COURSE DESCRIPTION

This course provides a comprehensive framework for the development of competitive marketing strategies. It is cross-functional in its focus, attempting (where appropriate) to integrate marketing issues with financial, operating and other key functional issues. Conventional marketing strategy assumptions are challenged, and alternative paradigms for achieving strategic success are discussed. Students develop new perspectives for creating innovative marketing strategies that achieve organizational objectives and build competitive advantage. The course features a semester-long marketing simulation project.

COURSE MATERIALS

Required Texts:
- Larreche, Jean Claude and Hubert Gatignon, *Markstrat Online Student Handbook* (this item will be purchased online and comes with the registration codes for the Markstrat simulation; wait for instructions by e-mail before you purchase).

COURSE OBJECTIVES

The course aims to serve as a capstone class for Marketing
- As a discipline
- As a basic function in economy and society
- As a process; and
- As a personal challenge, adventure and opportunity.

Work experience or internships, whether in marketing or other functions, will be helpful but is not essential. The course does, however, assume mature students, willing to take responsibility for their own learning. A great deal of matter is going to be packed into fourteen class meetings –and the student will have to organize his/her work, and above all, his/her thoughts to get maximum benefit.

I will base my lectures based on the fact that the students in the class are going to be tomorrow’s managers. Given the challenging nature of the subject matter, it should not be surprising that I will not be able to provide you with solutions to every problem you will face as a manager. I will, however, work with you to develop your problem-solving abilities in a strategic marketing context. To do so, the course will rely on case discussions, lectures, readings, short videos, a marketing simulation, and team exercises and presentations to provide an appropriate mix of theory and hands-on problem solving.
Taking the perspective of a senior marketing executive, the class will focus on marketing strategy design, implementation, and evaluation. We will examine the strategic-level management of a firm’s marketing resources and capabilities in order to maximize long-run customer value and to generate the greatest financial return for the firm. As such topics we will be dealing with include:

- Formulating segmentation and focus strategies
- Understanding, attracting, and keeping valuable customers
- Identifying and exploiting market growth opportunities
- Allocating resources across market segments
- Managing the channels for gaining access to served markets
- Aligning the organization to changing market requirements, and
- Analyzing the return on marketing investments

Throughout the course you will be expected to analyze realistic problem situations in the form of business cases (a pedagogical tradition developed at the Harvard Business School and widely adopted around the world). As in actual practice, these cases are characterized by a limited time frame for making decisions, incomplete information, and no clear "best" answer. For each case, you will be expected to analyze the situation, identify the central problems and opportunities, propose and evaluate alternative courses of action, and recommend a final decision. The case method is essential to developing the kinds of problem-solving and communication skills highly valued in marketing managers. The ability to generalize from the specific case situations discussed in class to new situations that you may encounter is a foundation of general management education.

**COURSE LEARNING OBJECTIVES**

By the completion of this course participants should be able to:

1. Analyze a marketing problem; and propose and evaluate alternative solutions.

2. Evaluate and prioritize information that influences marketing decisions. This includes learning to deal with ambiguous information.

3. Apply qualitative and quantitative analysis to help solve marketing problems.

4. Apply general marketing concepts to new situations. Key concepts include: brand equity, the marketing concept, strategic and marketing planning, situation analysis, segmentation, targeting, positioning, the marketing mix, and relationship marketing.

5. Use own words to define and provide examples of key marketing terms. You should be comfortable using the “language of marketing” in business discussions.

6. Demonstrate the interpersonal and teamwork skills necessary to help succeed in today's business environment.

7. Effectively use oral and written communication to support positions on marketing issues. This requires articulation of ideas and providing evidence to support a position.
GRADING DISTRIBUTION

The following grade distribution will be utilized:
91+=A, 85+=B+, 80+=B, 75+=C+, 70+=C, 60+=D, F otherwise

Your performance will be evaluated in the following components:

- Individual Class Participation and Attendance 20%
- Team Markstrat Simulation 30%
- Team Case Presentations and Reports: MCM 20%
- Team and Individual Homework Assignments 15%
- Individual Final Case Analysis 15%

INDIVIDUAL CLASS PARTICIPATION

This part of the grade depends on the quality as well as the quantity of your in-class contributions. Highly valued contributions include asking insightful questions about the case/subject matter, providing appropriate quantitative analysis, summarizing and/or reconciling previous comments, and drawing learning points from a particular case. It is absolutely critical that you are able to follow a discussion, synthesize and evaluate perspectives, and offer insights to advance discussion/decision-making. Therefore, development and demonstration of oral communication skills is given a high priority in this course.

