and cost to the customer and involve little risk (e.g., office supplies). Business customers normally seek the lowest price and emphasize routine ordering.

Routinized response behaviour: This is one of the three levels of consumer decision-making. Here the consumers have experience with the product category and a well-established set of criteria with which to evaluate the brands they are considering. In some situations they may search for a small amount of additional information; in others they simply review what they already know. In short, a consumer purchases habitually.

Royalties: Payments for the use of intangible assets.

R-square: One of the statistics associated with multidimensional scaling procedure. *R*-square is a squared correlation index that indicates the proportion of variance of the optimally scaled data that can be accounted for by the MDS procedure. This is a goodness-of-fit measure.

Run of paper (ROP): The basic rate quoted by newspapers, which means that the paper can place the ad to appear on any page or in any position desired by the medium.

Run test: One of the statistical tests used in data analysis. The run test is a test of randomness for the dichotomous variables. This test id conducted by determining whether the order or sequence in which observations is obtained is random.

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Sacralization: A process that occurs when ordinary objects, events, or people take on sacred meaning to a culture or to specific groups within a culture. Sacralization may influence the consumer behaviour in the context of a culture.

Sacred consumption: The process of consuming objects and events that are 'set apart' from normal activities and are treated with some degree of respect or awe. They may or may not be associated with religion, but most religious items and events tend to be regarded as scared.

Safety stock: Extra inventory to protect against out-of-stock conditions due to unexpected demand and delays in delivery.

Sagacity system of life cycle: Grouping based on idea that people have different aspirations and behaviour patterns as they go through different age-groups.

Salary plus commission: A compensation plan where the salesperson is paid a fixed salary plus a percentage commission on all sales.

Sale-leaseback: Practice of retailers building stores and then selling them to real-estate investors who lease the property back to the retailers on a long-term basis. xxxx

Sales agent: A member of the marketing channel who has long-term arrangements with one or very few manufacturers. Sells the entire output for the manufacturer and has no limitation on territory, prices, terms, or conditions of sale. The sales agent is generally used in such product lines as home furnishings, textiles and canned food. Also sometimes known as selling agent.

Sales analysis studies/research: One of the types of marketing research conducted by a company, which is undertaken to determine the relative sales position in different geographical territories and regions of a specific product, product line or on the basis of specific account.

Sales analysis: Breakdown and study of sales performance data. It consists of measuring and evaluating actual sales in relation to goals. Two specific tools used in sales analysis are: (1) Sales variance analysis, which measures the relative contribution of different factors to a gap in sales performance, (2) Micro-sales analysis, that looks at specific products, territories, and so forth that failed to produce expected sales.

Sales appointment: An arrangement to meet a prospect or customer at a specific date and time. Scheduling daily appointments reduces the amount of time salespeople spend in waiting rooms and increases the number of face-to-face contacts.

Sales aptitude tests: One of the aptitude tests a company uses to assess the prospective candidates who have applied for a sales position. These tests measure of what a person knows about selling and the aptitude for selling.

Sales audit: In depth examination of the performance and the results given by the entire sales organization in a company.

Sales batting average: Sales analysis index formed by dividing a sales person's closes by the salesperson's calls and multiplying this result by 1000

Sales budget: An estimate of the expected volume of sales and is used primarily for making current purchasing, production, and cash flow decisions. The sales budget is based on the sales forecast and the need to avoid excessive risk. Sales budgets are generally set slightly lower than the sales forecast.

Sales budgeting: Estimating future levels of revenue, selling expenses, and profit contributions of the sales function.

Sales Contests: One of the methods of sales promotion whereby consumers compete for prizes or money on the basis of skills or ability, and winners are determined by judging the entries or ascertaining which entry comes closest to some predetermined criteria. Sales contests can stimulate business over a short period or focus attention on a particular product. The primary aim of a sales contest is to motivate the sales staff to concentrate their efforts over a short period of time or focus on a specific product.

Sales control: Comprehensive effort encompassing sales and cost analysis and including such periodic projects as sales audits.

Sales conventions: Annual or semiannual gatherings of regional or national sales forces.

Sales cycle: The series of activities a salesperson undertakes in the course of making presentations and selling products. This includes prospecting, preparation, pre-approach, approach, sales presentation and taking the orders from the buyer.

Sales effectiveness: Sales leads generated or other objectives achieved.

Sales essays: Evaluation method in which sales managers write brief narratives that describe the performance of sales people.

Sales force automation (SFA): One of the important facets of CRM that allows sales people to build, maintain, and access customer records; manage leads and accounts; manage their schedules; and more. In relation to e-marketing, SFA helps the sales force acquire, retain, and grow customers by accessing customer and product data from the company's data warehouses, both while in the office and on the road. Sales people can also send the results of sales calls and activity reports to the data warehouse for access by others.

Sales force compensation: The methods by which companies pay their sales force for their services. To attract and retain top quality sales force, the company has to develop an attractive compensation package. The level and components of an effective compensation plan must bear some relation to the "going market price" for the type of the sales job and required abilities. There are three types of basic compensation plans—straight salary, straight commission, and combination salary and commission.

Sales force composite: Forecast arrived at by combining salesperson's estimates of expected sales. The company typically asks its salespeople to estimate sales by product for their individual territories. It than ads up the individual estimates to arrive at an overall sales forecast. Companies should not use their sales force estimates without adjustments because sales people are biased observers. They may be naturally pessimistic or optimistic or they may go to one extreme or another because of recent sales setbacks or successes.

Sales force control system: Procedures for monitoring, directing, and compensating sales personnel.

Sales force management: The analysis, planning, implementation, and control of sales force activities. It includes setting and designing sales force strategy; and recruiting, selecting, training, compensating, supervising, and evaluating the firm's salespeople.

Sales force: The total number of employees involved in selling the company's products or services. The sales force is defined as those employees or independent representatives with direct responsibility for contacting prospects and customers and responsibility for delivering a certain amount of sales support. The size and placement of the sales force is one of the sales manager's more critical decisions.

Sales forecast: Estimate of company sales for a specified future period. Managers base the company sales forecast by market segment on the estimated impact of a specific marketing plan plus certain assumptions about the marketing environment. Company's sales forecasts can be subjective or objective.

Sales incentive: Anything used to reward sales personnel for their accomplishments.

Sales information system: A part of the internal record system, which a company maintains as a part of broader marketing information system. This system keeps the current sales records in terms of each product and service. These data may be used for taking managerial decisions.

Sales lead: Firm or organization that might need a given good or service. xxxx

Sales management: Management of a firm's personal selling function. It involves three related sets of activities: sales planning, implementation of the sales programs, and evaluation and control of sales performance.

Sales meetings: It refers to monthly or quarterly gatherings of sales personnel from one office or various offices in a periodic way. Periodic sales meetings provide a social occasion, a break from routine, a chance to meet and talk with "company brass" and each other, and a chance to air feelings and to identify with a larger group. Sales meetings are an important tool for education, communication, and motivation.

Sales objections and handling: Problems raised by prospects in the course of presentations or when asked for orders. There are two types of possible objections from the prospective customers. First are psychological and second are logical. To handle these objections a sales person should maintain a positive approach, ask the buyer to clarify the objections, question the buyer in a way that the buyer has to answer his or her own objection, denies the validity of the objections, or turn the objection into a reason for buying. Handling and overcoming objections is an art and part of the broader skills of negotiation.

Sales oriented approach: One of the basic approaches in training sales persons. This approach trains the sales person in the stereotyped high-pressure techniques used in selling many consumer products. This form of selling assumes that customers are not likely to buy except under pressure, that they are influenced by a slick presentation, and that they will not be sorry after signing the order.

Sales planning: It involves deciding how the sales force should allocate its efforts within the market. Firms make specific decisions about organizing the sales force, defining sales territories, and formulating account management policies to guide the amount and kinds of efforts salespeople devote to different types of customers.

Sales potential: It refers to the sales limit approached by company demand as company-marketing effort increases relative to that of competitors. The absolute of company demand is, of course, the market potential. The two would be equal if the company got 100 percent of the market. In most cases, company sales potential is less than the market potential, even when company marketing expenditures increase considerably, relative to competitors'. The basic reason is that each competitor is also making its own marketing effort and has a set of hard-core brand loyals.

Sales productivity: Ratio of output (sales revenues) to input (selling expenses) sales productivity = <u>sales revenues / selling expenses xxxx</u>

Sales promotion agency: An organization that specializes in the planning and implementation of promotional programs such contests, sweepstakes, sampling, premiums and incentive offers for its clients. Some large ad agencies have created their own sales promotion departments or acquired a sales promotion firm. Sales promotion agencies often work in conjunction with the client's advertising and/or direct response agencies to coordinate their efforts with the advertising and direct marketing programs.

Sales promotion trap: One of the problems of the consumer-oriented sales promotion. A spiral that result when a number of competitors extensively use promotions to differentiate its product or service and other competitors copy the strategy, resulting in no differential advantage and a loss of profit margins to all.

Sales promotion: One of the components of promotion mix or company's integrated marketing communication. All those short-term activities designed to make a temporary increase in sales. Marketing activities other than personal selling, advertising, or publicity that stimulate consumer purchasing and dealer effectiveness, such as displays, shows, exhibitions, and demonstrations. Sales promotion is generally broken into two major categories: consumer oriented and trade oriented sales promotion activities.

Sales quotas: Standards set for salespeople, stating the amount they should sell and how sales should be divided among the company's products. It is primarily a managerial device for defining and stimulating sales efforts. Management sets quotas on the basis of the company sales forecast and the psychology of stimulating its achievements. Generally, sales quotas are set slightly higher than estimated sales to stretch the sales force's efforts.

Sales rating scales: A type of evaluation method of the sales people in which behavioral factors and performance criteria are established and then sales people are evaluated on the extent to which they meet the criteria.

Sales ratio method: A method of projecting the results of a test marketing program to national performance, based on sales of another brand and estimated as**:** National sales = <u>national sales of other product</u> X test area sales of test product estimatetest area sales of this other product. xxxx

Sales ratio: The amount of stock needed at the beginning of each month to support the forecasted sales for that month.

Sales representative (agent): A representative that usually operates either exclusively or nonexclusively within an assigned market and on a commission basis, without assuming risk or responsibility.

Sales resistance: Attitude on the part of prospect to resist making a buying decision. Sales resistance is normal because the prospect must make a decision and decisions means change. It's up to the salesperson to convince the prospect that this change will be for the better.

Sales response function: The amount of sales created at different levels of marketing expenditures.

Sales response models: This is the set of models that estimate functional relation between one or more marketing variables/tools—such as sales force size, advertising expenditures, sales promotion expenditure, and so forth—and the resulting demand level.

Sales strategies: Blueprints for action that reconcile sales management's resources with environmental constraints.

Sales tactics: Activities required implementing sales strategies and achieving sales objectives. xxxx

Sales territory: Configuration of current and potential accounts for which responsibility ahs been assigned to a particular sales representative. xxxx

Sales turnover rate: Number of salespeople who quit or are discharged divided by the average size of the sales force during a given period of time.

Sales variance analysis: One of the two methods used for sales analysis. This measures the relative contribution of different factors to a gap in sales performance in relation to the goal.

Sales-effect research: An advertising research that seeks to determine the impact of advertising on the sales. Advertising's sales effect is generally harder to measure than its communication effect (awareness level). Sales are influenced by many factors. The fewer or more controllable these other factors are, the easier it is to measure effect on sales. The sales impact is easiest to measure in direct marketing and direct-response advertising.

Sales-oriented objectives: One of the objectives pursued by firms for their promotional programs. It is the belief that monies spent on advertising and other sales promotion should produce measurable results, such as increasing sales volume by certain percentage or rupee amount or increasing the brand's market share. in the forms of sales.

Salesperson: An individual acting for a company by performing one or more of the following activities**:** prospecting, communicating, servicing, and information gathering.

Sales-wave research: one of the methods used in consumer goods market testing. In this type of research consumers who initially try the product at no cost are re-offered the product, or a competitor's product, at slightly reduced prices. They may be re-offered the product as many as three to five times (sales waves), with the company noting how many customers selected that product again and their reported level of satisfaction. Sales-wave research can be implemented quickly, conducted with a fair amount of security, and carried out without final packaging and advertising.

Salient beliefs: Beliefs concerning specific attributes or consequences that are activated and form the basis of an attitude are referred to as salient beliefs. Marketers should identify and understand these salient beliefs. They must also recognize that the saliency of beliefs also varies among different market segments, over time, and across different consumption situations.

Salutary products: Products that have low appeal but may benefit consumers in the long run.

Sample control: Term applied to studies relying on questionnaires and concerning the researcher's dual abilities to direct the inquiry to a designated respondent and to secure the desired cooperation from that respondent. Sampling control varies from one method of administration to other. Personal interview is considered to have maximum sampling control as compared to telephone interviews.

Sample size: It refers to the decision of a researcher to decide about the number of elements to be chosen from a relevant population to be used in a research study. Sample size can be determined both through subjective and objective methods. Statistical determination of sample size requires knowledge of the normal distribution and the use of normal probability tables.

Sample: A segment of the population selected for undertaking a research project in the area of marketing or in any other areas of management to represent the population as a whole; an offer of a trial amount of a product.

Sampling control: In the context of supervision of field workers in a sampling process this refers to the aspect of supervision that ensures that interviewers are strictly follow the sampling plan rather than selecting sampling units based on convenience or accessibility. To do these supervisors should keep daily records of the activities of the field workers.

Sampling distribution of the mean: The frequency distribution created by the means of all possible samples of a specified size taken from a specified population. The sampling distribution of the mean is a normal distribution regardless of the sample size if the population is normally distributed. It is also normally distributed if samples of at least 30 are used regardless of the distribution of the population. It is also simply called sampling distribution.

Sampling error: Difference between the observed values of a variable and the long run average of the observed values in repetitions of the measurement. Sampling error is caused by the generation of a non-representative sample by means of a probability sampling method.

Sampling fraction: The proportion of the number of sample elements to the number of population elements.

Sampling frame error: it is one of the errors associated with the sampling process. It may be defined as the variation between the population defined by the researcher and the population as implied by the sampling frame (list) used. This occurs because on sampling frame is perfect and due to imperfections in the sampling frame this variation may come in the selection of the sampling elements. For example, the telephone directory used to generate a list of telephone numbers does not accurately represent the population of potential customers due to unlisted numbers, disconnection, and new numbers not included in the directory.

Sampling frame: The list of sampling units/elements from which a sample will be drawn; the list could consist of geographic areas, institutions, individuals, or other units. Examples of sampling frame include the telephone directory, industry directory, professional managers directory, stock exchange directory, voter's list, or census list of population in a specific territory.

Sampling interval: The size of the step between selected elements in systematic sampling the reciprocal of the sampling fraction, that is, N/n

Sampling process: In the context of conducting a research study it refers to the process of obtaining information from a part of a population to draw inferences about the population on the basis of sample data. Sampling is one of the important components of a research process. Sampling process may contain the following steps: ///

Sampling units: It is an element or a unit containing the element that is available for selection at some stage of the sampling process.

Sampling with replacement: A sampling technique in which an element is selected from the sampling frame and appropriate data are obtained. Then the element is placed back in the sampling frame. As a result, it is possible for an element to be included in the sample more than once.

Sampling without replacement: A sampling technique in which once an element is selected from the sampling frame and appropriate data are obtained. Then the element is removed from the sampling frame. As a result, it is not possible for an element to be included in the sample more than once or included again.

Sampling: In the context of consumer-oriented sales promotion it refers to a variety of procedures whereby consumers are given some quantity of a product for no charge to induce trial.

Satisfaction drivers: Factors, which add to customer satisfaction. These include product design, feedback and incentives from consumers, and the source manufacturing of the product.

Saturated trading area: Geographic area with the proper amount of retail facilities to satisfy the needs of its population for a specific good or service, as well as to enable retailers to prosper.

Saturation theory: A theoretical concept that can help to determine the attractiveness of different market areas is retail saturation.

Say It Again, Sam" sales closing technique: One of the sales closing techniques that uses repetition of features and benefits to cause the prospects to come to a buying decision. When the product provides many benefits to the prospect there's nothing wrong with going over then again and again. This is sometimes a very effective closing method with prospects that remain on the fence and just can't seem to make a decision.

Scalar (metric) equivalence: In international marketing research, it is critical to establish equivalence of scales used to obtain data from different countries. In this regard scalar equivalence is established if other equivalence have been attained. This involves demonstrating that two individuals from different countries with the same value on some variable, such as brand loyalty, will score at the same level on the same test. Scalar equivalence has two aspects. The specific scale or scoring procedure used to establish the measure should be equivalent.

Scale transformation: In data analysis process sometimes the scale used to collect information has to be transformed. Scale transformation involves a manipulation of scale to ensure compatibility with other scales or otherwise make the data suitable for analysis. In many marketing research studies frequently different scales are used for measuring different variables. For example, image may be measured on seven-point semantic differential, and lifestyle variables on five-point Likert scale. So making comparisons both the scales have to be brought on the same platform.

Scanner data: (1) Data collected from scanners that link consumer's exposure to advertising and subsequent behaviour. (2) Data obtained by passing merchandise over a laser scanner, which optically reads the bar codes description printed on the merchandize. This code is then linked to the current price held in the computer memory and used to prepare a sales slip or bill. Information printed on the sales slip includes descriptions as well as prices of all items purchased. Checkout scanners, which are used in many retail stores, are revolutionizing package goods merchandizing research.

Scanner panel: A group of consumer with identification numbers who use the numbers to identify their purchases of selected products. The retail checker records the consumer's ID number, then reads the scanner code on the product(s) purchased, both data items along with the store ID number and the date are automatically recorded in computer memory.

Scanner: Electronic device that automatically reads imprinted Universal Product Codes as the product is pulled across the scanner looks up the price in an attached computer and instantly prints the price of the item on the cash register tape.

Scatter diagram or scattergram: In the context of correlation and regression this refers to the plotting of the values of two variables for all the cases or observation on a graph.

Scatter market: A term used in the context of buying television time for advertising commercials by the firms through their ad agencies. This refers a period for purchasing television-advertising time that runs throughout the TV season instead of purchasing TV time in advance of the TV season.

Scatter plan (TV): The use of announcements, over a variety of network programs and stations, to reach as many people as possible in a market.

Scenario analysis: (1) A type of analysis that lets a retailer to project the future by studying factors that affect long-term performance and then forming contingency plans based on alternate scenarios. (2) This may also refer to scenarios that are used to study how firms and individuals will be living at some future time; from that one can determine what problems they will have that they cannot tell us about now.

Scenario: Technically, scenario is an unfolding picture of the future. In new products work, it more customarily refers to pictures of some time and place related to a firm's area of interest. The future scenario may be created by extending current trends or by leaping into the future and using other methods of deciding what will exist.

Schedules of reinforcement and shaping: One of the terms used in the context of operant conditioning theory of learning. This refers to the schedule by which a behavioural response is rewarded. Two concepts that are particularly relevant to marketers in their use of reinforcement through promotional strategies are schedules of reinforcement and shaping. Different schedules of reinforcement result in varying pattern of learning and behaviour. Learning occurs most rapidly under continuous reinforcement of schedule, in which every response is rewarded—but the behaviour is likely to cease when the reinforcement stops. Therefore, marketers must provide continuous reinforcement to consumers. Reinforcement scheduled can also be used to influence consumer learning and behaviour through a process known as **shaping**, the reinforcement of successive acts that leads to a desired behaviour pattern or response.

Scheduling methods: The process of making the advertising visible to the consumers in a given period of time. The primary objective of the scheduling is to time advertising efforts so that they will coincide with the highest potential buying time. Three scheduling methods available to media planners are continuity, flighting, and pulsing.

Schema: A cluster of concepts or beliefs that represent an individual's perception of an object or situation.

Scorer reliability: The extent of agreement among judges (scorers) working independently to categorize a series of objects. Example**:** two judges view 100 TV commercials. Each judge independently categorizes each commercial as humorous, musical, or straight sell. The higher the degree of agreement between judges, the greater the degree of reliability of the categorization.

Scoring model: A weighted factor checklist used to screen new product proposals. Factors are scored and the scorings are weighted and then totaled to yield a judgment on the concept.

Scrambled merchandising: A strategy of carrying any merchandise line, which can be sold profitably, even if the lines are not traditionally associated with each other (e.g. supermarket selling greeting cards).

Scratchcard: A promotional game that involves scratching off an opaque layer on a card to reveal a set of symbols. Winning cards have matching symbols.

Scree plot: One of the statistics and terms associated with factor analysis. Scree plot is a plot of the eigenvalues against the number of the factors in order of extraction.

Screening of ideas: Evaluation steps prior R&D and systems design in the new product development process. They involve use of scoring models, checklists, or personal judgments and are based on information from experience and various market research studies.

Script: The various elements of a TV commercial that provides a detailed description of its video and audio content. The script shows the various audio components of the commercial—the copy to be spoken by voices, the music, and sound effects. The video portion of the script provides the visual plan of the commercial—camera actions and angles, scenes, transition, and other important descriptions. The script also shows how the video corresponds to the audio portion of the commercial.

Seal of approval: An ostensibly objective product rating by some independent agency or media that serves as a positive endorsement to encourage consumers to act favorably toward certain products. For example, opinion of a highly respected trade journal or a recommendation of a credible organization's recommendation with respect to brand's quality or it's any other feature.

Sealed bid auctions: An auction type pricing where would-be suppliers can submit only one bid and does not know the others' bids. Usually in government contracts this method is followed to procure supplies. A supplier will not bid below cost but cannot bid too high for fear of losing the contract.

Search and browse: Methods of information retrieval.

Search claim: The advertising claims that can be validated before purchase by examining information readily available in the marketplace. An act claiming that the advertised product has the lowest price or best warranty can be verified by checking out the competition.

Search engine: Software that enables the web subscriber to locate the desired information or web sites. Ex. Yahoo!, Google, Alta Vista etc.

Search goods: Products and services that are easy for a consumer to evaluate. xxxx

Seasonable Merchandise: Products that sell well over nonconsecutive time periods. xxxx

Seasonal discount: A price reduction to buyers who purchase merchandise or services out of season. This discount of, say, 5, 10, or 20 percent is given to a customer who places an order or purchases during the slack season. Off season orders and purchases enable marketers to better use their production facilities and/or inventory carrying costs. Hotels, motels, airlines, and many manufacturers of seasonal products offer discounts in the off-seasons to boost the sales.

Seasonal index number: A number used to adjust monthly or quarterly data or forecasts for seasonal fluctuations. A seasonal index number is the ratio of the value of a variable for a period to the average value of the variable for all periods within the time interval used. Often used in time series analysis.

SEBI: xxxx

Second level processes: The marketing step, which provides for the understanding and tracking of customers want and needs. xxxx

Secondary (conditional) stimulus: A stimulus that is linked to a primary stimulus and evokes the same response.

Secondary business district (SBD): Unplanned shopping area in a city or town that is usually bounded by the intersection of two major streets. It has at least a junior department store, a variety store, and/or some larger specialty stores-in addition to many smaller stores.

Secondary data: Statistics or data not gathered for the immediate study at hand but for some other purpose. These data can be located quickly and in an inexpensive way by the researcher who is investigating a research problem or opportunity.

Secondary domain name: In the context of Internet this refers to the identifying portion of the domain name on the WWW, for most firms. In *Stanford.edu* the secondary domain name is Stanford.

Secondary formal group: Group with some formal structure with which the consumer meets infrequently (e.g., alumni groups, business clubs, and tenant organizations). These groups are likely to have the least amount of influence on the consumer.

Secondary formal group: One of the types of reference groups. A group with some formal structure with which the consumer meets infrequently (e.g., alumni groups, business clubs, and tenant organizations). These groups are likely to have the least amount of influence on the consumer.

Secondary informal group: One of the types of reference groups. A group with no formal structure with which the consumer meets infrequently (e.g., shopping or sports groups).

Secondary media: It is one of the media that which supports primary media, such as out-door, point-of-sale displays.

Secondary research: Research conducted for reasons other than the specific problem under study. Resulting data if used in future for some problem in a firm then it is called secondary data.

Secondary source: Source of secondary data that did not originate the data but rather secured them from another source.

Secondary trading area: Geographic area that contains an additional 15 to 25 percent of a store's customers. It is located outside the primary area, and customers are more widely dispersed.

Secondary/extrinsic stimuli: A stimulus that is repeatedly linked to a primary stimulus to produce a conditioned response. Communications designed to influence consumer behaviour are secondary stimuli that represent the product or stimuli associated with product (price, store in which purchased, effect of salesperson).

