

Glossary of Marketing Terms

Expert knowledge means success



Contents

- 1. Introduction
- 1. Marketing Glossary
- 15. Further Information

Note: This publication has not been updated since it was last published. Some of the hyperlinks may have changed and may need updating. In addition, some of the information in this publication may be out of date.

Introduction

In this publication, we provide an explanation of terms used in marketing. The glossary is intended to help you to understand the “jargon” which is used in marketing.

This glossary is limited to marketing terms but we publish several other glossaries as well – check our website or call us for details.

Marketing Glossary

- ABC1C2DE: Terms used by the National Readership Survey to define reading demographic groups e.g. A = Upper middle class, higher managerial, administrative or professional.
- Abortion: A product with a low market share of a new market.
- Above the Line: Paid for advertising where a commission payment is also paid to the advertising agency. Usually used for promotions through mass media such as TV, cinema, radio, print, banners and search engines to promote brands.
- Accompanied Shopping: An interviewing technique based on both questions and observations where the interviewee is accompanied while they shop in a retail store.
- Account Management: The management process used by an agency or supplier to manage a client's needs.
- Accredited Programmes: Modular exam assessed study or project based assignments undertaken for the achievement of a qualification.
- ACORN: A Classification of Residential Neighbourhoods: a database of geodemographic data which categorises all UK postcodes in terms of the type of housing.
- Added Value: The increase in worth of a product or service resulting from the undertaking of a particular activity e.g. packaging or branding.
- Adopter Categories: Categories of consumers based upon the time it takes members of each category to adopt a new product or service:
 - Innovators – The first consumers to adopt a new product or service.
 - Early adopters – Consumers who adopt a new product or service after the innovators have already adopted it.
 - Early majority – Consumers who adopt just before the ‘average’ person.
 - Late majority – Consumers who eventually adopt through economic necessity or social pressure.
 - Laggards - Consumers who are last to adopt a new product or service.
- ADSL: An Asymmetric Digital Subscriber Line is an always-on technology for transmitting digital information at high bandwidths between a subscriber and the local exchange using the existing copper wire infrastructure. ADSL users can access the internet and make use of telephony services simultaneously.
- Advertising: The paid for promotion of a product, service, or message by an identified sponsor using various media.
- Advertising Value Equivalent (AVE): A measurement of the value of the space (e.g. free media coverage) had that equivalent amount of space in advertising been paid for. Sometimes known as Advertising Cost Equivalent or Advertising Space Equivalent.
- Advertorial: An advertisement which is designed to have the look and feel of an editorial. Advertorials are usually labelled as ‘Advertising’ or ‘This is an advertisement’.
- Advocacy Advertising: Advocacy advertising supports a particular view on a given issue; often a political or social issue.
- Adware: Advertising (often pop-up banner adverts) which is integrated into free software.
- Affiliate Marketing: Internet based marketing or advertising where a company's website provides a hyperlink to other ‘affiliate’ sites. The advertising on the other or ‘affiliate’ sites is paid for according to results.
- Affinity Marketing: Either targeted marketing aimed at a particular group with as shared common interest or a joint marketing campaign between non-competitive organisations with a shared interest.
- After Sales Service: Services received after the original sale of goods or services.
- AIDA: (Attention, Interest, Desire, Action) is an acronym describing how advertising or promotion is intended to work on prospective customers.
- AIUAPR: A buying decision model: Awareness, Interest, Understanding, Attitudes, Purchase, Repeat purchase.
- Ambient Media: Ambient media is everyday non-traditional media that is used as a communications platform,

- e.g. advertising on receipts and tickets. Ambient media was previously known as 'fringe media'.
- Ambush Marketing: A marketing campaign that attempts to associate itself with an event (often a sporting event) when it has not paid to be an official sponsor of an event.
 - Analytical Hierarchy Process (AHP): AHP is a structured mathematical technique for helping people make complex decisions that consider both qualitative and quantitative aspects of decisions.
 - Ansoff Matrix: The Ansoff Matrix is a model that helps businesses decide their product and market growth strategies. It maps product-market strategies on a matrix showing new/existing products along one axis and new/existing markets along the other. The output is a series of suggested growth strategies
 - Asset Led Marketing: Asset led marketing makes decisions based on **both a product's assets and the needs** of the consumer. It considers product assets e.g. the name and brand image to market both new and existing products.
 - Assignments: An assessed work-based project report undertaken when studying for a qualification.
 - Avatar: A 3-D animated or graphic character, cartoon or picture used to represent an individual in a game, chat room or website.
 - Balanced Scorecard: A procedure used to monitor and manage performance against defined objectives. For example financial performance, customer value, internal business process, innovation performance and employee performance.
 - Banner Adverts: Graphic and/or text adverts on web pages used to build brand awareness. When the user clicks on the graphic they are sent to the advertiser's home page or a target page created by the advertiser.
 - BARB (The Broadcasters' Audience Research Board): provides estimates of the number of people watching television including the channels and programmes being watched, at a particular time, and the type of audience.
 - Behavioural Targeting: Online marketing that targets users with advertisements based on previous browsing behaviour and patterns.
 - Below the Line: Non-media advertising or promotion where no commission is paid to an advertising agency e.g. short-term sales promotions through direct mail, point of sale displays, coupons.
 - BIDDY: The demographic grouping: Buy it – **Don't Do It Yourself**.
 - Black Space: The business opportunities that a business targets.
 - Blended E-Learning: An integrated programme **that 'blends' several** different learning delivery methods for example distance learning, e-learning and in-class learning.
 - Blogs/Blogging: A (we)blog is a journal that is available on the web. The activity of updating a blog is 'blogging' and someone who keeps a blog is a 'blogger'. Blogs allow individuals to feedback their thoughts on company products and companies can use blogs to market their products and services.
 - Bluetooth: A method of connecting mobile electronic devices that uses radio waves without the need for cables.
 - Boston Matrix: The Boston Matrix (from the Boston Consulting Group) categorises products according to market growth and market share as follows:
 - Cash Cow – low growth, high market share
 - Star – high growth, high market share
 - Problem Child (or Question Mark) – high growth, low market share
 - Dog – low growth, low market share
 - Brand: A brand (which is generally a name and/or logo) reflects market perception of a company, product or service.
 - Brand Extension: Development of new products which will be marketed under an existing brand name.
 - Brand Management: Management of the process of perpetuating the brand.
 - Brand Mapping and Brand Maps: The process of mapping the relative position of competing brands based on consumer perceptions of the brands. Brand maps are also known as perceptual maps, position maps and space maps.
 - Brand Personality: The collection of both tangible and intangible attributes of a brand that make it unique.
 - Brand Value: The financial value that would be assigned to a brand if represented on a company balance sheet.
 - Branding Ladder: **See 'Ladder of Loyalty'**.
 - Brown Goods: Household electrical entertainment goods such as TVs, videos, stereo systems etc.
 - BUPPIE: The demographic grouping: Black Urban Professional.