In addition to my evaluation, the quality of your participation will be evaluated during each class by a volunteer classmate. The volunteer will get perfect score for the session volunteered provided that he/she records reliable and accurate evaluations (e.g., if the score for everyone is the same then the volunteer has probably failed). These scores will be totaled periodically and scaled. Legible name cards are a must (if you wish to receive participation scores) so that the volunteer can evaluate your contribution.

Please be informed that class participation is NOT a simple function of how many times you speak. The volunteer (and I) will use the following scheme to evaluate your participation:

Effective Class Participation:
1. Are the points that are made relevant to the discussion? Are they linked to the comments of others?
2. Is the participant a good listener? (or is the same point already made by another?)
3. Do the comments add to our understanding of the issue?
4. Do the comments show evidence of analysis of the chapter, case or article? (or is it mere opinion or verbatim repetition of (case) facts?)
5. Is there a willingness to test new ideas, and think out-of-the-box or are all comments “safe”? (For example, repetition of facts without analysis or a comment already made by a colleague.)
6. Is the participant willing to interact with other class members? (including clarification, rebuffs and rebuttals)
7. Do comments clarify and highlight important aspects and lead to a clearer statement of the concepts being covered?
The scores for each contribution will then be summed, scaled, and subsequently assigned to one of five categories and three scores (i.e., outstanding participant; good participant; adequate participant, unsatisfactory participant, non-participant) to evaluate students’ class participation for each class session:

- **Outstanding Participant (3)**: Contributions in class reflect exceptional preparation. Ideas are nearly always important and provide one or more major insights as well as providing a fruitful direction for the class. Arguments are well substantiated and persuasively presented.

- **Good Participant (2)**: Contributions in class reflect thorough preparation. Ideas are usually important, provide good insights, and sometimes offer a fruitful direction for the class. Arguments are generally well substantiated and are often persuasive.

- **Adequate Participant (1)**: Contributions in class reflect satisfactory preparation. Ideas are sometimes important, provide generally useful insights, but seldom offer a major new direction. Arguments are fairly substantiated and sometimes persuasive.

- **Unsatisfactory Participant (0)**: Contributions in class reflect inadequate preparation. Ideas offered are seldom substantive; they provide few, if any, insights; and never offer a constructive direction for the class. Integrative comments are absent. Class contributions are typically “cherry-picking” efforts making isolated, obvious, or confusing points.

- **Non-participant (0)**: The student was present but said nothing or the student missed class. Hence, there is not adequate basis for evaluation.

**ATTENDANCE**

Since this course seeks to develop professional business skills and since all businesses have some rules concerning absences, attendance is required for all class sessions. More than two absences will likely cause failure of the course. Students are expected to arrive on time and stay for the duration of each class session (late arrivals and early departures also undermine your attendance record). There is no make up for missed in-class exercises and assignments. Since unexcused absences can have an impact on your final grade, if at all possible, inform me *before* class if you have an emergency (and if possible with documentation), if you won’t be able to attend (pre-scheduled medical appointments are not acceptable emergencies). You must also email me a two-page (single-spaced) summary and analysis of the missed assigned case/readings. If you are absent for any reason, you are still responsible for the material covered and for any announcements made so make sure to check with your teammates.

**TEAM MARKSTRAT SIMULATION**

**Overview**: MarkStrat is a dynamic marketing simulation that is utilized at more than 80% of the top 30 business schools around the world. This simulation will allow you to practice managing all aspects of marketing strategy, including product and brand portfolio, product design, distribution, pricing, advertising, and sales force management as well as how to identify and respond to changing customers’ needs, and competitive actions.

