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Editor  

**Issues in Pricing: Theory and Research**  
by Timothy M. Devinney  
(Lexington, MA: Lexington Books, 1988, 412 pp., $55.00)

As suggested by the title the text “Issues in Pricing: Theory and Research” may be expected to raise more issues than it does answers. This problem does not arise. Devinney has done an excellent job of assembling, organizing, and introducing contributions on pricing from capable colleagues. Thus, this text is more a comprehensive state-of-art treatise on pricing than it is a treatment on research needs.

The text is composed of sixteen papers devoted to various aspects of pricing. As noted in the introduction, each paper is intended to make an original contribution to the understanding of pricing strategy. The author’s objective in assembling these readings is to “increase the appreciation and understanding that practitioners have of pricing strategy while encouraging academics to expand on this area of research.” Whether it accomplishes this objective or not will be tested by time. The one thing that the text does appear to do is place theory and application in one volume as a convenience to readers and practitioners, which is no trivial contribution.

To accomplish his objective of increasing both appreciation and understanding, Devinney had to collect papers that span economics and marketing boundaries. Chapters thus have been written by authors whose educational backgrounds and research interests are in economics, management, decision science, and marketing. Most, like Devinney, are boundary spanners. That is, they tend to have overlapping interests in several disciplines, which is a virtual requirement in price strategy. All tend to be quantitative.

Papers are organized into six groupings that include:

- an introduction and overview,
- pricing and the role of information in markets,
- dynamic pricing models,
- competitive behavior,
- normative pricing models,
- remaining issues and questions.

Part I is an introduction to price theory. Devinney provides a neoclassical introduction, which is complemented by Winer’s consideration of consumers’ reference prices. Part II is also introduced by a Devinney chapter on price, advertising, and information relation mechanisms. Cooper and Ross have a chapter on product warranties and Moorthy a chapter on pricing of durables in relationship to consumer expectations.

Part III, Dynamic Pricing Models, has articles on pricing over the product life cycle, pricing for repeat purchases, and discounting to obtain repeat purchases. Part IV relates to Competitive Behavior. Chapter 9 deals with horizontal competition in the introduction of new products. Chapter 10 treats vertical competition in distribution systems, and Chapter 11 relates to competition relating to one’s own products, that is, the pricing of product lines.

Part V, Normative Pricing Models, gets into an area of greatest interest to practitioners—how to price. Articles are included that relate to industrial products over their life cycle, pricing across outlets, and pricing within a store. Part VI, Remaining Issues and Answers, contains two articles. Monroe and Mazumdar provide a synthesis of pricing research. It thus provides the text’s capstone. Bonomo, Crittenden, and Dolan, on the other hand, author a case-study based article that relates to the managerial-academic issue of relevance and rigor. This article happened to be my favorite in the text.

Each section is introduced by a summary. These summaries are a strength of the book. Devinney wrote three of them himself, but the others were written by colleagues who did not have articles within the section. These summaries can thus be usefully employed by readers to prepare for reading or to summarize results. It is these summaries that also are used to indicate the research issues that are suggested by the papers in the section. For instance, in the section on pricing and the role of information in markets Anne Coughlan writes that not only are empirical contributions in order, but velocity studies might be made as well as extending the applications of pricing and information.

Any academic interested in pricing should find this book useful. It has the difficulties of any collection insofar as styles are not continuous, nor are treatments even. Devinney has minimized these effects, however, with good organization and his very capable use of introductions. The text tends to be mind expanding, and I suspect readers will follow my practice.
Sales Management: Analysis and Decision Making

by Thomas N. Ingram and Raymond W. LaForge

(Chicago: The Dryden Press, 1989, 752 pp., $45.95)

Scholars frequently state that marketing exists within a "dynamic environment." This is probably true, even though the concept may be given more lip service than real consideration. It is safe to say, however, that the content of most marketing texts has not changed very much over the past several years.

Of all the areas of concentration within marketing, however, the sales/sales management field has seen the greatest change during the last ten years. This is primarily due to three interrelated developments: (1) an increasing focus on the field because of a pragmatic realization that this is where most of our marketing majors accept career positions upon graduation, (2) the development of an excellent academic journal—The Journal of Personal Selling and Sales Management—and (3) the academic revigoration of this field by a number of young, research-oriented faculty who have contributed greatly to the growing acceptance of sales/sales management as a scholarly field of study.

The new book Sales Management: Analysis and Decision Making highlights these changes within the sales/sales management field. It is an academically rigorous book designed for industrial sales executives of the 1990s. This new book is written with the learning needs of the student in mind, and it provides an up-to-date, thorough examination of sales management—including the recent advancements in this professional field. In fact, the text features over 500 references to the literature, including 27 percent to articles written since 1987, and 65 percent to publications appearing since 1985. Because of its state-of-the-art topical coverage, the book examines such new and emerging trends as telemarketing, the role of distributors and manufacturer's reps, national account management, trade show selling, sales force deployment, ethics, international selling, and the link between sales management and organizational strategy at the corporate, business unit, and marketing function levels.

The book is organized around a six step sales management model (1) describing the personal selling function, (2) defining the strategic role of personal selling, (3) designing the sales organization, (4) developing the sales force, (5) directing the sales force, and (6) determining sales force effectiveness. Adding interest, depth, and readability throughout the book are special sections covering sales technology, sales trends, and international sales. Also, many current examples of leading companies are included to show how they manage their sales forces.

In addition, twenty-eight cases on companies with real-world sales management problems and opportunities are included. These cases provide the opportunity for microcomputer analysis and are an important part of the book because many professors teach sales management as a case-oriented course.

Ingram and LaForge have done an excellent job of integrating recent research into a comprehensive, scholarly yet "user-friendly" teaching package for the sales management course. This book contributes to the growing evidence that sales/sales management is becoming an even more highly regarded academic area within the marketing discipline.

Cognitive and Affective Responses to Advertising

edited by Patricia Cafferata and Alice Tybout

(Lexington, Mass.: Lexington Books, 1989, 414 pp., $59.00)

This book is an edited compilation of papers presented at the Fourth Annual Advertising and Consumer Psychology Conference held in 1985 and sponsored by Division 23 of the American Psychological Association, the Marketing Science Institute, and Needham Harper Worldwide. It presents the views of both practitioners and academicians about consumers' cognitive and affective responses to advertising. From the beginning chapters, where, for example, William Wells discusses commercials in terms of "lecture" (messages directly addressed to the viewer) and "drama" (messages inferred by the viewer indirectly from the actions of the presenters), the book is filled with research, ideas, and techniques that should provide new insights for any reader who is interested in this area.

Following a comprehensive introduction and summary by Alice Tybout, the material is organized into five parts. Part I, "Classifying Advertising Stimuli," begins by presenting theoretical concepts which were developed on the basis of practitioners' work in advertising design. It moves from Wells' chapter on "Lectures and Dramas," to John Coulson's (Communications Workshop, Inc.) "An Investigation of Mood Commercials," which describes how a modified version of the Verbal Response Profile was used to classify commercials as rational, mood, or middle and reports how the categorized ads did on measures of advertising effectiveness. In the last chapter of this section, academicians Cornelia Pechmann and David Stewart discuss "The Multidimensionality of Persuasive Communications: Theoretical and Empirical Foundations." They argue that commercials cannot be simply classified as rational or emotional because most have used a mixture of stimuli. Instead, they present a two dimensional scheme, containing a systematic-heuristic di-