Glossary of Marketing Terms

- **Business Plan:** A written strategic document that summarises the operational and financial objectives of a business and the plans and budgets required to realise those objectives.
- **Business Strategy:** The selection and application of resources that allow a business to achieve its stated aims.
- **Business to Business (B2B):** Transactions between two non-consumers, e.g. businesses, government bodies, non-profit-making organisations etc.
- **Business to Consumer (B2C):** Transactions between a non-consumer (ie, a business) and a consumer.
- **Business-to-government (B2G):** Transactions between a company and government bodies and agencies.
- **Buying Behaviour:** The behavioural patterns of buyers when deciding on the purchase goods or services. Buying behaviour may be complex, habitual, variety seeking or dissonance reducing. It may be affected by a number of factors including advertising and promotion.
- **Buzz:** Buzz marketing is a viral marketing technique where customers spread information about a product by 'word-of-mouth'.
- **CAPI:** CAPI may be either Computer-Assisted Personal Interviewing or Computer-Aided Personal Interviewing in either case referring to face-to-face interviews based on computer-based questionnaires.
- **Cartel:** A group of organisations operating in a market which collectively attempt to control the market and/or the level of competition.
- **Cash Cow:** A product with low market growth but high market share typically generating cash in excess of the amount of cash needed to maintain the business.
- **Category Management:** A retailing concept whereby products are grouped into business unit categories based on how consumers view goods. E.g. grocery categories may include tinned beans, washing powder etc.
- **CATI:** CATI may be either Computer-Assisted Telephone Interviewing or Computer-Aided Telephone Interviewing in either case referring to telephone interviews using computer-based questionnaires.
- **Cause Related Marketing:** a type of marketing involving the cooperative efforts of a "for profit" business and a non-profit organization for mutual benefit. The term is sometimes used more broadly and generally to refer to any type of marketing effort for social and other charitable causes, including in-house marketing efforts by non-profit organizations.
- **Channels:** The different distribution methods used by a company to make a product or service available to its customers.
- **Chartered Marketer:** A marketing professional who has achieved 'individual Chartered Status' awarded by the Chartered Institute of Marketing.
- **CIM Training:** CIM Training are the Training Arm of The Chartered Institute of Marketing and provide training to marketing and sales professionals.
- **Click-through rate:** Percentage of users who click on a viewed advertisement. This is a good indication of the effectiveness of a web ad.
- **Closed system:** A closed system is a system which is isolated from other systems or its environment.
- **Company Specific Training:** Training programmes tailored to meet the requirements of a group of individuals from the same company.
- **Comparative Advertising:** Advertising which specifically mentions **a competitor's name in order to express** a product or service advantage.
- **Competitions:** Sales promotions that offer a prize/s to a successful entrant/s.
- **Competitive Advantage:** Factor/s that puts a company ahead of its competitors.
- **Competitors:** Other business that compete in the same marketplace to sell products or services.
- **Concept Boards:** Visual and/or verbal stimulus that allow exploration of visual ideas for a product, service or advert without using final content or imagery.
- **Confusion Marketing:** The practice of deliberately confusing consumers in order to make comparisons between competing products or services difficult.
- **Consumer:** Individual who buys and uses a product or service.
- **Consumer Behaviour:** The buying habits and patterns of consumers including how/what/when/why they buy.
- **Contextual Marketing:** Online **marketing geared to a consumer's** interests. For example the display of user adverts appropriate to entered search terms, the content of the website being viewed, or to browsing habits.
- **Convenience Sampling:** Sampling where the interviewer talks to accessible shoppers, i.e. those willing to stop and be interviewed.