Second-generation shopping agents: Web sites that guide the online consumer through the process of quantifying benefits and evaluating the value equation. If the online consumer ranks certain benefits very highly, he or she may be willing to pay more to receive those benefits. These web sites (BizRate, PriceScan, DealTime) allow consumers to evaluate e-tailors based on ratings compiled from previous consumers.

Second-tier subsidiaries: Subsidiaries that report to a tax-haven subsidiary. xxxx

Second-world countries: Socialist countries, often referred to as historically planned economies, centrally planned economies, or communist countries.

Secrecy (accounting): A characteristic of an accounting system that implies that companies do not disclose much information about accounting practices, more common in Germanic countries.

Secular consumption: Consumption of goods that promote technology, the conquest of nature, and competition as opposed to sacred consumption where the products are purchased to promote beauty, the preservation of nature, and cooperation.

Secular totalitarianism: A dictatorship not affiliated with any religious group or system of beliefs.

Secure electronic transaction (SET): A vehicle, formed by major credit card companies, for legitimizing both the online merchant and the online consumer as well as protecting the consumer's credit card number. Under set the card number is never directly sent to the merchant. Rather a third party is introduced to the online transaction with whom both the merchant and customer communicate to validate one another as well as the transaction. The communication occurs automatically in the background and places no technical burden on the consumer.

Securities and Exchange Commission (SEC): A U.S. government agency that regulates securities brokers, dealers, and markets.

Segment marketing: Isolating broad segments that make up a market and adapting the marketing to match the needs of one or more segments.

Segmentation criteria: The criteria used to segment a broad product market. Eight major categories provide the most popular bases for market segmentation**:** geographic factors, demographic factors, psychological characteristics, socio-cultural variables, use-related characteristics, use-situational factors, benefits sought, and hybrid segmentation forms (such as demographic/psychographic profiles, geodemographic factors, and values and lifestyles.

Segmentation research: A type of marketing research where a firm determines the basis of segmentation, establishes market potential and responsiveness for various segments, selects target markets and creates life style profiles, demography, media, and product image.

Segmented pricing: Selling a product or service at two or more prices, where the difference in prices is not based on differences in costs.

Selection bias: A type of experimental error, which refers to the improper assignment of test units to treatment conditions. This bias occurs when selection or assignment of test units in an experiment that results in treatment groups that differ on the independent variable before the exposure to the treatment conditions. If the test units are assigned on the basis of the researcher's judgement, selection bias is possible.

Selective attention: A perceptual process in which consumers choose to attend to some stimuli and not others. The concept of selective attention is important in advertising because advertisers are required to make considerable efforts to get their messages noticed. Advertisers often use the creative aspects of their ads to gain consumers' attention

Selective binding: (1) A computerized production process that allows the creation of hundreds of copies of a magazine in one continuous sequence. (2) Binding different material directed to various reader segments in a single issue of a magazine.

Selective comprehension: The perceptual process whereby consumers interpret information based on their own attitudes, beliefs, motives, and experiences. They often interpret information in a manner that supports their own position.

Selective demand advertising: Advertising that focuses on stimulating demand for a specific manufacturer's product or brand. Most advertising for various products and services is concerned with stimulating selective demand and emphasizes reasons for purchasing a particular brand.

Selective demand: The demand for a given brand of a product or service instead of a product class or category.

Selective distortion: A perceptual process in which consumers hear what fits into their belief system. As a result, consumers often add things to the message that are not there (amplification) and do not notice other things that are there (leveling). The marketer's task is to strive for simplicity, clarity, and repetition to get the main points of the message across.

Selective distribution: A type of distribution, which takes place when companies/suppliers sell through a moderate number of retailers. This lets companies/suppliers have higher- sales than in exclusive distribution and lets retailers carry some competing brands.

Selective exposure: In the context of consumer behaviour this refers to the conscious or subconscious exposure by the consumer to certain media or messages, and the subconscious or active avoidance of others.

Selective learning: The processes whereby consumers seek information that supports the choice made and avoid information that fails to bolster the wisdom of a purchase decision.

Selective perception: The perceptual process involving the filtering or screening of exposure, attention, comprehension and retention.

Selective retention: A perceptual process in which consumers retain in long term memory only a small fraction of the advertising messages that reach to them. If the consumer's initial attitude toward the brand is positive and he or she rehearses support argument, the message is likely to be accepted and have high recall. If the initial attitude is negative and the consumer rehearses counter arguments, the message is likely to be rejected but stays in long-term memory.

Selective specialization: One of the options available to a firm in the selection of target market. Here, the company selects a number of segments, each objectively attractive and appropriate. There may be little or no synergy among the segments, but each promises to be moneymaker. This multi-segment strategy has the advantage of diversifying the company's risk.

Selectivity of medium: The ability of a medium to reach a specific target audience. One of the main advantages of using magazines as an advertising medium is their selectivity. Magazines are the most selective of all media except direct mail. Most magazines are published for special-interest groups. This electivity may be based on interest, demographic and geographic factors.

Self-concept/self image theory: A person's self-concept causes the individual to see herself or himself through the eyes of other persons. In doing so, individual takes into account the other person's behaviour, feelings, and attitudes. This evaluation is closely related to the perceptions of whether other persons in the reference group will approve or disapprove of the "self" presented to the reference group. This theory may be applied to consumer behaviour. It has been suggested that many people choose products that match their self-concept and self-image.

Self-concept: The beliefs a person holds about his or her own attributes and how he or she evaluates these qualities.

Self-designating method: The most commonly used technique to identify opinion leaders in which a person is asked to evaluate or describe his or her own attitudes or actions. For example, consumers are asked whether they consider themselves to be opinion leaders in a specific product category. It is presumed that respondents who report a greater degree of interest in a product category are likely to be opinion leaders.

Self-gifts: The products or services bought by consumers for their own use as a reward or consolation. Some times this concept is used in the promotional campaigns such as perfumes.

Self-image congruence models: The approaches based on the prediction that products will be chosen when their attributes match some aspect of the self

Self-liquidating premiums: Commonly used types of premiums as a consumer sales promotion tool. These require the consumer to pay some or all of the cost of the premium plus handling and mailing costs. The company usually purchases premium items in large quantities and offer them to consumers at lower than retail prices. The goal is not to make a profit on the premium item but rather just to cover costs and offer a value to the consumer.

Self-paced media: Media that viewers and/or readers can control their exposure time to, allowing them to process information at their own rate. In the context of advertising magazine readers may process the ad at their own rate and can study it as long as they desire. In contrast, information from the broadcast media of radio and television is externally paced; the transmission rate is controlled by the medium.

Self-perception theory: An alternative (to cognitive dissonance) explanation of dissonance effects; it assumes that people use observations of their own behavior to infer their attitudes toward some object. This theory states that people maintain consistency by inferring that they must have a positive attitude toward an object if they have bought or consumed it.

Self-reference criterion: The unconscious reference to one's own cultural values and experiences when considering a market in another culture.

Self-regulation: In the context of advertising it refers to the practice by the advertising industry of regulating and controlling advertising to avoid interference by outside agencies such as the government. Self-regulation of advertising should emanate from all segments of the advertising industry, including individual advertisers, ad agencies, business and advertising associations, and the media.

Self-report attitude scales: The measurement of consumer attitudes by self-scoring procedures, such as Likert scales, semantic differential scales, or rank-order scales.

Self-report: Method of assessing attitudes in which individuals are asked directly for their beliefs about or feelings toward an object or class of objects.

Self-reports: Pen-and-pencil "tests" completed by individuals concerning their own actions, attitudes, or motivations in regard to a subject or product under study.

Self-scanning: In big retail outlets this method **e**nables the consumer himself or herself to scan the items being purchased at a checkout counter, pay electronically by credit or debit card, and bag the items.

Self-service technologies (SSTs): The term refers to those technologies that have been developed in recent years to foster self-service. These include traditional vending machines, automatic teller machines (ATMs), self-pumping at petrol stations, self-checking out at hotels, self-ticket purchasing on the Internet and self-customization of products on the Internet. Not all SSTs improve service quality, but they have the potential of making the service transactions more accurate, convenient and faster.

Self-service: Cornerstone of all organized retailing such as departmental stores, chain stores, and malls where the customers have to locate, compare, and select the merchandise in order to purchase them. They carry the merchandise to the check out points and make payment.

Sellers' market: Situation in which there is a scarcity of product coupled with high demand. The circumstance inevitably leads to higher prices.

Selling center: Group of salespeople and support personnel set up to meet a buyer's needs.

Selling expense budget: Approved amounts that management will spend to obtain the revenue projected in the sale budget.

Selling formulas: Sales approach in which salespeople lead prospects through distinct stages of the buying process in a persuasive manner. xxxx

Selling process: The steps that the salesperson follows when selling a product or service. This will include prospecting and qualifying, pre-approach, approach, presentation and demonstration, handling objections, closing, and follow-up.

Semantic differential scale: A seven-point disguised or non-disguised survey technique, whereby a respondent is asked to rate one or more variables on several criteria; each criterion is evaluated along a bipolar adjective scale. This scale uses a series of bipolar adjectives (such as good/bad, hot/cold) that are anchored at the ends of an odd-numbered (e.g. 5- or 7-point) continuum. Respondents are asked to evaluate a concept (e.g. a product or company) on the basis of their feelings or beliefs.

Semantic memory: Words and sentences stored in ling term memory that reflect fact and concepts that we remember. Consumers' memories of brands are normally stored in the semantic memory.

Semiotics: A field of study established to study the interrelationship among three components**:** object (brand), the sign and symbols associated with the object, and the consumer who does the associating. To understand how people derive meaning from symbols, researchers must understand the shared meaning of various signs in a culture. In marketing context, semioticians see the symbols in packaging "as a kind of culture/ consumption dictionary; its entries are products, and their definitions are cultural meanings.

Sensation: The immediate and direct response of the senses (taste, smell, sight, touch, and hearing) to a stimulus such as and advertisement, package, brand name, or point–of–purchase display. Perception uses these senses to create a representation of the stimulus. Marketers recognize that it is important to understand consumers' psychological reaction to marketing stimuli. For example, the visual elements of an ad or package design must attract consumers' favorable attention.

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.

Sensitivity analysis: In the context of marketing information system and the decision making process this refers to a procedure used to identify the range of values a variable may have without affecting the decision outcome.

Sensitivity testing: The practice of changing one or more of the factors in a financial analysis. The analyses are usually put up on spreadsheets and what-if questions can be asked by making such changes. Settles issues on how sensitive the model is to errors in the forecast.

Sensory adaptation: "Getting used to" certain sensations; becoming accommodated to a certain level of stimulation.

Sensory memory: The temporary storage of information received from the senses. It lasts a couple of seconds. Advertisers concentrate a great deal of efforts on designing stimuli in their ads to be vivid and easily recognized in order to draw attention and to provide strong sensory impressions for consumers.

Sensory receptors: The human organs (eyes, ears, nose, mouth, skin) that receive sensory inputs.

Sensory store: The place in sensory memory in which all sensory inputs are housed very briefly before passing into the short-term store.

Sentence completion: One of the projective techniques used in the qualitative research in marketing where a questionnaire containing a number of incomplete sentences which respondents are directed to complete with the first words that come to mind.

Separate entity approach: A system for taxation of corporate income in which each unit is taxed when it receives income, with the result being double taxation.

Separate store organization: In the context of retail management the firm treats each branch as a separate store with its own buying responsibilities. Customer needs are quickly noted, but duplication by headquarters and branch stores is possible.

Sequence bias: Distortion in the answers to some questions on a questionnaire because the replies are not independently arrived at but are conditioned by responses to other questions; the problem is particularly acute in mail questionnaires because the respondent can see the whole questionnaire.

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.

Sequential sample (sampling): A probability sampling technique where the samples are formed on the basis of a series of successive decisions. If the evidence is not conclusive after a small sample is taken, more observations are taken, if still inconclusive after these additional observations, still more observation are taken. At each stage, then, a decision is made as to whether more information should be collected or whether the evidence is sufficient to draw a conclusion.

Serendipity: The ability to gain knowledge form accidental events. Many famous new products have been discovered accidentally, but many potential discoveries were overlooked because the observer was not serendipitous (having prepared mind)

Served market share: It is the company's sales expressed as a percentage of the total sales to its served market.

Served market share: It is the sales of a company expressed as a percentage of the total sales to its served market. Served market share is always larger than overall market share. A company could capture hundred per cent of its served market and yet have a relatively small share of the total market.

Served market: It refers to all the buyers who are able and willing to buy a company's product.

Server lag: This term is used in the context of Internet, which refers to the time a server takes to recognize and fill a user's request.

Service account: The part of a country's current account that measures travel and transportation, tourism, and fees and royalties.

Service advertising: Advertising that promotes a service rather than a product.

Service imports: International earnings other than those on goods sent to another country; also referred to as invisibles.

Service mark: A word or name used in the sale of services, to identify the services of a firm and distinguish them from those of others. Comparable to trade marks for products.

Service retailing: Involves transactions in which consumers do not purchase or acquire ownership of tangible products. It encompasses rented goods, owned goods, and nongoods.

Service selling: A type of selling where the salesperson helps the customer in bringing a sale to completion.

Service specialist: A niche-marketing firm that offers one or more services not available from other firms. For example, a bank that takes loan requests over the phone and hand-delivers the amount to the customer.

Service(s): Any activity or benefit that one party can offer to another that is essentially intangible and does not result in the ownership of anything. Services are intangible, inseparable, variable, and perishable products. As a result they normally require more quality control, supplier credibility, and adaptability.

Servicemark: Any word, symbol, design, or combination that identifies a service, such as a car wash.

Service-profit chain: The chain that links service firm profits with employee and customer satisfaction.

Services account: A component of current account balance that measures the services transactions such as travel and transportation, tourism, and fees and royalties.

SERVQUAL: A measurement scaling technique that assesses the quality of service offerings by asking customers to react to a series of statements in five areas of performance**:** reliability, responsiveness, assurance, empathy, and tangibles.

Session: A series of page impressions to one user, which ends when there is a gap of at least 30 minutes between two page impressions for that user. Share of voice Percentage of broadcast audience, which sees, hears commercial. xxxx

Settlement: The actual payment of currency in a foreign exchange transaction.

Seven "S" (7-S) framework of business success: This framework has been popularized by McKinsey. The elements comprising the framework are strategy, structure, systems, style, skills, staff and shared values. The first three elements—strategy, structure and systems—are considered the 'hardware' of success. The next four—style, skills, staff and shared value—are the 'software'.

Seven Cs of research: In the context of conducting marketing research seven Cs are the guidelines that a manager (decision maker) and researcher should take into consideration for a fruitful research results. These are communication, cooperation, confidence, candor, closeness, continuity, and creativity.

Shaping: This concept is used in the context of consumer learning process with respect to purchasing products and services. The reinforcement of successive acts that lead to a desired behaviour pattern or response. Shaping is a useful concept for marketers. In a promotional/advertising context, shaping procedures are used as part of the introductory program for new products. For example, inducing a new product trial marketers initially use free samples and large discount coupons to take a consumer from trial to repeat purchase. Marketers must be careful in their use of shaping procedures; if they drop the incentives too soon, the consumer may not establish the desired behaviour: but if they overuse them, the consumer purchase may become contingent on the incentive rather than the product or service.

Share of audience: A technique used to measure the figure of audience of a television program. This refers to the percentage of households using TV tuned to a particular program in a specified time. This figure considers variation in the number of TV sets in use and the total size of the potential audience, since it is based only on those households that have their sets turned on. Audience share is calculated by dividing the number of households (HH) tuned to a program by the number of households owning TV (HUT) /// i.e. Share = (HH tuned to program)/(Indian HH owing TV)

Share of heart: The percentage of customers who named a company in responding to a statement "name the company from which you would prefer to buy the product".

Share of mind: The percentage of customers who named a company in responding to a statement "name the first company that comes to mind in a particular industry".

Share of voice effect: It refers to the total value of the main media exposure for a specific brand in a product category. Well-established brands require less advertising expenditure (less share of voice) and still maintain market share. However, smaller brands on the other hand, have to continue to maintain a large share of voice in order to maintain their market shares. Studies have shown that there exists a relationship between market share and share of voice in the ratio of 1:1 for established products and 1.5-2.0: 1.0 ratio for new products.

Share of wallet: The amount of total customer business a company obtains.

Share penetration index: The ratio that compares the current market share to its potential market share. This result is called share penetration index. A low share penetration index indicates that the company can greatly expand its share. The underlying factors holding it back could be many: low brand awareness, low brand availability, benefit deficiency, or too high price.

Shared cost effect: It refers to situations in which customers are less price sensitive when part of the cost of the product or service is borne by another party (e.g. when part of the cost of medical services is covered by health insurance or when a sales person's travel cost is covered by an expense account).

Share-of-market method: A method of projecting the results of a test marketing program to national performance, based on sales in the test area of the product category as a whole, and estimated as**:** /// National Sales = test area sales of new brand X national sales of whole estimate test area sales of this whole product category. xxxx

Shelf space: Space allotted to a product or brand in a retail store. Shelf space is the front line in the product wars. Each inch of space is hotly contested. For retailers, every product stocked must justify its shelf position through satisfactory sales volume at good profit margins.

Shifting loyals: It refers to the group of buyers for a particular brand who shift from one brand to another within a group of brands. In terms of brand loyalty these are less loyal than split brand loyal but more loyal than brand switchers.

Shipper's export declaration: A shipping document that controls exports and is used to compile trade statistics.

Shipping package: That level of the packaging, which is used for transporting the product. Normally, this package is strong enough to withstand the handling during transportation.

Shoplifter: Person who steals merchandise from retail stores. Losses from shoplifting represent a major expense for retailers. Most large retailers employ some kind of loss prevention system. These systems use sensors that detect when merchandise is illegally removed from the store. Other systems, such as hidden cameras, are also employed. Stores have also beefed up security staffs. The result of all these precautions is a higher cost of doing business, paid for by the consumer.

Shopping agents: In the context of e-marketing they constitute the key technology that e-marketers need to understand when planning pricing strategies. A shopping agent helps consumers shop by eliminating the time consuming process of compiling all the information they need to complete a purchase. A shopping agent knows which store to visit, provides accurate product and price information, helps buyers compare features, negotiates specials on their behalf, and completes the transaction with the click of a button.

Shopping basket: A feature on a shopping website which enables the visitor to accumulate the advertised items he or she wishes to order. When the selection is complete, the shopper gives his or her credit card number, thereby paying for the contents of the shopping basket.

Shopping center: A group of retail businesses planned, developed, owned, and managed as a unit.

Shopping group: Two or more people who shop together. xxxx

Shopping orientation: A consumer's general attitudes and motivations regarding the act of shopping.

Shopping products (goods): Consumer goods that the customer, in the process of selection and purchase, characteristically compares on such bases as suitability, quality, price, and style. Compared with convenience goods, shopping goods are more expensive, are available in substantially fewer stores, and rely heavily on personal selling. Sellers often offer financing warranties and after sales service.

Short rate: In the context of advertising, it refers to the balance advertisers have to pay if they estimated that they would run more ads in a year than they did and entered a contract to pay at a favorable rate. The short rate is figured at the end of the year or sooner if advertisers fall behind schedule. It is calculated at a higher rate for the fewer insertions.

Short text messaging (SMS): Short text messages of text send by one user to another with a cell phone or PDA. It uses a store and send technology that only holds messages for a few days is particularly attractive to cell phone users because they can communicate quickly and inexpensively. Most experts agree that marketers can build relationship by sending permission-based information to customers when and where they want to receive it. To be successful, SMS should be short, personalized, interactive and relevant.

Shortage of inventory: A condition that occurs when physical inventory is less than the book inventory.

Short-term memory: The mental system that allows us to retain information for a short period of time. In the context of consumer behaviour, the product information is processed in the short term memory of the consumer which acts as a filter to determine the information that will be stored and the information that will be ignored. The principle of selective retention states that only the most important and relevant information to the brand decision will be transferred from the short term memory to the long term memory.

Shoshkele or Floater ad or Screen interrupt: It is a format of online advertisement and is a five-to-eight second Flash animation that runs through a web page to capture user's attention. These ads are enjoyable to some and invasive to others because they cannot be stopped.

Showing (outdoor): The term is used in the context of outdoor advertising. It refers to the outdoor posters bought by groups. The size of a showing is referred to as a 100-GRP depending on the gross rating points of the individual outdoor boards selected.

Shrinkage: The loss of money or inventory from shoplifting and/or employee theft. This is a massive problem for businesses that is passed on to consumers in the form of higher prices. About 40 per cent of shrinkage losses can be attributed to employees rather than shoppers. Big shopping malls spend substantial amount of money on security to prevent shrinkage.

Sight draft: In the context of international marketing, it refers to commercial bill of exchange that requires payment to be made as soon as it is presented to the party obligated to pay.

Sign test: a nonparametric test for examining differences in the location to populations, based on paired observations, that compares only the signs of the differences between pairs of variables without taking into account the magnitude of the differences.

Significance level (Level of significance): The specified level of α indicating the probability of making a type 1 error. This term is used in the context of hypothesis testing.

Significance of the interaction effect: In the context of conducting N-way analysis of variance this refers to a test of significance of the interaction between two or more independent variables.

Significance of the main effect: In the context of conducting N-way analysis of variance this refers to a test of significance of the main effect for each individual factor.

Significance of the overall effect: In the context of conducting N-way analysis of variance this refers to a test that some differences exist between some of the treatment groups.

Significance testing: In the context of regression analysis this refers to testing the significance of the overall regression equation as well as specific partial regression coefficients.

Silent language: The wide variety of cues other than formal language by which messages can be sent.

Silent seller: Folder of press cuttings, advertisements, brochures, price lists etc. which a salesperson uses to show prospects features of the product and company.

Silo: (1) Term applied to a department or function within a business. (2) Inner measurements from the simulation.

Similarity map: A two-dimensional clustering based on the nearness of attribute levels.

Similarity/distance coefficient matrix: One of the statistics associated with cluster analysis technique used in marketing in general and marketing research in particular. It is a lower triangle matrix containing pairwise distances between objects or cases.

Similarity: This term is used in the context of advertising when an advertisement uses celebrity as a source. Similarity is a supposed resemblance between the source and the receiver of a message.

Simple random sampling: A probability sampling technique in which each population element has a known and equal chance of being included in the sample and where every combination of *n* population elements is a sample possibility and is just as likely to occur as any other combination of *n* units.

Simple regression: A bivariate statistical procedure, applicable to intervally scaled variables, used to demonstrate how an independent variable is related to a dependent variable and to make predictions about scores on the dependent variable, given knowledge of the scores on the independent variable.

Simple tabulation: It refers to count of the number of cases that fall into each category when the categories are based on one variable.

Simulated before-after experimental design: One of the basic experimental designs used in marketing research that controls for premeasurement and interaction errors by using separate groups for the pre- and postmeasurement. The measure of interest is the difference between postmeasurement and premeasurement. This experimental design was developed primarily to control for pre measurement and interaction errors in experiments dealing with attitudes and knowledge. This design is commonly used in advertising research.

Simulated test market (STM): Involves mathematical estimates of market share based on consumers' initial reactions to the new product;

consumers are exposed to the product in a laboratory setting. STM is also known as laboratory test.

Simulation: (1) An incomplete representation of the marketing system designed to explicate the dynamics of the variables operating within that system. (2) Type of experiment whereby a computer program is used to manipulate the elements of a marketing strategy mix rather than test them in a real setting.

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.

Single cross-sectional designs: One of the types of cross-sectional designs in which only one sample of respondents is drawn from the target population, and information is obtained from this sample once. These designs are also called sample survey research designs.

Single linkage method: One of the methods used in selecting a clustering procedure in cluster analysis. This method is based on minimum distance or the nearest neighbor rule. The first two objects clustered are those that have the smallest distance between them. The next shortest distance is identified, and either the third is clustered with the first two, or a new two-object cluster is formed. At every stage, the distance between two clusters is the distance between the two closest points. This process is continued until all objects are in one cluster.

Single niche strategy: A strategy used by a market nicher in the case of new product, which is designed to fulfill the preferences of a niche.

Single segment concentration: One of the options available to the company in selecting the target market. Under this strategy, the company concentrates only on one segment with a specific marketing mix. From this strategy the company gains strong knowledge of the segment needs and achieves a strong market presence. Furthermore, the company enjoys operating economies through specializing its production, distribution, and promotion. If it captures segment leadership, it can earn a high return on its investment. This strategy is also known as *concentrated marketing*.

Single variable index: The use of a single socioeconomic variable (such as income) to estimate an individual's relative social class.

Single-component attitude model: An attitude model consisting of just one overall affective or "feeling," component.

Single-source data collection: It refers to a method of data collection in which a research firm develops a sample of consumer households, determines the demographic and life-style backgrounds of those households through surveys, observes TV-viewing behavior by in-home cable hookups to the firm's computers, and monitors shopping behavior by having people make purchases in designated stores. Also known as single-source tracking.

