Course Objectives

**B01.2310** is the core marketing course in the MBA program. The course objectives are:

1. To introduce you to the role of marketing in organizations;

2. To teach the basic concepts and tools used in marketing, including:
   - Elements of marketing analysis: customers, competition, company
   - Elements of the marketing mix: the 4 P’s;

3. To assist in learning how to apply these concepts and to practice making decisions through:
   - In-class case analyses (exposing you to examples of successful and unsuccessful marketing applications)

4. To improve presentation and writing skills and provide opportunities to articulate and defend positions via written individual and group assignments.

The overall theme of the course is to emphasize the process of thinking: qualitatively, quantitatively, and strategically, using concrete, real-life practical examples as specific exemplars, drawing from both traditional areas of marketing as well as newer areas including high technology.

The course is organized into three distinct, yet inter-related modular and sequential sections.

1. **Marketing Tools**: Quantitative Analyses for marketing decisions (1 session)

2. **Marketing Strategy**: 3 C’s: Company, customer, competition (3 sessions)

3. **Marketing Mix Variables**: 4 P’s: Product (2 sessions), Price (2 sessions), Place (1 session), and Promotion (2 sessions)

Course Materials

A reader containing the cases for the course should also be purchased.

The course consists primarily of case discussions with follow-up lectures. The cases and
lectures will complement the text and will not attempt to cover all points raised in the reading.

**Course Grading**

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Case write ups (9 x 5%)</td>
<td>45%</td>
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<tr>
<td>Class participation</td>
<td>25%</td>
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<tr>
<td>Group Project and Presentation</td>
<td>30%</td>
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The following will help you analyze a case.

**Case Analysis Guide:** How to analyze a case:

You need to provide a one pager with your recommendation and reasons for it. These will be graded on a submitted on time (yes/ no) basis.

**What’s the problem?** *(Common marketing problems include: Should the firm enter or not enter a business area [go-no go decisions], choice of entering one area or another area (product decisions; market decisions), which (and how many) customer group(s) to target, how to retaliate against or attack competition (proactively/defensively), how to position a brand, whether to conduct market research, and if so what type of research to conduct, how to allocate the budget between various promotional media or sales, decisions regarding changes or continuation in distribution channels, brand names, what price(s) to charge, what type of advertising to run, media decisions, etc.)*

**What are the decision alternatives?** *(These are usually implicitly or explicitly provided in the case, but you should feel free to go beyond those that are given)*

**What are the company’s strengths and weaknesses?** *(Examples of areas that could be strengths or weaknesses include: brand name, customer franchise, costs of production, experience, suppliers, distribution channels, financials, technology, and operations etc.)*

**What are the environmental opportunities and threats?** *(These include changes in the overall environment such as changes in the economy, socio-political climate, customer demographics, government regulations, consumer attitudes, competitive environment, technology, globalization etc.)*

How can one assess the pros and cons of each of the decision alternatives against the backdrop of company strengths/ environmental opportunities, keeping competitive considerations in mind? These include quantitative analyses such as short-term and long-term breakeven analysis, profitability of different decisions, and sensitivity of profitability to alternate scenarios depending on assumptions about unknown variables (e.g., market size); as well as qualitative analyses such as fit with the company strengths, fit with existing opportunities, likelihood of competitive retaliation etc.

THEN make a decision. *(Justify it in terms of the analysis above – NOT the other way round).* Ideally a chosen decision should be justified in terms of whether (and how) it leverages the company’s strengths and environmental opportunities better than the other options available.

There are no right or wrong decisions, just incomplete or complete analyses.

**Class Participation.**

Participation enriches the quality of our classroom and your learning experience, and also makes up a significant portion of your grade. For effective class participation you need to have read the assigned materials before the class session. Case discussions are a critical component of the learning process for this course. I might "cold call" on you, asking you questions about the assigned material and
Note that the quality of your participation is what counts, not the amount you participate in each class. Effective class participation includes your 1) asking questions about concepts you have either not understood from the book or agree or disagree with; 2) sharing your experience or point of view with the class; 3) building on points raised by others; 4) relating topics discussed to previous class discussions, particularly lectures based on the topics, or previous case analyses.

Class attendance is mandatory. Regular and punctual attendance is a necessary but not a sufficient criterion for high class participation grades. Please do not come to class late as this distracts other class members and me. Once you are in class, please do not leave the class for any reason. (If you have an interview to attend, you will be asked to use the “interview bench” in the front of the class to minimize disruption.) Switch off all cell phones, pagers etc. before you enter the classroom.

Please stay in the same seats through the semester. This will assist me in getting to know you faster.

**Group Project**

The final project is an attempt to apply what you have learned in the course to a product or service of your choosing. You are essentially going to analyze the current marketing strategy and implementation for a product/service and make recommendations for how it should be changed (unless you think it is perfect already, which is highly unlikely).