Glossary of Marketing Terms

- **Conversion Rate:** Measure of conversion of prospective customers to **the marketer's intended action, e.g.** direct mail to sales.
- **Cookie:** A collection of information, usually including a username and the current date and time, stored on the local computer of a person using the World Wide Web, used chiefly by web sites to identify users who have previously registered or visited the site and to build profiles of repeat users of a website.
- **Co-operative:** A business owned and controlled equally by the people who use its services or who work at it.
- **Copyright:** Copyright law protects an author's original material, usually (in the UK) for 70 years after the author's death after which the work enters the public domain. Similar law covers logos and brand names.
- **Copywriting:** The creation of written content for marketing purposes.
- **Corporate Identity:** The **'persona'** of a company visibly manifested through branding and trademarks.
- **Corporate Reputation:** A company's public personality as determined by its ethos, identity and image. Corporate reputation is closely associated with investor confidence.
- **Corporate Social Responsibility (CSR):** A commitment by an organisation to take responsibility for their actions and behave in an ethical, social and environmentally responsible way, and to have a positive impact on the local and global environment.
- **Corporate Strategy:** The strategic direction a company takes with the objective of achieving long term business success.
- **Cost Leadership:** The production of goods or delivery of services more cheaply than those of competitors.
- **Cost per Acquisition/Action (CPA):** Online advertising pricing model where payment is based solely on qualifying actions such as a sale or a form submission linked to the advertisement.
- **Cost per Click (CPC):** An online advertising pricing model where advertisers pay for each time a user clicks on an ad or link.
- **Cost per thousand (CPT):** A standard measurement used to compare the cost of an advertisement to the number of impressions to a target audience to determine the cost effectiveness of a specific medium.
- **Culture:** The shared values, practices and philosophy of the employees of an organisation.
- **Customer:** An individual or company who purchases goods or services.
- **Customer Lifetime Value (CLV):** The value of a customer in monetary terms over the lifetime of a relationship.
- **Customer Loyalty:** The desire on the part of a customer either to return to a company, shop or outlet to purchase there again, or else to re-purchase a particular product, service or brand.
- **Customer Relationship Management (CRM):** The process of targeting, acquiring, transacting, servicing, retaining and building long-term relationships with customers. CRM strategies involve improving the people, processes and technology associated with marketing, sales and services in order to increase customer satisfaction.
- **Customer Satisfaction:** A measure of **how a customer's experience** of goods or services matches their expectations in terms of quality and service, and in relation to price paid.
- **Customer Service Programme:** A programme to ensure that customers have a positive buying experience with the intention of improving customer loyalty, increasing cross-selling and promoting advertising by word-of-mouth.
- **Cyber-stealth marketing:** The practice of manipulating search engines to make websites appear more popular than they really are.
- **DAGMAR:** The Defining Advertising Goals for Measured Advertising Response model allows advertising to be planned in such a way that its success can be quantified.
- **Data Cleansing:** Removing or correcting old, corrupt or inaccurate data.
- **Data Fusion:** The use of techniques that combine data from multiple sources to improve the accuracy of information.
- **Data Mining:** The process of analysing data to identify patterns or relationships in that data.
- **Data Processing:** Any computer process that converts data into information or knowledge including the obtaining, recording and holding of information which can then be retrieved, used, disseminated or erased.
- **Data Protection Act:** The Data Protection Act 1998 legislates for the handling in the UK of personal information. It makes organisations responsible for protecting the privacy of personal data.

Glossary of Marketing Terms

- Database Marketing: The process of using customer information that is stored in a database for targeted marketing activities.
- Decision Making Unit (DMU): Those responsible for making a final buying decision.
- Deep Link: A hyperlink to a page, file or image on a website that bypasses **that website's homepage**.
- Demand and Supply: Demand is the quantifiable desire for a product/service at the market price: supply is the total amount of that product/service available at that price.
- Demographic Data: Information that refers to a section of the population in terms of age, sex, race, educational attainment, income and so on, which can be used to target marketing campaigns.
- Dichotomous Questions: Closed ended questions for which there are only two possible answers, normally a yes or no.
- Differentiation: The unique qualities of a product or service.
- DINKY: The demographic grouping: Double Income No Kids Yet
- Direct Mail: The marketing of goods or services directly to customers or potential customers by mail.
- Direct Marketing: The marketing of goods or services or transmission of other messages by post, telephone, e-mail or other direct means.
- Direct Response Advertising (DRA): Advertising that includes a contact method such as a phone number, address and enquiry form, web site identifier or e-mail address, to encourage the recipient to respond directly to the advertiser, e.g. to place an order or request more information.
- Discounted Cash Flow (DCF): A process used to estimate an investment's current value based on the discounting of projected future revenues and costs. The further into the future the flow occurs, the more heavily it is discounted.
- Disposable Income: Personal income available for disposal after statutory deductions at source.
- Distance Learning: Home study, usually via digital media and workbooks.
- Distribution: The process of delivering the goods from the manufacturer or supplier to the customer.
- Diversification: The practice of offering a variety of goods and services for sale to reduce the risk of relying on a narrow range of products.
- DoDo: A product with low market share of a declining market.
- Dog: A product with low growth and low market share.
- DRIP Framework: Differentiate - Reinforce - Inform - Persuade is a marketing communications model.
- Early Adopters: Consumers who adopt a new product or service after the innovators have already adopted it.
- Early Majority: Consumers who adopt **just before the 'average' person**.
- E-Commerce (Electronic Commerce): Any transaction where a customer purchases a product or service at a Website, as opposed to calling a telephone number to purchase the product or service, is considered electronic commerce.
- E-marketing: The use of digital technologies such as the Internet, email and mobile phones for marketing purposes.
- Economic Value Added (EVA): EVA is an estimate of **a company's financial** performance that is its true economic profit after making corrective adjustments to GAAP accounting, including deducting the opportunity cost of equity capital.
- Efficient Consumer Response (ECR): The practice of having the right product in the right place at the right price with the right promotions.
- EFQM: The EFQM Excellence Model is a framework for organisational management systems, promoted by the European Foundation for Quality Management (EFQM) and designed to help organisations become more competitive.
- E-Learning: Interactive online tutorials, accessed over the internet or through an **organisation's** intranet.
- Electronic Point of Sale (EPOS) System: A system that uses electronic tills to process customer transactions in a retail outlet. Local EPOS systems are usually connected to a central computer system, so that financial and inventory information can be exchanged between the store and head office for stock control and accounting purposes.
- Emotional Selling Proposition (ESP): The unique association consumers make with particular products that contribute to purchasing decisions.
- Endorsement: Affirmation of a product by a recognised individual or company.
- Entrepreneur: An individual who risks their own money to set up a business organisation in order to respond to a perceived opportunity.