Single-source data: In the context of obtaining data from different sources it refers to an effort to combine data from different sources by gathering integrated information on household and marketing variables applicable to same set of respondents.

Singularity: The number of other products against which a new item will be tested. If one, singularity is monadic. If two, the singularity is paired comparison.

Sink or swim method: One of the methods of training in which new employees are thrust into the job and have to learn in any way possible or else get fired.

Siquis: Handwritten posters in sixteenth and seventeenth-century England-forerunners of modern advertising.

Situation segmentation: One of the types of segmentation in which a company divides the market by groups of customers within usage situation. For example, a hotel may divide its customers on the basis of situational needs such a s business travelers, holiday seekers, and so on.

Situational analysis: The process of analyzing the past and future situations facing an organization in order to identify problems and opportunities. Here an analysis is carried out to understand the company and its competitors on the basis of (1) Size and share of the total market, (2) Sales history, costs and profits, (3) Distribution practices, (4) Methods of selling, (5) Use of advertising, (6) Nature of product and demand, (7) Nature and types of various customer groups.

Situational determinants: In the context of consumer purchase decision making process this refers to one of the external factors. These are influences that originate from the specific situation in which consumers are to use the product or brand. There are three possible situational determinants. They are: (1) The specific usage situation, (2) The purchase situation, and (3) The communication situation.

Situational factors: All those factors that influence the performance of a company including marketing that are not under the control of the organization.

Situational influences: Temporary conditions or settings that occur in the environment at a specific situations, such as when a purchase decision is required.

Situational self-image: A person's self-concept at a particular point in time, which is influenced by the specific role he or she is playing at that time.

Six Ws of descriptive research: These are the specifications requires to conduct descriptive research studies for a marketing research project. These are who, what, when, where, why, and way.

Skewness: This term is used in the context of a distribution shape. Skewness is the tendency of the deviation from the mean to be larger in one direction than in the other. It can be thought of as the tendency for one tail of the distribution to be heavier than the other.

Skim pricing: Pricing strategy that sets a higher price for a product when it is initially introduced and highly desirable. The idea is to "skin the cream" from those customers who are willing to pay a premium for something new or in demand.

Skimming strategy: A strategic option establishing a high price for a new product entry and "skimming the cream of the market" by aiming at the most price inelastic consumer. Advertising and sales promotion are limited to specific targets, and distribution is selective. This is considered to be the most relevant strategy for discontinuous innovations.

SKU (Stock keeping Unit): The lowest level of identification of merchandise. It is usually defined by department, store, vendor, style, color, size, and location.

Skywriting: Using a smoke trail from an aeroplane to write an advertising message in the sky.

Sleeper effect: One of the limitations of using a celebrity in advertising for a prolong period. The tendency for persuasive communication to lose the impact of source credibility over time i.e. the influence of a message from a high credibility source tends to decrease over time; the influence of a message from a low credibility source tends to increase over time. This happens because the association of the message with the source diminishes and the receiver's attention focuses more on favorable information in the message, resulting in more support arguing.

Slice-of-death commercials: A variation of slice-of-life commercials advertising format or execution style, mostly used by business-to-business marketers. This execution style is used in conjunction with a fear appeal, as the focus is on the negative consequences that result when business people make the wrong decision in choosing a supplier or service provider. For example, a courier company may come up with a commercial that may show that what happen when important packages and documents are not received on time sent through by other competitors.

Slice-of-life commercials: A widely used advertising format or execution style, particularly for FMCG and packed products. Here television commercials that depict a typical person or family solving a problem by using the advertised product or service. They focus on "real-life" situations with which the viewer can identify. These are sometimes criticized for being unrealistic and irritating to watch as they often depict the problems of a personal nature. Yet, this format is quite extensively used in TV commercials.

Sliding commission plans: One of the methods of compensation to sales force. The rate of commission given to a sales person increases with increases in sales volume.

Slotting fees (allowances): (1) Payments demanded by retailers before they will accept new products and find 'slots' for them on the store shelves. They are also called stocking allowances, introductory allowances, or street money. (2) A fee charged to advertisers by media companies to get premium positioning on their web sites, category exclusively or some other special treatment. Special positioning comprises 8 percent of all advertising formats online.

Slow Penetration: It is one of the marketing strategies that company may adopt in the context of introducing a new product or brand in its target market. In this strategy the company introduces the new product keeping relatively low price with low promotion in order to penetrate the target market at a leisurely pace. This strategy works effectively in certain market conditions. These include: (1) Market size is large, (2) Market is predominantly price sensitive, (3) Majority of market is familiar with the product, and (4) The firm's objective is to maximize sales/profits in the long run

Slow Skimming: It is one of the marketing strategies that company may adopt in the context of introducing a new product or brand in its target market. In this strategy the company introduces the new product keeping relatively high price with low promotion in order to get the top layer of the target market slowly. This strategy works effectively in certain market conditions. These are: (1) The firm has sufficient time to recover its pre-launch expenses (2) The technology being used by the firm is highly sophisticated and the competition will have to invest substantial resources to get this technology, (3) Competition is limited to just one or two large companies, and (4) Market size for the product is limited, and consumers are willing to pay any price

Smart ads: Ads targeted to specific users based on their observable characteristics and behaviours.

Smart card: A credit card sized card containing a computer chip that holds customer and purchase details.

Smart offers: A dynamic presentation of offers to an individual based on that visitor's history. xxxx

Smithsonian Agreement: A 1971 agreement among countries that resulted in the devaluation of the U.S. dollar, revaluation of other world currencies, widening exchange-rate flexibility, and a commitment on the part of all participating countries to reduce trade restrictions; superseded by the Jamaica Agreement of 1976.

Snake diagram: Diagram (because of its shape) that connects with straight lines the average responses to a series of statements in semantic differential scale thereby depicting the profile of the object or objects being evaluated.

Snowball sampling: One of the methods of non probability sampling procedure and a variant of judgment sampling that relies on the researcher's ability to locate an initial set of respondents with the desired characteristics; these individuals are then used as informants to identify still others with the desired characteristics. Even though probability sampling is used to select the initial respondents, the final sample is a Nonprobability sample. A major objective of snowball sampling is to estimate characteristics that are rare in the population.

Social aging theories: A perspective to understand how society assigns people to different roles across the life span. xxxx

Social capital: The features of social organisation that facilitate coordination and cooperation for mutual benefit.

Social channels: One of the important types of personal communication channels, which consist of neighbours, friends, family members and colleagues. They may influence in the purchase of product and brand choice.

Social character: In the context of consumer behaviour, a personality trait that ranges on a continuum from inner-directedness (reliance on one's own "inner" values or standards) to other-directedness (reliance on other for direction).

Social class: Relatively permanent ordered divisions in a society into which people are grouped based on similar lifestyles, values, norms, interests and behaviours. The place one occupies in the social structure is an important determinant not only of how much money is spent but how it is spent. Consequently, many companies select one or two social classes as target markets and then develop a product and marketing mix to reach these segments.

Social comparison theory: The perspective that people compare their outcomes with others' as a way to increase the stability of their own self-evaluation, especially when physical evidence is unavailable. In the context of consumer behaviour, this may apply to choosing those products that are stylistic in nature such as music, books etc.

Social cues Indicators of the social, professional and emotional standing of a group.

Social desirability: A term specifically used in collecting the information from the respondents in a marketing research study. Social desirability is the tendency of the respondents to give answers that are socially acceptable, whether or not they are true. As mail surveys, mail panels, and Internet surveys do not involve any social interaction between the interviewer and the respondent, they are least susceptible to social desirability.

Social grades: A type of social class classification that **r**eplaced socio-economic groups in 1970s when social grades (based on occupation instead of income) were applied to the National Readership Survey in the US context. Grades are A (Upper Middle class), B (Middle class), C1 (Lower Middle class), C2 (Skilled working class), D (Semi-skilled and unskilled working class), E (Those at lowest level of subsistence). Percentage breakdowns vary but available from National Readership Survey.

Social judgment theory: The perspective that people assimilate new information about attitude objects in light of what they already know or feel. This theory says that people form latitude of acceptance, a latitude of rejection, and a latitude of non-commitment to operationalize this concept of involvement. The greater a person's involvement, the narrower will be the latitude of acceptance and the wider the latitude of rejection on various positions. The marketing implications are that highly involved consumers would find fewer brands acceptable and would interpret messages about these brands in a manner congruent with their previous experiences and opinion about the product. On the other hand, lowly involved consumers are receptive to a greater number of messages and will consider more brands.

Social market economy: An economic system in which there is heavy governmental spending and high taxation to pay for such social services as health care, education, subsidized housing for the poor, and unemployment benefits but the prices of products are determined by supply and demand rather than by government.

Social marketing: It refers to the application of marketing priciples to advance causes and ideas, such as energy conservation, charities, and population control. Social marketing is the use of marketing tools by organizations to try to influence consumers to behave in a more socially responsible manner. For example, drinking and driving, smoking excessively, taking drugs, and refusing to recognize "safe sex" as a precaution against AIDS are some of the examples of behaviour that are not in the best interest of the consumer. An offshoot of social marketing is cause-related marketing, which involves a firm sponsoring a charity or cause that it then links to its name. Social marketing also involves sponsorship of events to assist in espousing social causes.

Social mobility: This refers to the movement of an individual or household from one social class to another. This movement can be upward, downward, or even horizontal. Horizontal mobility refers to movement from one position to another roughly equivalent in social status, for instance becoming a clerk instead of a primary school teacher.

Social motives for shopping: This term is used in the context of outdoor shopping done by the people. People go for shopping because they have number of motives. These include: (1) Social experiences outside the home, (2) Communication with others having a similar interest, (3) Peer group attraction, (4) Status and authority, and (5) Pleasure of bargaining.

Social multiplier effect: One of the normative influences exerted by the reference groups on individuals including consumers. As a result of the demonstration principle (the desire to emulate the behaviour of a reference group that influence a consumer to buy the same brand or product), ownership of new products increases in multiples as consumers come into contact with and acquire new products. The social multiplier effect illustrates the volatility of group influence in an economy.

Social network: A group of friends and colleagues with whom one shares information, advice and expertise.

Social power: It refers to " the capacity to alter the actions of others". This is considered to be one of the powers of the reference groups that exert influence on group members. In the context of consumer behaviour purchase of many products is the result of social power.

Social responsibility: Occurs when an organization acts in society's best interests-as well as its own. The challenge is to balance corporate citizenship with fair profits. In the context of marketing social responsibility can be assessed to what extent a company is imposing restrictions on its actions through a process of self-regulation and willing to espouse social causes for the benefits of the society.

Social risk: One of the types of risks that a consumer may perceive in the purchase of various products and services. This refers to the perceived risk that a poor product/service choice may result in social embarrassment.

Social stratification: The process in a social system by which scarce and valuable resources are distributed unequally to status positions that become more or less permanently ranked in terms of the share of valuable resources each receives.

Social stratification: The ranking of people in society by other members into higher or lower positions—such as upper, middle, and lower class—to create a hierarchy of respect or prestige. The classification of consumers into upper, middle or lower classes implies that certain members of the society rank higher than others in prestige and power. This stratification suggests that in a society some people are more equal than others. Since the bases for defining power and prestige vary from one society to another, the composition of upper, middle, and lower classes is also likely to vary. Social stratification is dependent largely on the ideals and values of the society.

Social style model: A model that suggests business persons' "social style" will influence how they react on the job.

Social system: A physical, social or cultural environment to which people belong and within which they function.

Social trends: Broad changes in people's attitudes and behaviors. Some marketing research firms try to predict social trends in a society to find out the consumer-purchasing pattern.

Socialization: The process by which an individual learns the norms and values of the group and of society. The process of socialization influence the consumers in terms of acquiring skills, knowledge, and attitudes relevant to their functioning in the market place. Two primary socialization sources especially for young consumers are the family and the media.

Societal marketing concept: A modification of the traditional marketing concept that suggests that marketers adhere to principles of social responsibility in the marketing of their goods and services; that is, they must endeavor to satisfy the needs and wants of their target markets in ways that preserve and enhance the well-being of consumers and society as a whole more effectively and efficiently than do competitors. Some times it is simply known as societal marketing.

Societal objectives: Those objectives that are phrased in terms of helping society fulfill some of its needs.

Society: A broad grouping of people having common traditions, institutions, and collective activities and interests; the term nation-state is often used international business to denote a society.

Socio-cultural factors: A wide variety of factors of living, including behaviour norms such as those regarding diet or styles of dress.

Sociocultural segmentation: The division of a broad product market into smaller subgroups on the basis of sociological or cultural variables, such as social class, stage in the family life cycle, religion, race, nationality, values, beliefs or customs.

Socioeconomic status scores (SES): A multivariable social class measure used by the United States Bureau of the Census that combines occupational status, family income, and educational attainment into a single measure of social class standing.

Sociogram: A sociometric technique in a form of a diagram of network of communications among individuals. Sociogram is developed by using a sociometric technique to identify communications between the members of a group particularly in the context of purchasing a product or service.

Sociometric technique: One of the methods to identify opinion leader. This method is developed to describe the patterns of communication and influence among members of a group. Members of a group are asked from whom they get advice and to whom they go to seek advice or information in making a specific product decision. Specific individuals are identified and can in turn be interviewed to trace the network of communication. Individuals with the most frequent communication links are identified as opinion leaders.

Soft benefits: This refers to gains by a company such as improved quality and satisfaction, which are hard to measure and have indirect benefits to the firm.

Soft budget: A financial condition in which an enterprise's excess of expenditures over earnings is compensated for by some other institution, typically a government or a state controlled financial institution.

Sogo shosha: A Japanese term that is referred to Japanese trading companies that import and export merchandise. Its roots can be traced back to the late 19^{th} century. This form of trading company initially took the primary role of acquiring raw material for Japan's industrialization process and then finding external markets for its goods. However, with the passage of time their operations expanded significantly to include investing in production and processing facilities, establishing fully integrated sales systems for certain products, expanding marketing activities, and developing large bases for the integrated processing of raw materials.

Solitary survivor: A stage in family life cycle where the family consists of a single survivor among the spouse. Drastic cut in income. There is a special need for attention, care, affection, and security

Solomon four-group design: A type of basic experimental design used in marketing and business research consisting of four groups (two treatment, two control) and six measurements (two pre-measurements, four post-measurements). It is a before after with control experiment run simultaneously with an after-only with control experiment. It controls all possible sources of experimental error subject to control by design.

Solution oriented customers: One of the groups of business buyers classified on the basis of type of selling they require. These are the business buyers who want value through more benefits and advice through what is known as consultative selling.

Solution selling: A type of sales technique in which the salesperson uncovers a prospects' problems through questioning and surveys, then offers solutions to these problems through the use of the company's products or services. Solution selling is a method that takes the proposition far beyond the mere price quotation stage. It us usually not subject to the same competitive pressure as a mere price quote. However, the process frequently takes longer because the prospect is often required to change some current procedure.

Sorting out: The process of breaking down heterogeneous supplies into more homogeneous groups by a retailer.

Sorting process: The process that **i**nvolves the retailers collecting an assortment of goods and services from various sources, buying them in large quantity, and offering to sell them in small quantities to consumers.

Sought communication: A marketing communication, which the consumer actively searches for as part of the information-gathering process.

Source attractiveness: In the context of advertising message it refers to source characteristic that makes him or her appealing to a message recipient. Source attractiveness can be based on similarity, familiarity, or likeability.

Source attractiveness: One of the characteristics of source frequently used by advertisers in their marketing communication particularly in advertising. Source attractiveness is determined by its likeability and familiarity to consumers. Research has indicated that when consumer see salespeople or models in ads as similar to themselves they are more likely to accept and be influenced by the messages contained in the sales presentation or in an advertisement. Since source attractiveness increases message acceptance, marketers try to emphasize similarity and enhance likeability to increase source attractiveness.

Source bolstering: In the context of viewing and processing information contained in ads in low-involvement situations, this refers to the tendency of consumers to react positively to the source of the message as opposed to the message itself. This happens because of favorable cognitive thoughts generated toward the source of message in an ad..

Source credibility: In the context of marketing communication this refers to the level of expertise and trustworthiness consumers attribute to the source of the message. Expertise is the ability of the source to make valid statements about the product's characteristics and performance. Where as, trustworthiness is the perception that a source has made valid statement about the product.

Source derogation In the context of viewing and processing information contained in ads in low-involvement situations, this refers to the tendency of consumers to react negatively to the source and. therefore tend not to believe the message.

Source: The initiator of a message. In the context of marketing communication it may be a person or an organization that has information with the consumers. The source may be an individual (salesperson or hired spokesperson, such as a celebrity, who appears in an ad) or a non-personal entity (corporation or organization itself).

Sourcing strategy: The strategy that a company pursues in purchasing materials, components, and final products; sourcing can be from domestic and foreign locations and from inside and outside the company.

Southern African Development Co-ordination Conference (SADCC): A regional economic group in Africa that involves Angola, Botswana, Lesotho, Malawi, Mozambique, Swaziland, Tanzania, Zambia, and Zimbabwe.

Space manager (SM): An expert system, which automatically analyzes customer demand and matches it with product availability to constantly realign space in the store to maximize financial returns.

Space productivity: A measure of store or retail outlet productivity. It is the net sales divided by total square feet of retail selling space.

Spam: The mass distribution of unsolicited and unwanted e-mail. The practice has been criticized on many levels. ISPs point to the burden spamming places upon networks resources. As spam is, by definition, unrequested users complain of unwanted intrusion into their affairs. Much spam is derived from mailing lists that are collected from email addresses posted to such location as web bulletin boards or the Usenet without any intention to participate in mass mailing.

Spamming: Sending out indiscriminate e-mail communications to large numbers of individuals.

Spatial convenience: It refers to the degree to which the marketing channel makes it easy for customers to purchase the product. For example, Maruti offers greatest spatial convenience than Hyundai, as Maruti dealers are more geographically dispersed than Hyundai. This greater marketing decentralization helps the customers save on transportation and search costs in buying and repairing a car.

Spatial environment: The virtual space and environments created by Web sites or computer games.

Spatial maps: One of the statistics and terms associated with multidimensional scaling procedure. Spatial maps are the perceived relationships among brands or other stimuli are represented as geometric relationships among points in a multidimensional space.

Spearman's rank correlation coefficient: A statistic employed with ordinal data to measure the extent of association between two variables. The coefficient is appropriate when there are two variables per object, both of which are on ordinal scale so that the objects may be ranked in two ordered series.

Special Drawing Right (SDR): A unit of account issued to countries by the International Monetary Fund (IMF) to expand their official reserves bases. IMF to increase international reserves in 1970 has issued it. The SDR initially was denominated in gold and later determined by a basket of sixteen currencies. That is, the value of SDR is based on the weighted average of a group of currencies rather than on just one currency.

Special event pricing: One of the promotional pricing techniques in which, the marketers establish special prices in certain seasons to draw more customers and sales.

Specialized industry: One of the types of industries that can be distinguished on the basis of differentiated opportunities available to companies. This is the type of industry in which companies face many opportunities for differentiation and differentiation can have a high payoff. Among companies making specialized machinery for selected market segments, some small companies can be as profitable as some large companies.

Specialized marketing communication services: Group of organizations that provide marketing communication services in their areas of expertise including direct marketing, public relations, and sales promotion firms. A direct response agency develops and implements direct marketing programs, while sales promotion agencies develop sales promotion programs. Interactive agencies are being used to develop websites for the Internet and help marketers in the realm of interactive media. Public relation firms generate and manage publicity for a company and its products and services as well as focus on its relationships and communication with the company's relevant publics.

Specialogs or Specialogues: A type of merchandise catalogue that enables a retailer to cater to the specific needs of customer segments, emphasizes a limited number, and reduces catalog production and postage costs.

Special-purpose databases: One of the types of databases that contain information of a specific nature. For example, the Profit Impact of Market Strategies (PIMS) database is an ongoing database of research and analysis on business strategy conducted by the Strategic Planning Institute in Cambridge, Massachusetts. Similarly, in India Indian Council for Economic Research maintains and upgrades periodically the demographic data related with the ownerships of various products.

Specialty advertising: An advertising, sales promotion, and motivational communications medium that employs useful articles of merchandise (given as gifts to consumers) imprinted with an advertiser's name, message, or logo so as to encourage a purchase. These articles are always distributed free. Therefore, specialty advertising is often considered both advertising and a sales promotion medium. It is also sometimes known as promotional products marketing and supportive advertising medium.

Specialty goods (product): Consumer products with unique characteristics or brand identification for which a significant group of buyers is willing to make a special purchase effort. In many cases consumers are unwilling to accept a substitute for the preferred product. Retailers are especially important to the success of specialty goods; thus marketers of such goods usually limit their distribution in an effort to get strong local sales support. Usually these products command high prices and require strong advertising to promote brand uniqueness and to inform where available locally.

Specialty store: A retail store that carries a narrow product line with a deep assortment within that line. An example is a men's shoe store. By limiting the kind of products carried, a store with limited space can offer a wide variety of merchandise within its specialty.

Specialty wholesalers: A type of full service wholesalers who carry a part of a product line with deep assortment.

Specific duty: A duty (tariff) assessed on a per-unit basis.

Specific-customer specialist: A niche-marketing firm that limits it's selling to one or a few customers.

Spectacular: An outdoor sign/poster built to order, designed to be conspicuous for its location, size, lights, motion, or action. This the costliest form of outdoor advertising.

Speculation: In the context of international business this refers to the buying or selling of foreign currency with the prospect of great risk and high return.

Speculative sale: A type of pseudo sale market test. Consists of sales call (usually in commercial or industrial markets) where the full presentation is followed by a "would you buy?" Question rather than a "Will you buy?" request for the order.

Speculator: A person who takes positions in foreign exchange with the objective of earning a profit.

Spillover effects: In the context of international marketing or business this refers to situations in which the marketing program in one country results in awareness of the product in other countries. This can happen, for example, if the product is advertised through media viewed cross-nationally, such as cable television that reaches more than one country or the Internet that can be accessed from any place in the world. In such cased a diversification strategy has advantages because additional consumers may be reached with little additional incremental costs.

SPIN Selling: a type of selling approach that teaches salespeople to ask a logical series of questions to identify the needs of a prospect

Spinout: A form of new product team organisation in which the team is broken out form the ongoing organisation. It is the ultimate in projectization and used only in cases where the project will have major barrier to overcome.

Split 30s: Thirty second TV spots in which the advertiser promote two different products with two different messages during a 30-second duration.

Split ballot technique: Involves the use of two or more versions of a questionnaire to measure the same thing. This technique is used to reduce the effect of position bias when using multiple-choice questions in a questionnaire.

Split loyals: It refers to the group of buyers for a particular brand who are loyal to two or three brands. They may switch between these brands according to the situational factors such as non-availability, or temporary shortage of one of their preferred brand.

Split run test: An advertising effectiveness measure in which different versions of an ad are run in alternative copies of the same newspaper and/or magazine. This will enable an advertiser to examine the relative effectiveness of various elements of an advertisement.

Split-brain theory: In the context of information processing activity of consumer, this theory postulates that pictorial cues, in advertising, which activate right brain processing, are more effective for generating recall and familiarity with the brand/product. Whereas the verbal cues, which trigger left brain processing generates cognitive activity that encourages consumers to evaluate the advantages and disadvantages of the product? Research further suggests that right and left hemispheres of the brain do not operate independently of each other, but work together to process information. The methodology for measuring brain activity is known as activation research, which is highly complex and its findings are difficult to interpret.

Split-half reliability: A measure of reliability of a scale or research instrument such as a questionnaire in which the results from half the items on a multi-item measure are compared with the results for the remaining items. Sometimes the division of items is made randomly; while at other times even items are assumed to form one half and the odd the other half of the instrument. The total on the even items is then correlated with the total score obtained from the odd items. If there is substantial variation between the groups, the reliability of the instrument is in doubt.

Spokesperson: A celebrity who represents a brand or company over an extended period of time, often in print, television, and in personal appearances. Usually called a company spokesperson.

Sponsorship method: A method of training a new employee in which the employee is assigned to a senior employee in which the employee is assigned to a senior employee for on-the-job instruction.

Sponsorship: (1) Funding of arts, sporting and cultural events in exchange for publicity. It is one of the most rapidly growing marketing activities. It often works in much the same manner as using a celebrity endorser. That is, the characteristics of the sponsored event may become associated with the sponsoring organization.(2) One of the methods of buying time on television. Under this arrangement the advertiser assumes responsibility for the production and usually the content of the program as well as the advertising that appears within it. A company might choose to sponsor a program for several reasons. Sponsorship allows the firm to capitalize on the prestige of a high quality program, enhancing the image of the company and its products.

