PITTBUSINESS | Joseph M. Katz Graduate School of Business

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Office Hours: M 11.15-12.15, W 11.15-12.15

Learning Objectives

The overriding purpose of the course is to understand how marketing management creates value within a firm. Marketing management is best understood as a four-stage process involving the following stages:
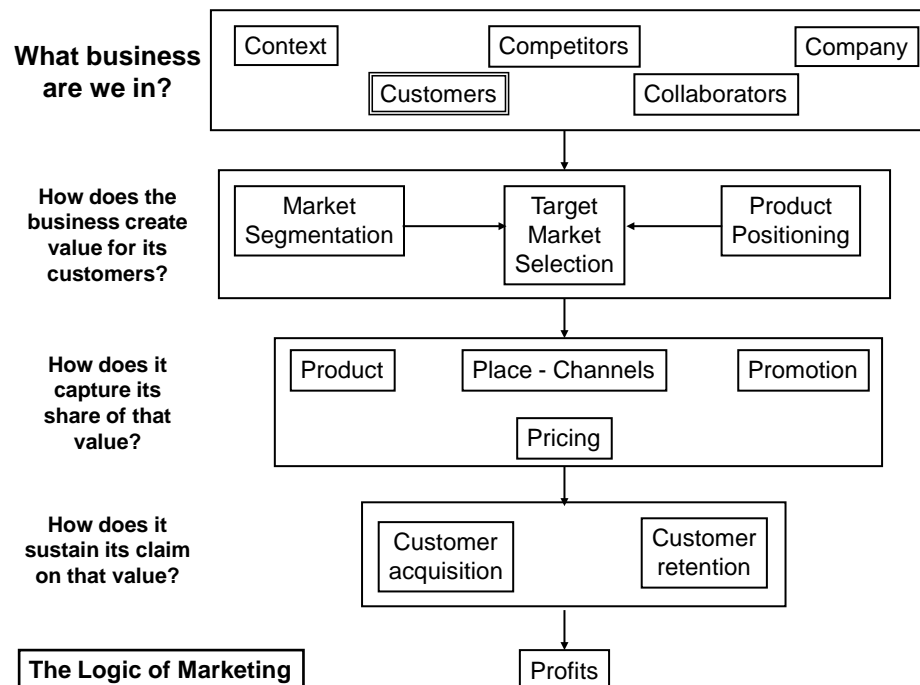
The Marketing Management course will introduce you to the **_marketing management framework_** (shown above). In addition, you will be able to:

A)   Define, synthesize and evaluate the marketing function as it applies to your industry, business/organization and general business environment.

B)   Evaluate marketing's growing role in the formation and structure of society outside the traditional business environment, including the Government and non-profit sectors.

C)   Articulate strategic convergence between the Marketing function and other traditional areas such as Finance, Production, Supply Chain, and OB.

D)   Create an on-ramp to stimulate your interest in pursuing additional Marketing studies as you move forward with your studies here at Katz School of Business.

This course will sensitize you to the activities which marketers undertake in trying to achieve success for their products/services/corporations. Finally, it will provide you with practice in solving marketing problems through frequent use of case studies.

Required Course Materials
Marketing Management Coursepack
(available from bookstore)
Students in teams of four will be given a segmentation simulation assignment as well as a Google Adwords account (details will be given)--one account per team.

Optional Text
Kotler & Keller, *Marketing Management,* Prentice Hall, 13th edition, 2008-09 (K & K).

The optional text book (referred to as K & K; also on reserve in the Business School Library) is a comprehensive resource for material relating to marketing theory and practice. It is an "encyclopedic" treatment of marketing and covers almost all of the issues we will discuss throughout the course.

Grading and Assignments
Individual

Class Participation	20%
Final Exam (Open Book)	20%
5 Cases, 1 Homework (5%*6)	30%

Group

Group Project (Adwords)	25%
Segmentation Simulation	5%

Grading Guidelines for Masters Programs
The faculty of the Katz School has adopted the following grading guidelines for all required and elective courses within the various Masters Programs. These guidelines are intended to provide a benchmark for all teaching faculty, so that they can make informed judgments about the grades assigned in core and elective courses. The median grade for core courses should be about a B+. The median grade for an elective might be slightly higher.

Grade	Percentage of class with this grade
A+, A and A-	30-40%
B+ and B	55-65%
B- and below	5-15%

Teaching Philosophy

> My purpose is to give you a solid understanding of what the role of marketing within an organization is. I strongly believe in participant-centered learning, where students actively participate and learn in the process. I expect you to come prepared to class after having read the material. Students who do not participate fully in the class (by actively engaging in classroom discussion and meeting all the deadlines) cannot expect to earn an A on this course.