Glossary of Marketing Terms

- Environmental Scanning: Monitoring of a company's external environment for the purposes of identifying, emerging issues and changing external conditions.
- Environmental Set: A complete set of factors which affect an organisation.
- Equivalent Advertising Value (EAV): A measurement of the value of the space (e.g. free media coverage) had that equivalent amount of space in advertising been paid for.
- Ethical Marketing: An honest and factual representation of a product that considers moral, cultural and social values.
- Experience Curve: The systematic productivity increases as reflected in reduced production costs that occur over the lifetime of a product. As more units are produced, the cost per unit typically declines partially due to the accumulation of experience.
- Export Marketing: The marketing of goods or services to overseas customers.
- External Analysis: A phase of the promotional planning process that considers the external marketing environment, including factors such as customers, competition, and social change.
- FAST Marketing: Focused Advertising Sampling Technique: an approach that saturates the market by concentrating promotions into a short time interval.
- Fax Preference Service (FPS): A service available to business and individual home subscribers who can elect to be registered in order to prevent unsolicited direct marketing faxes.
- Field Marketing: The practice of sending marketing representatives or agents to retail outlets to run in-store promotions, set up point of sale displays and ensure that products are displayed to best advantage.
- FMCG: Fast Moving Consumer Goods - e.g. packaged food, beverages, toiletries, and tobacco.
- Focus Groups: Small groups of customers who are invited to participate in guided discussions on a topic for market research purposes.
- Forecasting: The prediction of future events and performance using existing data and facts.
- Four Ms: Money, Material, Machine and Manpower - a planning framework used to identify the resources available to a business.
- Four Ps: Product, Price, Promotion and Place - controllable variables in the 'marketing mix'.
- Franchising: A business model where a franchisor sells a licence to a franchisee that allows the franchisee to sell a product or service (typically with a common brand and marketing format) for a specified period within a specified area.
- Free Market Economy: An economy in which the allocation of resources is determined only by the forces of supply and demand.
- Full Service Agency: An advertising agency that offers clients such services as marketing research and planning, merchandising and below-the-line sales promotions, press and/or public relations, packaging in addition to the normal creative and/or media facilities.
- Geodemographics: A method of analysis that considers both geographic and demographic variables e.g. the ACORN classification.
- GLAM: A demographic grouping: Greying, Leisured, Affluent, Middle-aged.
- Grey Market: A term used to define the population over a certain age - usually 65. Also known as a silver market.
- Grey Marketing: The illicit importing and selling of products that are not authorised by the holder of a trademark, patent or copyright in the country of sale.
- Gross Domestic Product (GDP): Total output of goods and services by the national economy over a specified time period, usually a full year.
- Guarantees and Warranties: Legal commitments by a company to repair, replace or compensate for faulty goods or services.
- Guerrilla Marketing: The strategy of targeting small and specialised customer groups using minimal resources for maximum results.
- GUPPIE: A demographic grouping: Green YUPPIE
- Hard Sell: An aggressive style of sales behaviour that places undue pressure on the customer.
- Horizon Scanning: The systematic examination of potential threats, opportunities and future developments that considers existing issues and trends, in addition to identifying new or potential issues.
- House to House Distribution: Delivery of goods or promotional materials to a consumer's front door or mailbox.
- i-Coach: An online support service for marketing students and delegates that provides online tutorials, case studies and exercises.

Glossary of Marketing Terms

- **In-Company Training:** Training programmes specially tailored to meet company requirements for company employees.
- **Inducements:** Incentives (e.g., special offers or money-back guarantees) that are designed to provide a positive motivational influence on a purchaser thereby overcoming any resistance to purchase.
- **Industrial Marketing:** The marketing of industrial products.
- **Infant:** A product with a high market share of a new market.
- **Infiltration Marketing:** The use of chat rooms and similar devices by marketers posing as ordinary users to post and spread positive marketing messages, usually as personal endorsements.
- **Infomercial:** Paid-for TV commercial that appears to be a television programme purporting to be an informative station programme. Its use is restricted to certain countries including the USA, but not the UK.
- **Innovation:** Development of new products, services or ways of working from study and experimentation.
- **Innovators:** The first consumers to adopt a new product or service.
- **Institutional Market:** A market for goods or services consisting of institutions e.g. universities, schools, charities and clubs.
- **Inter-Media Comparison:** A comparison of the cost effectiveness, advertising effectiveness, target demographics, etc of different media (e.g. television Vs radio, newspapers Vs magazines) to determine their overall effectiveness.
- **Internal Analysis:** The evaluation of a company's internal marketing resources for the purposes of assessing opportunities, strengths or weaknesses.
- **Internal Customers:** Employees within an organisation that receive a product or service from another part of the organisation e.g. the administration department could be internal customers of the marketing department.
- **Internal Marketing:** The application of marketing (product awareness, strategy awareness etc) inside an organisation to gain support for a company and its activities among its own employees, so as to encourage them to promote its goals.
- **International Marketing:** The application of marketing activities in more than one country.
- **Intra-Media Comparison:** Comparison of the various promotional options for a given medium, e.g. The Telegraph Vs The Guardian.
- **IPS:** The Institute of Professional Sales, sister institute to The Chartered Institute of Marketing.
- **IPTV:** Internet Protocol Television is a technology that allows television and video signals to be received via an internet connection.
- **Joint Venture:** A business entity or partnership formed by two or more parties, generally to share risk or expertise.
- **JUPPIE:** A demographic grouping: Japanese YUPPIE.
- **Kelly Grids:** An interviewing technique that evaluates the attitudes and perceptions of individuals which can be useful in developing questionnaires for market research and other purposes. Also known as the Personal Construct Technique or the Repertory Grid Method.
- **Key Account Management:** The management process used by an agency or supplier to manage the needs of its most important customers.
- **Key Success Factors (KSF):** Those factors that are critical to success in a given market.
- **Keyword Buying:** The purchase of links **to an advertiser's** website that appear on internet search engines when the purchased keyword is entered into the search engine e.g. the 'sponsored links' section that appears to the right of a Google results page.
- **Kidults:** Adults who buy products that are predominantly marketed at children.
- **Knowledge Management:** A range of practices used in an organisation to identify, collect, organise, distribute and enable adoption of knowledge often supported by information technology for storage and retrieval of information.
- **Ladder of Loyalty:** A marketing communications tool designed to move a consumer from a prospect to a brand loyal consumer through the following stages:
 - Prospect - not yet purchased
 - Customer – trialist
 - Client - repeat purchases
 - Advocate - brand insistence
- **Laggards:** Consumers who are last to adopt a new product or service.
- **Late Majority:** Consumers who eventually adopt through economic necessity or social pressure.
- **Learning Log:** A record of the personal development plan and achievements of a delegate during a period of study.