Spoofing: A type of internet fraud which is often used to extract sensitive information by leading a user to believe that a request is coming from a reputable source such as an ISP or credit card company.

Spot advertising: Commercials showed on local television stations (US context), with the negotiation and purchase of time being made directly from the individual stations. All non-network advertising done by national advertiser is known as national spot advertising; airtime sold to local firms is known as local spot advertising. Spot advertising offers the national advertisers flexibility in adjusting to local market conditions.

Spot market: A market for foreign currency transactions where sales are made based on the current prevailing price determined by a form of auction. Most foreign currency transactions take place between foreign-exchange traders, so the rates are quoted by the traders, who work for foreign-exchange brokerage houses or commercial banks.

Spot rate: An exchange rate quoted for immediate delivery of foreign currency, usually within two business days. It is applied to interbank transactions that require delivery of the purchased currency within two business days in exchange for immediate cash payment for the currency. This exchange process is called settlement.

Spotters: People who identify and qualify sales leads

Spread: In the context of international business this refers to the mechanism in the forward market, the difference between the spot rate and the forward rate; in the spot market, the difference between the bid (buy) and offer (sell) rates quoted by a foreign-exchange trader on which the trader earns a profit.

Spurious brand loyalty: When a brand achieves a minimum level of satisfaction the consumer repurchases it on a routinized basis; the consumer appears to be brand loyal but is not.

Spurious correlation/noncorelation: In cross tabulation between two variables this refers to a condition that arises when there is no relationship between two variables but the analyst concludes that a relationship exists.

Spurious noncorrelation: In cross tabulation between two variables this refers to a condition that arises when the analyst concludes there is no relationship between two variables but, in fact, there is.

S-shaped response curve: A sales response model that attempts to show S-shaped sales responses to various levels of advertising and promotional expenditures. This assumes that initial advertising outlays have little impact on sales. After a a certain budget level has been reached advertising and promotional efforts begin to have an effect, as additional increments of expenditures result in increase sales. This incremental gain continues only to a point, however, further additional expenses beyond a point begin to return little or nothing in the way of sales

Stability (research instrument): A technique for assessing the reliability of a measure by measuring the same objects or individuals at two different points in time and then correlating the scores; the procedure is known as test-retest reliability assessment.

Stage gate: Point where one phase or stage of new product activity is finished and another begins. Usually accompanied by phased reviews.

Stage I Web site: A Web site that provides the same information to everyone who accesses it.

Stage II Web site: A Web site that publishes information available to all, but which also has the capability to dynamically retrieve unique information based on individual requests.

Stage III Web site: A Web site capable of personalizing to specific individuals. Such a Web site may anticipate user choices and suggest possible alternatives.

Stage of cognitive development: The ability to comprehend concepts of increasing complexity as a person ages

Stakeholder performance scorecard: One of the measures used in market based scorecard analysis where the company tracks the satisfaction of various constituencies who have a critical interest in and impact on the company's performance: employees, suppliers, banks, distributors, retailers, and stockholders. Norms are set for each group and management takes action when one or more groups register-increased levels of dissatisfaction.

Stakeholder: Anyone who stands to gain or lose from the performance of a company. Stakeholders include customers, employees, suppliers, resellers, etc.

Stalemated industry: One of the types of industries that can be distinguished on the basis of differentiated opportunities available to companies. This is the type of industry in which companies face few opportunities for differentiation and competitive advantage. For example, in a fertilizer industry, it is hard to differentiate the product or decrease manufacturing costs. Companies, in this type of industry, can try to utilize better salespersons, entertain more lavishly, and the like, but these are small advantages. Profitability is unrelated to company's market share.

Standard advertising unit (SAU): In the US context a standard developed in the newspaper industry to make newspaper-purchasing rates more comparable to other media that sell space and time in standard units.

Standard deviation: A measure of dispersion; indicates how "spread out" the data are; it is the square root of the variance.

Standard error of estimate: One of the statistics associated with bivariate regression analysis. This statistic, SEE is the standard deviation of the actual Y values from the predicted (Y cap) values.

Standard error of estimate: Term used in regression analysis to refer to the absolute amount of variation in the criterion variable that is left unexplained or unaccounted for by the fitted regression equation. The smaller the standard error of estimate, the better the line fits the data.

Standard error of the mean or standard error: The standard deviation of a sampling distribution of the mean. It is equal to the population standard deviation divided by the square root of the sample size. In the context of correlation and regression it is the standard deviation of *b*, variable i.e., SE_b.

Standard industrial classification (SIC) codes: Codes used by the U.S. Bureau of the census to classify groups of firms in similar lines of business. Useful in making marketing plans.

Standard layout: A retail layout consisting of an entrance, a counter, a checkout area, and an exit.

Standard learning hierarchy: One of the hierarchies of consumer attitude formation. In many purchase situations, the consumer will go through the response process in the **learn → feel → do** sequence. Information and knowledge acquired or learned about the various brands are the basis of developing affect, or feelings that guide what the consumer will do. Also known as standard learning model.

Standard market test: A type of market test where the product is sold through regular marketing channels to a predetermined sample of marketing areas (typically 2 or 3) using one or more marketing strategies. Selection of the sample of test areas is a critical issue.

Standard Metropolitan Statistical Area (SMSA): In the US context it is an integrated social and economic unit such as a city, or a city and its surrounding suburbs, with a population nucleus of 50,000 or more inhabitants.

Standard of living: The level of material affluence of a group or nation. It may be measured as a composite of quantities of goods possessed and their quality.

Standardization of scale: One of the scale transformation procedures. This refers to the process of correcting data to reduce them to the same scale by subtracting the sample mean and dividing by the standard deviation.

Standardized discriminant function coefficients: It is one of the statistics associated with the discriminant analysis procedure conducted for a marketing research project. These are the discriminant function and are used as the multipliers when the variables have been standardized to a mean of 0 and a variance of 1.

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. Standardized marketing mix promises the lowest costs. Those who favor this approach argue that this focuses on similarities across world markets and sensibly force suitably standardized products and services across the globe.

Standards marketing: Marketing aimed towards creating a proprietary standard. xxxx

Stapel scale: One of the types of attitude measurement scales. It is a slight modification of semantic differential scale. The scale consists of a single adjective in the middle of the A self-report technique in which the respondents are asked to indicate how accurately each of a number of statements describes the object of interest by selecting an appropriate numerical response category. It is a unipolar rating scale with 10 categories numbered from –5 to + 5, without a neutral point (zero). The data obtained by using a staple scale can be analyzed in the same way as semantic differential data.

Staple merchandise: The type of merchandize that **c**onsists of regular products carried by a retailer.

Staples: One of the types of convenience consumer goods, which are purchased on a regular basis by the consumer

Starch Readership Service: A syndicated service in US that evaluates the effectiveness of magazine advertisements.

State of the art (technology): A term describing the current states of different firms, universities, research organizations, and/ or governments to merge efforts in a program of activity. Highly varied formats are used. In new products, they usually involve sharing technologies (e.g. IBM and apple or IBM and Microsoft). Sometimes they are joint efforts to develop new technology that all members of the alliance can use. xxxx

Statement of cash flow: An accounting statement that gives the detailed list of the sources and types of all expenditures and revenues for a given period.

Static model: Mathematical models which ignore time as a variable.

Static web pages: Web pages that are created prior to access and can be indexed by search engines.

Stations reps: This term is used in the context of buying television time for a commercial. All those individuals who act as sales representatives for a number of local TV stations and represent them in dealings with national advertisers.

Statistic: It is a summary description of a measure in the selected sample. The sample static is used to estimate the population parameter.

Statistical (experimental research) designs: These are the more advanced experimental research designs than the basic and true experimental designs. Statistical designs consist of a series of basic experiments that allow for statistical control and analysis of external variables. In other words, several basic experiments are conducted simultaneously. Statistical designs offer many advantages. These are: (1) The effect of more than one independent variable can be measures on dependent variable, (2) Specific extraneous variable can be statistically controlled, and (3) Economic designs can be formulated when each test unit is measured more than once.

Statistical control: In the context of conducting experimental research in marketing this refers to one of the methods of controlling extraneous variables by measuring the extraneous variables and adjusting for their effects through statistical analysis.

Statistical decision theory: One of the quantitative techniques that may be used in marketing decision support system (MDSS). This technique allows determining the course of action that produces the maximum expected value.

Statistical demand analysis: One of the ways of estimating future sales of a product or service by analyzing the past sales of a company. This method consists of measuring the impact of each of a set of causal factors (e.g., income, marketing expenditures, price) on the sales level.

Statistical efficiency: In the context of marketing research this refers to a measure used to compare sampling plans, one sampling plan is said to be superior (more statistically efficient to another if, for the same size sample, it produces a smaller standard error of estimate.

Statistical estimation: Involves the estimation of a population value we do not know from a sample value we do know. There are two kinds of estimation procedure, point estimation and interval estimation. Point estimate is a single number, or point, that is used to estimate a population value of interest. An interval estimate consists of two points between which the population value is estimated to lie with some stated level of confidence.

Statistical inference: This refers to the process of generalizing the results obtained from a sample to the population parameters from which the sample was drawn. In practice, a single sample of predetermined size is selected and the sample statistic such as mean and proportion are computed. Hypothetically, in order to estimate population parameter from the sample statistic, every possible that could have been drawn should be examined.

Statistical regression (SR): An extraneous variable that occurs during an experiment or the tendency of extreme cases of a phenomenon to move toward a more central position during the course of an experiment. For example, people with extreme attitudes have more chances for change, so variation is more likely. This has a confounding effect on the experimental results, because the observed effect (change in attitude) may be attributable to statistical regression rather than to the independent (treatment).

Status crystallization: This term is used in the context of social class. It is the extent to which different indicators of a person's status (income, ethnicity, occupation) are consistent with one another.

Status hierarchy: A ranking of social desirability in terms of consumers' access to resources such as money, education, and luxury goods

Status symbol: One of the indicators of social class in a society. This refers to the material possessions of an individual that indicates a person's status in society. Status symbols do not have to be associated with wealth. A status symbol is a symbol one's status in society. Thus the policeman's uniform or the CEO's pinstripe suit is status symbol. In the context of marketing many products are frequently bought and displayed as markers of social clause; they are valued as status symbols.

Status: The rank of an individual in the prestige hierarchy of a group or community. The position the individual occupies within the group. High status implies greater power and influence within the group.

Stepwise discriminant analysis: One of the types of discriminant analysis in which the predictors are entered sequentially based on their ability to discriminate between the groups. This method is appropriate when the researcher wants to select a subset of the predictors for inclusion in the discriminant function.

Stepwise regression analysis: One of the types of regression analysis procedures in which the predictor variables enter or leave the regression equation one at a time. The purpose of stepwise regression is to select, from a large number of predictor variables, a small subset of variables that account for most of the variation in the dependent or criterion variable.

Stereotypes: A standardized and oversimplified mental picture of various kinds of stimuli or a group. These stereotypes serve as expectations of what specific situations or people or events will be like and are important determinants of how such stimuli are subsequently perceived.

Sticky site: A web site at which a user spends a large amount of time. It has high visit duration.

Stimuli: Any physical, visual, or verbal communications that can influence an individual's response. The two most important types of stimuli influencing consumer behaviour are marketing and environmental. Marketing stimuli are any communications or physical stimuli that are designed to influence consumers. The product and its components are primary stimuli whereas marketing communication designed to influence consumer behaviour are secondary stimuli. Examples of consumer stimuli include products, packages, brand names, advertisements, and commercials. Also known as sensory input.

Stimulus discrimination: The ability to select a specific stimulus from among similar stimuli because of perceived differences. Companies with well-established brand image try to encourage stimulus discrimination by promoting the unique attributes of their brands. Many times manufacturers of well established brands urge consumers not to buy “cheap imitation” because the result will not be what they expect.

Stimulus generalization: The inability to perceive differences between slightly dissimilar stimuli. Generalization allows consumers to simplify the process of evaluation because they do not have to make a separate judgement for each stimulus. Brand loyalty is a form of stimulus generalization. The consumer assumes that positive past experiences with the brand will be repeated. Therefore, a consumer does not need to make a separate judgement with each purchase.

Stimulus rejection: The act of ignoring a specific stimulus, which does not conform to the receiver’s previous experience and attitudes.

Stimulus-response theory: Sales approach that holds that the prospect will buy upon hearing the right sales message. xxxx

Stochastic model: This is a model, which is used to study the brand loyalty. It uses probabilistic models of consumer learning to estimate the probability of consumers buying the same brand again.

Stock music: Existing recorded music that may be purchased for use in a TV or radio commercial. It is also called needledrop.

Stock turnover: Number of times during a specific period, usually one year, that the average inventory on hand is sold. It can be computed in units or rupees (at retail price or cost).

Stock-to-sales method: One of the methods used by big retailers for planning inventory level. In this inventory level-planning technique a specified ratio of goods on hand to sales is maintained. This method is easy to use but requires the retailer to have a beginning-of-the-month stock/sales ratio. This ratio tells the retailer how much inventory is needed at the beginning of the month to support the month's estimated sales. Stock/sales ratios can be obtained from internal or external sources.

Stockturn rate: A company measures the efficiency of its marketing operations by means of Stockturn rate. This figure represents the number of times the average inventory is turned over, or sold, during a specified period. The rate is calculated on either a cost or a selling-price basis. Both the numerator and denominator of the fraction must be expressed in the same terms, either cost or selling-price. /// Stockturn rate = cost of goods sold or selling-price/ average inventory at cost or selling-price

Storability: A type of categorization used for products that need special handling.

Storage (information): The stage in information processing in which individuals organize and reorganize information in long-term memory received from the short-term store. One theory of information storage is that it actually consists of two processes. In one process, information is organized episodically—that is, by the order in which it was acquired in the past. In the other process information is stored semantically—that is, according to the significant concepts. Information storage concept is important to companies because it may help them in developing communication strategies.

Storage warehouse: An independent warehouse, which stores goods for moderate to long periods of time.

Store attributes: The evaluative criteria consumers use to evaluate stores. Attributes can be both objective and subjective. The most frequently used attributes are price, merchandise, layout, physical characteristics, sales promotion, advertising, convenience, service and personnel.

Store audit: Detailed sales reports by product category and brand for a sample of specified retailers (typically food and drug stores) during a given period of time. Store audits are commercially available. An example is the Nielsen retail Index.

Store image: It refers to the measurement of consumers' perceptions of the various dimensions of a store and the product assortment it carries.

Store maintenance: In the context of retail business this refers to all the activities in managing a retailer's physical facilities.

Store positioning: A retail strategy of identifying a well defined market segment using demographics or life-style variables and appealing to this segment with a clearly differentiated approach.

Store saturation of a market: A condition under which existing store facilities are utilized efficiently and meet customer needs.

Storefront: Total physical exterior of a store, including the marquee, entrances, windows, lighting, and construction materials.

Store-owned delivery system: In the context of retailing it refers to one of the systems of delivering the merchandise up to the house or premises of the customer. It consists of a store employee delivering merchandise in a store-owned or leases vehicle. Advantages of this system include control over employees, tailored delivery routes for individual customer purchases, and advertising created by displaying the logo of the store on the vehicle. The main disadvantage it is costly.

Storyboard. Used in the context of developing a TV commercials. This is a series of drawings used to present a proposed commercial. Consists of illustrations of key action (video), accompanied by the audio part. Used for getting advertiser approval and as a production guide.

Storytelling or story completion: One of the techniques used in projective techniques in which the respondents are provided with part of a story and required to give the conclusion in their own words. The respondents' completion of this story will reveal their underlying feeling and emotions. Also sometimes known as story completion.

Straight (Gridiron) traffic flow: In the context of a retail store's space arrangement it refers to the displays and aisles in a rectangular or gridiron pattern.

Straight commission: One of the methods of compensating the sales persons where income of the salesperson is limited to a percentage commission on each sale the sales people generate. The commission could be the same percentage on all merchandize or it could vary depending on the profitability of the item. This plan provides substantial incentive for salespeople to generate sales. But when the general business climate is poor, salespeople may not be able to generate enough income to meet their basic needs. The commission may range between 2 to 10 percent of the selling price.

Straight lease: One of the leasing arrangements where a lessee is required to pay a fixed amount per month over the life of a lease. It is the simplest, most direct leasing arrangement.

Straight product extension: One of the product adaptation strategies in the context of international marketing. Marketing a product in a foreign market without any change. This strategy has been successful for some products and has been a disaster in others. This strategy is attractive to international marketers as it does not involves any additional R&D expenditures, manufacturing retooling, or promotional modification; but it can be costly in the long run.

Straight rebuy: One of the business-buying situations in which the buyer routinely reorders something without any modifications (e.g., office supplies, bulk chemicals). The buyer chooses from suppliers on an “approved list.” These suppliers make an effort to maintain product and service quality. They often propose automatic reordering systems so that the purchasing manager will save reordering time.

Straight salary: One of the methods of compensating the sales persons where the salesperson receives a fixed salary per time period (usually per month) regardless of the level of sales generated or orders taken. However, over time, if the salesperson does not generate sales or takes enough orders, he or she will likely to be fired for not performing well. If, overtime, the salesperson generate more than a proportionate share of sales or fills more than a proportionate number of orders, the company will be unable to retain the salesperson without a raise in the salary. The salesperson may find this method attractive because it offers income security or unattractive because it gives little incentive for extraordinary effort and performance.

Straight-line method: A type of routing pattern in which the salesperson begins with a call at the outer perimeter of his or her territory and then works back to the home base by calling on accounts located in the interior potion of the territory.

Strap line: Used in the context of advertising this refers to a **s**logan or signature slogan, usually placed at foot of an advertisement, e.g. The

Ultimate Driving Machine (BMW), More Car Per Car (Indica).

Strategic alliance: An agreement between companies that is of strategic importance to one or both companies' competitive viability. Strategic alliances are booming across the entire spectrum of industries and services and for wide variety of purposes. Despite the many good reasons for pursuing alliances, a high percentage of alliances are failure. One study revealed that roughly one-third alliances failed because of incompatible strategic fit.

Strategic business unit (SBU): A single business or a collection of related businesses that can be planned separately from the rest of the company. It is organized around the customer groups that will be served the customer needs that will be met and the products or services that will satisfy those needs. Each SBU has its own set of competitors and a manager who is responsible for strategic planning and profit performance and who controls most of the factors affecting profits.

Strategic control: One of the types of marketing control system, needed by the companies to evaluate their marketing effort. It is the task of evaluating whether the company's marketing strategy is appropriate to market conditions. Because of rapid changes in the marketing environment, each company needs to reassess its marketing effectiveness periodically, through a control instrument called marketing audit.

Strategic group: A group of firms that are following the same strategy in a given target market is known as strategic group. There may be number of strategic groups in a particular industry. Mapping of the strategic groups enable a company to identify its core or major competitors.

Strategic intent: A company's long-range objective that will hold the organization together over a long period while it builds its competitive viability—domestic and international. Although few companies start with such intent, most develop one as they progress toward significant positions. The strategic intent may encompass whether and where a company wants to be a leader, such as dominating domestic market, dominating a regional or global market, or attempting profit results without being the market leader. The strategic intent may also set priorities.

Strategic leverage: It refers to the extent which a company can maneuver along five dimensions i.e., target market, product, place, promotion, and price. This depends on the freedom of maneuver a company may enjoy in a specific industry. A company may be said to have strategic leverage if it is able to maneuver these five dimensions in an effective manner.

Strategic marketing plan: A long term planning framework for specific marketing activities involving major commitments. It is usually evolved from an organization's overall corporate strategy and serves a guide for specific marketing programs and policies.

Strategic marketing plan: A type of marketing plan that lays out the target markets and the value proposition that will be offered based on analysis of the best market opportunities.

Strategic planning: The process of developing and maintaining a strategic fit between the organization's goals and capabilities and its changing marketing opportunities. It involves defining a clear company mission, setting supporting objectives, designing a sound business portfolio, and coordinating functional strategies.

Strategic products: In the context of business/industrial buying situations this refers to those products that have high value and cost to the business customer and also involving high risk. The business buyer normally looks for a well-known and trusted supplier and is willing to pay more than the average price if it gets the right product

Strategic profit model: A measure of a firm's profit performance obtained by multiplying the firm's profit margin by its rate of asset turnover to get return on assets. Return on assets is then multiplied by the firm's financial leverage to yield its return on net worth.

Strategic value customers: One of the groups of business buyers classified on the basis of type of selling they require. These are the business buyers who want value through the suppliers co-investing and participating in the customers business through what is known as enterprise selling.

Strategy mix: In the context of retail management it refers to a firm's particular combination of store location, operating procedures, goods/services offered, pricing tactics, store atmosphere and customer services, and promotional methods.

Stratified sampling: A probability sampling technique that is distinguished by the two-step procedure where**:** (1) the parent population is divided into mutually exclusive and exhaustive subsets or strata, and (2) a simple random sample of elements is chosen independently from each strata or subset. The strata should be mutually exclusive and collectively exhaustive in that every population element should be assigned to one and only one stratum and no population elements should be omitted. There are two variants of stratified random sampling: proportionate and disproportionate sampling.

Stratum chart: One of the data display techniques used in the research report preparation and presentation. This is a set of line charts in which data are successively aggregated or a total is disaggregated so that the distance between two lines represents the amount of some variable. Areas between the line charts display the magnitudes of the relevant variables.

Streaming audio: It is the delivery of either live audio or stored audio non-demand over the Internet. Streaming fifers from traditional file downloading in that streaming users can start hearing the audio very shortly after clicking on the file. With traditional downloading, users must wait until the entire file is downloaded before playing it. Because audio and video files are quite large, streaming technologies created quite a breakthrough.

Streaming video: The same technology is used as in the case of audio, but this requires many times more bandwidth than does streaming audio. As a result steaming video is heavily constrained by the lack of bandwidth online. Nonetheless, many see a bright future for live video and video on demand**.**

Stress: A term associated with the multidimensional scaling procedure. This refers to a lack-of-fit measure, higher the value of stress indicate poorer fits.

Strict liability (product): An extreme variant of product liability in which the producer is held responsible for not putting a defective product on the market. Under strict liability, there need be no negligence; sale no longer has to be direct from producer to user, and no disclaimer statement relieves the producer of this responsibility.

String: Unplanned shopping area comprising a group of retail stores, often with similar or compatible product lines, located along a street or highway.

Strip malls (shopping strips): These refer to a cluster of stores, usually housed in one long building serving a neighbourhood's needs for groceries, hardware, laundry and other consumer goods. They usually serve people within a five to ten minutes driving range.

Strivers in marketing channel: One of the roles that an individual firm or company may perform in the channel system. Strivers are firms seeking to become insiders. They have less access to preferred sources of supply, which can handicap them in the periods of short supply. They adhere to the industry code of conduct because of their desire to become insiders.

Structure (questionnaire): Degree of standardization imposed on the data collection instrument. A highly structured questionnaire, for example, is one in which the questions to be asked and the responses permitted subjects are completely predetermined, while a highly unstructured questionnaire is one in which the questions to be asked are only loosely predetermined and respondents are free to respond in their own words and in any way they see it.

Structure correlations: It is one of the statistics associated with the discriminant analysis procedure conducted for a marketing research project. Also referred to as discriminant loadings, the structure correlations represent the simple correlations between the predictors and the discriminant function.

Structured interview: The extent to which an interviewer is restricted to following the question instructions, wording, and sequence in a questionnaire. Each subject is asked the same set of questions in the same predetermined order.

Structured questions: These are the questions in a questionnaire that specify the set of response alternatives and the response format. A structured questionnaire could be multiple choice, dichotomous, or a scale.

Sub-cultural influences: Differences in norms and values among subcultures within a society.

Subculture: A distinct cultural group (e.g., an ethnic group, a social class group, a regional group) that exists as an identifiable segment within a larger, more complex society. These cultural groups possess similar beliefs, values, norms, and patterns of behaviour that differentiate them from the larger cultural mainstream. Companies are interested in investigating the consumption behaviour of these subcultures in their respective products and services to develop appropriate marketing strategies.

Subheads: One of the components of a print advertisement copy. This is the secondary headline in a print ad. Subheads are usually smaller than the main headline but larger than the body copy. They may appear above or below the main headline or within the body copy. Subheads are often used to enhance the readability of the message by breaking up large amount of body copy and highlighting key sales points. Their content reinforces the headline and advertising slogan or theme.

Subjective estimates for nonresponse: One of the approaches available to the researcher for adjusting for nonresponse in a research project. In this approach the researcher arrives at subjective estimates of the nature and effect of nonresponse bias. This approached is used when it is no longer feasible to increase the response rate by subsampling, replacement, or substitution. This approach involves evaluating the likely effects of nonresponse based on experience and available information.