The tasks for this final paper are the following:

1. Choose a product or service you would like to analyze. For small companies, you may not be able to distinguish the product from the company. Please contact me as soon as possible if you have some questions about whether your “topic” product is appropriate.

2. The first part of the paper should provide a brief background of the company and a description of the product/service and its major competition.

3. The second part of the paper is *descriptive*. I would like you to describe the product’s current marketing strategy (objectives, target segment(s), value proposition) and implementation (marketing mix).

4. The third part of the paper is *diagnostic*. I would like you to evaluate the product’s current marketing strategy and implementation. Use any criteria you feel are appropriate, but at least one should be the “consistency” of the strategy/marketing mix.

5. The fourth part of the paper is *prescriptive*. Based on your evaluation, I would like you to make recommendations for “fixing” the problems you found.

The project should be done in groups of 5 people. You may choose your group members. The paper should be 10 pages maximum excluding exhibits and is due on the last day of class.
Summary of Course

Section 1: Marketing Tools
- Strategic Marketing Orientation
- Break Even Analysis
- Sensitivity Analysis
- Margin analysis and profitability calculations
- Market Share calculations

Section 2: Marketing Strategy: 3 C's
- Environmental Opportunities and Threats
- Company Strength - Weakness Analysis
- Competitor Analysis
- Competitive Strategy
- Customer Analysis
- Segmentation and Positioning

Section 3: Marketing Mix Variables: Implementing Position Using 4 P's
- Product Management: Including Branding and managing a product line
- Pricing: Economic and Psychological Issues
- Place: Sales and Distribution Management
- Promotions: Advertising, Publicity, and Sales Promotions

The course outline is attached. It may change during the course of the term. It is your responsibility to follow class announcements.
Course Outline

SECTION 1: MARKETING TOOLS  
Winer, Chapters # 1 and 2

1. Introduction to Course, Case Analyses, and Marketing Math  
   Case: Gillette Safety Razor Division  
   Note: Basic Quantitative Analysis for Marketing

OBJECTIVES:

A. TO LEARN HOW TO ANALYZE A CASE: QUANTITATIVELY AND QUALITATIVELY
   a. PROBLEM DEFINITION
   b. DELINEATING DECISION ALTERNATIVES
   c. STRENGTH-WEAKNESS-OPPORTUNITY-THREAT ANALYSIS
   d. MARGIN ANALYSIS (FIXED/ VARIABLE COSTS), BREAK EVEN
   e. MARKET SHARE CALCULATIONS
   f. MAKE ASSUMPTIONS & CONDUCT SENSITIVITY ANALYSIS

B. TO APPRECIATE THE CENTRAL ROLE OF THE CUSTOMER
   a. HISTORIC ORIENTATIONS: PRODUCTION, PRODUCT, SALES, AND STRATEGIC
   b. CUSTOMER LIFETIME VALUE AND CUSTOMER RELATIONSHIP MANAGEMENT

C. INTRODUCE TYPICAL MARKETING PROBLEMS: BRANDING, PRODUCT RANGE, PRICING, DISTRIBUTION.

Assignment:
1. Should Gillette enter the cassette tape industry?
   a. Do a break-even analysis.
   b. Based on forecasted demand, what market share must Gillette achieve to break even?
   c. Other than ability to break even how does this opportunity allow Gillette to:
      i. Leverage its strengths to take advantage of market opportunities?
      ii. Shield itself from threats?
2. If Gillette enters the cassette tape industry how should it do so (brand name, price points etc.)?
3. If it does not, what could it do instead?

SECTION 2: MARKETING STRATEGY: 3 Cs: Company, Customer, Competition
2. Marketing Strategy: Assessing Opportunities and Threats  
   Case: Bajaj Automobiles Limited

OBJECTIVES:

1. IDENTIFYING STRENGTHS AND WEAKNESSES OF COMPANY/COMPETITION
2. IDENTIFYING LAYERS OF COMPETITION
3. IDENTIFYING TYPES OF OPPORTUNITIES AND THREATS: POTENTIAL/REALIZED.
4. OFFENSIVE VS. DEFENSIVE MODES OF COMPETITION.

Assignment
1. What are Bajaj’s strategic options in this environment?
2. What are the key criteria you would use to evaluate these options?
   a. BAL’s Strengths and Weaknesses?
   b. Market Opportunities and Threats?
3. What do you recommend BAL do?

3. Marketing Strategy: Deciding Overall Competitive Position  
   Ch. 6
1. What are Barco’s Strengths and Weaknesses?
2. Who are their Customers?
3. What major trends are affecting the industry?

OBJECTIVES: A. BASIC COMPETITIVE POSITIONS: LOW COST/PRODUCT DIFFERENTIATION/NICHE.
B. ANALYZING TRENDS IN THE MARKET PLACE.

Assignment: What should Barco Do? Why? How?

4. Segmentation and Positioning: Customer Analysis Ch 7 and 9
Case: Land Rover North America, Inc.
1. Who buys SUVs?
2. What are the main motivations for SUV purchase?
3. What should Land Rovers’s positioning be?