Glossary of Marketing Terms

- **Lifestyle:** A way of life or style of living that reflects the attitudes and values of a person, a society or a segment of that society (includes work and leisure, eating, drinking, dress, behavioural patterns and spending patterns).
- **Logo:** A specially designed graphic, often consisting of a symbol and/or group of letters that identifies a company or brand.
- **LTV:** Long Term Value.
- **Macro Environment:** External factors **beyond a company's control** (e.g. socio-economic, legal and technological change) which affect a company's planning and performance.
- **Mailing Preference Service (MPS):** A service available to individual home subscribers who can elect to be registered in order to prevent unsolicited direct marketing mail.
- **Market Challenger:** A company pursuing market leadership through its marketing efforts.
- **Market Development:** The process of increasing sales performance through the offering of either existing products or new versions of existing products to new customer groups.
- **Market Entry:** The launch of a new product into a new or existing market strategically geared to whether the product is an early or late entrant to the market.
- **Market Follower:** An organisation that is happy for its products or services to follow the market leaders perhaps taking advantages of opportunities created by leaders without the need for much of their own marketing spend.
- **Market Leader:** The seller of the product or service which has the largest market share in its market.
- **Market Penetration:** The attempt to increase sales of a product or service by gaining a larger market share in an existing market.
- **Market Research (or Marketing Research):** The gathering and analysis of information regarding market places or customers generally used to increase market knowledge and to better-inform decision-making.
- **Market Segmentation:** The division of the market place into distinct subgroups or segments, generally based on customer relationship or behaviour, geographic, demographic, psychographic, and/or lifestyle variables and requiring a specific marketing mix.
- **Market Share:** The percentage of the total sales of a given type of product or service within a certain market that is attributable to a given company.
- **Market Value Added (MVA):** Market Value Added (MVA) is the difference between the market value of a listed/quoted company and the capital contributed by investors. A higher MVA indicates that a company has added more value than what has been contributed to it by shareholders, while a negative MVA indicates that the company has destroyed value.
- **Marketing:** CIM defines marketing as the management process responsible for identifying, anticipating and satisfying customer requirements profitably.
- **Marketing Acronyms:** Usually, abbreviations such as DINKIE, and OPAL.
- **Marketing Audit:** Analysis and evaluation of an organisation's existing marketing system to ascertain its strengths and weaknesses.
- **Marketing Communications:** All methods used by a company to communicate with its internal and external customers and prospective customers.
- **Marketing Decision Support System (MDSS)** Tools for the collection and analysis of data for the purposes of informing marketing decision making.
- **Marketing Information:** Any information used or required to support marketing decisions.
- **Marketing Metrics:** Measurements for quantifying marketing performance, such as market share, advertising spend, and response rates elicited by advertising and direct marketing
- **Marketing Mix:** The combination of marketing inputs that influence customer motivation and behaviour. These inputs traditionally encompass four controllable variables: product, price, promotion and place. The list is known as 'the 4 Ps'. There is also an **extended list 'the 7 Ps' that includes people, process and physical evidence.**
- **Marketing Myopia:** A short sighted approach to a marketing situation where only short-range goals are considered or where the marketing focuses on only one of many possible marketing factors.
- **Marketing Orientation:** A business strategy that focuses on satisfying customers' needs and wants.
- **Marketing Plan:** A written plan designed to implement the marketing strategy that describes all activities involved in achieving the marketing objectives.
- **Marketing Planning:** The selection and scheduling of activities to support the company's marketing strategy.

Glossary of Marketing Terms

- **Marketing Return on Investment (MROI):** MROI measures the value that an organisation derives from investing in marketing.
- **Marketing Strategy:** The set of marketing objectives which support the overall corporate strategy, together with the broad methods chosen to achieve these objectives.
- **McKinsey Seven Ss of Management (or 7 S Model):** A framework defined by McKinsey for considering business strategy with reference to the following seven interrelated, aspects of the organisation:
 - Systems,
 - Structure,
 - Skills,
 - Style,
 - Staff,
 - Strategy, and
 - Shared values.
- **M-Commerce (Mobile Commerce):** E-Commerce transactions using mobile or wireless devices.
- **MDSS: Marketing Decision Support System.**
- **Media Neutral Planning:** Customer focussed planning based on research, analysis and insight, rather than habit and preference.
- **Merger/Acquisition:** A merger is the formation of one company from two existing companies. An acquisition occurs where one company acquiring control of another by purchase of a majority shareholding.
- **Micro Environment:** The immediate area of a company's operations, including suppliers, customers and competitors.
- **Mission Statement:** A brief summary of a **company's purpose**, philosophy and direction.
- **MMS:** MMS is the Multimedia Message Service that allows text, audio, graphic and video messages to be sent by mobile phones, or other compatible devices, over a wireless network.
- **Models (or Marketing Models):** Models are generally graphical representations of marketing processes that aid the understanding of and the evaluation of those processes. Computerised models allow certain scenarios to be simulated based on different assumptions about changes to the macro environment and micro environment.
- **Modular Training:** A training programme delivered in linked modules over time.
- **Mood Board:** A visual illustration tool that may consist of images, text and objects used to develop design concepts for review or to research a **consumer's experience of a brand or product.**
- **MOSAIC:** A geodemographic segmentation model that combines over 400 separate data sources and divides the GB adult population into 61 different types and into 11 broader groups. Sources include Census, Electoral Roll, County Court Judgements, Company Director's listing, Lifestyle Data, House Price data and Retail Accessibility.
- **Mystery Shopping:** The technique of employing individuals to anonymously visit or contact retailers or service providers to measure quality of service or gather information about products and services.
- **National Change of Address (NCOA):** A database that helps locate forwarding addresses.
- **National Readership Survey (NRS):** The National Readership Survey provides estimates of the number and nature of the people reading UK newspapers and consumer magazines.
- **Net Promoter Score (NPS):** The percentage of promoters less the percentage of detractors.
- **Neuromarketing:** A technique that measures how consumers will respond to brands and advertising. The brain is mapped, using functional Magnetic Resonance Imaging (fMRI), to record conscious and subconscious responses to advertising, products or brands.
- **New Product Development (NPD):** The creation of new products, from idea evaluation/generation of proposals through to commercial launch.
- **Niche Marketing:** The marketing of a product to a small specialist section of the market place.
- **NI LKIE:** A demographic grouping: No Income, Lots of Kids.
- **Objectives:** A company's stated defined and measurable desirable outcomes for a given period.
- **Offensive Marketing:** A competitive marketing strategy designed to gain market share from competitors.
- **OINK:** A demographic grouping: One income, no kids.
- **Omnibus Survey:** A survey that covers a number of topics simultaneously for multiple clients. This allows clients to conduct market research through a limited number of questions where it would not be cost-effective to conduct a separate research study.