1. **PCs/Cell Phone Policy**

   I have found that students in the past that use a laptop tend to do other work such as surf the web, answer EMAIL, watch basketball playoffs, etc. This is extremely distracting for the student as well as other students in the class. In order to prevent you from doing that, I will be asking students to close and stowaway their laptop during classes/case discussions. Cellphones and all other messaging devices are to be turned off, no exceptions. Blackberrys and similar devices are not permitted. If you typically carry one, turn it off and stow it. Pagers -- and only if you are required to be on call -- should be placed in silent mode.

2. **Academic Integrity**

   Students in this course will be expected to comply with the University of Pittsburgh's Policy on Academic Integrity. Any student suspected of violating this obligation for any reason during the semester will be required to participate in the procedural process, initiated at the instructor level, as outlined in the University Guidelines on Academic Integrity. This may include, but is not limited to, the confiscation of the examination of any individual suspected of violating University Policy. Furthermore, no student may bring any unauthorized materials to an exam, including dictionaries and programmable calculators.

   Cases are used in class to illustrate a marketing concept. Some of these cases are new and others are "classics". Older cases provide just as much insight as the newer ones.

   You may not use notes or materials from others, including other Katz students or from anywhere else in the world. Doing so will be a violation of the honor code. For the price you are paying for a KATZ MBA, you are better off learning the material on your own, rather than taking solutions from others. Any form of plagiarism constitutes an affront to academic integrity and honesty and is therefore strictly prohibited.

   Individuals will **not** receive credit for group work if they have not contributed anything to the group project. My consideration of this issue in a specific instance would be initiated by group members who, after unsuccessful and documented warnings to the individual, explain their concerns to me in writing (email or letter, signed by a majority of group members). I will usually be able to decide what should be the outcome of the case after consulting the individual and all group members.

3. **Disabilities**

   If you have a disability that requires special testing accommodations or other classroom modifications, you need to notify both the instructor and the Disability Resources and Services no later than the 2nd week of the term. You may be asked to provide documentation of your disability to determine the appropriateness of accommodations. To notify Disability Resources and Services, call 648-7890 (Voice or TTD) to schedule an appointment. The Office is located in 140 William Pitt Union.

4. **Communication**
    CourseWeb (go to courseweb.pitt.edu and use your Pitt Username and password to enter the webpage) is the official mode of communication for this course. All materials and information pertaining to the course will be placed into CourseWeb. It is the student's responsibility to check frequently for announcements that might affect them in the course.

    Email will be used for one-to-one communication and as a supplement to CourseWeb announcements. Since CourseWeb is linked to student's *University* EMAIL accounts, it is the responsibility of each student to frequently check their *University* account for messages relevant to this class. In the event a student does not use or wish to check their *University* account, it is the student's responsibility to set up email forwarding to the email account of their choice.

5. Recitations/Help Sessions

    We will be having a series of recitations and help sessions for marketing management. These will be held on Fridays (Room 115) from 12-1. A schedule of recitations is provided on the last page of the syllabus.

Day and Date	Topic		Assignments
Mon, Aug 30th	Course Introduction and Overview		**Teams will be formed**
Wed, Sept 1st	Marketing Strategy	Sealed Air In Class Case Discussion	
Mon, Sept 6th	LABOR DAY HOLIDAY—NO CLASS		
Wed, Sept 8th	Marketing Metrics	Flexo / Southwest Analysis	**Homework # 1 Due**
Part 1: Situation Analysis			
Fri, Sept 10th (Makeup for Labor Day Holiday)	Customer Analysis	Consumer Interview Discussion	
Mon, Sept 13th	Customer and Market Research		
Wed, Sept 15th	Competitor Analysis	In Class Case Discussion "TiVo"	**Case Analysis # 1 Options Grid Due**
Part 2: Marketing Strategy(Segmentation Targeting and Positioning)			
Mon, Sept 20st	Segmentation, Targeting	In Class Case Discussion "Fashion Channel Segmentation"	**Case Analysis # 2 Options Grid Due**
Wed, Sept 22nd	Segmentation, Targeting	Begin Segmentation Simulation	**Google Adwords Company Overview Due**
Mon, Sept 27th	Segmentation, Targeting	Simulation Team Presentations	
Wed, Sept 29th	Positioning	In Class Exercise	
Mon, Oct 4th	Branding	In Class Case Discussion Snapple	
Wed, Oct 6th	New Product Development	Case Discussion "Nestle"	**Case Analysis # 3 Options Grid Due**
Part 3 & Part 4: Marketing Mix & Monitoring			
Mon, Oct 11th	Career Services Week. No Class		
Wed, Oct 13th	Career Services Week. No Class		
Mon, Oct 18th	Advertising	Dove Case Discussion	
Wed, Oct 20th	Internet Advertising	Google Adwords Training	
Mon, Oct 25th	Channels of Distribution	Case Discussion "Calyx & Corolla"	**Case Analysis # 4 Options Grid Due**

