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The Perceived Importance of the Elements of Strategy: Revisited*

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*THE PERCEIVED IMPORTANCE OF THE ELEMENTS OF STRATEGY: REVISITED**

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In an article published in 1968, Professor Jon Udell correctly stated, "the future growth of the economy will depend considerably on the efficiency and effectiveness of marketing programs."[1] He pointed out the need for research to measure and explain the relative importance of the major elements of marketing strategy, which he identified as: product effort, sales effort, distribution, and pricing strategy. Udell was particularly interested in establishing the importance of nonprice competitive strategy. He emphasized that the traditional economists who attempted to explain all market behavior in terms of price competition were incorrect in their assumption.

Udell's major findings, here summarized, strongly support his emphasis on nonprice competition:

1. All major facets of competitive strategy are essential to the marketing program.
2. Nonprice facets are more important than price facets.
3. Marketing strategies vary considerably among industries.
4. The most important general facet of strategy is sales effort.
5. Sales management and personal selling are the most important types of sales effort used.

Professor Udell's study, probably done in 1967 though results were published in 1968, was a milestone at that time—a period of relative plenty characterized by high productivity, adequate resources, mild inflation, high employment, and a sound wage structure. But times change. The years 1974 and 1975 can best be described as a time of relative scarcity, with resources in short supply, jobs hard to find, prices high, credit tight, and real wages falling. Thus, it was decided to replicate Udell's study to test its validity under changed times and circumstances. His three hypotheses, along with a fourth added by the authors to account for time differences, were investigated:

1. The nonprice facets of competitive strategy are, from the manufacturer's point of view, at least as important as pricing.

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2. The importance of the facets of competitive strategy will vary with time and economic conditions.
3. The consumers' knowledge concerning the product, the effort they expend in making purchases, and the nature of their buying motives should be major determinants of nonprice competitive strategy.
4. The importance of the facets of competitive strategy will vary according to the nature of the product's market (industry type).[2]

If Udell's conclusions are to be useful pragmatic tools, they must stand up to the test of time.

RESEARCH METHODOLOGY

The relatively simple research methodology of this study basically was that used by Udell. A questionnaire was sent to 222 marketing vice presidents selected randomly from **Fortune's** top 500 manufacturing firms. Including a firm on the list meant that it had successful products as measured by sales volume. The sample list was prepared during December 1974 and January 1975. A 36 percent return was obtained, resulting in 80 usable questionnaires—49 from industrial-product manufacturers and 31 from consumer-product manufacturers.

The marketing vice presidents were asked to estimate the relative contribution made by each of the major elements of marketing strategy to the marketing effort of their successful products. The measure of contribution was determined by allocating a total of 100 points among these four marketing strategy elements (consistent with Udell's identification):

Product Effort. Includes product planning, product R & D, product testing, services accompanying the product, and other.

Sales Effort. Includes sales management and personal selling, advertising, and other promotional programs.

Distribution. Includes the selection, development, and evaluation of distribution channels, transportation and inventory control, and other.

Pricing Strategy. Includes price determination, pricing policies, and pricing strategies.

Furthermore, product effort, sales effort, distribution, and pricing strategy were divided into these specific activities:

Product Effort. Pre-sales service, past-sales service, technical R & D, market research, style R & D, and other.

Sales Effort. Includes sales management and personal selling, broadcast media, printed media, special promotional activities, branding and promotional packaging, and other.

Distribution. Transportation, warehousing and inventory, determination of channels, selection and installation of channels, assistance to and development of channels, and other.

Pricing Strategy. Price policies, pricing strategies, and price determination.

Each element had six facets, except that pricing strategy had three. Respondents were asked to rank the importance of each activity to the total of the element, based on 100 points. Thus, it was possible to compare the major elements of strategy to each other and to compare the activities, or facets, associated within each element. (There was no reason to believe that the respondents did not understand what was required of them.) Results were tabulated according to industrial - and consumer-goods manufacturers.

It is difficult to duplicate exactly another person's work; and in the Udell study, duplication was made difficult because not all aspects of the research were identified. Although this study represented Udell's fairly well, three differences are worth mentioning:

1. Udell based his analysis on 485 respondents asked to select **one** successful product for analysis. In this study executives were simply asked specific questions about their company's successful products, without specifying any particular one.
2. Udell divided consumer-product manufacturers into consumer-durable and consumer-nondurable firms. No division was made in this study; so, for comparison purposes, it was necessary to average Udell's two classes of consumer firms.
3. Udell did not compare the activities of pricing strategy, included in this study.

