Brandeis University

Spring Semester 2017
Marketing Management
BUS 152A-2

Tuesdays & Fridays
12:30 – 1:50 pm
Lemberg 55

Instructor: Sharon Thomas
Office: Sachar 17
Hours: Tuesdays and Fridays from 11 am-noon, 2-3 pm and by appointment
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Prerequisites: Intro to Business

Course Description
Marketing is the sum of the activities undertaken by a company to stimulate sales of its product or services to its customers. The marketing objective is to create, promote and distribute products or services at a price and quality deemed valuable by the company’s customers, in order to create value and profit for the company. Maintaining a strong and compelling value proposition and long-term relationships with the company’s customers are vital for the company’s continued success and require constant monitoring of market, environmental, technological and competitive forces. Marketing is therefore integral to establishing a company’s strategic direction. This in turn makes marketing skills and talent essential to the success of all business managers in any business.

This course provides an in-depth exploration and practical application of basic marketing tools. These include product introduction, pricing, promotion, distribution, sales management, and customer segmentation. In most classes, we will analyze case studies that require us to identify marketing opportunities, refine value propositions, select customer segments and develop marketing programs for a variety of management situations. In some classes we will review and discuss core curriculum readings. This course includes a number of creative and analytic assignments, including a semester-long, group assignment.
Learning Goals & Outcomes

1. You will learn how marketers:
   - Use core marketing concepts to evaluate marketing scenarios
   - Analyze and assess complex marketing challenges
   - Develop quantitative and qualitative analysis
   - Create integrated marketing plans

2. Through case study discussions, written case write-ups and formal presentations, you will learn to:
   - Develop a comprehensive marketing analysis
   - Build a persuasive argument
   - Express that argument convincingly in the classroom among peers, in writing and with the aid of visuals in a formal presentation
   - Make marketing decisions backed by solid reasoning
   - Listen critically and respectfully to the ideas of classmates

Workload Expectation

As this is a four-credit course, you are expected to spend a minimum of 9 hours of study time per week in preparation for class (readings, cases, discussion questions, homework, research, etc.).

Course Approach

In most sessions we will analyze and solve marketing problems from an assigned case study. We will use our time together in the classroom to sharpen our skills in diagnosing problems and to build a framework to understand and leverage marketing’s complexities. To benefit from this approach, each student must come to class prepared with an analysis and solution for the marketing opportunity or challenge at hand, not just a regurgitation of case facts. Class time together will follow a discussion format, with a constant challenging of viewpoints from the instructor and student alike.

Course Materials

Course Pack: A course pack with the readings and cases we will cover is REQUIRED and only available through Harvard Business Publishing at [http://hbsp.harvard.edu/](http://hbsp.harvard.edu/), with a specific link to our course pack at:

http://cb.hbsp.harvard.edu/cbmp/access/57336111

Course packs are comprised of copyrighted materials. Please respect intellectual property by purchasing your own copy of the materials.

Your course pack includes Harvard Business School Press content (called Core Curriculum) about important, select topics that are assigned as background reading for the cases and for deeper understanding of these key topics.
Textbook: There is no required textbook for the course. A *Framework for Marketing Management*, written by Philip Kotler and Kevin Lane Keller, and published by Pearson, Prentice Hall is helpful, optional and widely available.

Syllabus Changes & Updates
My intention is to follow the syllabus as presented. However, changes to both order and content might occur to make the best use of available or new resources, or to explore in greater detail topics that arise during class discussions. Changes and specific assignments will be announced during class, and students that are absent are responsible for obtaining relevant changes from their classmates.

 Disabilities
If you are a student with a documented disability on record at Brandeis University and wish to have a reasonable accommodation made for you in this class, please see me immediately.

Academic Honesty
You are expected to be honest in all of your academic work. Please consult Brandeis University *Rights and Responsibilities* for all policies and procedures related to academic integrity. Students may be required to submit work to TurnItIn.com software to verify originality. Allegations of alleged academic dishonesty will be forwarded to the Director of Academic Integrity. Sanctions for academic dishonesty can include failing grades and/or suspension from the university. Citation and research assistance can be found at LTS - Library guides

Grading Components
For the purpose of grading, assignments will be weighted as follows:

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<thead>
<tr>
<th>Component</th>
<th>Weight</th>
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<tbody>
<tr>
<td>Class Participation</td>
<td>24%</td>
</tr>
<tr>
<td>Homework and quizzes (4)</td>
<td>12%</td>
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<tr>
<td>Case Write-up #1</td>
<td>18%</td>
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<tr>
<td>Case Write-up #2</td>
<td>23%</td>
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<tr>
<td>Final Exam/Group Project</td>
<td>23%</td>
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<td>TOTAL</td>
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Components in Detail
*Class Participation:* Students are expected to attend every class and participate on a regular basis. Less value will be placed on the quantity of your contributions than on their quality. Participation is graded daily on a scale from roughly 0 to 3 with 0 meaning no participation (simply arriving) and 3 for strategic, relevant contributions. You will receive a -1 for an unexcused absence. Absences for valid reasons can be accommodated if I am given notice in advance and we can work together to ensure you get the material covered.
For some students speaking out can be difficult. If you are hesitant to participate in class, please come to see me and I will work with you.