Wed, Oct 27th	Pricing Strategies and Programs		**Draft of Proposed Google Adwords Campaign Due**
Mon, Nov 1st	Pricing Strategies and Programs	Case Discussion "Virgin Mobile USA"	**Case Analysis #5 Due** **Begin Adwords Campaign**
Wed, Nov 3rd	Customer Lifetime Value		
Mon, Nov 8th	Customer Satisfaction/Retention	Case Discussion "Starbucks"	**Case Analysis # 6 Due**
Wed, Nov 10th	Ethics and Marketing	Case Discussion "Petite Playthings"	**End Adwords Campaign**
Mon, Nov 15th	Global Issues in Marketing	Case Discussion "Citibank"	
Wed, Nov 17th	Sales Force Management	Case Discussion "Eureka Forbes"	
Mon, Nov 22nd	Thanksgiving Break		
Wed, Nov 24th	Thanksgiving Break		
Mon, Nov 29th	Final exam		
Wed, Dec 1st	Work on Project		
Mon, Dec 6th	Project Presentations		
Wed, Dec 8th	Project Presentations		**Final Adwords Project Due**

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Monday, August 30th , Marketing Management: Overview

Background Note: Note on Marketing Strategy by Robert J. Dolan (Coursepack Pages 1-18)
Teams will be assigned

Wednesday, September 1st, Marketing Strategy

Background Note: Note on Portfolio Planning Methods (.pdf version available in
Additional Readings folder in Courseweb)

In-Class Case Discussion: Sealed Air Case (Coursepack Pages 19-36)

1. What should Sealed Air be trying to accomplish in any decision which it makes in
   response to GAFCEL?
2. What has been happening in the market? How is Sealed Air doing?
3. Should Sealed Air introduce an uncoated product to compete with GAFCEL and the
   incipient competition from other small producers and Sansetsu?
4. If so, what marketing program would you propose for uncoated?

Wednesday, September 8th, Marketing Metrics

Background Note: Note on Financial Analysis for Marketing Management (Coursepack
Pages 37-48)

Assignment: Financial Analysis for Marketing Management Note
 (**HOMEWORK # 1 DUE -- SEE QUESTION BELOW**)

Complete the "Flexo razors" and "Southwest Airlines" exercises at the end of the
Financial Analysis note (pages 44-47 of Coursepack). Turn in your solutions.

Friday, September 10th, Customer Analysis (Makeup for Labor Day Holiday)
Background Note: Understanding Consumer Behavior (Coursepack Pages 49-65)
Consumer Behavior Exercise (A) (Coursepack Page 67)

Assignment (In-Class discussion): Consumer Behavior Exercise(A)
Please conduct Consumer Behavior Exercise A. You will be called upon to describe your
interviews in class.

Monday, September 13th, Consumer and Market Research

Background Note: Analyzing Consumer Perceptions (Coursepack Pages 83-96)

Background Note: Note on Market and Consumer Research by Scott Ward; David J. Reibstein (pages 69-82)

Assignment: In-Class Discussion
1. What is the difference between perception data and preference data?
2. Why and when is perceptual mapping needed (as opposed to just "snake plots"?)
3. What are the fundamental principles underlying perceptual mapping?
4. How can perceptual mapping be used?

Wednesday, September 15th, Competitor Analysis
CASE ANALYSIS # 1 DUE (your case analysis should address questions 1,2 and 3 and create an options grid for question 4—page limit is 5 one-sided double spaced pages including options grid)
Assignment: TiVo (use the TiVo case to answer questions 1, 2 and 3) (Coursepack Pages 97-144)
   1.   What is TiVo? What factors facilitate its adoption? What factors made adoption difficult? Who is Tivo best suited for? Would you buy a TiVo? Why or Why not?

2. Now adopt the standpoint of the networks, the advertisers, and the cable/satellite companies: what do they want TiVo to be? Thinking about the competition: What are Microsoft's potential strengths and weaknesses in this market?
3. How would you describe and characterize TiVo's action plan as given at the end of the case? How do you evaluate the planned communication campaign? Does your situation analysis suggest an alternative plan?

Assignment: TiVo 2007
The following question pertains to the **TiVo 2007** case.
4. What are TiVo's strategic options going forward? Evaluate <u>using an options grid</u>, the following four options and argue for one of these options. Discuss pros and cons of all four options before you select one option.
   a) Stay the course. Pursue all current businesses, including both mass distribution and stand-alone DVR sales.
   b) Quit the stand-alone business: Focus on developing the best possible interactive-TV software platform (In other words: Aim to be the Microsoft of DVR's).
   c) Focus on the advertising platform: Develop a full range of products-Showcases, tagging, and so forth-and make the TiVo platform a standard (In other words: Aim to be the Google of TV).

d) Focus on audience research and measurement. Develop and market viewing data products, and make TiVo the "currency" of this industry. (In other words: Aim to be the next Nielsen company).