These differences are presented to aid the reader in evaluating the results, but it is not thought that they materially affect the conclusions.

ELEMENTS OF STRATEGY IN 1968 AND 1975 COMPARED

The 1975 study provided mixed support for Udell's findings on relationships among the major elements of strategy. Udell's finding that sales effort was the most important type of competitive strategy was not supported by the 1975 study, which did, however, support Udell's findings that: (1) all elements of strategy are important, and (2) nonprice competitive strategy is perceived as more important than price strategy for successful products. Thus, overall, the 1975 data supported the first hypothesis in this study. Each of the findings is discussed here in detail.

All Strategy Elements contribute To Product Success

Information shown in Table 1 supports Udell's finding that all elements of competitive strategy are important to successful products. Although there were positional changes in importance, no element, including pricing, could be called unimportant. In fact, respondents did not allocate the smallest percentage of total effort to pricing in either 1968 or 1975. Each year distribution was perceived by respondents as the least important element of strategy; pricing, second least important. No one, however, can doubt the importance of distribution's gain, as seen by producers, between 1968 and 1975: a 3.1 percentage point rise (from 12.2 percent to 15.3 percent). Only product effort had a greater percentage point increase over the period. Historically, business has tended to downgrade distribution-associated problems, but the evidence shows the situation is slowly changing.

Table 1

Perceived Importance of the Major Elements of Marketing Strategy

Elements of Strategy	1975 Study Percent	Udell's 1968 Study Percent [a]
1. Product effort	40.6	27.8
2. Distribution	15.3	12.2
3. Total product and distribution	55.9	40.0
4. Sales effort	26.2	41.1
5. Pricing strategy	17.9	18.4
TOTAL	100.0	99.5

[a] Udell's figures do not add to 100 percent because he included a category for "other" not included in this study.

Product and Sales Effort Reverse Positions

It can be observed from Table 1 that in 1968 respondents, by allocating 41.1 percent to it, considered sales effort the most important type of competitive strategy. By adding pricing (a communications device that directly influences purchase much like promotion) to sales effort, approximately 60 percent of total competitive strategy was allocated to sales-related activity in 1968.

Those findings were reasonable for 1968, a time of economic growth, when consumers were generally optimistic about the future and producers' major problem was how to induce customers to purchase more of the firm's abundant products and services. Furthermore, it is sound business practice to expand advertising and personal selling when customers are already in a frame of mind to purchase, for then a dollar spent on sales effort has a more than proportional return. Thus, in 1968 it was good business to allocate more effort to sales.

The fact that, relatively speaking, sales effort was so important to competitive strategy in 1968 led Udell to conclude, "business evidently considers the creation of markets more important than the creation of products."[3] Though certainly true for the time, the tone of Udell's discussion implied that he considered that state to be normal for all points in time. One cannot agree with his statement, "it is through the implementation of an invention that progress and profits are achieved."[4] The more successful management is the one that can best adapt its strategy to changing times and economic conditions. Implementing all elements of competitive strategy, related in proper proportions, to market conditions fosters economic progress and business profits. Udell had no opportunity to test over time whether manufacturers consistently allocate more effort to sales than to product.

The data in Table 1 support the hypothesis of this study: that allocating sales and product effort changes with time and economic conditions. By 1975 respondents had almost completely reversed how they perceived product and sales effort in relation to successful products; they perceived product effort, with 40.6 percent of the total, as most important. Just as pricing can be directly associated with sales, so distribution can be associated with product strategy. By combining distribution with product effort, nearly 60 percent of all 1975 competitive strategy was devoted to making, servicing, and distributing the product.

The results are consistent with market-related conditions existing in 1975. First, the economy was in a serious recession, with unemployment highest since World War II, inflation at an unprecedented high, and consumers generally pessimistic toward the market. Sales effort, especially advertising, is typically reduced during such a period, because the returns per dollar spent are less than proportional. Thus, even if product expenditures had remained the same in 1975 as in 1968, less sales emphasis would have caused a relative increase in the perceived importance of product effort.

Second, it was reasonable to give increased attention to the product in 1975, in view of shortages of such strategic raw materials as oil, natural gas, plastics, paper, and lumber. Management typically devotes more attention to the policy area causing trouble. That product-related problems were on the increase in 1975 alone could explain much of the shift to product effort as a proportion of total competitive strategy.