Absence from three or more classes will result in a failing participation grade for this course and make it very difficult to achieve greater than a C overall. Again, if you have to miss class for any reason, please notify me in advance through email (do not tell me in person).

Please select your seat for the semester by the start of the second class, and use a name card, at least for the first several sessions.

**Homework & Quizzes:** In addition to reading before each class, you will have homework assignments designed to help you thoroughly prepare your cases. These assignments will ask you to submit only a piece of the analysis for the next session’s case at the start of class. Written assignment will be submitted via Turn It In.

The assignments that need to be formally submitted for homework (2) are noted in the syllabus for that day. Details will follow on LATTE. No late submissions will be accepted. Also, twice over the course of the term, I will start the class with a quiz. These short quizzes will be weighted as homework and all will be equally weighted.

**Final Exam (Project):** The Final Exam will be an 18-20 minute oral presentation of your analysis of a current marketing campaign. Choose a product, service or company that is dealing with a marketing challenge or an opportunity of interest. Set the stage by giving your audience a brief history of the product/service and brand, as well as the challenges, successes and missteps that impacted the options that were available and led to the campaign in question. Analyze all aspects of their comprehensive marketing plan including: description of the opportunity, market research, target market selection, product design and pricing, distribution, competition, promotion and communications plan. Give us your appraisal of the merits of this plan’s elements, which you approve of and which you would change, how and why. Then propose a course of action to take them further. Creativity is valued here. We’ll discuss this more in class. I will need to approve topics and won’t allow repeats of past years’ projects. You will work in groups of 5 people and we’ll determine those groups together. We’ll do presentations during the last three classes of the term.

Due dates for this project:
- Team assignments: Class #4
- Topic selection: Class #7
- Summary/outline: Class #16
- PowerPoint/slides for team presentations from ALL teams: Class #24

*There is no other written assignment for this project.*

Your group grade for this project will be based on the quality and completeness of your research, analysis and recommendations, the flow and logic of your presentation, how compelling your arguments are, how well you use the allotted time, the proficiency of
your oral presentation, the answers you give to questions asked and the usefulness, clarity and design of your speaking aids (PPT, Prezi or Adobe slides).

**Written Case Analyses:** You have four pages in which to write your paper. You can also include an appendix, if you need or choose to. You will be practicing case analysis skills virtually every time you prepare for class. Organize the relevant facts. Don't give me case facts that aren't pertinent to this issue; I've read the case, too. Do necessary quantitative and qualitative analysis. Come to conclusions. Develop detailed recommendations. Be sure that your logic flows from analysis through recommendations through actions. Be persuasive. You should not follow the outline of the questions in the syllabus, but you may need to include the answers to those questions in your paper (they should be helpful). I don't need beautiful prose; you can use bullets, etc., but if you use a chart for pros and cons, for example, be sure that you come to a clear conclusion and point it out to me in the body of the paper and always write in a businesslike manner. Appendices and headings/subheads are both useful tools for a clear, complete paper.

Written assignment will be submitted via Turn It In.

**Case Write-up #1:** For Class #12, instead of just preparing the case for class discussion, students should submit their case write-up of up to four pages. This is an individual assignment, one that you need to do entirely on your own. Cases should be submitted before the start of class. Submissions after the start of class will not be accepted. Case write-up grades will be based on the completeness and quality of your situation, analysis and recommendations sections and the logic and clarity of your proposals.