Glossary of Marketing Terms

- One to One Marketing (1:1 Marketing): Persuasive person-to-person marketing that aims to build a personal relationship with the customer through individual treatment.
- Online Learning: Course material accessed over the internet or over a company intranet.
- OPAL: A demographic grouping: Older People with Active Lifestyles.
- Open Systems: An open system interacts with other systems or with its external environment.
- ORCHI D: A demographic grouping: One Recent Child, Heavily In Debt.
- Organic Growth/Development: Organic growth refers to the expansion of a company through the growth of its business and the ploughing back of profits, rather than through takeovers, mergers or acquisitions.
- OTH: Opportunities To Hear.
- OTR: Opportunities To Read.
- OTS: Opportunities To See.
- Packaging: Material used to package goods that presents an opportunity for brand marketing.
- PANSES: A demographic grouping: Politically Active and Not Seeking Employment.
- Parallel Importing: The illicit importing and selling of products that are not authorised by the holder of a trademark, patent or copyright in the country of sale.
- Pareto Principle: The 80/20 rule: 80% of an outcome will come from 20% of effort.
- Payment By Results (PBR): Remuneration of an employee or service provider according to performance measurement.
- Peer to Peer (P2P) Marketing: Encouraging customers to promote a product to other potential customers, often but not always on the Internet e.g. the offer of a product discount to a customer who recruits new customers to a website.
- PEEST: The Political, Economic, Environmental, Socio-cultural and Technological framework is used to view the macro environment.
- Penetration Pricing: The strategy of providing a lower price product for the purposes of securing a wide and rapid penetration of a market.
- Perceptual Mapping: A graphics technique that visually represents the relationship between consumer perceptions of brands in relationship to each other. Aspects considered include value, customer service, innovation and quality.
- Perfect Competition: An open market where no buyer or seller has market power, where free trade is unrestricted and where all goods of a particular nature are homogeneous.
- Performance Prism: A framework for measuring and managing company performance that considers all of an **organisation's stakeholders** - principally investors, customers, intermediaries, employees, suppliers, regulators and communities.
- Personal Data: Data related to a living identifiable individual.
- Personal Selling: Face-to-face communication between a seller and a prospective customer.
- PEST: The Political, Economic, Socio-cultural and Technological framework is used to view the macro-environment.
- Pester Power: The influence of children over purchases made by adults.
- PESTLE: The Political, Economic, Socio-cultural, Technological, Legal and Environmental framework is used to identify market positioning and strengths.
- Pharming: The action of redirecting traffic from a website to a bogus website designed to mimic the original **website in order to steal a user's login** details and other personal information. Financial websites are often targeted in this way.
- Phishing: The action of assuming the identity of a legitimate organisation, or web site, using forged e-mail and/or web pages and with a view to convince consumers to share their user names, passwords and personal financial information for the purpose of using it to commit fraud. This is also and often referred to as Identity Theft.
- Physical Evidence: The material parts of a **'marketing mix'** which customers can actually see or experience when they use the service e.g. packaging, brochures, buildings.
- PIMS: The Profit Impact of Marketing Strategy database holds data on 3000 businesses in such areas as environment, strategy, competition and internal data. This data can be used for benchmarking purposes.
- Podcast/Podcasting: A multimedia recording of a broadcast made available to iPods or other similar devices online.
- Point of Sale (POS) (also called Point of Purchase): The location, usually within a retail establishment where a customer transacts a purchase.
- Pop-Under: Automatically launched online advertisement that appears in its own window behind another webpage.

Glossary of Marketing Terms

- Pop-Up: Automatically launched online advertisement that appears in its own window in front of another webpage.
- Porter's Five Forces: An analytic model developed by Michael E. Porter which analyses businesses and industries by looking at:
 - Buyers,
 - Suppliers,
 - Substitutes,
 - New Entrants and
 - Rivals
- Portfolio (and Portfolio Analysis): The suite of products or services which a company develops and markets. Portfolio analysis considers the contents of the portfolio to determine which products or services deserve further investment, and which should be discontinued.
- Positioning: The process by which marketers create an image for a product, brand or service in the minds of customers and its relative competitive comparison.
- POSTAR: Poster Audience Research - the audience research body for the out of home advertising industry.
- Premium Pricing: The practice of applying a high price to a product or service to give an impression of quality or to cover an offer of additional service.
- Prestige Pricing: The practice of applying a high price to a product to indicate its high quality.
- Maker: A producer who has enough market power to influence prices.
- Price Taker: A producer who has no power to influence prices.
- Problem Child: A product which has high growth but low market share.
- Product Life Cycle: The lifespan and stages of a product from inception through the main period of sales, to its eventual decline.
- Product Placement: Also known as embedded marketing, product placement refers to the use of a product or service within a film, television programme or radio programme. There are strict guidelines as to the payments that can be given for such appearances.
- Professional Marketing Standards: The Chartered Institute of **Management's** grid of marketing competencies required to achieve business aims. (previously known as Statements of Marketing Practice)
- Professional Services: The services of individuals or companies that are accredited by professional bodies, such as accountants, lawyers and chartered marketers.
- Promotional Mix: The blend of activities involved in a promotional campaign, which may include advertising, personal selling, public relations, direct marketing, packaging, and sales promotion.
- Promotional Plan: A written plan detailing the promotional objectives and activities required to achieve the role of promotions laid out in the marketing plan.
- Proximity Marketing: The localised wireless transmission of advertising content to compatible devices.
- Ps: Controllable variables that begin **with the letter 'P' in the 'marketing mix'**.
- Public Relations: The practice of managing the flow of information between an organisation and external groups (the public, media, investors etc) to enhance and protect the reputation of a company or brand.
- Pull Promotion: A Pull promotion is an **'above the line' sales promotion that** directly induces a customer to demand a product, thereby pulling it down through the distribution chain.
- Push Promotion: Push promotion is a **'below the line' sales promotion that** requires the next link in the distribution chain (e.g. a wholesaler or retailer) to 'push' the products to the customer.
- Qualitative Research: Market research based on interviews, focus groups, repertory grid and other non-numerical input which generally produces more detailed but more subjective findings than quantitative research.
- Quantitative Research: Market research that uses mathematical valuation models based on statistics and other numerical data, gathered from customers.
- R & D: Research and development.
- RAJAR: Radio Joint Audience Research – measures and profiles the audiences of UK radio stations including the BBC, UK licensed and other commercial stations.
- RAPPIES: A demographic grouping: Retired Affluent Professionals.
- Recession: A period of negative economic growth over two successive quarters.
- Reference Group: A group with which a customer identifies so that the **group's** opinions and experiences influence the customer's behaviour.