Third, the consumer movement created product pressures in 1975. In its infancy in 1968, consumerism had become a real market force by the early 1970's. Consumer groups were increasing in number and becoming more vocal, and their pressures were making industry and government "product conscious." As Federal Trade Commission tightened product-related restrictions, significant laws, such as The Fair Credit Reporting Act and the Consumer Product Safety Act, were passed. It was only natural that management shifted strategy to meet the new pressure.

Nonprice Elements of Strategy More Important

The data in Table 1 clearly support Udell's contention that nonprice elements of competitive strategy are more important than price in establishing successful products. With nonprice elements perceived to account for approximately 82 percent of total competitive strategy in both 1968 and 1975, only about 18 percent remained for pricing strategy. Udell suggested that pricing fared so poorly in practice although perceived as so important by economists for six environmental and economic reasons:

1. Consumers in wealthier nations are less concerned about price.
2. Product complexity may place more pressure on communications than on pricing.
3. The intricacy of our economic system places greater emphasis on mass marketing communications.
4. The inherent ologopolistic nature of American industry takes the pressure off price strategy.
5. Product differentation provides price independence.
6. Economic development of a nation (creating markets) places emphasis on nonprice strategy.[5]

The environmental and economic conditions, which appeared as logical in 1975 as they did in 1968, present a reasonable explanation for the relationships found. Though one may question the relevance of items No. 1, No. 2, and No. 6 (based on the evidence already presented in this study), one cannot dispute that, even in 1975, when product effort was perceived more important than sales effort, sales effort ranked above pricing in perceived importance. Thus, all six environmental and economic reasons advanced were probably working to some degree.

Udell, concerned about the ability of management to properly assess the importance of pricing, stated, "however, another explanation for the relatively small number of points allocated to pricing is that management may have underestimated the importance of pricing."[6] He felt that management might have rated pricing low simply because it takes less time to perform that function than others. The 1975 data support Udell's low allocation for pricing. The fact that respondents dramatically changed their perception of the importance of the elements of strategy shows that they appreciated what is significant. The fact that there was so little difference in the perceived importance of pricing, only 0.5 percentage points between 1968 and 1975, suggests that the respondents recognized its proper placement. Management was certainly consistent in its assessment of the importance of pricing to overall competitive strategy.

STRATEGIES BY INDUSTRIES AND CUSTOMERS FOR 1968 AND 1975 COMPARED

Udell provided data to support his hypothesis that allocating the elements of competitive strategy to successful products varies by type of industry and by buyer motives. The 1975 figures further support the first part of the assumption but not the latter part.

First, data in Table 2 support Udell's finding (in 1968) that the perceived allocation of the elements of strategy to successful products varies by industry. Product effort had become the most important element of strategy by 1975 for both industrial- and consumer-goods producers. However, there were important differences in both 1968 and 1975 in the allocation of strategy by industry type. The increase in the element of distribution, reported earlier in this study, was entirely due to an increase in perceived importance among industrial-goods firms. Consumer-goods manufacturers had decreased their allocation of distribution as a proportion of competitive strategy between 1968 and 1975. Also, whereas consumer-goods manufacturers depended less on price in 1975 than in 1968, industrial-goods producers did not. The overall allocation of product-related effort (product effort and distribution) was very similar for the two major industry types each year (about 56 percent of total strategy in 1975 for both types of producers, compared with approximately 41 percent in 1968).

Second, Udell's hypothesis number 3 (on the relationship of buying motives and the allocation of strategy elements) was not supported by the 1975 figures. His hypothesis can be paraphrased thus:

> Sales effort should vary with the strength of buying motives and inversely with purchasing effort and knowledge, while product effort should vary directly with the strength of operational buying motives, purchasing effort, and buyer knowledge.

In a separate analysis, Udell discovered that "industrial buyers tended to have predominately operational buying motives, more intensive buying effort, and more knowledge concerning products than the purchaser of consumer goods."[7] That information was obtained using the semantic differential (data not reported in the article). Udell felt that industrial firms, whose buyers had more and better product information, would use relatively more product effort in the mix than would consumer-product firms, who would rely on sales effort because their customers could not judge the truth of the communications.