Subjective measurement of social class: A method of measuring social class by which people are asked to estimate their own social-class position.

Subjectivity: The interpretation of information according to the individual's previous experience.

Sublimation: The manifestation of repressed needs in a socially acceptable form of behavior**:** a type of defense mechanism.

Subliminal advertising: Television commercial with such short sequences that message is not visible but is registered mentally.

Subliminal embeds: In the context of subliminal advertising this refers to tiny figures inserted into magazine ads by high-speed photography or by airbrushing.

Subliminal perception: Perception of a stimulus below the conscious level. If the stimulus is beneath the threshold of conscious awareness but above the absolute threshold of perception, it is known as subliminal perception (The conscious level is referred to as the limen; thus perception below the conscious level is subliminal or below the absolute threshold.)

Subliminal stimuli: In the context of advertising it refers to a message presented so fast or so softly or so masked by other messages that one is not aware of seeing or hearing. Subliminal stimuli have been focus of intense study as well as public concern.

Subsampling of nonrespondents: One of the approaches available to the researcher for adjusting for nonresponse in a research project. In this approach the researcher contacts a subsample of the nonrespondents, usually by means of telephone or personal interviews. This often results in a high response rate within the subsample. The values obtained from the subsample are then projected to all the nonrespondents, and the survey results are adjusted.

Subsidiarity: A principle that implies that European Union interference should take place only in areas of common concern and that most policies should be set at the national level.

Subsidiary: In the context of international business it refers to a foreign operation that is legally separate from the parent company, even if wholly owned by it.

Subsidies: Direct or indirect financial assistance from governments to companies, making them more competitive in the foreign markets. Government subsidies may help companies be competitive to overcome market imperfections, which are least controversial. However, there is little agreement on what a subsidy is. There has been a recent increase in export-credit assistance.

Substantiality (market segment): One of the criteria for determining the attractiveness of a market segment. It refers to the size of the market segment. Small segments may not generate enough sales volume to support product development, production, and distribution costs that would be involved in satisfying these segments. Generally, the more substantial the segment, the better it will serve as market target.

Substantiation (advertising): A major area of concern to regulatory agencies in various countries is whether advertisers can support or substantiate their claims given in an advertisement. Many regulatory agencies particularly Federal Trade Commission of Us has introduces advertising substantiation program which requires the advertisers to have supporting documentation for their claims and to prove the claims are truthful. Similarly in India earlier MRTP commission and later Competition Act look into advertising substantiation in the ads.

Substitute a neutral value: One of the options or methods available to a researcher in treating the missing responses from the filled up questionnaires. In this option, a neutral value, typically the mean response to the variable is substituted for the missing responses. Thus the mean of the variable remains unchanged and other statistics, such as correlations, are not affected much. Although this approach has some merit, the logic of substituting a mean value for respondents

Substitute an imputed response: One of the options or methods available to a researcher in treating the missing responses from the filled up questionnaires. In this option, the respondents' patterns of responses to other questions are used to impute or calculate a suitable response to the missing questions. The researcher attempts to infer from the available data the responses the individuals would have given if they had answered the questions. However, this approach requires considerable effort and can introduce serious bias. Sophisticated statistical procedures have been developed to calculate imputed values for missing responses.

Substitute goal: A goal that replaces an individual's primary goal when that goal cannot be achieved or acquired.

Substitution drawbacks: A provision allowing domestic merchandise to be substituted for merchandise that is imported for eventual export, thus allowing the domestic firm to exclude the duty paid on the merchandise in costs and in sales prices. Also known as duty drawback.

Substitution for nonresponse: One of the approaches available to the researcher for adjusting for nonresponse in a research project. In this approach the researcher substitute for nonrespondents other elements from the sampling frame that are expected to respond. The sampling frame is divided into subgroups that are internally homogenous in terms of respondent characteristics, but heterogeneous in terms of response rates.

Success factor: A descriptor or activity that will have significant effect on the new product's outcome. Unique superior product is though to be the highest success factor. Factors that separate winners form losers.

Sugging: Selling under the guise of market research.

Sum of squared errors: One of the statistics associated with regression analysis. It refers to the distances of all the points from the regression line are squared and added together to arrive at the sum of squared errors, which is a measure of total error.

Summated rating scale: Self-report technique in marketing research for attitude measurement in which the subjects are asked to indicate their degree of agreement or disagreement with each of a number of statements; a subject's attitude score is the total obtained by summing the scale values assigned to each category checked. Likert type scale is the most commonly used summated scale. For example, in developing a Likert, or summated-rating scale, researchers devise a number of statements that relate to the product or attribute in question. Subjects are asked to indicate their degree of agreement or disagreement with each statement in the series. The responses are scored so that they are consistent in terms of directionality, and then added to obtain the respondents' total attitude score toward the object.

Sunk costs: Costs that represent expenses already incurred in the development of a new product, have been written off, involve no capital asset, and no anticipated salvage value. For purposes of net present value, sunk costs are ignored. After the project is over, an overall recap will include all costs, whenever spent.

Super distribution: A type of digital distribution that freely distributes content files, but collects a fee every time they are displayed or utilized.

Super Profiles: Geo-demographic targeting system which links consumer life-style with postal geography. Uses 10 life styles and 37 target markets. These are developed and run by Credit and Data Marketing Services (US).

Supercenter: In the context of retailing this refers to the combination store blending an economy supermarket with a discount department store.

Superego: One of the components of Freud's psychoanalytic theory. Superego is the leash on the id and works against its impulses. It does not manage the id but restrain it by punishing unacceptable behaviour through the creation of guilt. It is that part of the personality that reflects society's moral and ethical codes of conduct. The superego represents the ideal rather than the real. It motivate people to act in a moral way.

Supermarket: Large, low-cost, low-margin, high-volume, self-service store that carries a wide variety of food, laundry, and household products. The category includes conventional supermarkets, food-based superstores, combination stores, box (limited line) stores, and warehouse stores.

Super-regional center: A shopping center with extensive variety in general merchandising, apparel, furniture, and home furnishings, and a variety of service and recreational facilities.

Supersegment: It is a set of segments sharing some exploitable similarity. Company should try to operate in supersegments rather than in isolated segments.

Superstitials: A variation of interstitials, which feature video like ads that appear on a web site when a user moves her or his mouse from one part of a web site to another. Superstitials look like mini videos, using Flash technology and Java to make them entertaining and fast. The advantage of superstitials over interstitials is that the format leads behind the scenes and does not appear until it is fully loaded on the user's computer, thus it does not slow page download time, nor does the user have the impression that it does.

Superstore: A store almost twice the size of a regular supermarket that carries a large assortment of routinely purchased food and nonfood items and offers services such as dry cleaning, post offices, photo finishing, check cashing, bill paying, lunch counters, car care, and pet care.

Supplier search: One of the stages in the business buying process in which the buyer tries to find the best vendors or suppliers. Here the buyer can examine trade directories, contact other companies, and attend trade shows. On account of extensive use of Internet the buyer may search web sites for the most appropriate vendors. Companies can go for e-procurement. Many types of purchases may be made directly and safely on Internet.

Supplier selection: One of the stages in the business buying process in which the buyer reviews proposals and selects a supplier or suppliers. Before selecting a supplier, the buying center of the company will specify desired supplier attributes and indicate their relative importance. It will then rate suppliers on these attributes and identify the most attractive suppliers. In addition the buying center may negotiate with its preferred suppliers for better prices and terms before making the final supplier(s) selection.

Supply chain management orientation: In the context of business buying behaviour this refers to purchasing orientation that a company adopts in its purchasing process. It is the latest thinking and orientation where the purchasing role is broadened and is considered strategic, value-adding operation. The firm focuses on how to improve the whole value chain from raw materials to end-users.

Supply chain management: A system that involves coordination of the distribution channel to deliver products more effectively and efficiently to customers.

Supply chain: Logistics aspect of a value delivery chain. It comprises all of the parties that participate in the logistics process**:** manufacturers, wholesalers, third-party specialists, and the retailer. Supply chain describes a longer channel than the conventional marketing channels. Supply chain may stretch from raw materials to components to final products that are carried to final buyers. The supply chain represents a value delivery system. Each company captures only a certain percentage of the total value generated by the supply chain.

Supply density: In the context of retailing business this refers to the extent to which retailers are concentrated in a particular geographic area.

Supply planning: A term used in the context of purchase of key materials by the companies. Companies that fear a shortage of key materials buy and hold large inventories and sign long-term contracts with suppliers with steady flow of materials. This long-term supply planning is a responsibility of purchasing managers.

Supply-chain support: The network of vendors, dealers, and distribution partners linked online so that queries in one category can lead to related information in another.

Support advertising: A form of direct marketing in which the ad is designed to support other forms of advertising appearing in other media.

Support arguments: This term is used in the context of information processing by the consumers in case of exposure to advertisements. These are the consumers' thoughts that support or affirm the claims being make in the advertisement. Support arguments relate positively to message acceptance conveyed through the ad. Thus the marketer should develop ads or other promotional messages that minimize counterarguments and encourage support arguments.

Support media: Those advertising and communication media that are used to support and reinforce message sent to target markets through other more "dominant" and/ or more traditional media. Support media are used to reach those people in the target market the primary media may not have reached. Support media are also referred to by several names, among them alternative media, nonmeasured media, and nontraditional media.

Supraliminal Perception: Perception of stimuli at or above the level of conscious awareness.

Surrogate consumer: A professional or agent who is retained by a consumer to guide, direct, and or transact market place activities on behalf of a consumer. Suurogates can play a wide range of roles such as tax consultants, wine stewards, interior decorators, or financial managers. Consumers use surrogates because they may not have the time, inclination, or expertise to go through information search and decision-making. Unlike the opinion leader or market maven, the surrogate is usually compensated for this involvement. Infarct, surrogates are a type of marketing intermediary who help the actual consumers in purchase decisions.

Surrogate information error: This may be defined as the variation between the information needed for the marketing research problem and the information sought by the researcher. For example, instead of obtaining information on consumer choice of a new brand (needed for the marketing research problem), the researcher obtains information on consumer preferences because the choice process cannot be easily observed.

Surrogate positioning: Product positioning that eschews product features and benefits, turning instead to 1 of perhaps 8 or 10 substitutes, or surrogates. The two most popular surrogates are nonpareil (our product is simply the best available, no features or benefits cited) and parentage (our product is good because it was designed by the designers or producers of product X).

Surrogate question: Any question to which the answer can yield an answer question that cannot be answered at this time, if ever. For example, if the key question is, "what retaliation will our chief competitor offer to our new product?" a surrogate question that can be answered would be, "What retaliation did that competitor offer to its most recent serious competitive threat?"

Surrogate situation error: An experimental error, which occurs when the test situation differs from the real situation in some fundamentally different way. For example, in a test of alternative advertising copy actual competitor messages were used. When the product was introduced to the real market, the competitors changed their messages.

Surrogate variables: In the context of using factor analysis it refers to one of the steps in the process of computing factor scores. Here the researcher uses surrogate variables (substitute variables). Selection of surrogate variables involves singling out some of the original variables for use in subsequent analysis.

Survey of buying intentions: A method of sales forecasting in which customers are asked to forecast their purchases. The survey is designed to measure the likelihood that an individual or organization will purchase a given product in the future.

Survey of buying power: Reports current demographic data on metropolitan areas, cities, and states. It also provides such information as total annual retail sales by area, annual retail sales for specific product categories, annual effective buying income, and five-year population and retail sales projections.

Survey research method: The gathering of primary data by asking people questions about their knowledge, attitudes, preferences, and buying behavior. Thus this method of obtaining information is based on the questioning of respondents. These questions may be asked verbally, in writing, or via computer, and the responses may be obtained in any of these forms. The structured direct survey, the most popular data collection method, involves administering a questionnaire.

Survival age distribution: In the context of business analysis stage of new product development this term is used. To estimate replacement sales, management has to research the product's survival age distribution—that is, the number of units that fail in year one, two, and so on. The low end of the distribution indicates when the first replacement sales will take place.

Survival objective: One of the objectives that a company pursues in setting the prices of its products. If it is plagued with overcapacity, intense competition, or changing consumer wants. As long as prices cover variable costs and some fixed costs, the company stays in business. Survival is a short term pricing objective.

Swap: It is a transaction involving the exchange of two currency amounts on a specific date. For example, a company could sell rupees for Us dollars at the spot rate and agree to reverse the transaction at a specific future date at a specified exchange rate. Swaps are important, because they comprised substantial (more than 70) percent of all forward contracts. Swaps tend to have a relatively short maturity.

Sweep periods: The times of year in which television audience measures are taken (February, May, July and November). The TV networks and independent TV stations use numbers gathered during sweep rating periods in selling TV time. However, many advertising professionals believe the audience estimates gathered during the sweeps are overestimated because of special programming and promotions that occur during these periods.

Sweepstakes: A type of consumer sales promotion method whereby consumers submit their names for consideration in the drawing or selection of prizes and winners are determined purely by chance. Sweepstakes cannot require a proof of purchase as a condition for entry.

SWOT analysis: The overall evaluation of a company's strengths, weaknesses, opportunities, and threats. It includes both external environment analysis (opportunity and threat) and also internal environmental analysis (strengths and weaknesses). Opportunities may help to define a target market or identify new product opportunities, while threats are areas of exposure of possible negative consequences, which demand immediate address on the part of the company.

Symbolic analysis: One of the techniques used in conducting depth interviews. This technique attempts to analyze the symbolic meaning of objects by comparing them with their opposites. To learn what something is, the researcher attempts to learn what is not. The logical opposites of a product that are investigated are non-usage of the product, attributes of an imaginary "nonproduct", and opposite of products.

Symbolic aspiration group: A type of reference group in which an individual does not expect to receive membership, despite the acceptance of the group's norms and beliefs. Marketers appeal to symbolic aspirations by using celebrities to advertise certain products. Use of Shah Rukh Khan in Pepsi and Aamir Khan in Coca Cola ads are examples of symbolic aspirational reference group

Symbolic interactionism: A sociological approach stressing that relationships with other people playa large part in forming the self; people live in a symbolic environment, and the meaning attached to any situation or object is determined by a person' interpretation of these symbols. In the context of consumer behaviour it means that consumers tend to buy products for their symbolic value in enhancing their self-concept.

Symbolic self-completion theory: A theory related with the self-concept suggests that people who have an incomplete self-definition in some context will compensate by acquiring symbols associated with a desired social identity. For example, teenager boys may use "macho" products, such as cars and cigarettes to bolster their developing masculinity, these items act as a "social crutch" during a period of uncertainty about identity.

Symmetric Lambda: It is one of the variants of Lambda coefficient, which does not make an assumption about which variable is dependent. It measures the overall improvement when prediction is done in both directions. It is a kind of average of two asymmetric values.

Synchronous communication: In the context of Internet this term refers to real time communication in which participants may respond immediately.

Syncratic decision: One of the types of purchase decision-making in the family with respect to various products and services. In this type of decision-making, both spouses are equally involved and take decisions jointly. Therefore, such decisions are also called joint decisions.

Syncratic decisions: One of the patterns of purchase decisions in a family. This refers to those purchase decisions that are made jointly by both husband and wife jointly. The relative involvement of both spouses in the purchase of various products and services has increased in the recent years.

Syndicated research services: This refers to independent research organizations (companies) that collect information of known commercial value that they provide to multiple clients on a subscription basis. Surveys, diary panels, scanners, and audits are the main means by which these data are collected by syndicated serve firms.

Syndicated selling: See affiliate programs.

Syndicated TV program: A program that is sold for distributed to more than one TV station by an independent organization outside the national network structure. Includes reruns of former network entries as well as first-run programs produced specifically for the syndication market.

Synergistic effect in media: In media buying, combining a number of complementary media that create adverting awareness greater than the sum of each.

Synetic: One of the techniques of creativity, which is some times used in generating new product ideas as well as in other marketing problems solution. This method uses metaphors and similes, especially those drawn from nature. There are three types of synetic problem solving: (1) personal analogy, (2) fantasy analogy, and (3) free-association word meanings.

Synoptic ideal: A model of spousal decision making in which the husband and wife take a common view and act as joint decision makers, assigning each other well-defined roles and making mutually beneficial decisions to maximize the couple's joint utility

Synthesizing: The fourth virtual value activity. Synthesizing involves the processing of information gleaned from previous activities.

System buying: In the context of marketing this refers to buying of a ‘solution’ rather than a product by the customer. In the business buying situations, many companies prefer to buy a total solution to their problem from one seller.

System contracting: A variant of system selling where a single supplier provides the buyer with his or her entire requirement of MRO (maintenance, repair, operating) supplies. The supplier takes full responsibility of the contract period to manage the customer’s inventory. In this way the customer benefits from reduced procurement and management costs and from price protection over the term of the contract. The seller benefits from lower operating costs because of a steady demand and reduced paper work.

System selling: In the context of marketing this refers to selling the solution rather than a product to the customer. System selling is a key in industrial marketing strategy in bidding to build large-scale industrial projects.

Systematic error: A type of measurement error of an instrument used in the marketing research project. Systematic error affects the measurement in a constant way and represents stable factors that affect the observed score in the same way each time the measurement is made.

Systematic sampling: A probability sampling technique in which the sample is chosen by selecting a random starting point and then picking every *Kth* element in succession in the population from the sampling frame. The sampling interval, ***i*** is determined by dividing the population size ***N*** by the sample size ***n*** and rounding to the nearest integer.

Systems buying: Buying a total solution to a problem from a single seller, thus avoiding all the separate decisions involved in a complex buying situation.

Systems contracting: A form of systems selling in which a single contractor (supplier) provides the buyer with his or her entire requirement of maintenance, repair, and operating (MRO) supplies. The supplier takes full responsibility during the contract period to manage the customer's inventory.

Systems selling: A key industrial marketing strategy where a company promises to meet all the requirements of a prospective buyer. System selling is more common in bidding to build large-scale industrial projects, such as dams, highways, steel factories, irrigation systems, laying pipelines and even constructing new townships.

T

***t* distribution:** A symmetric bell shaped distribution similar to normal distribution that is useful for small sample (n<30) testing. However, as compared to normal distribution, the *t* distribution has more area in the tails and less in the center.

***t* statistic:** A statistic that assumes that the variable has a symmetric bell shaped distribution and the mean is known (or assumed to be known) and the population variance is estimated from the sample.

***t* test:** A test designed for comparing the sample mean with a hypothesized mean of a population, appropriate for all sample sizes when σ is unknown; also, a test designed for comparing the difference between two means.

Tabloids: Small sheet popular newspapers such as the *Daily Mirror, Sun, Daily Mail* and *Daily Express* with circulations from three to two million.

Tabulation: This refers to the orderly arrangement of data in a table or other summary format achieved by counting the frequency of responses to each question from a questionnaire that has been administered to respondents. The data may also be cross-classified by other categories.

Tachistoscope: A device that provides the researcher timing control over a visual stimulus; in marketing research, the visual stimulus is often a specific advertisement. It does by flashing the ad before the subject for an exposure interval that may range from less than a hundredth of a second to several seconds. After each exposure the subject is asked to describe everything he or she saw and to explain what it meant.

Tactical advertising: Another name for sales promotion, more popular in UK.

Tactical marketing plan: A type of marketing plan that specifies the marketing tactics, including product features, promotion, merchandising, prices, sales channels, and service.

Tactical marketing plan: A type of marketing plan that specifies the marketing tactics, including product features, promotion, merchandising, pricing, sales channel and service.

Tamper resistance: Making product packaging difficult to open or contaminate without making such tampering obvious to a subsequent purchaser.

Tangible good with accompanying services: One of the types of offerings by the companies. It consists of a tangible good accompanied by one or more services. This category may include those tangible products that are technologically complex and have a longer life such as cars, refrigerators, air conditioners, etc. These types of offering are more dependent on quality and available services such as delivery time, after-sale services, warrantees and guarantees, etc.

Target audience: In the context of advertising, it refers to the prospective buyers at which advertising is aimed. They may be selected on basis of age, sex, special interests or social grades. In this regard, geo-demographic and lifestyle data may also be used.

Target costing: A method of pricing that is used frequently by the Japanese firms. In this system, marketing research is used to establish a new product's desired functions. Then a price is determined at which a product will sell given its apparent competitors' prices. Then, the desired profit margin is deducted from this price. Thus, this leaves the target cost the company must achieve. Pricing that starts with an ideal selling price, and then targets costs that will ensure that the price is met.

Target market: A set of buyers sharing common needs or characteristics to which a firm directs its marketing efforts that includes all the controllable marketing tools such as product, price, promotion and distribution. Also called served market

Target marketing process: The process of identifying the specific needs of segments, selecting one or more of these segments as a target and developing marketing programs directed to each.

Target population: In the context of sampling process this refers to the collection of elements or objects that possess the information sought by the researcher and about which inferences are to be made. The target population must be defined precisely, imprecise definition of the target population will result in research that is ineffective at best and misleading at worst.

Target rating points (TRPs): The number of persons in the primary target audience that the media buy will reach – and the number of times.

Tariff barriers: It is a form of international trade control, which is a governmental tax levied on a good shipped internationally. Tariff barriers affect prices.

Tariffs: The most common type of trade control mechanism in which taxes a government places on goods traded internationally. If collected by the exporting country, it is known as an export tariff; if collected by a country through which the goods have passed, it is a transit tariff; if collected by the importing country, it is known as import tariff. The import tariff is by far the most common. High import tariffs inhibit imports and thus protect domestic industries. They also limit competition, which makes the cost of goods higher to consumers.

Task analysis: The process of identifying all tasks the marketer needs to perform, and breaking those tasks into jobs.

Task environment: One of the major parts of the marketing environment, which includes the immediate actors involved in producing, distributing and promoting the offering. The main actors are the company, suppliers, distributors, dealers and the target customers.

Taste culture: A type of culture that differentiates a group of consumers who share aesthetic and intellectual preferences. This concept helps to highlight the important yet sometimes subtle distinctions in consumption choices among the social classes.

Tastemakers: Those who are the first to adopt product innovations are sometimes called tastemakers, recognizing their influence on followers.

Tax treaty: A treaty between two countries that generally results in the reciprocal reduction on dividend withholding taxes and the exemption of taxes or royalties and sometimes interest payments.

Tax-haven subsidiary: A subsidiary of a company established in a tax-haven country for the purpose of minimizing income tax.

Team approach: A method of measuring the effectiveness of public relations programs whereby evaluators are actually involved in the campaign. By using research principles and working together, the team develops and accomplishes goals that were established before a public relation campaign.

Team leader: A job title that, though generic, is given to the person who is leading the new product team. Also called group leader, project manager, new product manager, program manger, venture manager and other names.

Team selling: Using teams of people from sales, marketing, engineering, finance, technical support, and even upper management to service large, complex accounts (clients).

Team: That group of persons who serve as on–site managers for new product project or program. Each team member represents a function, department, or specialty and together they form the management for that product. Team members may be full-time or part-time and persons may move on and off a team depending on the continuing need for their specialty.

Tear sheet: This refers to a page torn from a journal containing an advertisement, which has appeared, and serving as a voucher copy or proof of insertion. In sending for billing by the agency to the client this page may accompany publisher's invoice.

Teaser advertising: An ad designed to create curiosity and build excitement and interest in a product or brand by talking about it but not actually showing. Advertisers introducing a new product often use tease advertising. Teasers or mystery ads as they are sometimes called, are also used by marketers to draw attention to upcoming advertising campaigns and generate interest and curiosity for them.

Technical learning of culture: Learning in which teachers instruct the child in an educational environment about what should be done, how it should be done, and why it should be done.

Technical personnel: People who help buying center members who evaluate a potential purchase on the basis of whether it meets certain objective specifications.

Technical support people: One of types of inside sales people who provide technical information and answers to customers questions.

Technological environment: One of the major components of marketing macro environment that creates new technologies, creating new product and market opportunities. For marketers the technological environment is important and they should monitor the trends in technology, which may include the pace of technological change, the opportunities for innovation, varying R&D budgets and increased regulation.

Technology transfer: The transfer of technological knowledge necessary for the manufacturer of a product, the application of a process or the rendering of a service.

Technology-driven: A new products strategy or operation based on the strength of a technology. Technology yields new products, which are then offered to the market. Market–driven is the alternative form of thrust. Dual drive uses both at the same time and is the preferred form today.

Technophobia: This refers to the fear perception of some companies who do not want to adapt new technologies in developing their products and services.

Technoscape: One of the dimensions of global changes, which may be important to international marketers. Technoscape is the global configuration of technology and the fact that technology, both mechanical and information, moves at high speed across borders.

Techno-strivers: One of the proposed classification schemes proposed with regard to the technology savvy buyers. Techno-strivers are those buyers who use technology from electronic items to inline services, primarily to gain a career edge.