Glossary of Marketing Terms

- Relationship Marketing: The practice of establishing a profitable and long-term relationship with a customer.
- Repertory Grid Method (RGM): An interviewing technique that evaluates the attitudes and perceptions of individuals which can be useful in developing questionnaires for market research and other purposes. (also known as the Personal Construct Technique or the Kelly Grid Technique)
- Return on Equity (ROE): An important financial ratio, ROE measures how well a company uses reinvested earnings to generate additional earnings.
- Return on Investment (ROI)/Return on Capital Employed (ROCE): ROI measures how well a company uses its capital to generate profit.
- Return on Marketing Investment (ROMI): ROMI measures the value that an organisation derives from investing in marketing.
- Return on Sales Enablement (ROSE): ROSE measures the value an organisation derives from investing in activities that drive sales.
- RSS (Really Simple Syndication): Web feed formats that allow electronic content to be published on websites or compatible devices as soon as it is updated or posted.
- Sales Promotion: A range of activities and materials designed to act as an inducement to sellers or consumers. These may include free gifts, discount schemes, coupons, guarantees, competitions, vouchers, demonstrations, bonus commission and sponsorship.
- Sampling: The use of a selected representative subset of the population, typically for market research purposes.
- Sandwich Board: A hinged advertising poster displaying advertising messages on both the front and the back and either carried by a person in public or placed at an advantageous location.
- Scamp: An initial design or layout of an advertisement or other promotional material. Also a UK pressure group against offensive advertising (S.C.A.M.P. - Stop Crude Advertising Material in Public).
- Screening: The evaluation or testing of a product, and sometimes its 'marketing mix', at appropriate points in the new product development cycle.
- Search Marketing: The promotion of a **company's website** through internet search engines and directories.
- Sensitive Data: Data relating to sensitive topics including racial or ethnic topics, political opinions, religious or other beliefs, trade union membership, health, sex life and criminal convictions.
- Seven Ss: See 'McKinsey's Seven Ss of Management'
- Shallow Link: A hyperlink to a website's homepage.
- Share of Voice (SOV): The percentage a company has of a particular niche, market, or audience.
- Shareholder Value: The value that a shareholder is able to obtain from their investment in the company.
- SINBAD: A demographic grouping: Single Income, No Boyfriend and Absolutely Desperate.
- SINDI: A demographic grouping: Single Independent and Divorced (only applies to women).
- SITCOM: A demographic grouping: Single Income, Two Kids Outrageous Mortgage.
- Skills Level Analysis Process: An online tool used to assess the skills of marketing professionals and to measure them against business aims and objectives.
- Skimming: The practice of setting a high initial price for a product to maximise profit before prices are driven down by increasing competition.
- SLAP: Skills Levels Analysis Process is an online tool that assesses the skills of marketing professionals and measures them against business aims and objectives.
- SLEPT: SLEPT analysis investigates the Social, Legal, Economic, Political and Technological influences on a business.
- SMART Objectives: SMART is an acronym used for setting objectives. It stands for:
 - Specific – Objectives should specify what they want to achieve.
 - Measurable – You should be able to measure whether you are meeting the objectives or not.
 - Achievable - Are the objectives you set, achievable and attainable?
 - Realistic – Can you realistically achieve the objectives with the resources you have?
 - Time Bound– When do you want to achieve the set objectives?
- SME (Small to Medium Enterprise): The European Commission defines an SME as having fewer than 250 employees. Small businesses have up to 49 employees; medium size businesses have between 50 and 249 employees.
- SMS: SMS is the text only Short Message Service that allows messages to be sent by mobile phones, or other