Table 2

Perceived Importance of the Elements of Competitive Strategy in Various Industries

	Producers of			
	Industrial Goods		Consumer Goods	
Elements of Strategy	1975 Study Percent	Udell's 1968 Study Percent	1975 Study Percent	Udell's 1968 Study Percent[b]
1. Product effort	39.8	29.6	41.9	23.5
2. Distribution	16.0	10.1	14.3	17.5
3. Total product and distribution	55.8	39.7	56.2	41.0
4. Sales effort	24.6	40.9	28.4	41.1
5. Pricing strategy	19.6	19.0	15.4	17.5
TOTAL	100.0	99.6[a]	100.0	99.6

[a] Udell's figures do not add to 100 percent because he included a category for "other" not included in this study.

[b] Average of consumer durables and nondurables.

The 1968 figures relative to his hypothesis are not so clear cut as Udell would have one believe (Table 2). Udell supported his position by pointing out that trial firms allocated 29.6 percent of total strategy to product effort in 1968, while producers of consumer goods allocated only 23.5 percent—6.1 percentage-point difference favoring industrial product sellers. But industrial firms, with 40.9 percent, and consumer-goods firms, with 41.1 percent, had only a very small (0.2) percentage-point difference. Udell made the difference appear significant by combining distribution, which he felt is mostly sales effort, with sales.[8] The combined totals showed 51.0 percent for industrial producers and 58.6 percent for consumer-goods producers.

However logical assumptions appear, the 1975 data provide a different picture: consumer-goods manufacturers allocating more effort to product strategy (41.9 percent) than industrial producers did (39.8 percent) and also more to sales effort (28.6 percent) than industrial-goods firms did (24.6 percent). The pattern was not consistent with the near-comparable 1968 figures reported by Udell. Adding distribution to sales effort for 1975, (40.6 percent for industrial producers and 42.7 percent for consumer-goods producers), as Udell for 1968, would reduce the difference to 2.1 percentage points, which hardly encourages the type of conclusion drawn by Udell. The more reasonable position is that the data are not sufficiently definitive to determine the relationship of sales effort and product effort to market activities.

FACETS OF EACH ELEMENT OF STRATEGY COMPARED

There is more to the story than comparing perceived importance of the major elements of competitive strategy to successful products. There can be important variations in the specific facets of each strategy element. The considerable number and degree of variations discovered in perceived importance of the elements suggest possible adjustments in the facets of each element. In this section the hypothesis tested for product effort, distribution, sales effort, and pricing strategy is: the facets of each element of strategy vary according to time and economic conditions.

Product Strategies Compared By Years

Product effort was divided into six facets to determine the effect of changing economic conditions on the allocation. Data presented in Table 3 indicate that in the allocation of product facets for industrial firms and for consumer-goods producers was similar in 1968 and 1975. There were differences, but one must conclude that in these years the relative importance of product facets changed much less than did the overall change in product effort. Perhaps certain types of product activities, such as R & D and market research, are necessary no matter what the economic situation, and perhaps business may not have much latitude to change those activities. However, despite the similarities, there is support for the hypothesis of change over time.

The largest percentage-point change for industrial-goods producers between 1968 and 1975 resulted as effort shifted from presales service to the "other" category. In the consumer-goods field, the shift was from technical R & D to the "other" category. Increase in the "other" category, significant and consistent for every element of strategy, could reflect an inability of the respondents to show a decrease in all types of expenditures on product effort during the period of recession and shortage. "Other" was not defined on the questionnaire, so it could have been interpreted as "not allocated."

Table 3

Relative Importance of the Facets of Product Effort

	Producer's of				
	Industrial Goods		Consumer Goods		
Facet	1975 Study Percent	Udell's 1968 Study Percent	1975 Study Percent	Udell's 1968 Study [a] Percent	1975 Average Percent
1. Pre-sales service	15.7	23.7	11.6	12.5	13.9
2. Post-sales service	18.0	17.7	14.9	11.7	16.6
3. Technical R & D	32.5	34.5	25.7	36.6	29.3
4. Market research	15.1	15.7	18.0	22.7	16.1
5. Style R & D	8.1	6.1	16.3	14.2	11.5
6. Other	10.6	2.3	13.5	2.5	12.6
TOTAL	100.0	100.0	100.0	100.0	100.0

[a] Average of consumer durables and nondurables.

Industrial-goods producers in 1975 consistently assigned more effort to service and technical R & D than did producers of consumer goods. Whereas industrial firms allocated 33.7 percent of their effort to pre-sales service and post-sales service, consumer-goods producers allocated only 26.5 percent of effort to those two facets. On the other hand, in 1975 consumer-goods producers perceived market research and style R & D as being more important when marketing successful products than did industrial producers. Thus, although there was considerable similarity for each type of producer over time, there were important variations between producer types each year.