OBJECTIVES: A. THE 5 W, 1 H ANALYSIS OF A CUSTOMER.
B. IMPORTANCE OF POSITIONING
C. TRADEOFFS BETWEEN COMPANY STRENGTHS AND MARKET OPPORTUNITIES

Assignment: What are Landrover’s choices for segmentation, target markets, and positions? What do you recommend they do? Why?

SECTION 3: POSITIONING USING THE MARKETING MIX VARIABLES: 4Ps
5. Product Management Chapters 8, 10
Case: TiVo in 2002: Consumer Behavior
1. TiVo appears to have a business problem.
2. What could be possible marketing problems?
3. What research could be done to identify what is going wrong with TiVo adoption?

OBJECTIVES: A. ISSUES IN MANAGING A PRODUCT LINE
B. MANAGING A PRODUCT AT DIFFERENT STAGES OF ITS LIFE CYCLE
C. HIGH TECH MARKETING
D. MANAGING THE PLC FOR A HIGH TECH PRODUCT: HOW TO CROSS THE CHASM

Assignment: Critique the research conducted. What do you recommend TiVo should have done in terms of collecting customer insights?

6. Branding and Market Research Methods
Case: Introducing New Coke
What went wrong with the most expensive taste test ever done? What were some of the limitations of the research process that compromised the validity and the reliability of Coke’s research process? Could one have foreseen the problems? What could Coke have done instead?

OBJECTIVES:
A. MARKET RESEARCH
   i. WHEN AND WHY TO CONDUCT MARKET RESEARCH
   ii. PROCESS OF MARKET RESEARCH: PROBLEM DEFINITION TO CONCLUSION
   iii. PROS AND CONS OF DIFFERENT PRIMARY DATA COLLECTION METHODS
B. WHAT IS A BRAND?
   i. HOW CAN ONE MEASURE BRAND VALUE?
   ii. FUNCTIONAL AND EMOTIONAL ROLES PLAYED BY A BRAND
   iii. CHOICE OF A BRAND NAME
Assignment:
What were some of the limitations of the research process that compromised the validity and the reliability of Coke’s research process?

7. Pricing: Cost, Competition and Customer related Bases for Pricing Chapters 11, 12 16
   Case: American Airlines: Fare Wars!
   Article: CMR “Three Faces of Price Promotions”
   1. Is Value Pricing good for consumers?
   2. The company?
   3. The industry?

OBJECTIVES:
   1. PRICE SETTING
      i. COSTS AS A PRICING FLOOR
      ii. CUSTOMER VALUE AS A PRICING CEILING
      iii. REFERENCE PRICING EFFECTS OF CUSTOMERS ATTITUDES TOWARDS PRICING
      iv. GAME THEORETIC EFFECTS OF COMPETITIVE RETALIATION
      v. PRICE DISCRIMINATION
   2. PRODUCT SERVICE DIFFERENCES AND THEIR IMPLICATIONS

Assignment: What do you recommend American Airlines do?

8. Channels of Distribution Chapter 13, 14
   Case: Dell Online.
   How can Dell achieve its goal of $20 billion?

OBJECTIVES:
   A. THE PROMOTIONAL MIX: PUSH VERSUS PULL
   B. FUNCTIONS OF A CHANNEL
      A. CHANNEL CHOICE DECISIONS
      B. MANAGING CHANNEL CONFLICT
      C. CHANNEL CHOICE AS A WAY OF POSITIONING, AND COMPETITIVE ADVANTAGE

Assignment: How can Dell achieve its goal of $20 billion?


OBJECTIVES:  
   A. COST, CONTROL AND CREDIBILITY IN PUBLIC RELATIONS VS ADVERTISING
   B. NON-TRADITIONAL METHODS OF MARKETING
   D. DIFFERENT FUNCTIONS OF ADVERTISING

No Assignment: Work on Group Project


OBJECTIVES:  
   TYPES OF ADVERTISING MESSAGE EXECUTIONS
No Assignment: Work on Group project

11. Customer Lifetime Value
   Case: Federal Express Money Back Guarantee (A), 9-690-004

   Objectives:
   A. To learn how to analyze a case: quantitatively and qualitatively
   B. To appreciate the central role of the customer
   C. Appreciate historic orientations: from production to strategic
   D. To learn to make assumptions & conduct sensitivity analysis

Assignment. What should the CEO do with the customer complaint?

12. Group Presentations
Course Reader Contents

Case: Gillette Safety Razor Division  9-574-058

Note: Basic Quantitative Analysis for Marketing  9-584-149

Case: Bajaj Automobiles Limited  9-593-097


Case: Land Rover North America, Inc.  9-596-036

Article: CMR “Three Faces of Price Promotions”  CMR289

Case: American Airlines: Fare Wars!  9-594-001

Case: Dell Online.  9-598-116

Case: TiVo(B) Customer Behavior  9-502-062

Case: Federal Express Money Back Guarantee (A)  9-690-004