Monday, September 20th, Segmentation, Targeting and Positioning

Background Note: Market Segmentation, Target Market Selection, and Positioning by Miklos Sarvary; Anita Elberse (Coursepack Pages 145-150)

Fashion Channel: Market Segmentation Case (Coursepack Pages 151-162)

Assignment: Fashion Channel Case

CASE ANALYSIS # 2 DUE (your case analysis should only address the segmentation options using an options grid focused around questions 2,3, and 4 below; Q1 will be for in-class case discussion; one-sided double-spaced page limit is 2 pages)
1. How would you interpret the consumer and market data if you were Dana Wheeler?

2.   What is the expected outcome of each of the targeting scenarios (Complete both the Ad Revenue and Financial calculators to fully understand the financial impact of the scenarios.)

3.   Develop a factual analysis of the segmentation options, and evaluate the pros and cons of each.

4.   If you were Dana Wheeler, what would you recommend and why?
Complete and print out the Excel spreadsheet (posted on Courseweb)

Wednesday, September 22nd, Segmentation, Targeting and Positioning

Optional: Chapters 8, 10 in K & K.
Assignment: Begin work on Segmentation Simulation: Managing Market Segments and Customers
            Google Adwords Company Overview Due

Monday, September 27th, Segmentation, Targeting and Positioning

Assignment: Simulation presentations (all teams present for 5 minutes a summary of their strategy, performance and learnings)

Wednesday, September 29th, Positioning
In-Class Discussion Question; Assignment: Think of a brand. Write a positioning statement. Describe POPs and PODs; Types of positioning

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Monday, October 4th Positioning and Branding
Background Note: Note on Branding and Brand Equity (Coursepack Pages 207-218)

In-Class Discussion Questions: Snapple Case(Coursepack Pages 219-237)
Think about the following questions prior to class
   1. Think of a 'strong' brand. What in your mind makes it 'strong'?
   2. Think of a 'weak' brand. What in your mind makes it 'weak'?
   3. Thinking about the Snapple case, did Quaker make an error in buying Snapple or did they manage it badly? What can Triarc's managers learn from Quaker's experience?

Optional: **Kotler & Keller: Chapter 9 – Creating Brand Equity**

Wednesday, October 6th,New Product Development
Background Note: Principles of Product Policy (Coursepack Pages 163-170)

CASE ANALYSIS # 3: Nestle Contadina Pizza and Pasta (Coursepack Pages 171-206)

Address each of the following questions; Use an options grid format for Question 3. Total page limit 5 double-spaced, one-sided pages-- including options grid)

   1. Using The BASES model described in Exhibit 9, forecast the estimated demand (trial and repeat) for the two Pizza options under consideration: Pizza and Topping and Pizza only. Most of the data needed for the forecasting exercise is available on pages 15-34 (Exhibit 21). (Hint: Use the spreadsheet posted on Courseweb in working through the numbers)

 Helpful Hints:

In exhibit 21, there is a big difference between Contadina users and non-users on the "top two box" scores. This will obviously affect the forecast depending on what proportions are used for Contadina users versus non-users in the population.

On page 14 (2nd to last paragraph), Nestle's marketing research department cautions us that parent brand usage could vary from 5% to 25%. It would be worthwhile to judge the sensitivity of the forecast under 5%, 15% and 25% parent brand penetration scenarios.

   2. How would you compare the pizza opportunity to the pasta opportunity? What are the similarities? Differences?
   3. Would you launch the pizza? Describe the pros and cons of the pizza launch (use an options grid format to outline the two options)? Use the estimated demand that you calculated in question (1) above to summarize the pros and cons of the pizza launch. Clearly highlight the assumptions that you are making when you estimate the demand. Also, identify the risks associated with the launch

Monday, October 11th , No class due to Career Trek

CAREER SERVICES WEEK. NO CLASS

Wednesday, October 13th

CAREER SERVICES WEEK. NO CLASS

Monday, October 18th, Advertising

Advertising

  Introduction to Advertising

  Background Note: Marketing Promotions (Coursepack Pages 267-274)

In Class Case Discussion: (Coursepack Pages 275-288)

1. What is a brand? Why does Unilever want fewer of them?
2. What was Dove's market positioning in the 1950s? What is its positioning in 2007?
3. How did Unilever organize to do product category management and brand management in Unilever before 2000? What was the corresponding structure after 2000? How was brand meaning controlled before 2000 and how it it controlled at the time of the case?
4. Spend a little time searching blogs, using Google Blog Search, Technorati, BlogRunner, or any other blog search engines, to get a sense of what people are saying about Dove today. What does this discussion contribute to the meaning of the brand? What are the implications of developments in new media for brand management?

Wednesday, October 20th, Internet Advertising

  Introduction to Google AdWords (please bring laptops)

Monday, October 25th, Channels of Distribution Background Note: Going to Market (Coursepack Pages 289-298)
CASE ANALYSIS # 4 Address each of the following questions; page limit: 5 one-sided double-spaced pages
Assignment: Calyx and Corolla Case Questions (Coursepack Pages 299-330)
1.What are the strengths and weaknesses of the Calyx & Corolla formula?
2. Is Calyx's system only a system for gifts? What markets are being missed?
3.   What steps should Ms. Owades and her associates take next to develop the Calyx and Corolla concept?
 4. Complete Calyx & Corolla Case Spreadsheet and calculate the NPV and IRR of the catalog mailing.