It was thought that the recession would result in a shift from a service orientation to a research orientation, in that service is expensive and may stand cutbacks, while research can also produce savings as a result of better products or increased efficiency. However, the 1968 and 1975 figures do not support that assumption. Although pre-sales service declined for both producer types, post-sales service increased for each. Furthermore, technical R & D, the most important facet of product effort, declined between 1968 and 1975 for both producer types. That finding adds to the suspicion that the "other" category was used to show the tendency to cut cost.

Distribution Compared By Years

The six facets of distribution (Table 4) supported the hypothesis that distribution changes with time and circumstances. There was less similarity in distribution data between years for industrial- and consumer-goods producers than was found for product effort. Industrial-goods producers perceived warehousing and inventory as the most important facet in both 1968 and 1975, but, whereas they considered transportation second most important in 1968, in 1975 they placed determination of channels in second place—a shift that suggested an economy move by management and one consistent with the existing recession. Industrial sellers were no doubt cutting back on inventories and simultaneously using more care in channel selection and operation.

Consumer-goods sellers ranked assistance and development of channels and warehousing and inventory, respectively, as most important and second most important in 1968; in 1975 they ranked warehousing and inventory as most important, with the "other" category second, and assistance and development in fifth place. Consumer-goods producers in fact cut back on every aspect of distribution except the "other" category plus warehousing and inventory. Consumer firms have less opportunity than industrial firms to reduce inventories because they need to display goods for customers and because they carry relatively more types of goods than do industrial firms. That clearly indicated that business conditions existing in 1975 had caused American producers to reevaluate distribution policy.

Table 4

Relative Importance of the Facets of Distribution

	Producers of				
	Industrial Goods		Consumer Goods		1975
Facet	1975 Study Percent	Udell's 1968 Study Percent	1975 Study Percent	Udell's 1968 Study[a] Percent	Average Percent
1. Transportation	16.6	23.8	18.2	19.5	17.0
2. Warehousing and inventory	24.6	28.3	23.5	23.2	23.9
3. Determination of channels	17.5	10.5	- 11.0	14.2	14.7
4. Selection and installation of channels	16.0	13.3	14.2	18.2	15.0
5. Assistance to and development of channels	17.1	19.1	12.9	24.2	15.2
6. Other	8.2	5.1	20.2	1.7	14.2
TOTAL	100.0	100.0	100.0	100.0	100.0

[a] Average of consumer durables and nondurables.

Sales Effort Compared By Years

The six facets of sales efforts (compared in Table 5) demonstrates, as hypothesized, a clear pattern of adjustment from relative stability and plenty in 1968, to recession, inflation, and shortages in 1975. The adjustment was apparent for both industrial-goods and consumer-goods producers. Industrial producers ranked sales manage-

Table 5

Relative Importance of the Facets of Sales Effort

Facet	Producers of Industrial Goods 1975 Study Percent	Producers of Industrial Goods Udell's 1968 Study Percent	Producers of Consumer Goods 1975 Study Percent	Producers of Consumer Goods Udell's 1968 Study [a] Percent	1975 Average Percent
1. Sales management personal selling	50.9	69.2	33.4	42.9	42.4
2. Broadcast media	5.9	.9	23.6	15.8	16.6
3. Printed media	10.8	12.5	11.1	15.5	10.3
4. Special promotional activities	9.2	9.6	14.1	15.5	10.6
5. Branding and promotional packaging	9.7	4.5	9.6	9.7	9.2
6. Other	13.4	3.3	8.2	.8	10.9
TOTAL	100.0	100.0	100.0	100.0	100.0

[a] Average of consumer durables and nondurables.

ment and personal selling first in importance in both 1968 and 1975; but whereas they ranked printed media second, in 1968, in 1975 they ranked the "other" category second, indicating they difinitely shifted from costly personal selling to mass-media as business conditions worsened. Activities other than personal selling increased 9.1 percent between 1968 and 1975; branding and broad media especially increased in importance in 1975 when the economy was at a low ebb.

Consumer-product manufacturers also rated sales management and personal selling as most important to sales effort in both 1968 and 1975. In 1968, broadcast media, printed media, and special promotional activities were virtually tied for second place; but in 1975, broadcast media easily emerged as the second most important type.