Teens: Consumers who are between the ages of 13 and 17; together with preteens, this market represents a sizeable part of a product market.

Telecoverage: One of the types of telemarketing activities. This involves calling customers to maintain and nurture key account relationships.

Telemarketers: One of the types of sales people used in telemarketing. Telemarketers use the phone to find new leads, qualify them and sell to them. Telemarketers can call up to fifty customers in a day compared to the four or five an outside salesperson can contact. They can cross-sell the company's other products, upgrade orders, introduce new products and follow-up and qualify direct mail leads.

Telemarketing: A form of direct marketing which involve the use of telephone and call centers to attract prospects, sell to existing customers, and provide service by taking orders and answering questions. Telemarketing helps companies increase revenues, reduce selling costs, and improve customer satisfaction.

Telematics: A emerging field which involves placing wireless Internet-connected computers in the dashboards of cars and trucks, and making more home appliances wireless so that they can be used anywhere in or near the home.

Tele-media: The use of telephone and voice information services, usually toll-free telephone numbers, to market, advertise, promote, entertain, and to inform.

Teleology: An ethical philosophy, which considers the moral worth of behaviour as determined by its consequences.

Telephone canvassers: People who make appointments for salespeople over the telephone.

Telephone interviews (traditional): It is one of the methods of data collection, which involves phoning a sample of respondents and asking them a series of questions. The interviewer uses a paper questionnaire and records the responses with a pencil. Technological advances have changed this method dramatically. Now, one can use computers in interviewing respondents through telephone.

Teleprospecting: One of the types of telemarketing activities. This involves generating and qualifying new leads for closure by another sales channel.

Telesales: One of the types of telemarketing activities. This involves taking orders from catalogues or ads and also doing outbound calling

Telescoping: This term is used in the context of eliciting the responses to questions contained in a questionnaire. This refers to a psychological phenomenon that takes place when a respondent telescopes or compresses time by remembering an event as occurring more recently than it actually occurred. For example, a respondent reports three trips to the supermarket in the last two weeks when, in fact, one of these trips was made 20 days ago.

Telesession focus groups: One of the variants of focus groups. In this type focus group sessions are conducted by phone using the conference call technique.

Teleshopping: One of the methods of direct marketing in which the marketers use toll free telephone numbers to sell their products and services through TV advertising. On account of emergence exclusive shopping channels consumers place order via toll free telephone numbers or through emails or by sms.

Television households: The number of households in a market that own television set is sometimes referred to as the universe estimate (UE).

Television network: The provider of news and programming to a series of affiliated local television stations. These affiliates, most of which are independently owned, contractually agree to preempt time during specified hours for programming provided by the networks and to carry the advertising within the program. The networks share the advertising revenues they receive during these time periods with the affiliates.

Tell them principle: In the context of marketing research report oral presentation, this is a guideline for an effective oral presentation. This principle can also be applied for any presentation. This principle states: (1) Tell them what you are going to tell them, (2) Tell them, and (3) Tell them what you have told them.

Telnet: An early protocol, which allows remote accessing of computers over the Internet. This includes online databases, library catalogues, and electronic journals at hundreds of colleges and public libraries.

Temporal method: A method of translating foreign-currency financial statements used when the functional currency is that of the parent company. This method provides that only monetary assets (cash, marketable securities and receivables) and liabilities are translated at the current exchange rate. Inventory and property, plant and equipment are translated at the historical rate, that is, the exchange rate in effect when the assets were acquired.

Ten Ss of focus groups: These refer to the advantages of focus groups. These are: synergism, snowballing, stimulation, security, spontaneity, serendipity, specialization, scientific scrutiny, structure, and speed.

Terabyte: A trillion bytes = a billion kilobytes = a million megabytes = a thousand gigabytes.

Terminal posters: A type outdoor advertising, which includes floor, displays, island showcases, electronic signs, and other forms of advertisements that appears in train or subway stations, airline terminals, etc. terminal posters can be very attractive and attention getting.

Terminal threshold: This term is generally used in the context of perception process. It refers to the maximum level at which an individual can experience a sensation. While in the field of consumer behaviour it denotes the maximum level of marketing stimuli, which is consciously noticed by a consumer.

Terminal values: As defined by Rokeach, terminal values or desired end states are cultural goals to be attained. Applied to consumers, terminal values are their ultimate purchasing goals.

Terms of occupancy: Consist of ownership versus leasing, the type of lease, operations and maintenance costs, taxes, zoning restrictions, and voluntary regulations.

Terms of trade: The quantity of imports that can be bought in a given quantity of a country's export.

Terrestrial TV: Television, which is broadcast via ground-based transmitters, as opposed to space-borne satellites or underground cables.

Territorial map: In the context of discriminant analysis, this refers to a tool that is used for assessing discriminant analysis results that plots the group membership of each case on a graph. In a territorial map, each group centroid is indicated by an asterisk.

Territorial restrictions: Attempts by a firm to limit the geographic area in which a middleman (dealer/distributor) may resell its merchandise.

Territorial rights: In the context of terms and responsibilities of channel members this defines the channel member's territories and the terms under which the producer will enfranchise other middlemen. Middlemen normally expect to receive full credit for all sales in their territory, whether are not they did the selling.

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. This sales structure results in a clear definition of responsibilities. It increases the salesperson's incentive to cultivate local business and personal ties. Travel expenses are relatively low because each salesperson travels within a small area.

Territory management: Planning, implementation, and control of salespersons' activities with the goal of realizing the sales and profit potentials of their assigned territories.

Territory: A geographic area assigned to salesperson. Companies expect the area, and the representative covering it, to deliver a certain amount of business. Quotas "come with the territory." Most companies try to organize their sales territories so that there is an equal amount of existing business, prospect potential, and opportunity for growth in each one.

Test marketing: A form of full scale market testing. Usually involves actually marketing a new product in one or several cities. The effort is representative of what the firm intends to do later on national marketing (or rollout). Here, various aspects of the marketing plan are tested (such as advertising expenditure levels or, product form variants) by using several pairs of cities. Output is a mix of learning, especially a sales and profit forecast. The term test marketing is sometimes stretched to other forms of market testing, particularly the electronic versions and simulated test markets, but the term is best confined to the full scale activity.

Test statistic: It refers to a measure of how close the sample has come to the null hypothesis. The test statistic often follows a well-known distribution, such as the normal, t, or chi-square distribution. There are specific guidelines for selecting an appropriate test or statistical technique depending on the nature of data collected and converted.

Test units: In the context of conducting experiments, the test units are individuals, organizations, or other entities whose response to the independent variables or treatments is being measured or examined. Test units may include consumers, stores, or geographic areas.

Testimonials: One of the popular formats of an advertising where a person praises the product or service on the basis of his or her experience. Testimonials also use celebrities for a product or service who speak highly of its benefits in order to influence consumers to buy.

Testing bias: A bias that occurs in advertising effectiveness measures because respondents know they are being tested and thus alter their responses.

Testing effect: Contaminating effect in an experiment due to the fact the process of experimentation itself affected the observed response. The *main testing* effect refers to the impact of a prior observation on a later observation, while the *interactive testing* effect refers to the condition when a prior measurement affects the test unit's response to the experimental variable.

Test-retest reliability: An approach for assessing reliability in which repeating the measurement using the same instrument under as nearly equivalent conditions as possible to compare the similarity of responses. The degree of similarity between the two measurements is determined by computing correlation coefficient. The higher the correlation coefficient, the greater the reliability of the testing instrument.

Tests of comprehension and reaction: Advertising effectiveness tests that are designed to assess whether the ad conveyed the desired meaning and is not reacted to negatively.

The Caribbean Common Market (CARICOM): In 1973 a common market for trade and to promote other forms of economic cooperation was established among its thirteen English-speaking member states.

The comScore media metrix monitoring technology: A web technology that measures online behaviour through use of advanced monitory technology, which provides continuous reporting of all Internet behaviour, including usage of websites and networks, usage of Internet applications, and online buying and other transaction behaviour.

The research era: In recent years advertisers increasingly have been able to identify narrowly defined audience segments through sophisticated research methods.

The selling (sales) concept: One of the philosophies of marketing which states that consumers will not buy enough of the organization's products unless the organization undertakes a large-scale selling and promotion effort. This concept assumes that consumers typically show buying inertia or resistance and must be convinced by selling techniques to purchase the products and services. Most firms practice this philosophy when they face overcapacity. Their aim is to sell what they make rather than make what the market wants.

Theater of the mind: In radio, a writer paints pictures in the mind of the listener through the use of sound.

Theater test: A technique of pre-testing finished TV commercial effectiveness, involves showing the commercial to a theater audience and obtaining pre and post-exposure attitudes and/or preferences. The measure of interest is the difference between postmeasurement and premeasurement.

Thematic apperception test (TAT): A type of projective technique that consists of copyrighted series of pictures about which the subject is asked to tell stories. Some of the pictures are of ordinary events and some of unusual events; in some of the pictures the persons or objects are clearly represented, and in others they are relatively obscure. The way a subject responds to these pictures help researchers interpret the individual's personality.

Theme-setting display: Interior display in a retail store that depicts a product offering in a thematic manner and portrays a specific atmosphere or mood.

Theocratic law system: A legal system based on religious precepts.

Theocratic totalitarianism: A dictatorship led by a religious group.

Theory of country size: An international trade theory which holds that countries with large land areas are more apt to have varied climates and natural resources, and therefore, they generally are more self sufficient than are smaller countries. Most of the very large countries, such as Brazil, China, India, US, and Russia, import much less of their consumption and export much less of their production than do smaller countries, such as Uruguay, Holland, and Iceland.

Theory of reasoned action: An updated version of the Fishbein's multiattribute attitude theory that proposes to predict behavior more accurately, it is more important to determine the person's attitude to that behavior than to the object of behavior.

Third-country nationals: Expatriate employees who are neither citizens of the country in which they are working nor citizens of the country where the company is headquartered.

Third-party logistics provider: An independent logistics provider that performs any or all of the functions required to get its clients' product to market.

Third-party responses: Complaints, which the consumer makes through a third party such as a lawyer or consumer to the supplier.

Third-person technique: A projective technique in which the subjects are presented with a verbal or visual situation and asked to relate the beliefs and attitudes of a third person to the situation. The third person may be a friend, nighbour, colleague, or a "typical" person. Again the researcher assumes that the respondent will reveal personal beliefs and attitudes while describing the reactions of the third party.

Third-world countries: Developing countries or those not considered socialist or nonsocialist industrial countries.

Three hit theory: A theory, which proposes that the optimum number of exposures to an advertisement to induce learning is three: one to gain consumers' awareness, a second to show the relevance of the product, and a third to show its benefits.

Three-dimensional demand function: The relationship of price, distance, and demand. For retailers, quantity demanded by a household is inversely related to prices charged and distance to store.

Threshold: (1) In the context of retailing it refers to the minimum amount of consumer demand that must exist in an area for a store to be economically viable. (2) In the context of consumer behaviour it refers to the level of sensory discrimination or the ability to discriminate between stimuli.

Through-the-line agency: A type of advertising agency, which offers both above-the-line and below-the-line advertising.

Tie-in promotion: A sales promotion technique in which two products are bound together. In this kind of promotion, a discount may be offered on one product if the customer purchases another, related product. An example might be offering a tie at half price to anyone who purchases a shirt.

Time and duty analysis: One of the tools in measuring the sales time efficiency utilized by the sales representatives. This tool helps sales people understand how they spend their time and how they might increase their productivity.

Time draft: A commercial bill of exchange calling for payment to be made at some time after delivery.

Time pacing: The practice of producing or introducing new products according to a given schedule.

Time poverty: A feeling in consumers that they have less time available than is required to meet the demands of everyday living. This sense of time poverty has made consumers very responsive to marketing innovations that allow them to save time.

Time pricing: One of the variants of price discrimination where the seller charges two different prices for the same product on different times. For example, many public utilities vary electricity rates to the users by time of the day. Museums charge more on weekend than weekdays. Hotels in summer hills charge more in peak season than in lean one.

Time risk: On of the perceived risk where the consumer feels that the time spent in product search may be wasted if the product does not perform as expected.

Time series design: It is a quasi-experimental design that involves periodic measurements on the dependent variable for a group of test units. Then the treatment is administered by the researcher or occurs naturally. After the treatment, periodic measurement are continued in order to determine the treatment or independent variable effect. This is a quasi-experiment, because there is no randomization of test units to treatments, and the timing of treatment presentation, as well as which test units are exposed to the treatment, may not be within the researcher's control.

Time-series analysis: One of the ways of estimating future sales of a product or service by analyzing the past sales of a company. This method consists of breaking down past time series into four components (trends, cycle, seasonal, and erratic) and projecting these components into the future.

Time-shift viewing: Recording programs on a VCR for viewing at a later time.

Top of the line: Best or more expensive, model the company has to offer. The top of the line is the company's flagship. It will offer the most features, operate at faster speeds, provide more functions, have the sleekest appearance, and so forth. Often, it is also the most profitable model.

Top-down budgeting approaches: Budgeting approaches in which the budgetary amount is established at the executive level and monies are passed down to the various departments. These budgets are essentially predetermined and have no true theoretical basis. Some of the top down methods include affordable methods, percentage of sales, competitive parity, and return on investment.

Top-down space management approach: Exists when a retailer starts with its total available store space, divides the space into categories, and then works on in-store product layouts.

Top-two-boxes: In concept and product use testing, it is common to ask the question, "How likely would you be to buy this product?" The answer set is, traditionally, definitely, would not buy. Listed with boxes in front of each choice, the analyst is looking for the percentage of people who checked either of the top two boxes. The statistic is a common measurement of overall acceptance. xxxx

Total association: Association existing between the variables without regard to the levels of any other variables; also called the zero order association between the variables.

Total audience (television): The total number of homes viewing any five-minute (used in the context of US) part of a television program.

Total correlation matrix: It is one of the statistics associated with the discriminant analysis procedure conducted for a marketing research project. If the cases are treated in the analysis as if they are from a single sample and the correlations computed, a total correlation matrix is obtained.

Total costs: These are the sum of the fixed and variable costs for any given level of production.

Total customer cost: It refers to the bundle of costs the consumer expect to incur in evaluating, obtaining, using and disposing off the given market offering.

Total customer value: It is the perceived monetary value of the bundle of economic, functional, and psychological benefits customers expect from a given product or service.

Total error: This refers to one of the errors that may affect a research design. The total error is the variation between the true value in the population (mean, proportion, standard deviation or any parameter) of the variable of interest and the observed value (mean, proportion, standard deviation or any statistic) obtained in the marketing research project. Total error consists of random sampling error and nonsampling error as shown in the following figure.

Total market demand: The total volume of a product or service that would be bought by a defined consumer group in a defined geographic area in a defined time period in a defined marketing environment under a defined level and mix of industry marketing effort.

Total market orientation: Companies that practice reactive and proactive marketing orientations i.e., taking into consideration the expressed as well as latent needs of consumers, are called total market oriented. These types of companies are most likely to be successful.

Total market potential: It refers to the maximum amount of sales that might be available to all the firms in an industry during the given period, under a given level of industry marketing effort and environmental conditions. It may be arrived at by estimating the potential number of buyers times the average quantity purchased by a buyer times the price.

Total quality management (TQM): An organization wide approach designed to constantly improve the quality of products, services, and marketing processes. Total quality is the key to value creation and customer satisfaction. TQM stresses three principles; customer satisfaction, employee involvement, and continuous improvement in quality. The center of the entire process, however, is customer satisfaction.

Total readership: A combination of the total number of primary and pass-along readers multiplied by the circulation of an average issue of a magazine. For example, a magazine that has a circulation of 10 lakhs and 3.5 readers per copy has a total audience of 35 lakhs.

Total retail experience: All the elements in a retail offering that encourage or inhibit consumers during their contact with a retailer.

Total set: It refers to the total number of brands available in a specific product category to the consumers.

Totalitarianism: A political system characterized by the absence of widespread participation in decision-making.

Trace analysis: One of the observation methods of data collection. In trace analysis, data collection is based on physical traces, or evidence, of past behaviour. The respondents may leave these traces intentionally or unintentionally.

Tracking studies: A form of advertisement research designed to assess the effect of advertising on awareness, recall, interest, and attitudes toward the ad as well as purchase intentions. Ad tracking may be applied to both print and broadcast ads but is more common with the latter. The major advantage of tracking studies is that they can be tailored to each specific campaign or situation.

Tracking variable: A specific variable used to track a specific phenomenon. Distribution can be tracked, for example, by measuring the “percentage of outlets that have stocked at least one package.”

Tracking, Advertising and Brand Strength (TABS): A sophisticated form of tracking study research which, among other things, identifies media consumption, weaknesses in both creative and media aspects of a campaign, rates of decay (the wear out factor) and whether drip or burst advertising is advisable.

Tracking: The act of checking on the progress of important aspects or issues in the marketing of a new product. This may be done in a comprehensive manner or casually.

Trade advertising: Advertising directed to the wholesale or retail merchants or sales agencies through which the product is sold. The goal is to encourage channel members to stock, promote, and resell the manufacturer's branded products to their customers.

Trade barrier: An obstacle to trade put up by a country to protect domestic industry. Typical trade barriers include high tariff rates, quotas, unreasonable standards, and so forth. More subtle trade barriers include domestic distribution systems that lock out foreign products, deliberate heel dragging on approvals needed by various government agencies and so forth.

Trade creation: The benefit to a particular country when a group of countries trade a product freely among themselves while maintaining common barriers to trade with non-members.

Trade development centers (TDCs): These are satellite cargo aggregation and dispersal points at vantage locations and they provide trade facilitation measures and one window facility—coordinating with railways, customs, ports, shipping lines, waterways, roadways, airways, warehouse operators, shippers, C&F agents, etc. –for fast economical and efficient service for promotion and growth of India's international trade.

Trade discount (functional discount): A deduction from list price offered by a manufacturer to a distributor, dealer, wholesaler, retailer, or other reseller. This is given to the trade on the performance of certain functions such as selling, storing, and record keeping. Manufacturers should offer the same trade discount to all channel members otherwise it will lead to conflict.

Trade diversion: A situation in which exports shift to a less efficient producing country because of preferential trade barriers.

Trade fair: Exhibitions designed to display products for the purpose of promoting sales and use of a product or service.

Trade name: A trademark used to identify an organization rather than a product or product line.

Trade paper: A business publication directed to those who buy products for resale (wholesalers, jobbers, retailers).

Trade regulation rules (TRRs): Industry wide rules that define unfair practices before they occur. Used by the Federal Trade Commission (US) to regulate advertising and promotion.

Trade secret: In contrast to getting a patent on an invention, the inventor or firm can simply attempt to keep secret the new aspect of the product. The Coca-Cola formula is a famous trade secret.

Trade show: A type of exhibition or forum where manufacturers can display their product to current as well as prospective buyers.

Trade shows: One of the tools used in business and sales promotion in which industry associations organize shows to attract business buyers. Participating companies in the trade shows expect several benefits, including generating new sales leads, maintaining customer contacts, introducing new products, meeting new customers, selling more to present customers and educating customers with publications, videos and other audio visual aids.

Trade: Sales jargon for marketing intermediaries (whole sellers and retailers)

Trade-in-allowances: These are the allowances that are given for accepting an old item from a consumer and given a new one in replacement.

Trademark licensing: A form of licensing which permits the names or logos of recognizable individuals or groups to be used on products.

Trademark: A registered and legally protected mark (word, symbol, design, or combination of that identifies a product. Trademarks are usually registered and protected by law. Most companies protect their trademarks vigorously because of the amount of money invested promoting them. If registered, the trademark obtains additional protection, mainly exclusive use, by special efforts are necessary to keep the registration**.**

Trade-off analysis: A type of study that measures users' utility scales for various attributes of a given product category. Given the determinant attributes, and the utility scale for each, one can assemble the perfect product, putting in optimized set of attributes that yields in total the greatest value to the marketplace. Originally (and still often) called conjoint analysis.

Trade-oriented sales promotion: One of the two commonly used sales promotion activities usually undertaken by the firms by providing incentives to increase the sales of a product or service. This is targeted toward marketing intermediaries such as wholesalers, distributors and retailers to carry a product and make an extra effort to promote or "push" it to their customers. This types of sales promotion includes promotional and merchandizing allowances, price deals, sales contests, and trade shows.

Trading area: A geographically delineated region, containing potential customers for whom there exists a probability of their purchasing a product or service from a particular firm or from a particular agglomeration of firms. Thus a trading area can be thought of as a series of demand gradients or zones in which, as the distance from the retailer increases the probability of a household purchasing or shopping there declines.

Trading company: A company, which is involved in importing, exporting, counter-trading, investing and manufacturing.

Trading-area overlap: Occurs when the trading areas of stores in different locations encroach on one another. In the overlap area, both stores serve the same customers.

Traditional department store: A type of department store in which merchandise quality ranges from average to quite good, pricing is moderate to above-average, and customer service ranges from medium levels of sales help, credit, delivery, and so forth to high levels of each.

Traffic Audit Bureau for Media Measurement (TAB): An organization in US designed to investigate how many people pass and may see a given outdoor sign, to establish a method of evaluating traffic measuring a market.

Traffic building approach: It refers to a product line strategy that may be followed by a company to attract traffic to the dealers' showrooms. Under this strategy the company gives prominence to one of its stripped down models with the lowest price in the line in its advertising campaigns.

Traffic building premium: A sales incentive given to the retailers to encourage the customers to come to a store where a sale can be closed.

Traffic controller: A manger in an advertising agency whose work is to combine duties of production manager in ad agency, sending copies of job instructions to agency department heads, and checking flow of work.

Trailer test: One of the techniques used in advertising research in which in a trailer in a shopping center shoppers are shown the products and given an opportunity to give their preferences for a series of brands. Then they view commercials and are given coupons to be used in the shopping center. Redemption rates indicate commercials' influence on purchase behaviour.

Trait theory A quantitative approach to the study of personality postulating that an individual's personality is composed of definite predisposition attributes called traits. The most empirical basis for measuring personality, it states that personality is composed of a set of traits that describe a general response predisposition. A number of studies have used personality traits to segment markets. When marketers use personality measures specifically developed for consumer behavior applications they have more strategic applications. However, using personality traits to predict consumer behavior is fraught with some risks as has been found by the research.

Transaction commissions and fees: One of the sources of revenues of dot-coms who charge commission and fees on transaction between other parties for example, eBay puts buyers in touch with sellers and takes from 1.25 to 5% per cent commission on each transaction.

Transaction exposure: Foreign-exchange risk arising because a company has outstanding accounts receivable or accounts payable that are denominated in a foreign currency.

Transaction: A trade of values between two parties. Transaction takes place when the two parties in the exchange process reached to an agreement at mutually agreeable terms. A transaction involves several things: (1) At least two things of value, (2) Agreed upon conditions, a time of agreement and a place of agreement. A legal system supports and enforces compliance on the part of the transactors i.e., companies. Without a law of contracts, people will approach transactions with some distrust, and every one would lose.

Transactional buyers: A type of business buyers who see the product as very important to their operations. They are price and service sensitive and knowledgeable about competitive offerings and are ready to switch for a better price deal even at the sacrifice of some service.

Transactional databases: Computerized databases that a company keeps and frequently updated which contains the information about consumer purchases. This database helps the companies in maintaining long-term relations with their active customers and in practicing relationship marketing.

Transcribing: In the context of a research project, it refers to the transfer of data from the questionnaire or an observation form or an interview schedule to the computer for data analysis purposes.

Transfer (retrieval of information): The third of three factors required for retrieval of information from long-term memory. Transfer determines the information consumers will retrieve from long-term to short-term memory. Generally, consumers will transfer information that is most important in making a decision.

Transfer cost: The costs incurred in transferring technology to a licensee and all on going expense of maintaining the licensing agreement.

Transfer price: A price charged for goods or services between entities that are related to each other through stock ownership, such as between a parent and its subsidiaries or between subsidiaries owned by the same parent. One problem with transfer price is that if the company charges too high a price to a subsidiary, it may end up paying higher tariff duties, although it may pay lower income taxes in the foreign country. If the company, on the other hand, charges too low a price to its subsidiary, it can be charged with dumping.

Transformational advertising: An ad that associates the experience of using (consuming) the advertised brand with a unique set of psychological characteristics that would not typically be associated with brand experience to the same degree without exposure to the advertisement. Transformational ads create feelings, images meanings, and beliefs about the product or service that may be activated when consumers use it, transforming their interpretation of the usage experience.

Transformational effect: The effect that occurs when the attitude consumers have toward an ad carries over to the brand. Explains why consumers who cannot tell the difference between soft drinks in blind taste tests have strong brand preferences when they can choose labeled brands.