Optional: Chapters 15, 16 in K & K

Wednesday, October 27th, Pricing Strategies and Programs

Background Note: Principles of Pricing (Coursepack Pages 237-246)

Optional   :   Chapter 14 in K & K.

Draft of Proposed Google Adwords Campaign to be turned-in Due

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Monday, November 1st, Pricing Strategies and Programs
Assignment: Virgin Mobile USA (Coursepack Pages 247-266)

CASE ANALYSIS # 5 Address each of the following questions; page limit: 5 one-sided double-spaced pages. Use options grid format for question 1.

1. Given Virgin Mobile's target market (14 to 24 year olds), how should it structure its pricing? The case lays out three pricing options. Which option would you choose and why? In designing your pricing plan, be as specific as possible with respect to the various elements under considerations (e.g., contracts, the size of the subsidies, hidden fees, average per-minute charges etc). (focus your options grid on this question)
2. How confident are you that the plan you have designed will be profitable? Provide evidence of the financial viability of your pricing strategy.
3. The cellular industry is notorious for high customer dissatisfaction. Despite the existence of service contracts, the big carriers churn roughly 24% of their customers each year. Clearly, there is very little loyalty in this market. What is the source of all this dissatisfaction? How have the various pricing variables (contracts, pricing buckets, hidden fees, off-peak hours) affected the customer experience? Why haven't the big carriers responded more aggressively to customer dissatisfaction?
4. How do major carriers make money in this industry? Is there a financial logic underlying their pricing approach?

Wednesday, November 3rd, Customer Lifetime Value

Background Note: Customer Profitability and Lifetime Value (Coursepack Pages 331-340)

Monday, November 8th, Customer Satisfaction, Retention

CASE ANALYSIS # 6 Address each of the following questions; page limit: 5 one-sided double-spaced pages

Assignment: Starbucks Case Discussion (Coursepack Pages 341-360)

1. What factors accounted for the extraordinary success of Starbucks in the early 1990s? What was so compelling about the Starbucks value proposition? What brand image did Starbucks develop during this period?
2. Why have Starbucks' satisfaction scores declined? Has the company's service declined, or is it simply measuring satisfaction the wrong way?
3. How does the Starbucks of 2002 differ from the Starbucks of 1992?
4. Describe the ideal Starbucks customer from a profitability standpoint. What would it take to ensure that this customer is highly satisfied? How valuable is a highly satisfied customer to Starbucks?
5. Should Starbucks make the $ 40 million investment in labor in the stores? What's the goal of this investment? Is it possible for a mega-brand to deliver customer intimacy?

Wednesday, November 10th, Ethics and Marketing

In Class Case Discussion: Petite Playthings (A) (Coursepack Page 387)

Monday, November 15th, Global Issues in Marketing

Optional   :   Chapter 21 in K & K.

In-Class Case Discussion: Citibank: Launching the Credit Card in Asia Pacific (A). (Coursepack Pages 361-386) (This can also be used as an optional make-up case)

Consider the following questions as you prepare for the class:

1. Examine consumer behavior is the credit card category. What are some of the cross-cultural differences pertaining to this category?
2. What are Citibank's strengths and weaknesses as a brand in Asia Pacific vis-à-vis the US? Is it a global brand? Why or why not?
3. Evaluate the research in the case. What has been learned? In your opinion, what additional information is required to determine whether Citibank should launch the credit card or not?
4. Should Citibank launch the credit card or not? What are the qualitative and quantitative reasons for either of the two recommendations?
5. What should be the segmentation and positioning strategy and what should be the marketing mix if you recommend that Citibank launches the card?
6. In general, what specific elements of the marketing mix are more/less easily standardizable across different cultures?

Wednesday, November 17th, Sales Force Management
In-Class Case Discussion: Eureka Forbes Case Discussion (Coursepack pages 389-410)

Monday, November 22nd, Thanksgiving Break

Wednesday, November 24th Thanksgiving Break

Monday, November 29th
Final Exam (Two hour final exam will be held in room 104; section 1 will have 9.30-11.30 and section 2 will have 11.45-1.45). A case will be given to you prior to Thanksgiving break that will form the basis for 50% of the final exam. The other 50% will be based on other aspects of the course. While this is a closed-book exam, students will be permitted to bring a single page of notes, formulae etc.

