OVERVIEW

Competitive Strategy in the Marketplace focuses on what business managers need to know in order to create strategies that gain competitive advantage for products and services. It does this by giving students a deep understanding of the rules of strategy as applied to the competitive marketplace of economic exchange. The course examines:

- the idea of strategy and sustainable advantage in economic competition;
- the sources of value in product offerings and how they change with market evolution;¹
- the roles of technology and operations in creating value;
- the ways that technological, social, and environmental change coupled with competitive actions affect the evolution of competitive strategy;
- how to understand competition and competitors;
- how to create, plan, and evaluate strategy.

COURSE OBJECTIVES

The premise of the course is that firms are successful when they implement strategies that create and capture value. Thus, the overall objectives of the course is to learn how to (1) analyze competition in specific marketplace situations, (2) create strategies that maximize competitive advantage in gaining economic profit; and (3) formulate plans to implement those strategies.

Specifically, students will be able to:

¹ Throughout this document and the course the term product is used to mean both products and services.
• Identify the forces that shape competition for economic exchanges.
• Understand the general strategic principles that govern competition and specify the competencies needed for success in different situation.
• Analyze the sources of value in product offerings, the techniques for measuring value, and how markets are segmented based on differences in the perceived value.
• Recognize how marketplace knowledge, technology, operations, and market timing influence the ability to deliver superior value.
• Use planning systems and techniques to analyze situations and to generate strategic ideas and actions.
• Translate strategic ideas into actionable plans and estimate the economic results of those actions.

GENERAL APPROACH

Overall, the course is designed to emphasize learning by doing and is organized into two major sections:

1. The first half of the course consists of lectures and class discussions designed to present the concepts underlying competitive marketing strategy. This also gives students time to read the text, begin work on the analysis of their assigned cases, and practice the strategic mode of thinking.
2. The remaining sessions are devoted to applying those concepts through case analyses. In each of these sessions a student team will formally present their strategic recommendations and supporting analyses for their assigned case. Another student team will act as a board of senior managers to whom the first team will present. Much of the learning in this course takes place during the presentations and the question and answer sessions following each presentation.

TEXT AND CASES

1. J.A. Czepiel, Competitive Strategy in the Marketplace, Draft Revision (available in bookstore)
2. Case Packet (available in bookstore).

IMPORTANT NOTE

In no assignment or communication in this class are the words “huge” or “tremendous” to be used.
### SCHEDULE

<table>
<thead>
<tr>
<th>Date</th>
<th>Session</th>
<th>Topic or Case</th>
<th>Reading</th>
</tr>
</thead>
<tbody>
<tr>
<td>2/8</td>
<td>1</td>
<td>Introduction to the Course</td>
<td>Ch 1, 2</td>
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<td>• The Laws of Physics</td>
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<td>Rules of Competition</td>
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<td>The Game of Marketplace Competition</td>
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<td>2/15</td>
<td>2</td>
<td>Competitive Strategy Processes</td>
<td>Ch 12, 6, 7, 8</td>
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<td>Defining the Strategic Situation</td>
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<td>Marketplace Dynamics</td>
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<td>Value Competition</td>
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<td>Technology and Operations Drivers</td>
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<td>2/22</td>
<td>3</td>
<td>Models of Markets and Strategies</td>
<td>Ch 3, 4</td>
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<td>Analyzing Products</td>
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<td>Value-in-Use to BCG</td>
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<td>4</td>
<td>Brands as a Competitive Tool</td>
<td>Ch 5</td>
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<td>Brand Culture</td>
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<td>Brands as Financial Assets</td>
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<td>DECISION PROCESS PAPERS DUE!</td>
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<tr>
<td>3/8</td>
<td>5</td>
<td>Competition and Competing</td>
<td>Ch 9, 10, 11</td>
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<td>Competition and Market Structure</td>
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<td>Tools for Competing</td>
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<td>Military and Game-like Theories for Competing</td>
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<td>Competing in Oligopolies</td>
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<td>Predicting Competitive Response</td>
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<td>BOARD PAPERS DUE! LAST DAY FOR CONSULATATION!</td>
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LIFE IS FULL OF CONSTANT CHALLENGES

3/22  6  Wilmington
       Maxwell House

3/29  7  Barco Projection Systems (A)
       GF Dessert Toppings Strategy

4/5   8  Cardiac Pacemakers (a) & (B)*

SOMETIMES YOU ARE LATE TO THE PARTY

        IS CT Scanners*

4/12  9  C-P Precision Toothbrush
        Electrohome (A) & (B)*

*Individual paper due on one of these three cases on day case is presented

THANKSGIVING BREAK!