In order to let you test yourselves against your fellow students in a truly competitive fashion, I will not discuss Markstrat strategy outside of the classroom. However, I will be available to meet with the teams to further explain technical aspects. In part, the point of the exercise is for your team to read the
student manual and compete against the other teams without help. Performance will be assessed through strategy and progress reports, final presentation, and firm profit relative to other firms:

1. **MarkStrat Mission and Strategic Plan, Reformulation Report, Experience Debrief (25%)**: You will be required to write a short Markstrat experience debrief (5 pages max; will also be presented in class) of your firm’s performance. This will be prepared in three stages as the semester progresses: 
a) mission and strategy plan due Round 1 (2 pages max), b) strategy reformulation report due Round 6 (2 pages max), and an overall experience debrief (5 pages max).

2. **MarkStrat Performance Evaluation (75%)**: Markstrat performance will be based on firm profits with a weighed time average: Rounds 1-7 will be weighed 5% each, Round 8 will be 10%, Round 9 will be 20% and the final Round (10) will be weighed 35%. The team with the overall highest profit score will win the game.

Winning team will get full grade (i.e., 100%) on this portion of their course grade. Other team's grades will depend on the degree of competitiveness exhibited. However, you must end with a profit over the last three periods to get a passing grade on the simulation. Grades will be determined as follows: Teams within the following percentages of the winners will receive the grades shown. Within 8% A, 16% A-, 24% B+, 32% B, 40% B-, 48% C+, 66% C, 67% to 100% C-. At greater than 100% of the winner, the team has losses and is in the D to F range. Hence, competitive teams could get A's or A-'s, while "out of it" teams could get D's or F's.

Markstrat decision rounds will last six days, from Tue noon to Monday noon. Make sure to check for software warnings for any incomplete decisions before your final upload and to adhere to the weekly deadline. Delays will be penalized.

**Note on teamwork**: To those students who do the work, yet fail to keep other group members in line. Please do not come to me at the end of the course saying you deserved a higher grade because you did all the work. It is a group grade, and if you let slackers get away without working and they perform better on other class assignments, they may get a higher course grade. Therefore, make sure everyone participates, and is rated accurately on the peer evaluation forms. You should deal with problem members early. If you let people slide, you are at fault for mismanaging your team. However, the maximum allowable peer evaluation deviation between the top and worst contributing member may not exceed 30 points unless you have my authorization. This requires that the member be informed twice of a lack of contribution so he/she can compensate/adjust efforts in future tasks (second time in writing with c/c to me and all team members). I will then step in to resolve the issue. Peer evaluations will be collected at the end of the semester and these can significantly impact your grade.

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**TEAM CASE PRESENTATIONS: MCM Analysis and Critique**

We will be utilizing the Management versus Consultants Case Method (MCM) (Uslay 2007; published in the *Marketing Education Review*, vol. (17), Special Issue on Teaching Innovations in Marketing) in this component of the course. The benefits of MCM over the traditional case method include: advanced opportunity for role playing, voluntary class participation, extensive student involvement, and the ability to provide in-depth peer/facilitator feedback. Each team will be assigned two cases for the semester, once as management and once as consultants.

- **Management Team: Case Analysis and Presentation**. The management team will analyze the pre-assigned case and make a presentation (35 minutes including Q&A) to the class on the scheduled day. Two hard-copies of your report (12 font, double spaced, maximum 5 pages excluding
appendices) are due the last class before the presentation date. One copy is for me and the second copy for the consultant team (see below). The assignment grade will be based equally on the quality of the oral presentation, and the write-up quality (content, readability, neatness, clarity, persuasiveness, grammar, spelling, etc.).

The write-up should (1) analyze the situation, (2) identify possible strategies, and (3) argue convincingly for a plan of action that you believe is best. However, the exact style and structure of the write-up is up to you. You should clearly describe the methods and assumptions used in any quantitative analysis. Structure is important if your argument is to be lucid. You may use bullet points to frame your argument, but be careful not to become so cryptic that your argument is unintelligible. Use exhibits to amplify and support your analysis. Ensure that the argument in the paper is sufficiently coherent to be plausible even if the exhibits were lost. Do not append an exhibit that is not referenced in the main body of your report. The reader knows the case well. There is no need to repeat facts verbatim from the case, except to support an argument. There is also no need to reproduce case exhibits as we all have access to them.