Wednesday, December 1st
Work on Adwords Project

Monday, December 6th
Adwords Project Team Presentations

Wednesday, December 8th
Adwords Project Team Presentations; Adwords Final Project Due

Guest Speakers
I will be organizing guest speakers to give talks at Katz during lunch hour (11.15 AM -12.15 PM). These will be arranged in conjunction with the Marketing Club. The purpose of the guest speaker series is to expose you to marketing issues facing managers in various industries. While you are not required to attend these, attending at least two guest lectures and providing a one page summary of your learnings from these guest lectures will help you get 1 extra class participation point (out of 20). A tentative guest speaker schedule is given below.

September 15th, 2010: James Stefanyak, Associate Client Director, AC Nielsen Marketing

September 22nd, 2010: Julie Bevevino, Category Strategic Planner, Acosta Sales & Marketing and April Merscher, Marketing Analyst at Smith Brothers Agency (recent graduate panel)

October 4th, 2010: Discussion of Marketing Electives

October 25th, 2010: Ryan Cieslak, Sr. Manager, New Media Marketing, Global Marketing, IMS Health®

November 3rd, 2010: Michelle Simon, Product Marketing Manager, MEDRAD

November 8th, 2010: Ross Miller, Marketing Director, Pittsburgh Penguins

While your participation in the guest speaker series is highly recommended, some of you may be unable to attend the guest lectures due to a schedule conflict. Instead, you can earn an equivalent class participation point by reading and summarizing any article on a topic related to marketing from *Harvard Business Review* and *Sloan Management Review*. You may be called upon during class to provide a verbal summary of the article to the rest of the class.

Class Participation
- Class participation will be based on the instructor's assessment of your participation during the course of the semester.
- Attendance will constitute 5% of the class participation grade.
- The other 15% will depend upon the quality of your class participation effort during case discussions and class assignments.
- You are expected to come to class after having read and reflected upon the material for the day.
- Consistency and quality in class participation effort will be rewarded.
- Professionalism grade will be based on the instructor's assessment of your overall professionalism. This includes being on time for class, demonstrating professionalism in dealing with team members for group project work, turning in assignments on time, and dressing and speaking appropriately when interacting with various company executives.

Class participation grades will be given as follows:

Outstanding Contributor (A for class participation): Contributions reflect exceptional
        preparation. Ideas are always important provide major insights.

Good Contributor (B+ for class participation): Contributions reflect thorough
        preparation. Ideals are usually important and usually provide good insights.

Adequate Contributor (B for class participation): Contributions reflect satisfactory
        participations. Ideas are sometimes important.

Unsatisfactory Contributor (C for class participation): Contributions reflect inadequate
        preparation. Participation involves making obvious points.

Non-Participant (F for class participation): The student was not present or was present
        but said nothing.

You are required to bring your name tag to class and place it in front of you, so I get to know
you.

CASE ANALYSIS GUIDELINES

Written Cases

The overall length of any one case analysis should not exceed the guidelines listed on the
syllabus (points will be deducted for exceeding the recommended length). If you are asked to
come up with a decision, please use an options grid (restrict it to one page only) wherever
possible in order to summarize your thinking regarding pros and cons of various options. Cases
will be graded and returned within 10 days of submission. The grades for the case will be either a
check, check plus or check minus; although detailed feedback cannot be provided, we will
describe solutions in class.

How to Analyze a Case

A case study analysis must not merely summarize the case. It should identify key issues and
problems, outline and assess alternative courses of action, and draw appropriate conclusions.
The case study analysis can be broken down into the following steps:

1. Identify the most important facts surrounding the case.
2. Identify the key issue or issues.
3. Specify alternative courses of action.
4. Evaluate each course of action.
5. Recommend the best course of action.

Let's look at what each step involves.

1. *Identify the most important facts surrounding the case.* Read the case several times to
    become familiar with the information it contains. Pay attention to the information in any
    accompanying exhibits, tables, or figures. Many case scenarios, as in real life, present a
    great deal of detailed information. Some of these facts are more relevant that others for
    problem identification.

2. *Identify the key issue or issues.*
   Use the facts provided by the case to identify the key issue or issues facing the company you are studying. Many cases present multiple issues or problems. Identify the most important and separate them from more trivial issues.

3. You will need to explain why the problem occurred. Does the problem or challenge facing the company come from a changing environment, new opportunities, a declining market share, or inefficient internal or external business processes?

4. *Specify alternative courses of action.* List the courses of action the company can take to solve its problem or meet the challenge it faces. For information system-related problems, do these alternatives require a new information system or the modification of an existing system?

   Remember, there is a difference between what an organization "should do" and what that organization actually "can do." Some solutions are too expensive or operationally difficult to implement, and you should avoid solutions that are beyond the organization's resources. Identify the constraints that will limit the solutions available. Is each alternative executable given these constraints?

5. *Evaluate each course of action.* Evaluate each alternative using the facts and issues you identified earlier, given the conditions and information available. Identify the costs and benefits of each alternative. Ask yourself "What would be the likely outcome of this course of action?