- compatible devices, over a wireless network.
- **Social Marketing:** The application of marketing concepts and techniques to propagate ideas and behaviours for the social good. (also known as Societal Marketing).
- **Socially Responsibly Marketing:** The concept that marketing should work to benefit society over the long term without harming the social environment.
- **SOHO:** A Small-office/Home-office.
- **SOSTT:** SOSTT refers to Situation, Objective, Strategy, Tactics and Targets.
- **Space Maps:** Another name for a Brand Map.
- **SPAM or SPAMming:** The transmission of bulk, unsolicited mail is referred to as 'spamming'. This is actually illegal on the internet and if caught or reported, and organization can be shut down and taken off the internet. Typically, even though spammers know that they will be shut down for this activity, they also know that they still will have hit some 200,000 e-mails before that happens.
- **Spin:** Generally, a pejorative term used to describe the selective of creative depiction of news or events in the media in such a way as to provide a **biased portrayal of one's own products or services.**
- **Sponsorship:** A sales promotion activity where a company provides money or other resources to support an event or a business venture in return for publicity.
- **Stakeholder:** An individual, organisation or community that has a '**stake**' in the outcome of a project or the strategy and operation of an organisation. Stakeholders are often shareholders, employees and customers but may also include government, local communities, opinion formers, suppliers and partners.
- **Standard Industrial Classification (SIC) Codes:** SIC codes identify a business or service according to its primary kind of activity. The number of digits in the code determines the detail of the classifications such that 2-digit codes provide general classifications and 4-digit codes provide more specific industry identifications.
- **Standard Occupational Classification (SOC) Codes:** SOC codes identify workers by job function. Occupations are sorted into a small number of broad categories and then further extended to define narrower categories and job functions.
- **Star:** A product which has high growth and high market share.
- **Statements of Marketing Practice (SOMPS):** A grid provided by the Chartered Institute of Marketing of the marketing competencies required to achieve business aims. Now called Professional Marketing Standards.
- **Storyboards:** The use of static drawings designed to show the main elements of a television or cinema commercial, website or other advertising media for the purposes of design review.
- **SUPPIES:** A demographic grouping: Senior Urban Professionals.
- **Supplier Relationship Management (SRM):** Managing relationships with suppliers often through the use of IT systems - compare 'customer relationship management'
- **Supply and Demand:** Demand is the quantifiable desire for a product/service at the market price: supply is the total amount of that product/service available at that price.
- **Supply Chain:** The network of suppliers, manufacturers, transporters, storage facilities and distributors involved in the production and delivery of a product.
- **SWOT Analysis:** A strategic planning method that examines a project or company's Strengths, Weaknesses, Opportunities and Threats. May contribute to the development of a marketing plan, or form part of a marketing audit.
- **Syndicate Groups:** Small groups of delegates on a training programme usually separated out for the purposes of a practical exercise.
- **Target Group Index (TGI):** A commercial research service that provides information on the purchasing and other behaviour of individual consumer segments as related to their media exposure thereby facilitating accurate media planning.
- **Targeting:** The selection of potential purchasers and, markets that match known characteristics in order to design marketing campaigns that reach and appeal to these consumer types.
- **Telemarketing:** The marketing of a product or service over the telephone.
- **Telephone Preference Service (TPS):** A service available to business and individual telecoms subscribers who can elect to be registered in order to prevent unsolicited direct marketing calls.
- **Test Marketing:** A limited introduction of new product samples to a market to test the response from representative consumers before making a full product commitment.

Glossary of Marketing Terms

- TINKIE: A demographic grouping: Two Incomes, Nanny and Kids.
- Trade Marketing: Marketing to the retail and distributive trades.
- Tweenagers: 8 to 12 year olds or 7 to 11 year olds.
- Unique Selling Point/Preposition (USP): The unique attributes that make a product or service stand out from the competition: one of the fundamentals of effective marketing and business.
- Unmentionables: Products that are considered 'too delicate' to mention or to advertise e.g. personal hygiene or contraceptive products.
- VALS: A categorisation of people by their Values And Lifestyles. Includes such groupings as Belongers, Achievers, Emulators, I-am-me, Experiential, Socially conscious, Survivors, Sustainers and Integrators
- Value Added: The increase in worth of a product or service resulting from the undertaking of a particular activity e.g. packaging or branding.
- Value Preposition: The attributes of goods or services that fulfil a customer's needs and desires.
- Viral Marketing: The spreading of a marketing message through verbal **means 'word of mouth' or more commonly electronic means 'word of mouse'**. Email recipients are often encouraged to pass along messages to others in order to generate added exposure.
- Virtual Community: An online interactive community.
- Vision: The long-term inspirational aim of a company that sets out where the company aspires to be and influences its strategic direction.
- VoIP: Voice over Internet Protocol allows telephone calls to be made over the Internet.
- WAP: Wireless Application Protocol is a carrier-independent, transaction-oriented protocol for wireless data networks that allows Internet access over wireless devices such as mobile phones and microbrowsers.
- War Horse: A product with a large market share of a declining market.
- Web 2.0: A term applied to a perceived ongoing transition of the World Wide Web from a collection of websites to a full-fledged computing platform serving web applications to end users. Ultimately Web 2.0 services are expected to replace desktop computing applications for many purposes.
- Weblogs: A weblog (more commonly referred to as a blog) is a journal that is available on the web. The activity of updating a blog is 'blogging' and someone who keeps a blog is a 'blogger'. Blogs allow individuals to feedback their thoughts on company products and companies can use blogs to market their products and services.
- White Goods: Large domestic utility items such as fridges, freezers and dishwashers.
- White Space: Unexploited opportunities in a marketing approach e.g. under resourced markets, gaps in marketing process, missed opportunities etc.
- WI -FI (Wireless Fidelity): Wi-Fi refers to wireless connectivity for computers and other online-enabled devices.
- WiMAX: Worldwide Interoperability for Microwave Access. Also known as IEEE 802.16, a technology that delivers high-throughput wireless broadband access over distances of up to 80km.
- WOOF: A demographic grouping: Well Off Older Folk.
- WOOPIES: A demographic grouping: Well-Off Older People.
- Word of Mouth: The passing of information solely through informal communication between humans. Transfer methods are not just confined to face to face communication but also e-mail, SMS, blogs etc.
- YAPPIES: A demographic grouping: Young Affluent Parents
- YOOFS: A demographic grouping: Young, Free and Single.
- Youth Market: Refers to a group of young customers for marketing purposes. Generally refers to those in the age group 16 to 24, but may refer to other age groups.
- YUPPIE: A demographic grouping: Young Urban Professional.
- ZUPPIE: A demographic grouping: Zestful Upscale Person in their Prime.

Further Information

If what you were looking for isn't here, try the business dictionary and business glossary directory at:

www.glossarist.com/glossaries/business/

This guide is for general interest - it is always essential to take advice on specific issues.

We believe that the facts are correct as at the date of publication, but there may be certain errors and omissions for which we cannot be responsible.

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