• Consultant Team: Case Critique and Presentation. The consulting team will review the analysis and recommendations of the management team (see schedule), and present its own critical review to the class (25 minutes including Q&A). The consultant team should highlight their arguments and analyses against the other team's recommendation, and present an alternative (we disagree…) or significantly improved recommendation with justification (we agree but…). A hard copy of the report (maximum 3 pages excluding appendices) is due the beginning of the class the critique is presented. The assignment grade will be based equally on the quality of the oral presentation and the write-up quality.

All case analyses should address the issues presented from both a qualitative and quantitative standpoint. [Sample case and analysis can be found in pages 669-684 of your textbook]. Late work may be accepted, but the grade for that assignment will be reduced a full letter grade for each day late (any submission after the beginning of class is late for that day). Make sure a member of your team turns in the team assignment on time. The presentations will be evaluated based on the teams’ understanding of the firm(s)/industry, quality of recommendations, qualitative and quantitative support, clarity of presentation, professionalism, role playing, and effective use of time allowance.

TEAM AND INDIVIDUAL HOMEWORK ASSIGNMENTS

Several assignments will be announced in class as the semester progresses.

Executive Memorandums: The cases we will discuss in this class were selected because they include insights into fundamental ideas and concepts that impact the marketing activities of organizations. In addition, they provide familiarity with a variety of different industries. To help ensure that these benefits are realized and insights appreciated, you will attempt to analyze 4 MCM cases (all but the ones assigned to your team) that are to be discussed during class in advance and craft a one page executive memo in anticipation of class discussion. The memo should include specific recommendations and brief justification.

Each executive memo must not exceed one page in length. It will be graded on the basis of its insightfulness, completeness, and conciseness. Make sure that you bring a hard copy of each memo to class. Executive summaries may not be turned in late (i.e. after case discussions have been completed). The two teams presenting the MCM case are exempt from the memorandum assignment for that session.
INDIVIDUAL FINAL CASE ANALYSIS

Although it is obvious that marketing strategy is not an exact science and that there is more than one single answer to a given marketing problem, there are also a number of concepts, theories, and tools that you need to master in order to understand and manage marketing strategy. You will be asked to demonstrate your marketing strategy competence in a final case analysis exam.

THE HONOR CODE

Teams may not communicate or collaborate with each other or seek outside assistance for the team-based assignments. This especially includes and but is not limited to work on the Markstrat simulation.

Case Analyses: Peer interaction/discussion of cases (except for the team-assigned MCM cases) is encouraged. However, you may not use the notes or materials (including conversations) from other students, Rutgers or otherwise, who may have prepared the assigned cases in another class anywhere in the universe. You may also not use secondary sources such as the Internet or online/offline databases for case analysis purposes. You are basically limited to the information provided in the case.

Rutgers University is a community of scholars that emphasizes the mutual responsibility of all members to seek knowledge honestly and in good faith. Students are responsible for doing their own work, and academic dishonesty of any kind will be subject to sanction by the instructor and referral to the university’s Academic Integrity Committee, which may impose additional sanctions up to and including dismissal. (See the Catalog for the full policy.)

STUDENTS WITH DISABILITIES POLICY

In compliance with ADA guidelines, students who have any condition, either permanent or temporary, that might affect their ability to perform in this class are encouraged to inform the instructor at the beginning of the term. The University will work with the faculty member in determining what accommodations are suitable based on the documentation and the individual student needs. The granting of any accommodation will not be retroactive and cannot jeopardize the academic standards or integrity of the course.