6. *Recommend the best course of action.* State your choice for the best course of action and provide a detailed explanation of why you made this selection. You may also want to provide an explanation of why other alternatives were not selected. Your final recommendation should flow logically from the rest of your case analysis and should clearly specify what assumptions were used to shape your conclusion. There is often no single "right" answer, and each option is likely to have risks as well as rewards.

OPTIONS GRIDS (OG)

It is important to recognize that every marketing problem has more than one solution. Our task in marketing (in fact, in management in general) is to make educated decisions that we can communicate to others. In doing this, it is helpful to have some tools to evaluate each option facing us. For the marketing core, we will rely on what we call an Options Grid. You are required to complete options grids for each of the assignments. This is so we believe that the more you use them, the more clarity you will gain in examining alternative courses of action in any given marketing/management situation. In addition, options grids will help you to organize your thoughts for writing up memos for the marketing core assignments and could potentially help you in other courses as well.

The key areas that are included in an Options Grid are as follows:

– <u>Description of Option</u>:   This is a brief description of what each option entails. It is good practice to describe no more than 4 options. 3 is optimal.

– <u>Overall Assessment</u>:   Whether you recommend the option or not, AND WHY.

– <u>Strategic Fit</u>:   How does this option fit with the company's core competencies and vision?

– <u>Financial Attractiveness</u>: What is the NPV or break even for the project or option? Can the company make money on it?

– <u>Noteworthy Risks</u>:   For every option, we make assumptions that we hope prove true. If they don't, outcomes could change. Here is the area to point out what those risks and limitations could be.

In general, we want to 'sell' our point of view and the Options Grid is a good place to do that. However, in doing so, we may sometimes lose sight of objectivity. Be aware of this fallacy and be brutally critical of your recommendation in writing up this options grid. Do not become a victim of what psychologists call the 'self-serving bias'.

Attached you will find an example of an Options Grid. When you use Options Grids for the cases in the marketing core, please use the attached general format. An options grid, when used, must be an attachment (and not the main memo itself) and it must not exceed **ONE-PAGE.**

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Example of an Options Grid
OPTIONS GRID – Wal-Mart- P&G Case

	Option 1	Option 2	Option 3
Description of Option	Maintain Pampers as a premium brand and fully support Luvs	Discontinue support behind Pampers and Luvs	Maintain Pampers as a premium brand and move Luvs into private label position
Overall Assessment	Do not recommend because of high B/E volume and potential cannibalization.	Do not recommend because of move away from core competency and competitive marketplace	Recommend because of high B/E volume, expected market share growth from current product and anticipated market segmentation (provides product to all consumers and dealers)
Strategic Fit (Core Competencies)	Provides innovative product offerings and capitalizes on marketing strengths.	Moves away from strong brand identity. Known for marketing strengths.	Provides superior benefit for premium brand and relationship with discount channels through private label. Provides strong financial outcome
Financial Attractiveness	Unit B/E Volume = 11.3 million Dollar B/E Volume = $174.7 million	Unit B/E Volume = 11.5 million Dollar B/E Volume = $165.7 million	Unit B/E Volume = 10.8 million Dollar B/E Volume = $156.6 million
Noteworthy Risks	• Does not identify cannibalization. • Ability to increase selling prices based on superior technology. • Does not anticipate competitive reaction. • B/E is short run oriented (1 year). • Substantial change in market growth of category.	• Flat to declining market share expected. • Does not identify cannibalization. • B/E is short run oriented (1 year). • Substantial change in market growth of category. • Perceived by customer as a move away from premium differentiation.	• Substantial market share increases expected. • Does not account for cannibalization. • B/E is short run oriented (1 year). • Does not anticipate competitive reaction.

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<u>Team Project Guidelines</u>

- Team members must be in the same section, no exceptions.
- If you are unhappy with your team, you are required to inform me as soon as possible. Please do not suffer in silence.
- Every team will consist of four (max. 5) students who will be responsible for creating and executing an online ad for a small business using either Google Adwords or a comparable keyword search ad vendor(e.g., Yahoo or Bing.com). Half the team members should be international and the rest should be domestic.
- The project is structured along the lines of the Google Marketing Challenge that typically runs in the Spring (see http://www.google.com/onlinechallenge/ for more details). Since this class is during the Fall semester, participating in this project will give you a solid foundation for competing in the real-world marketing challenge in Spring. Each student team will be given a small budget (around $100) to conduct a campaign for a real company. I have identified a number of small businesses in the area who are interested in participating. Students can identify corporate partners on their own, however, it is recommended that students adhere to the criteria provided by Google in the Student Guide. Students will be sign-up for one of these small businesses (a sign-up sheet will be given to the class). Each student team works exclusively with one business.
- The project will follow the same structure as the Google Online Challenge. The following information (adapted from the actual Challenge) gives you an overview of how the project works.

<u>Google Challenge Criteria and Grading</u>
The Google Challenge has two written components and one computed component.
- Company Overview and Pre-Campaign Strategy (10%)
- Post-Campaign Summary (5%)
- Campaign Statistics (5%)
- Presentation (5%)

Written Report Format
All written reports should use the following formatting: 12-point Times font, 2.54cm page margins, A4 paper, left-justification, 1.5 line spacing.