A ROSE BY ANY OTHER NAME MAY NO LONGER BE A ROSE

4/19  10  Ducati
        Bernard Matthews PLC

First ½ Term Paper Due - Wilmington through Electrohome

4/26  11  GF Powdered Soft Drinks
        P&G LDLs (A)

5/3   12  MEM English Leather
        Bayer A.G.
        Wind-Up Lecture

Second ½ Term Paper Due - Ducati through P&G LDLs
INDIVIDUAL ASSIGNMENTS

TERM PAPER (25% of Grade)

Separating Fact From Fiction:
Insights Into Creating Winning Competitive Strategy

First Half Term Paper (due 4/19/11, 3pp max) [10% of grade]

3 pages* What commonalities were observed across the strategic situations in the first eight presented cases (through Electrohome)? Each commonality is to be the title of a subhead. All cases need not fit under each commonality.

Second Half Term Paper (due 5/3/11, 4pp max) [15% of grade]

3 pages* What commonalities were observed across the strategic situations in four of the remaining presented cases (Ducati through P&G). Each commonality is to be the title of a subhead. All cases need not fit under each commonality.

1 page* What did you learn personally from doing and observing the case process?

*all double-spaced, 12 pt. type, “normal” margins

TEAM ASSIGNMENTS

A number of the learning assignments for the course are to be done as a member of a team. Each student in the class will join with other students to form a team. Each team will be responsible for two written and an oral presentation as described below.

STRATEGY DECISION PROCESS PAPER (Due 3/1/11: 10% of final grade)

Failing to Plan Means Planning to Fail

The case packet contains four readings: one is on “Strategy Stories,” the second on “Making Decisions,” the third on “How to Persuade” and the fourth on “The Case for Behavioral Strategy.” In addition, the third lecture session describes “Logic Trees.” To ensure that you approach your presentation case early and in a disciplined way, you are to prepare a document of no more than 2 pages of prose (double spaced) that lays out 1) how you will use the ideas from those readings, 2) how the team will proceed—including people and timing, and 3) an “issue tree” for your presentation case (as an appendix). It is expected that you will use a project planning approach (such as a “GANTT” chart) from your operations management class. You are
expected to cite the sources used. The paper must identify the “enforcer” of the presentation checklist found on page 16 of this document.

FREE CONSULTATION (Must be completed by 3/8/11) Not all need attend.

WHO DESERVES TO WIN? (15% of Grade)

Prepare a comparison of the relevant competitors in one of the three cases listed. You may not do a case if you are either presenting or serving as senior management advisors for that case. The paper is due in class on the day the case is presented.

- Cardiac Pacemakers
- IS CT Scanners
- Electrohome (You are expected to use data from the Barco case)

The assignment should be presented in bullet point, as a chart, or similar outline form.

- The first part should address the following questions:
  1. What are the key success factors in the industry? Why?
  2. How should they be weighted (total 100%)

- The second part should evaluate the relevant competitors on those key success factors.
  1. Again, in a chart form, compare the relevant competitors on the key success metrics you have defined in the first part of the assignment, above. Quantify them inasmuch as possible.
  2. Using the metrics and the measures of the key success factors in the immediate above, calculate who deserves to win.

STRATEGY GROUP: ORAL PRESENTATION (35% of final grade)

Each team will be assigned one of the cases listed. The team will present orally to the class its recommended strategy for dealing with the strategic situation confronting the focal firm in the case. Appendix A presents details of the required format for the presentation. Some important guidelines are highlighted here. These guidelines must be strictly followed.

- The prepared presentation can be presented (uninterrupted) in an absolute maximum of 25 minutes (timed).
- The actual presentation, however, will be fully interactive.
- The very highest level of communication quality is expected.
A one-page outline is to be distributed to the class at the beginning of the presentation. This should identify the participants, contain a brief description of the strategic situation, and telegraph the essential logic of the analysis and recommendations being made.

No reading of presentations will be allowed (not even note cards!)—you will be stopped if you do so.

Every team member must participate in the oral presentation.

A requirement for the course is that each team is obligated to meet for at least one, two-hour session to begin work on their assigned case prior to the third class session.