SAMPLE ONLINE LIBRARY AND LIBRARY REFERENCE MATERIALS

www.marketingpower.com (American Marketing Association)


### 33:630:452: MARKETING STRATEGY CLASS

**SCHEDULE (tentative)**

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<tr>
<th>Date</th>
<th>Topic</th>
<th>Textbook Assignments</th>
<th>Other Work</th>
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<tbody>
<tr>
<td>Week 1 9/8</td>
<td>• Introduction</td>
<td>• Chapter 1</td>
<td>• Team formation</td>
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<tr>
<td></td>
<td>• Foundations of Strategic Management</td>
<td>• Case: Fe’nix del Sur</td>
<td>• Read course outline</td>
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<td>• Financial Aspects of Marketing Management</td>
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<td>• Markstrat registration</td>
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<tr>
<td>W2 9/15</td>
<td>• Financial Aspects of Marketing Management</td>
<td>• Chapters 2 and 3</td>
<td>• Required use of name cards from here on</td>
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<td></td>
<td>• Marketing Decision Making and Case Analysis</td>
<td>• Case: South Delaware Coors</td>
<td>• One page bio with picture due</td>
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<td>• Opportunity Analysis, Market Segmentation and Market Targeting</td>
<td>□ Chapter 4</td>
<td>• Finalize teams</td>
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<tr>
<td></td>
<td>• Markstrat Introduction</td>
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<tr>
<td>W3 9/22</td>
<td>□ Read Markstrat Student Handbook</td>
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| W4   | 9/29 | • Continued  
• **Product and Service Strategy and Brand Management**  
• Case: Jones Blair Company  
• **Chapter 5**  
• **Markstrat Round 1 due**  
• **Markstrat Mission and Strategic Plan due** |
| W5   | 10/6 | □ Continued  
□ Dr. Pepper Snapple Group, Inc.  
• **Markstrat Round 2 due**  
• **Team 1 (Management) turns in case analysis of Procter and Gamble: Scope** |
| W6   | 10/13| □ **Integrated Marketing Communication Strategy and Management**  
• MCM Presentations #1: Procter and Gamble: Scope  
• **Chapter 6**  
• Case: Drypers Corporation: National Television Advertising Campaign  
• **Markstrat Round 3 due**  
• **Team 2 (Consultant) turns in critique of Procter and Gamble: Scope analysis by Team 1** |
| W7   | 10/20| □ **Marketing Channel Strategy and Management**  
• **Chapter 7**  
• Case: Palladium Inc.  
• **Markstrat Round 4 due**  
• **Team 3 (Management) turns in Case Analysis of Kayem Foods Case** |
| W8   | 10/27| □ **Pricing Strategy and Management**  
• MCM Presentations #2: Kayem Foods: Buzz Marketing Al Fresco  
• **Chapter 8**  
• **Markstrat Round 5 due**  
• **Team 4 (Consultant) turns in critique of Kayem Foods analysis by Team 3** |
| W9   | 11/3 | □ Continued  
• Case: Southwest Airlines  
• Case: EMI Group, PLC: CD Pricing in the Recorded Music Industry  
• **Markstrat Round 6 due**  
• **Markstrat Strategy Reformulation report due**  
• **Team 5 (Management) turns in Case Analysis of Burroughs Wellcome Company: Retrovir** |
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• **Chapter 9** Case: Pharmacia & Upjohn, Inc.: Rogaine Hair Regrowth Treatment
• Markstrat Round 7 due Team 6 (Consultant) turns in critique of Retrovir analysis by Team 5
Team 2 (Management) turns in Case Analysis of McNeil Museum of Art and History |
• **Chapter 10** Case: Qingdao Haier: Maytag
• Markstrat Round 8 Due Team 3 (Consultant) turns in critique of McNeil analysis by Team 2
Team 4 (Management) turns in Case Analysis of Goodyear |
| W12  | 11/24| Advanced Topics in Marketing | • MCM Presentations #5: Goodyear Tire and Rubber Company
• Markstrat Round 9 Due Team 5 (Consultant) turns in critique of Goodyear analysis by Team 4
Team 6 (Management) turns in Case Analysis of Mercan Systems |
| W13  | 12/1 | Advanced Topics in Marketing | • MCM Presentations #6: Mercan Systems, Inc.
• Markstrat Round 10 Due Team 1 (Consultant) turns in critique of Mercan Systems, Inc. analysis by Team 6 |
| W14  | 12/8 | • Markstrat Experience Presentations
• Course Wrap-up | Markstrat Experience Debrief Due |
| W15  |      | Final Case Analysis | Note: Executive memos are to be turned in during MCM dates if not presenting. |