1.   **<u>Company Overview and Pre-Campaign Strategy (maximum four pages)</u>**
In addition to assessment of communication and Readability, the Pre-Campaign Strategy has two components. A client overview helps your team defend your draft AdWords Strategy. Combined, both components should be a maximum of four pages. Ideally, the groups would gather input from their clients in developing the Pre-Campaign Strategy. All groups must submit the Pre-Campaign Strategy.

Company Overview (5%)

This section provides a brief overview of the client and their marketing, as a foundation for the proposed AdWords Strategy. Please use the marketing management framework to develop the overview of the company)

- Client profile (a few sentences including some of the following. Please note that some clients may not want to share some information. You may note this in the report if this is the case)
  - Name, location
  - Sales and number of employees
  - Goods and services offered
  - Key online marketing personnel
  - Age of the company
  - url, website age, website management
  - Company presence and sales via online and offline channels
  - Other relevant information
- Environmental Analysis (a couple of paragraphs including some of the following)
  - Company and Industry Analysis
    - Overview of the industry (key characteristics, competitive/saturated/mature)
    - Projected and historical online spend for the industry
    - Market position/specialties
    - Unique selling points of the goods/services offered
    - Seasonality of their goods/services or seasonality that the company has indentified
    - Other relevant market information
  - Customer Analysis: Current and potential customers
  - Competitor Analysis: Current and potential competitors
  - Collaborators and Context

- Segmentation, Targeting and Positioning
  - Identify the key target segments
  - Describe which segments will be targeted for the Adwords campaign
  - Write out a positioning statement for the company

- Product, Price, Promotion and Place
  - Describe the product(s)
  - Identify the pricing strategy
  - What channels of distribution are currently being used to sell the product?
  - Describe the current promotional strategy, both online and offline.

Proposed AdWords Strategy (5%, about two pages including sample AdWords and keywords) Based on an analysis of the client, their website and their marketing, teams should craft an appropriate AdWords Strategy and metrics for their campaign. The Proposed AdWords Strategy should include.

- Number of Ad Groups and the focus for each Ad Group
- Keywords and negative keywords
- Text for at least two AdWords versions for some Ad Groups
- Network(s) for their AdWords ads
- Target audience settings
- Ad Serving options
- Keyword Bidding
- Geotargeting
- Goals for impressions, clicks, CPC and CTR
- Proposed success metrics
- Other relevant information

Much of the information regarding Google Adwords is available online
http://adwords.google.com/support/bin/answer.py?hl=en&answer=6084.

2. **Post-Campaign Summary (maximum eight pages)**

The Post-Campaign Summary should summarize the changes made by the team to optimize the campaign, and the results of your optimization efforts. Refer to key metrics such as CPC, CTR in describing the results. Also include a learnings section where you summarize the key learnings from the project, and how you will use these learnings to conduct future campaigns; from a management standpoint, describe how basic marketing concepts such as segmentation, targeting and positioning can be helpful in devising more effective campaigns.

Note: The final project report must include the company overview, pre-campaign strategy as well as the post-campaign summary.

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PEER EVALUATION FORM

At the end of the semester, you are required to complete this peer evaluation form which will be used to adjust grades for teamwork. Allocate 100 points among your team members. The score should reflect each individual's contribution to all teamwork excluding yourself. For example, if the team has 5 members (including yourself) and each member equally contributed equally, allocate 25 points to each.

Your Name: _____

Your Team's Project Title: _____

Signature: _____   Date: _____

	Name of Team Member (excluding you)	Points
1.		
2.		
3.		
4.		
	Total:	100

Additional Comments:

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Recitation Schedule
Marketing Management
Fall 2010
(Room 115; 12 noon -1 PM)

Date	Topic	Teaching Assistant Name
September 3rd	Overview of Marketing Fundamentals (Recommended for Marketing Majors) Help session for Financial Analysis for Decision-Making Homework	Evan Riordan
September 10th	How to conduct case analysis Sample case analysis: Coca Cola	Felipe Thomaz
September 17th	Segmentation Fundamentals Help Session for Fashion Channel Segmentation case	Evan Riordan
October 1st	New product Forecasting and BASES Help Session for Nestle Case	Felipe Thomaz
October 8th	Google Adwords Training; please bring laptops	Dethrell Garcia Kerri Scripko
October 22nd	Financial metrics (NPV, IRR calculations) and marketing Help Session for Calyx & Corolla Case	Evan Riordan
October 29th	Pricing Methods Help Session for Virgin USA Case	Felipe Thomaz
November 5th	Customer lifetime Value Help Session for Starbucks Case	Evan Riordan
November 12th	Help Session for Citibank Case	Felipe Thomaz
November 19th	Exam Review and Help	Swaminathan