Transient customer: The customer who visits the store and finds the service level below expectation or product out of stock will become a transient customer. This transient customer will seek store with the level of customer service he or she feels appropriate. A retailer with a superior custoemer service program wills have a significant advantage in intercepting these transients and converting them into loyal customers.

Transients in marketing channel: One of the roles that an individual firm or company may perform in the channel system. Transients are firms that are outside the dominant channel and do not seek membership. They go in and out of the market and move around as opportunities arise. They have short-run expectations and little incentive to adhere to the industry code of conduct.

Transit advertising: A form of out door (out-of-home) advertising is targeted to target audiences exposed to commercial transportation facilities, including buses, taxis, trains, elevators, trolleys, airplanes and subway. Similar to conventional out door advertising in the sense that it also uses billboards, and electronic messages.

Transit tariff: A tax placed on goods passing through a country.

Transitional economies: The term is referred to those countries, which are in the process of transformation from a controlled, centralized economy to a free-market system.

Transitivity of preference: In the context of paired-comparison method of comparative rating scale this assumption may be used. This assumption implies that if brand A is preferred to brand B, and brand B is preferred to C, then brand A is preferred to C. To arrive at a rank order the researcher determines the number of times each brand is preferred by summing the column entries in the paired comparison matrix.

Translation exposure: Foreign-exchange risk that occurs because the parent company must translate foreign currency financial statements into the reporting currency of the parent company.

Transmission lag: A source of network delay caused by such factors as distance, the level of network congestion, and other variables.

Transnational corporation (TNC): A company owned and managed by nationals in different countries; it may be synonymous with multinational enterprise or corporation.

Transnational strategy: In the context of decision making pattern of a multinational corporation this strategy refers implies a hybrid of multidomestic and global strategies. This strategy is followed when a MNC wants to gain knowledge from anywhere in the organization. The information flows up and down, horizontal and vertical. In effect, the transnational strategy attempts to gain benefits of standardization and integration while making country decision makers an integral part of planning and implementation.

Transparency: A characteristic of an accounting system that implies that companies disclose a great deal of information about accounting practices. This practice is followed in almost all the countries of the world.

Transportation advertising: Posters of various shapes and sizes on public transport vehicles and on transportation sites such as railway stations, Underground railway stations and trains, and at airports and seaports. Differs from ordinary outdoor advertisements with their brief messages because passengers have less time to read longer copy.

Traveling exports sales representatives: a form of direct exporting in which the home based sales representatives are sent to the foreign markets. They are expected to negotiate with the foreign buyers and bring the orders for exports.

Treatment group: The portion/group of the sample that is exposed to the changes made in the independent variable in an experiment. For example, in a taste test trying to measure consumer acceptance of a new flavor, those people testing the new flavor are part of the treatment group, those tasting the original flavor are part of the control group.

Trend analysis for nonresponse: One of the approaches available to the researcher for adjusting for nonresponse in a research project. In this approach the researcher tries to discern a trend between early and late respondents. This trend is projected to nonrespondents to estimate their characteristics of interest.

Triad strategy: A strategy proposing that a multi national corporation (MNC) should have a presence in Europe, the United States, and Asia (especially Japan).

Trial close: One of the sales closing techniques in which the salesperson asks for an opinion in the form of a question to take the order from the prospective buyer.

Trial: The second part of the A-T-A-R model. Defined is some way to indicate target customers who heard of the product and like enough about its story to warrant a serious trial of it. The trial must involve some cost or outlay of effort on buyer’s part or else does not assure us of genuine interest.

Trialability: The degree to which a new product is capable of being tried by consumers on a limited basis (e.g., through free samples or small-size packages)

Triangle taste test: A technique for determining the percentage of respondents who can differentiate one version of a food product from another. It is used for developing and altering food products.

Triangular product team: One of the types of product-team structures in product management marketing organization. This type of product team comprises of product manager, and two specialized product assistants, one who takes care of marketing research and the other, marketing communications.

Trickle-across effect: The process of diffusion occurring across groups regardless of socioeconomic status, a horizontal pattern of diffusion.

Trickle-down effect: The process of information and influence traveling from higher to lower socioeconomic groups, a vertical pattern of diffusion.

Trickle-down theory of fashion: The perspective that fashions spread as the result of status symbols associated with the upper classes "trickling down" to other social classes as these consumers try to emulate those with greater status

Trickle-up effect: The phenomenon that occurs when lower-class groups influence the purchases of those farther up the ladder (e.g., jeans were originally designed for blue-collar workers and made their way up to designer jean status).

Tricomponent attitude model: An attitude model consisting of three parts**:** a cognitive (knowledge) component, an affective (feeling) component, and a conative (behavioral) component.

Truck wholesalers: One of the types of limited service wholesalers who primarily sell and deliver a limited line of semi perishable merchandise to supermarkets, small grocery stores, hospitals, restaurants, factory cafeterias and hotels.

True experimental design: A type of experimental design which is distinguished by the fact that the researcher can randomly assign test units to experimental groups assign and also randomly assign treatment (independent variable) to experimental groups. Included in this category are the pre-test post-test control group design, the posttest-only design, and the Solomon four-group design.

True panel: This is referred to a group of respondents who are formed by a company on a permanent basis and this fixed sample of respondents are measured repeatedly over time with respect to the same variables. True panel is used in quasi-experimental designs.

True score model: It is a mathematical model that provides a framework for understanding the accuracy of the measurement instrument used in the marketing research project.

Trustworthiness (communication): One of the characteristics of celebrities who are used in the advertising communication. This refers to the honesty, integrity, and believability of the source (celebrity) of an advertising communication.

Trying agreements: When a seller with a strong product or service forces a retailer to buy a weak product or service as a condition for buying the strong one, not necessarily an illegal act on the part of the seller.

T-side: T-shape poster on side of double-decker bus.

Turing test: A benchmark of artificial intelligence, in which a human judgement cannot distinguish machine responses from human responses.

Turnkey operations: One of the market entry strategies in the international markets. It is an operating facility that is constructed under contract and transferred to the owner when the facility is ready to begin operations. Companies performing turnkey operations are frequently industrial-equipment manufacturers that supply some of their own equipments for the project. Most commonly they are construction companies. They also may be consulting firms or manufacturers that decide that an investment on their own behalf in the country is infeasible. It is also some times known as turnkey project or turnkey construction contract.

Turnover table: It refers to a table, which is prepared on the basis of data collected on the same phenomenon through a longitudinal research studies—experimental and descriptive. This table shows the changing trend of the phenomenon studied. For example, a study on brand loyalty behaviour may depict the brand-switching pattern of the respondents through this table. Therefore, this table is sometimes is known as brand-switching matrix.

TV Director: The person who casts and rehearses a commercial and is the key person in the shooting of the commercial.

TVQ: A service of marketing evaluations that measures the popularity (opinion of audience rather than size of audience) of shows and personalities.

Tweens: A marketing term used to describe children aged between 8years and 14 years.

Twin streams of innovation activity: The innovation process in building a new product and also a marketing plan. The two processes go on simultaneously and, in fact, the marketing plan may originate first if the firm's strategy is to develop new products for specific target markets.

Two-dimensional matrix: A form of relationships analysis using only two dimensions, contrasts with the morphological matrix of several dimensions.

Two-factor evaluations: It is one of the approaches used for conjoint analysis stimuli. In two-factor evaluations, also called pairwise approach, the respondents evaluate two attributes at a time until all the possible pairs of attributes have been evaluated.

Two-factor theory of repetition: Used in the context of advertising exposure it refers to a perspective that two separate psychological processes are operating when a person is repeatedly exposed to an ad**:** repetition increases familiarity and thus reduces uncertainty about the product but over time boredom increases with each exposure, and at some point the amount of boredom incurred begins to exceed the amount of uncertainty reduced, resulting in wear-out.

Two-group discriminant analysis: It is one of the techniques of discriminant analysis. In two-group discriminant analysis, the criterion variable or dependent has two categories and is closely related to multiple regression analysis.

Two-level channel: It refers to the number of vertical channels in a distribution network. A two-level channel contains two intermediaries. In consumer markets, these are typically a wholesaler and retailer and in industrial markets it may be a manufacturer's representative or sole distributor and distributor.

Two-part pricing: A pricing strategy normally used by service marketeers, which consists of a fixed fee plus a variable usage fee. For example, telephone users pay a monthly fee plus charges for calls beyond a certain numbers. One problem the service firms face in this pricing method is the decision with regard to the proportion of each part of the pricing i.e., how much to charge for the basic service and how much for the variable usage. The fixed fee should be low enough to induce purchase of the service; the profit can then be made on the usage fee.

Two-part pricing: A pricing strategy used in service marketing where the firm offers a base service and then provides supplies or peripheral services needed to continue the services. In this situation the company could offload some part of the price for the basic service to the peripherals. For example, cable services often drop the price for installation to a very low level, then compensate by charging enough for the peripheral services to make up for the loss in revenue.

Two-sample median test: It is one of the nonparametric test statistic used to analyze and interpret the results of a research study. This test determines whether the two groups are drawn from populations with the same median.

Two-side message: A message in which both good and bad points about a product or claim are presented. The negative information is usually relatively unimportant compared to the positive information. Such messages are supposed to be effective because they increase source credibility, and reduce resistance to the message among skeptic consumers. However, presenting negative information about the company's product is an infrequent strategy in advertising, but it may be used to refute due to the adverse publicity of competitors.

Two-step approach: A direct marketing strategy, which may involve the use of more than one medium. The first effort is designed to screen or quality, potential buyers, while the second effort has the responsibility of generating the response. For example, many companies use telemarketing to screen on the basis of interest, then follow up to interested parties with more information designed to get an order or use personal selling to close the sale.

Two-step flow of communication theory: A communication model that portrays opinion leaders as direct receivers of information from mass media sources that in turn interpret and transmit this information to the general public.

Two-tailed test: A statistical null hypothesis test in which the alternative includes all values (both higher and lower of the parameter except the null; hypothesis value.

Two-way exclusive dealing: It is a type of exclusive dealing arrangement which occurs when the producer offers retailer exclusive distribution of a merchandise line or product if in return the dealer will agree to do something for the manufacturer for the manufacturer, such as, agree to not handle competing brands. Two-way exclusive dealing is not allowed in many countries, including US.

Two-way exclusive dealing: Supplier offers the retailer the exclusive distribution of a merchandise line or product if, in return, the retailer will agree to do something for the supplier. This is usually not handling competing brands and is potentially illegal.

Two-way focus group: One of the variants of focus groups. This type of focus group allows one target group to listen to and learn from a related group. In one application, physicians viewed a focus group of arthritis patients discussing the treatment they desired. A focus group of these physicians was then held to determine their reactions.

Two-way stretch or stretching: A product line length strategy in which companies serving the middle market decide to stretch their product line in both directions—upward and downward.

Tying agreements: Companies having strong brands sometimes sell their brands to dealers only if they agree to take some or all of the rest of the line. This practice is also called full line forcing. Such tying agreements are not necessary illegal unless they violate some of the country's legislations or laws.

Type I error: An error caused by accepting the alternate hypothesis when the null hypothesis is true. Also known as alpha error. The probability of type I error is called level of significance. The type I error is controlled by establishing the tolerable level of risk of rejecting a true null hypothesis. The selection of a particular risk level should depend on the cost of making a type I error.

Type II error: An error occurs, based on sample results, by accepting the null hypothesis when the alternate hypothesis is true. Also known as beta error. The probability of type II error is called the power of a statistical test.

Types of marketing research: Marketing research is carried out for two main purposes. The first is to solve specific marketing problems that are faced by a company. The second purpose is to identify the problems, which a company may face in future. Therefore, one can classify marketing research into two types: problem solving marketing research and problem identification marketing research.

Typographer: Person who selects typefaces for print work or advertisements, and marks up layout or copy with type sizes, measure (width of column), and varieties of type such as roman, bold, medium or light.

Typography: The art of using type effectively.

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Ultravision sites: Outdoor advertising sites consisting of a series of advertisements produced as revolving slats to provide a succession of advertisements.

Umbrella brand: A brand name that encompasses a broad range of related products. An umbrella brand offers advantages in advertising campaigns because one ad can be used to develop name recognition for all products.

Unaided recall: An advertising measurement technique in which respondents are asked to recall advertisements they have seen, with no cues as to the identity or product class of the advertisements to be recalled. Often used to measure the influence of timing on learning schedules.

Unanticipated situational factors: These refer to all those unanticipated situational factors that can intervene between the purchase intentions and the purchase decision in the purchase decision process. These factors either change the purchase intentions or strengthen the purchase intentions leading to quick purchase decision.

Unbalanced scales: This term is used in the context of attitude rating scales. An unbalanced scale is one in which the number of favourable and unfavourable categories are not equal, whereas in a balanced scale they are equal. Most of the attitude rating scales are balanced.

Unbiased: Used to describe a statistic when the average value of the statistic equals the population parameter it is supposed to estimate.

Unbundled pricing: (1) In the context of retailing this refers to a strategy that a retailer is charging separate prices for each item sold. (2) In the context of price setting by the companies it refers to a pricing strategy where it maintains the price of it basic product but prices separately that were part of the original product, such as free delivery or installation or an accessory.

Unconditioned response: Part of the classical conditioning theory of learning it refers to the response to primary (unconditioned) stimuli.

Unconscionable lies in advertising: Deceptive advertisements in which completely false claims are made intentionally.

Uncontrollable variables: Aspects of business to which the firm must adapt such as competition, the economy, and laws. They are the part of the marketing environment.

Underpositioning: One of the positioning errors that sometimes accompany commits. Under this the buyers have only a vague idea of the brand. The brand is seen as just another entry in a crowded market place.

Understored trading area: Geographic area that has too few stores selling a specific good or service to satisfy the needs of its population.

Undifferentiated marketing: A market-coverage strategy in which a firm decides to ignore market segment differences and go after the whole market with one offer. It designs a product and marketing program that will appeal to the broadest number of consumers in a specific product class. It relies on mass distribution and mass media advertising. However, this market coverage strategy is not followed by many marketers because of it lower acceptance by the consumers.

Undisguised observation: It refers to one of the ways of using observation as method of primary data collection. In this type of observation, the respondents are aware that they are being observed. For example, respondents know the observer or any mechanical device used for observation. Researchers disagree on how much effect the presence of an observer on behaviour. One viewpoint is that observer effect is minor and short lived. The other position is that the observer can seriously bias the behaviour pattern.

Unduplicated reach: In the context of advertising coverage this refers to the number of persons reached once with media exposure, which indicates potential new exposures of consumers in a given market.

Unfair advertising: This refers to that type of advertising in which the advertiser deliberately or other wise withholds information that could result in substantial physical or economic injury to consumers.

Unfairness: A concept used by the Federal Trade Commission (US) to determine unfair or deceptive advertising practices. Unfairness occurs when a trade practice causes substantial physical or economic injury to consumers, could not be avoided by consumers, and must not be outweighed by countervailing benefits to consumers or competition.

Unfavorable balance of trade: An indication of a trade deficit – that is, imports are greater than exports.

Unfolding: One of the statistics and terms associated with multidimensional scaling procedure. The representation of both brands and respondents as points in the same space is referred to as unfolding.

Unfounded rumors: Negative comments that are untrue that can sweep through the marketplace to the detriment of a product or service.

Uniform resource locator (URL): A website address, using a universally recognized method of naming websites. It is also called IP address (Internet protocol) and domain name. This is a clever categorization scheme similar to area codes, that help computer users find other computers on the Internet network.. URLs are actually numbers, but because users can more easily remember names, a domain name server translates back and forth. A URL consists of four levels. These are: (1) Hypertext protocol (http://), (2) World wide web (WWW), (3) Second level domain (Yahoo!), and (4) Top-level domain (com).

Uniform-delivered pricing: A geographical pricing strategy in which the company charges the same price plus freight to all customers, regardless of their location. This lower the overall cost to distant customers, but raise costs for customers near the company's plant.

Unilateral transfer: A transfer of currency from one country to another for which no goods or services are received; an example is foreign aid to a country devastated by earthquake or flood.

Unilateral transfers accounts: A component of current account balance that refers to payment made to a country for which no goods or services are received. For example, to help the victims of natural calamities such as earthquake many countries many countries give donations. These payments are represented by a positive entry under unilateral transfers in a country's balance-of-payments accounts

Uninformed respondent: A respondent who has never known the answer to a question (not a respondent who has forgotten or who is unwilling to communicate the answer). These respondents are a source of error when they pretend to know and report the response to such questions contained in a questionnaire.

Unintended audience: Includes everyone who is exposed to an advertising message, even those who are not specifically targeted by the source.

Unique selling proposition: An advertising strategy that focuses on a product or service attribute that is distinctive to a particular brand and offers an important benefit to the customer. If this strategy to work, there must be truly unique product or service attribute, benefit or inherent advantage that can be used in the advertising claim.

Unique value effect: The features and benefits of a product, which make it unique in its field, and thus lower the price sensitivity of potential customers. The unique value effect raises consumers' willingness to pay higher price.

Unit control: Looks at the quantities of merchandise a retailer handles during a stated period.

Unit pricing: Practice required by many states, whereby firms must express both the total price of an item and its price per unit of measure.

Unit stock planning: Planning for the assortment of items that will comprise the merchandise mix.

United Nations Conference on Trade and Development (UNCTAD): A UN body that has been especially active in dealing with the relationships between developing and industrialized countries with respect to trade.

Univariate techniques: Statistical techniques appropriate for analysis in which there is a single measurement on each of *n* sample objects or there are several measurements on each of the *n* observations, but each variable is to be analyzed in isolation.

Universal Copyright Convention: A multilateral agreement to protect copyrights.

Universal product code (UPC): Classification for coding data into products via a series of thick and thin vertical lines. It lets retailers record information instantaneously on a product's model number, size, color, and other factors when it is sold, as well as send the information to a computer that monitors unit sales, inventory levels, and other factors. The UPC is not readable by humans.

Unplanned business district: Type of retail location where two or more stores situated together (or nearby) in such a way that the total arrangement or mix of stores is not due to prior long-range planning.

Unplanned purchases: A buying action undertaken without buying intention prior to entering the store. Four types of unplanned purchases are (1) pure impulse, (2) reminder effect, (3) suggestion effect, and (4) planned impulse purchases.

Unsought communication: A communication, which the consumer is not currently looking for, but which may become part of, the internal search at a later stage.

Unsought product (goods): Consumer products that the consumer either does not know about or knows about but does not normally think of buying. For example, microwave oven was an unsought good for a long time to most customers until they were made aware of the product. An example of a known but unsought product is a set of encyclopedias—most people opt not to buy a set for home use. Unsought goods typically require considerable marketing effort, specially advertising and personal selling.

Unstructured observation: It refers to one of the ways of using observation as method of primary data collection. In this type of observation, the observer monitors all aspects of the phenomenon that seem relevant to the problem at hand. For example, observing children playing with new toys. This form of observation is appropriate when the problem has yet to be formulated precisely and flexibility is needed in observation to identify key components of the problem and to develop hypotheses. However, in this form of observation there is high probability of observer's bias.

Unstructured questions: In the context of a questionnaire designing and administration unstructured questions are open-ended questions that respondents answer in their own words. They are also referred to as free-response or free-answer questions.

Unwholesome demand: One of the demand states that company may face for some of its products or services. This may be applicable with respect to those products and services, which are considered to be undesirable or harmful from the society's point-of-view. There may be an organized effort on the part of certain social organizations to discourage the consumption of undesirable products and services. The task of marketing is called countermarketing. For example, The Cancer Society of India engages in countermarketing by coming out with communication messages in the form of ads discouraging smoking.

Unwillingness error: One of the nonsampling errors that arises from the respondent's unwillingness to provide accurate information. Respondents many times intentionally misreport their answers because of a desire to provide socially desirable or acceptable answers, avoid embarrassment, or please the interviewer.

Up-front media buys: Purchase of network TV time by national advertisers during the first offering or the TV season begins, by networks, most expensive network advertising. Demands from large clients who are heavy TV advertisers force the big ad agencies to participate in the up-front media buys.

Upmarket/upward stretch: One of the ways a company may stretch its product lines. Here, company may introduce a new product/brand/model on the higher side of the market with more features, more quality, higher price or adding any other new variable. The company does to enter the high end of the market for more growth, higher margins, or simply to position itself as full-line manufacturer.

Upseling: A telemarketing technique designed to sell additional merchandise to callers.

URL placement: The integrating of Web address sites into manuals, warranty cards, and software programs where they can help direct traffic to the placing companies' Web site.

Usage barrier: Occurs when an item is not compatible with the existing practices or habits of consumers.

Usage rate: (1) Average sales per day, in units, of merchandise. (2) It also referred to the way the consumers use the quantity of a product or service. Marketers some times use usage rate as the basis of segmenting their market. Markets can be segmented into light, medium, and heavy product users. Heavy users are often a small percentage of the market but account for a high percentage of total consumption.

Usenet: It consists of a large number of newsgroups, each a forum of publics discussion on a specific topic. People post articles on newsgroups for others to read. Marketing planners can learn about products or industries by monitoring discussions.

User(s): (1) In website terminology, an individual lP address. (2) Members of the organization or family who will use the product or service; users often initiate the buying proposal and help define product specifications.

Use-related segmentation: Popular and effective form of segmentation that categorizes consumers in terms of product, service, or brand usage characteristics, such as usage rate, awareness status, and degree of brand loyalty.

Uses and gratifications theory: A theory of communication that views consumers as an active, goal-directed audience that draws on mass media as a resource to satisfy needs. This theory emphasizes that media compete with other sources to satisfy need, and that needs include diversion and entertainment as well as information.

Utilitarian function of attitudes: One of the functions of attitudes, which is related to the basic reward and punishment. It is also a component of the functional approach to attitude-change theory that suggests consumers hold certain attitudes partly because of the brand's utility.

Utilitarian needs: One of the types of needs that seek to achieve some practical benefit from a product. They are normally associated with product attributes that define performance.

Utilitarianism: An ecological theory summarized best by the idea of "the greatest good for the greatest number."

V

Validation sample: One of the two samples that is used for validation purposes in the discriminant analysis done for a marketing research project. It is also known as holdout sample.

Validity: The degree to which a measurement instrument accurately reflects what it is designed to measure. Perfect validity requires that there be no measurement error—both systematic and random error. Researchers may assess the validity of a research instrument in terms of content validity, criterion validity, or construct validity.

Value added chain: A marketing approach used in analyzing product competitiveness in which a product is viewed as bundle of related services and production is viewed as a bundle of processes.

Value added reseller (VAR): Reseller who buys a product from manufacturer, adds value to it in the form of a modification, upgrade, system improvement and so forth, and sells the completed configuration to and end user.

Value added tax (VAT): A tax that is a percentage of the value added to a product at each stage of business process. A VAT is computed by applying a percentage rate on total sales, less any purchases from other business entities that have already paid the VAT. As the name implies, VAT means that each independent company is taxed only on the value added at each stage in the production process. The VAT rates vary significantly among different countries of the world.

Value added: A measure of the contribution to a product's worth by an organisation that handles it on its way to the ultimate user. Value added is measured by subtracting the cost of a purchased product (or the cost of ingredients from which it was made) from the price that the organisation got for it. For sellers, this means the firm's gross margin; for manufacturing firms, it means the contribution over cost of ingredients.

Value analysis: An approach to cost reduction in which components are studied carefully to determine if they can be redesigned, standardized, or made by less costly methods of production.

Value barrier A lack of performance relative to price compared with substitute products.

Value chain: (1) Total bundle of benefits offered to consumers through a channel of distribution. (2) The collective activities that occur as a product moves from raw materials through production to final distribution. (3) The concept of value chain has been proposed by Michael Porter as a tool for identifying ways to create customer value. According to him every firm is a synthesis of activities that are performed to design, produce, market, deliver, and support its product. The value chain identifies nine strategically relevant activities that create value and cost in a specific business. These nine value-creating activities consist of five primary activities and four support activities.

Value delivery system: All the parties that develop, produce, deliver, and sell and service particular goods and services.

Value disciplines: A positioning framework for a company within an industry where it could aspire to be the *product leader*, the *operationally excellent* firm, or the *customer intimate* firm. This is based on the notion that every market has mix of three types of customers. Some customers favour the firm that is advancing on the technological frontier (product leadership); other customers want highly reliable performance (operational excellence); and still others want high responsiveness in meeting individual needs (customer intimacy)

Value equity: It is the customer's objective assessment of the utility of a product or service based on the perceptions of its benefits relative to its costs. The components of value equity are quality, price, and convenience. Each industry has to define the specific factors underlying each component in order to find programs to improve value equity. For example, an airline passenger may define quality as seat width; a hotel guest might define quality as room size. Value equity makes biggest contribution to customer equity. Value equity especially enhances customer equity in business markets. (*See* Customer equity)

Value management: Managing the value equity of a product or service. (See value equity)

Value marketing: A principle of enlightened marketing that holds that a company should put most of its resources into value-building marketing investments.