SENIOR MANAGEMENT ADVISORS: PRESENTATION PARTICIPATION

As part of your same team, you will sit as primary recipients of another team’s presentation and should consider yourselves as the senior management group empowered to approve the recommendation. You are expected to act as a senior management would during such a meeting. You may ask pertinent questions, discuss ideas with the presenting group, and, with the concurrence of your colleagues, move the presentation in directions other than that planned by the presenting group. Don’t waste time on trivial points, learn to focus on key assumptions, pivotal points, conceptual issues. Active participation is mandatory. You will also be asked to formally evaluate the presenting team’s recommendations and professionalism.

MANAGEMENT ADVISORS: PREPARATION PAPER (due 3/8/11-15% of final grade)

To prepare for its role as a board, each team is required to write a paper entitled “Fitting the Text’s Concepts to the Case.” The goal of this assignment is to relate concepts and ideas presented in each chapter of text to the case.

REQUIREd FORMAT

- One page prose per each text chapter that relates the main concepts in that chapter to the case on which you serve as Management Board.
- Exhibits which present relevant analyses of case facts and data based on concepts/techniques suggested in text are expected. Simple reproduction of text figures is not desired or acceptable. Each exhibit to be descriptively titled: “Analysis Shows Co X has Dominant Market Positions.”
- A minimum of a “back-of-the-envelope” analysis of the economics in the case where appropriate is expected.

GRADING CRITERIA

- Were concepts most relevant to the case chosen for coverage?
- Where those ideas used analytically? (Mere mention of idea/technique is insufficient)
- Did the analysis include appropriate types and level of quantification?
- Were the financial implications of obvious strategy options calculated?
- Did the document demonstrate the expected level of intellectual excellence and professional/managerial relevance?
• HINT: If your paper says, too often, that the company should do this or that analysis—when you could—do that analysis!

ATTENDANCE AND CLASS PARTICIPATION

The assumption is that all students will attend every class and participate in the class discussion. Consistent absences will be penalized. If you will not be able to attend a session due to sickness or some other legitimate circumstance, please inform me by voice message or email.

The course is a collaborative effort among all the students and the instructor. Together we will develop a framework that will allow us to formulate value enhancing marketing strategies and communicate those strategies in a logical persuasive manner.

A NOTE ON CASES

CASES are descriptions of business situations that provide opportunities to define and solve problems in real settings. The case method is one of the most effective means for developing decision-making capabilities in the complex situations that characterize strategic marketing problems. The case method requires us to analyze the relevant facts and information and apply the analytical techniques and frameworks developed in class. The philosophy behind the use of cases in this course is that learning marketing is not simply a matter of mastering a series of analytical tools, but also developing a process of thinking that leads to informed decisions.

The cases chosen for this course represent real, important, strategic choices faced by well-known firms spanning a thirty-year period. The industries include traditional packaged goods, medical equipment, paper, and electronics. Each case has been selected based on the following criteria. First, they represent types of strategic situation that are the subject of this course. Second, they provide information on options that were actively considered by the firm. Third, they contain enough information and data to assess the financial implications of the recommended strategy. Fourth, they are strategically interesting.

As noted, the cases span a thirty-five year time span: The General Foods Maxwell House case describes a situation the firm faced in 1965. Despite the date, there is much to be learned from discussing the strategic issues discussed in the case. Given that we are likely to be quite familiar with the products and the outcomes of the strategic situations described in some of the cases, we do face a special challenge: We cannot use hindsight to justify our decisions. In making your recommendations you must restrict yourself to the information given in the case.
A REMINDER ON PERSONAL ETHICS AND RESPONSIBILITY

A major facet of managerial life is the web of trust that knits together superiors, subordinates, and peers within an organization and suppliers and clients in the marketplace. It is also central to the relationship between teacher and student and among students. We expect that all of the work in this course is to be the work of the individual or the team, as defined by the assignment. It is contrary to the Code of Conduct for any individual to (1) solicit, receive, read, or review the written work product (final papers, notes, slides, etc.) of any current or former member of this course and (2) to solicit or receive verbal input with respect to any case or other assignment from any former student of this course. Problem identification is a major issue in every assignment and, in this course, discussing such with prior students is a clear violation of the Code of Conduct.

Your continued presence in this course indicates your acceptance of this responsibility and the consequences that violations will incur.