Interestingly, there was not the degree of change to mass media among consumer-product firms that was found for industrial firms. Combined sales effort allocated to mass media totaled 56.5 percent in 1968 and 58.4 percent in 1975. Thus, consumer-product producers allocated more total sales effort to mass media than to personal selling, with considerable shift to the use of broadcast media. Consumer firms were already heavily allocating sales effort to mass media in economically good years; hence, they had less opportunity to adjust promotional cost in poor years, which might partly explain why middlemen's prices are sometimes slow to adjust when there is a downturn in economic activity. The relative shift in importance among the mass media may demonstrate an attempt by consumer-goods producers to use the most economical form of mass media. Direct mail and special promotions, for example, can be quite costly per number of respondents reached.

Pricing in 1975 Strategy

Table 6 allocates the three facets of pricing for 1975 by type of producer. (Udell did not analyze those facets of pricing in his 1968 article because his primary focus was on nonprice competitive strategy.) The figures indicate that, relatively speaking, consumer-goods producers in 1975 were more price-policy conscious than were industrial-product producers, who rated price determination as more important. It is probably true that sellers in the industrial market, which has a short channel that permits greater control over total effort than is possible in the longer consumer channel, must spend more of their time on price determination than do sellers of consumer goods. Consumer-goods channel is often longer and members do much of their own pricing, and logically independence among members in the consumer-goods channel makes the

Table 6

Relative Importance of the Facets of Pricing

	Producers of				
	Industrial Goods		Consumer Goods		1975
Facet	**1975 Study Percent**	**Udell's 1968 Study Percent**	**1975 Study Percent**	**Udell's 1968 Study Percent**	**Average Percent**
1. Price policies	31.4	NA[a]	37.3	NA	33.7
2. Pricing strategies	36.5	NA	33.6	NA	35.4
3. Price determination	32.1	NA	29.1	NA	30.9
TOTAL	100.0	NA	100.0	NA	100.0

[a]NA denotes data unavailable.

producer policy-conscious in an effort to persuade the channel membership of the firm's objectives.

SUMMARY OF CONCLUSIONS

Udell's 1968 study of the perceived importance of the elements of competitive strategy toward marketing successful products was replicated in 1975 to test its validity for a different time and changed circumstances. It was especially important to check results for 1968, a time of relative stability and plenty, against those for 1975, a period of recession and inflation (with shortages). Several important conclusions include:

1. All major elements of competitive strategy are important in marketing successful products. This finding, true for 1975 as well as for 1968, supported Udell's position.

2. In 1975 product effort had replaced sales effort as the strategy component perceived most important. This finding supported the hypothesis that elements vary with time, and therefore, opposed Udell's conclusion that developing markets are more important than developing products.
3. The data show that the facets of competitive strategy vary according to industry. This finding agreed with Udell's conclusion.
4. The nonprice elements of strategy were more important than pricing in both 1968 and 1975.
5. The data did not point to clear conclusions on allocating marketing strategy by buyer motives. Udell had concluded a relationship existed, but the 1975 data did not support his findings.

Three other findings are worth mentioning. First, by 1975 both industrial-goods producers and consumer-goods producers were allocating approximately 56 percent of all competitive effort to product-related activities. In 1968 more than 40 percent of total effort had been allocated to sales, indicating that sales effort is more important to strategy in times of buyer optimism and product strategy more important in times of buyer pessimism.

Second, the facet of each strategy element perceived most important to successful products varied little over time.

Technical R & D was the most important facet of product strategy in both years for each type producer. Warehousing and inventory was most important to distribution for industrial-goods producers in both years. Consumer-goods producers, however, perceived assistance and development of channels most important in 1968, but warehousing and inventory most important in 1975. Thus, in 1975 producer types agreed. Each year each type of producer considered sales management and personal selling as most important to sales effort. In 1975 pricing strategies were perceived as most important to pricing effort by industrial-goods producers but price policies were more important to consumer-goods producers. No comparison was made for pricing over time.

Third, product facets allocated by year and by type of producer were much more similar than were the facets of the other elements of competitive strategy. Apparently, over the business cycle, management has less opportunity to vary product policy than other elements of strategy.

REFERENCE FOOTNOTES

[1] Jon G. Udell, "The Perceived Importance of the Elements of Strategy," **Journal of Marketing**, Vol. 32 (January, 1968), pp. 34-40.

[2] **Ibid.**

[3] **Ibid.**

[4] **Ibid.**

[5] **Ibid.**

[6] **Ibid.**

[7] **Ibid.**

[8] One might question the assumption that distribution is primarily sales effort, especially in light of the physical aspects of distribution.

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