Value measurement instruments: Data-collection instruments used to ask people how they feel about basic personal and social concepts such as freedom, comfort, national security, or peace.

Value pricing: One of the pricing methods that is being adopted by some companies in the recent years in which they win loyal customers by charging a fairly low price for high quality offering. Offering just the right combination of quality and good service at a fair price. Among the best practitioners of value pricing are Wal-Mart in Us and Big Bazaar in India.

Value proposition: The full positioning of a brand—the full set of benefits companies offer to customers to satisfy their needs, upon which it is positioned.

Value system: It is the relative importance a specific culture places on various values. In other words this is a culture's ranking of the relative importance of values.

Value-added selling: Provision of selling services that exceed the customer's expectations.

Value-added tax (VAT): A tax that is a percentage of the value added to a product at each stage of the business process.

Value-based pricing: One of the methods of setting the prices in which the companies set prices of their products and services on the basis of buyers' perceptions of value rather than on the seller's cost. Also called perceived value pricing. Basic logic here is that companies should deliver the value promised by their value preposition, and the consumer must perceive this value. They use the other marketing mix elements, such as advertising and sales force, to communicate and enhance perceived value in buyers' minds.

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.

Value-expressive function: A component of the functional approach to attitude-change theory that suggests that attitudes express consumers' general values, lifestyle and outlook.

Values and lifestyles (VALS) program: A psychographic segmentation system developed by SRI International Stanford Research Institute's method (SRI International) to cluster consumers according to several of variables in order to predict consumer behaviour. On the basis of this method, American adults have been classified into four comprehensive groups and divided into nine life-styles, each defined by distinct values, drives, beliefs, needs, dreams, and points of view.

Values: Relatively enduring beliefs that serve as guides for what is considered "appropriate" behaviour and are widely accepted by the members of a society.

Variability (service): A major characteristic of services—their quality may vary greatly, depending on who provides them and when, where, and how. Service buyers are aware of this variability and often talk to others before selecting a service provider.

Variable costs: (1) Costs that vary directly with the level of production. (2) Those costs which change in proportion to sales volume.

Variable interdependence: This refers to the variables in a research study which are similar and do not depend on each other. Here no variable may be considered as dependent or independent.

Variable markup policy: A strategy whereby a firm purposely adjusts markups by merchandise category.

Variable pricing: A strategy wherein a retailer alters prices to coincide with fluctuations in costs or consumer demand.

Variable respecification: In the context of data preparation, variable respecification involves the transformation of the data to create new variables or the modification of existing variables so that they are more consistent with the objectives of the research study.

Variable: A thing or idea that may vary (i.e. assume a succession of values).

Variable-quota school for sales force: A philosophy in setting sales quotas for the sales force. This school thinks that individual differences among sales representatives or sales force warrant high quotas for some, modest quotas for others.

Variance methods: One of the methods used in selecting a clustering procedure in cluster analysis. This is an agglomerative method of hierarchical clustering in which clusters are generated to minimize the within-cluster variance.

Variance: A statistical measure and a measure of variability. It is the mean squared deviation of all the values from the mean.

Varied commission plans: A type of commission plans that use variable rates to promote sales of the most profitable items.

Variety Store: A type of outlet or store that handles a wide assortment of inexpensive and popularly priced goods and services, such as stationery, gift items, women's accessories, health and beauty aids, light hardware, toys, house wares, confectionery items, etc.

Variety-novelty seeking: A personality trait, which measures a consumer’s degree of variety seeking. Individual who possess this personality trait are often purchase products, which have some variety or novelty in them.

Variety-seeking buying behavior: One of the types of consumer buying behavior in situations characterized by low consumer involvement but significant perceived brand differences. Here consumers do a lot of brand switching. Brand switching occurs for the sake of variety rather than dissatisfaction.

Varimax procedure: An orthogonal method of factor rotation in factor analysis, that minimizes the number of variables with high loadings on a factor, thereby enhancing the interpretability of the factors.

Vehicle option source effect: In the context of choosing different media and media vehicles for advertising this refers to the differential impact the advertising exposure will have on the same audience member if the exposure occurs in one media option rather than another. Research has indicated that people perceive ads differently depending on their context.

Vending machine: Format involving the coin or card operated dispensing of goods and services. It eliminates the use of sales personnel and allows around-the-clock sales.

Vendor profitability analysis statement: In the context of retailing business this refers to a record of all purchases the retailer made from a particular vendor during the last financial year, the discount granted by the vendor, transportation charges paid, the original markup, markdowns, and the season-ending gross margin on that vendor’s merchandise

Vendor program: Special form of co-op advertising where a retailer designs the program and approaches advertisers for support.

Vendor-managed inventory (VMI): Practice of retailers and companies counting on key suppliers to actively participate in their inventory management programs. Suppliers have their own employees stationed at retailers'/company’s headquarters to manage the inventory replenishment of the suppliers' products.

Venture team: A cross functional group charged with developing a new product or business. This team is formed for a specific venture and it is disbanded once the venture is successfully completed. Venture teams include people from different functional areas and they contribute in the venture as per their experiences and expertise.

Venture: An option of organization. The team is fully projectized and has left the matrix mode. People are usually working full time on the project. Venture may be internal, spun out, or joint with another firm. Used when the project must be free of substantial restraints within the current organization.

Venturesomeness: A personality trait that measures a consumer's willingness to accept the risk of purchasing an innovative or new products. Research has shown that there is 3 to 5 percent people show Venturesomeness in almost every product category.

Verbal communication. A message based on either the spoken or written word.

Verbal models: One of the analytical models used in marketing research. In verbal models, the variables and their relationships are stated in prose form. Such models may be mere restatements of the main tenets of a theory.

Verbalizers: Consumers who prefer verbal information and products, such as membership in book clubs or audiotape clubs.

Vertical advertising: Another name for co-operative advertising when a manufacturer assists distribution with their advertising by contributing to cost or supplying art work and camera-ready copy to which distributor adds his name and address. Also known as vertical cooperative advertising.

Vertical channel conflict: A type of channel conflict in which conflict arises between different levels of channel members within the same channel. For example, a company may come into conflict with its dealers in trying to enforce policies on service, pricing, and advertising.

Vertical integration: The control of the different stages as a product moves from raw materials through production to final distribution. It is both backward and forward integration that some companies find it advantageous. Vertically integrated firms can manipulate prices and costs in different parts of the value chain to earn profits where taxes are lowest. One disadvantage of vertical integration is that there may high costs in certain parts of the value chain and a lack of flexibility.

Vertical marketing system (VMS): A distribution channel structure in which producers, wholesalers, and retailers act as a unified system. One channel member owns the others, has contracts with them, or has so much power that they all cooperate.

Vertical price fixing: An illegal arrangement whereby a retailer collaborates with its supplier to resell an item at an agreed-on price. This does not mean that manufacturers cannot suggest to retailers a price at which they would like to see an item sold. But they cannot establish with the retailers a price for resale, nor they can legally threaten retailers with supply cutoffs if they do not sell at the recommended price. This is also sometimes referred to as resale price maintenance or fair trade.

Vertical product team: One of the types of product-team structures in product management marketing organization. This type of product team comprises of product manager, associate product manger, and product assistant. The product manager is the leader and deals with other mangers to gain their cooperation. The associate product manager assists in these tasks and also does some paper work. The product assistant carries out most of the paperwork and routine analysis.

Vertical publications: Business publications dealing with the problems of a specific industry. For example, Fertilizer News, Chain Store Age, National Petroleum News, Textile World.

Vertical retail audit: A type of marketing audits that analyzes-in depth-performance in one area of the strategy mix or operations.

Vertical sales organization: Organization that has several levels of management all reporting upward to the next level.

Vicarious (observational) learning When people imitate the behavior of others as a result of observing them. This type of learning is common in both low-and high involvement purchase situations. Many ads encourage consumers to imagine the feelings and experience of using a product. Such images not only enhance learning about the product, but may even influence how the product is evaluated after an actual trial.

Video kiosk: Freestanding, interactive, electronic computer terminal that displays products and related information on a video screen; it often uses a touchscreen for consumers to make selections.

Video news release: News stories produced by publications so that television stations may air them as new.

Videologs: Catalogs produced on videocassettes, intended for specialized audiences.

Viral marketing (word-of-mouse): A type of strategy where a company makes an effort of getting customers to sell a product on behalf of the company that creates it. This approach is best suited to the Web because e-mails can be sent easily. This happens when individuals forward e-mail to friends, co-workers, family and others on their e-mail lists, they are using what we call viral marketing. This is also called *word-of-mouse*. Viral marketing works and it is free.

Virtual auction: An auction conducted completely online, with no physical location.

Virtual community of consumption: A collection of people whose online interactions are based upon shared enthusiasm for and knowledge of a specific consumption activity. These interactions generally take place in Usenet portion of the Internet or on sites maintained by firms, media, or professional and nonprofit groups. This is also known as *cybercommunity*.

Virtual mall: An online shopping mall similar to traditional or conventional shopping mall in which multiple online merchants are hosted at a web site. This is an agent model because the firm with the web site hosting the mall usually builds the site, promotes it, and takes a fee for its services. The mall gains through a variety of fees: listing fees, transaction fees, and setup fees.

Virtual prototyping: Using digital environments to design products or services.

Virtual reality: The combination of technologies that allows users to experience three-dimensional, computer-generated environments through sound, sight and touch. Virtual reality has already been applied to gather consumer reactions to new automobile designs, kitchen layouts, exterior home designs, and other uses. One specific use of virtual reality in marketing is in the concept development and testing during the new product development process.

Virtual trade shows: Online sites that show new products, technologies, and services to current or potential buyers.

Virtual value activities: The generic strategies which firms use to make information more valuable.

Virtuous cycle: A cycle of growth that produces positive returns. Each success in the loop promotes another success in another part of the loop.

Visible design rules: The specifications describing how modules must perform, and how they may interact.

Visionary and comparison companies: Researchers identified two types of companies that may be found in an industry. The first type is “visionary company” and the second i “comparison company”. The visionary companies are acknowledged as the industry leaders and widely admired; they set ambitious goals, communicated them to employees, and embraced high purpose beyond making money. They oufperform the comparison companies

Visit duration (Web): The length of time a user spends on a Web site during a visit, or the number of pages viewed at a Web site during a visit.

Visit: A series of page impressions served in an unbroken sequence from within a website to the same user.

Visual communication: In the context of advertising communication it refers to nonverbal stimuli such as photographs or illustrations commonly used in advertising to convey or add meaning to a message or to reinforce message arguments.

Visual elements: The third major component of a print ad. The illustration is often a dominant part of a print ad and plays an important role in determining its effectiveness. The visual portion of ad must attract attention, communicate an idea or image, and work in synergistic fashion with the headline, and body copy to produce an effective message.

Visual merchandising: A pattern of proactive, integrated approach to atmospherics in a store taken by a retailer to create a certain "look," properly display products, stimulate shopping, and to enhance the physical environment of the store.

Visual: In the context of advertising it refers to the rough layout of an advertisement. It also refers to the visual part of a TV commercial.

Visualizer (advertising): Advertising agency designer who designs or interprets copy and produces roughs or comps of proposed advertisements.

Visualizers: Consumers who prefer visual information and products that stress the visual. Such consumers are more likely to subscribe for membership in a videotape cassette club.

Vocabulary of product attributes and benefits: A set of adjectives to describe a product's characteristics and benefits generally obtained from consumer depth interviews (e.g., a vocabulary for soft drink brands might include terms like mild, sweet, carbonated, thirst-quenching).

Voice mail: A system for receiving and storing oral messages at a telephone—landline and mobile address. Telephone companies sell this service as a substitute for answering machines. Direct marketers can set up programs that will dial a large number of telephone numbers and leave the selling messages in the recipients' voice mails.

Voice pitch analysis: A technique that examines changes in the relative vibration frequency of the voice to measure emotional response to stimuli. Such analysis can be used to determine which verbal responses reflect an emotional commitment and which are merely low-involvement responses. Such emotional reactions are measured with audio adapted computer equipment.

Voiceover: A common method for presenting the audio portion of a TV commercial where the action on the screen in a commercial is narrated or described by a narrator who is not visible to the audience. A trend among some advertisers is to have celebrities of distinctive voices do the voiceover for their commercials.

Volume industry: One of the types of industries that can be distinguished on the basis of differentiated opportunities available to companies. This is the type of industry in which companies can gain only a few, but rather large, competitive advantages. In the construction-equipment industry, a company can strive for the low-cost position or the highly differentiated position and win big on either basis. Profitability is correlated with company size and market share.

Volume tracking data: A type of secondary data that is collected with the objective of examining aggregate movement of brands, including shifts in market shares.

Voluntary chain: One of the types of retail organizations. It is a wholesaler-sponsored group of independent retailers engaged in bulk buying and common merchandising.

Voluntary export restraint (VER): A negotiated limitation of exports between an importing and exporting country. It is a direct agreement between an importing nation's government and a foreign exporting industry. VER can be applied in a discriminatory manner to a certain country. In the case of VER involving private industries, a public disclosure is not necessary.

W

Wagon peddlers: Nineteenth century salespeople, who covered their territories in covered wagons.

Waistband: Advertisement band round bus, or rear waistband on single-decker bus.

Want book: Notebook in which retail store employees record requests for un-stocked or out-of-stock merchandise.

Want slip: Slip on which retail store employees enter requests for un-stocked or out-of-stock merchandise.

Want: A felt need shaped by a person's knowledge, culture and personality. The needs become wants when they are directed to specific objects that might satisfy the need.

Ward's procedure: One of the variance methods used in cluster analysis. In this procedure for each cluster the means for all the variables are computed. Then for each object, the squared euclidean distance to the cluster means is calculated. These distances are summed for all the objects. At each stage, the two clusters are combined.

Warehouse club (wholesale): Off-price retailer that sells a limited selection of brand name grocery items, appliances, clothing, and a mix of other goods at deep discounts to members who pay annual membership fees. These clubs operate in huge low overhead warehouse like facilities and offer products at rock bottom prices, typically 20-40% below the regular retail prices.

Warm prospects: Potential customers who have had some previous contact from the firm. These are the prospects that have shown some interest in the company's products or services.

Warranty: A formal statement or promise made to the customer that a product being offered of sale is fit for the purpose being claimed. The promise concerns primarily what the seller will do if the product performs below expectations or turns out to be defective in some way. The promise (warranty) may be full (complete protection) or limited (some corrective steps). Warranty whether expressed or implied is legally enforceable.

Waste coverage: A situation where the coverage of the media exceeds the target audience. This term is used for ad coverage that reaches people who are not potential buyers and/or users. One of the goals of the media planners is to minimize the waste coverage to the extent possible, as some waste coverage cannot be avoided.

Weak currency: A currency that is not fully convertible in the international market.

Wear-out factor: Point at which advertisement ceases to be remembered and loses effectiveness. This happens because people are exposed to the ad so many times that they do not give attention to it. Therefore, it loses its significance.

Weasel: A statement in advertisement, which deliberately implies product does something, it may not always do.

Web address: A unique address which identifies a website; usually referred to as a URL, uniform resource locator.

Web chain: A sequence of events that a visitor to a web site can follow.

Web log analysis: Every time a net user accesses a web site, the visit is recorded in the web server's log file. This file keeps track of which pages the user visits, how long he stays, and whether he or she purchases or not.

Web site atmospherics: Atmospherics refers to the in-store ambiance created by the brick-and-mortar retailers. Similarly, providing visitors with a positive environment to visit, search, purchase, and so forth can differentiate web sites. Visitors want a site that easily downloads, portray accurate information, clearly shows the products and services offered, and are easily navigated. If the consumers view the home page and like what they see, they are more likely to view additional pages and ultimately become customers.

Web site brand impact: The branding benefits that result from a web site visit.

Web site reach: The fraction of total Web users that visit a site during a specified time interval.

Web surveys: Online questionnaire that are posted on the web pages of an organization. Respondents types answers into an automated response mechanisms in the form of radio buttons (users click to indicate the response), drop-down menus or blank areas.

Webcasting: A system for pushing out site information to Web users rather than waiting for them to find the site on their own (often referred to as push technologies).

Web-enhancement ratio: A breakeven measure used to evaluate the profitability of a Web site improvement.

Weber's law: A theory concerning the perceived differentiation between similar stimuli of varying intensities (i.e. the stronger the initial stimulus, the greater the additional intensity needed for the second stimulus to be perceived as different). In the marketing context, a relevant question is the degree of change in product price, package size, or physical characteristics, required for consumers to take notice. For example, higher the price, the greater the change in the price required for consumer to take notice.

Week's supply method (WSM): One of the methods used by big retailers for planning inventory level. Retailers such as grocers, who plan inventories on a weekly, not monthly, basis, use the WSM formula and whose sales do not fluctuate substantially. WSM states that the inventory level should be set equal to a predetermined number of week's supply. The predetermined number of week's supply is directly related to the stock turnover rate desired.

Weighted application blank: In the selection of sales personnel, it refers to the application blank forms whereby criteria best correlating with job success get more weight than others. A minimum total score becomes a cutoff point for hiring.

Weighted number of exposures: In the context of advertising effectiveness through a media vehicle this refers to the combination of reach, frequency, and impact. This is the reach times average frequency times average impact, that is WE= R*F*I. The media planner, therefore, has to figure out the most cost-effective combination of reach, frequency, and impact.

Weighting for nonresponse: One of the approaches available to the researcher for adjusting for nonresponse in a research project. This is an statistical approach in which the researcher attempts to account for nonresponse by assigning different weights to the data depending on the response rates.

Wheel of retailing concept: A concept of retailing that states that new types of retailers usually begin as low-margin, low-price, low-status operations but later evolve into higher-priced, higher-service operations, eventually becoming like the conventional retailers they replaced.

White mail: Correspondence incurred in direct response marketing due to goods out-of-stock, claims for refunds, returned goods, complaints. Some white mail can be avoided if customer is asked to state alternative choice.

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.

Wholesaler sponsored voluntary groups/chains: A group of independently owned retailers who rely on the same wholesaler for a coordinated buying program that provides economies of scale. The wholesaler develops a program in which independent retailers standardize their selling practices and achieve buying economies that enable the group to compete effectively with chain organizations.

Wholesaling: Intermediate stage in the distribution process during which goods and services are not sold to final consumers but to business customers—such as manufacturers and retailers—for their use in running the business or for resale to others.

Wholly owned subsidiaries: A unit of a multinational corporation that works independently in an overseas foreign market fully owned by the parent company.

Width of assortment: Number of distinct goods/service categories (product lines) a retailer carries.

Width of product mix: One of the important dimensions of a company's product mix, which has significant marketing implications. It refers to how many different product lines the company carries. A company can widen its product mix by adding new product line in the existing ones.

Wife dominant decision: One of the types of purchase decision-making in the family with respect to various products and services. In this type of decision-making, wife is predominantly responsible for making decisions for various products and services.

Wilcoxon matched-pars signed-ranks test: A nonparametric test that analyzes the differences between the paired observations, taking into account the magnitudes of differences.

Wilks' λ: It is one of the statistics associated with the discriminant analysis procedure conducted for a marketing research project. It is also sometimes called U statistic, Wilks' λ for each predictor is the ratio of within-group sum of squares. Its value varies between 0 and 1.

Large values of λ (near 1) indicate that group means do not seems to be different. Small values of λ (near 0) indicate that the group means seem to be different.

Within-market opportunity analysis: This analysis should consist of an evaluation of the demand within each market, by census tract or other meaningful geographic area and should be augmented by an identification of the most attractive sites that currently are available within each market.

Word association: A projective technique involving the use of questionnaire containing a list of words to which respondents are instructed to reply with the first word that comes to mind. The words of interest, called 'test words' are interspersed throughout the list that also contains neutral or filler words to disguise the purpose of study.

Word-of-mouth communication: Interpersonal communication between two or more individuals such as members of a reference group or a customer and a salesperson. People exert purchase influence through such communication.

Work in process inventory: Total amount or rupee value of parts and sub-assemblies in some stage of the manufacturing process, but not yet completely assembled into finished products.

Workload approach (sales force): 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 them the desired number of times.

World brands: Products that are manufactured, packaged, and positioned the same way regardless of the country in which they are sold.

World Wide Web (WWW): A way of accessing the Internet, whereby people work with easy-to-use Web addresses and pages. Users see words, colorful charts, pictures, and video, and hear audio.

X

X-height: The mean line. Height of small letters without ascenders or descanters, for example, a, e, i, o, u or of lower case part as in b, d, h. Letters with low x-height difficult to read as text types although in larger sizes can be an attractive display face.

X-II technique: A time-series-based forecasting model that provides information on seasonal trends, and cycles and measures of how closely they fit the data. It also provides a measure of growth rate that can be used or forecasting turning points.

Y

Yankee peddler: Name given to early American seller, traditionally based in New England, who sold to pioneers.

Yankelovich monitor: A research service that tracks more than fifty social trends and provides information as to shifts in size and direction, and resulting marketing implications.

Yellow pages advertising: Advertisements appears in the various Yellow Pages type phone directories.

Yes.... but method: One of the sales closing techniques in which the salesperson agrees with the prospect’s objection, but then makes a statement that offsets the objection.

Yield management pricing: Computerized demand based variable pricing technique whereby a company (typically a service firm/retailer) determines the combination of prices that yield the greatest total revenues for a given period.

Z

Z test: It refers to a Univariate hypothesis test using the standard normal distribution**.**

Z values: In the context of normal distribution and as well as in sampling distribution of mean z value concept is used. Z values are the number of standard errors a point is away from the mean.

Zaibatsu: Large, family-owned Japanese businesses that existed before World War II and consisted of a series of financial and manufacturing companies usually held together by a large holding company.

Zapping: A phenomenon involving the use of remote control for changing TV channels to avoid commercials. Research shows that young adults zap more than older adults and men are more likely to zap than women. Zapping is a major problem, which is being faced by the advertisers.

Zero customer feedback time: A mechanism through which a company can collect the customer feed back instantaneously and continuously after purchase to learn how to improve the product and its marketing.

Zero defects: The elimination of defects, which results in the reduction of manufacturing costs and an increase in consumer satisfaction.

Zero product-improvement time: A mechanism through which a company can evaluate all improvement ideas and introduce the most valued and feasible improvements as soon as possible.

Zero purchasing time: A mechanism through which a company will be able to receive the required parts and supplies continuously through just-in-time systems with suppliers. By lowering its inventories and safety stock the company can reduce its costs substantially.

Zero setup time: A mechanism through which a company can be able to manufacture any of its products as soon as they are ordered, without facing high setup time or costs.

Zero-based budgeting: Practice followed when a firm starts each new budget from scratch and outlines the expenditures needed to reach that period's goals. All costs are justified each time a budget is done.

Zero-based communications planning: An approach to planning the integrated marketing communications program that involves determining what tasks need to be done and what marketing communication functions should be used to accomplish them and to what extent. This approach focuses on the task to be done and searches for the best ideas and media to accomplish it.

Zero-level channel: It refers to the number of vertical channels in a distribution network. A zero-level channel consists of a manufacturer selling directly to the final customer. The major examples are door-to-door sales, mail order, telemarketing, TV selling, Internet selling, and manufacturer's owned stores. In fact, today all direct marketing activities are based on zero-level channel system.

Zipping: Fast-forwarding through commercials when watching videotaped programmes. Some recorders have a device for zipping automatically.

Zone of agreement: In the context of business-to-business selling many times the seller and buyer have to negotiate various terms of exchange including price decision. Negotiation is appropriate whenever a zone of agreement exists, when there are simultaneously overlapping acceptable outcomes for both the parties.

Zone pricing: A geographical pricing strategy in which the company sets up two or more zones. All customers within a zone pay the same total price, the more distant the zone, the higher the price.

Zoned campaigns: Advertising campaigns limited to certain geographic zones.

Zones of tolerance charts: A tool used by the companies in order to compare the data collected on dual expectation levels by consumers—desired service and adequate service—along with performance data. This information can be conveyed on zones of tolerance charts in which perceptions of the company performance are indicated by the circles, and the zones of tolerance boxes are bounded on the top by the desired service score and on the bottom by the adequate service score. When the perception scores are within the boxes, the company is delivering service that is above the customer's minimum level of expectations. When the perception scores are below the boxes the company's service performance is lower than the minimum level, and customers are dissatisfied with the company's service.

Zoning: Newspaper practice of offering advertisers partial coverage of a market, often accomplished with weekly inserts distributed to certain sections of that market.