**Case Write-up #2:** For class #22, instead of just preparing the case for class discussion, students should submit their case write-up of up to four pages. This is an individual assignment, one that you need to do entirely on your own. Cases should be submitted before the start of class. Submissions after the start of class will not be accepted. Case write-up grades will be based on the completeness and quality of your situation, analysis and recommendations sections and the logic and clarity of your proposals.
Calendar & Assignments

Class #1: Introductions/Marketing Management Tues, 1/17

Reading: Framework for Marketing Strategy Formation

Discussion: - Review of course, syllabus and assignments
- Introductions
- Begin discussion of reading and questions

Questions:

- Starbucks has introduced a Starbucks Evenings menu in six major metropolitan areas around the United States, offering small plates and a selection of wine and beer after 4:00 p.m. Is this new strategy primarily aimed at acquiring or retaining customers? Explain your answer.
- Consider a family planning to relocate and buy a house in a new community. There are two spouses and two teenage children. Who would be most likely to play each of the six roles in the buying process?
- In the past, US pharmaceutical firms relied exclusively on a push approach to the promotion of prescription drugs. But many of these companies now invest significant resources in pull promotion techniques for brands like Claritin, Crestor, Lunesta, and Nasonex. What is the difference between the two approaches, and how are they illustrated in this situation?
- As illustrated by the Pebble Technology example in the reading, best practice in competitor analysis involves defining competition broadly. Consider Chobani Greek Yogurt and reflect on the recent history of this brand and industry in order to cite four distinct sources of competition.
- Construct a hypothetical positioning statement for one of the following: Bounty paper towels, Tom’s of Maine personal-care products or Patagonia outerwear.

Class #2: Marketing Management Fri, 1/20

Reading: Framework for Marketing Strategy Formation

Discussion: Finish discussion of reading and questions

Class #3: Integrated Marketing Strategy/Creating Value Tues, 1/24

Case: Snapple
Questions:

• In the period of 1972 to 1993, why do you think that Snapple flourished when so many small startup premium fruit drinks stayed small or disappeared? Explore each of the Four Ps.
• Now look at the period from 1994 to 1997. Did Quaker make an error in buying Snapple or did they manage it badly?
• Roll forward to 1998. What can Triarc’s managers learn from Quaker’s experience? Is the Snapple target market “anyone with lips?” Is it ok that Snapple “ends up meaning lots of different things to lots of different people?” What are the risks and rewards of leaving “what the brand stands for” open to consumers’ interpretations rather than a strong positioning on it? And what does it mean to say that Snapple is a fashion brand?

Class #4: Marketing Math Fri, 1/27
DUE: Final Project teams
Reading: Note on Low Tech Marketing Math
Assignment: TBD

Class #5: Integrated Marketing Strategy/Sustaining Value Tues, 1/31
Case: Colgate-Palmolive Co.: The Precision Toothbrush
Questions:

• What changes are occurring in the toothbrush category? Assess Colgate-Palmolive’s competitive position. How is the toothbrush market segmented? Compare consumer behavior for toothbrushes and toothpaste.
• What are the arguments for launching Precision as (a) a niche product and (b) a mainstream brand? Which would you do?
• What marketing recommendations would you make to Steinberg? Be specific in your recommendations. Be sure to cover all 4 “Ps.”

Class #6: Pricing Fri, 2/3
Reading: Pricing Strategy
Questions:

• A San Francisco restaurateur plans to open an upscale wine bar where every glass of wine is priced at $15. Her rent in a popular tourist area is steep; she must also pay high prices to advertise in trendy magazines and to hire people who are knowledgeable about wine. As a result of these and other factors, her fixed
monthly cost is $50,000. Most of her variable costs are a function of wholesale wine prices and storage expenses, producing a unit margin of $10. How many glasses of wine must she sell per month to break even?

- The same wine bar entrepreneur in Review Question 1 sells cases of her private-label wine for $375 per case. For an annual fee of $300, customers may also choose to enroll in a Wine Appreciation Club, which offers private tastings and entitles members to buy cases of wine for $200. How many cases does a club member need to purchase for the membership to be economically advantageous?

Class #7: Pricing Tues, 2/7

DUE: Final Project topic selection

Case: Hertz Corp: Guaranteed Pricing

Questions:
- What is the problem and how did they get here? How does Hertz do business?
- Is this a “well managed” company (Page 7)?
- Explain the No Mileage strategy.
- Is price the right variable to focus on? Might Hertz have to go back to Time plus Mileage? Have they degraded their quality image?
- How do you think reps, travel agents, customers will react to this plan?

Class #8: Pricing Fri, 2/10

DUE: Homework 1: Ethics essay. Details TBD.

Case: Coca-Cola’s New Vending Machine (A): Pricing to Capture Value

Questions:
- What is Coke? What does Coke mean to the average consumer?
- Is selling Coke through interactive vending machines a good or bad idea and why? Where, how and for whom does this technology create/destroy value?
- What is price discrimination and when does it work? Are there pricing related issues here that can positively or negatively affect the company?
- How does the Internet affect the ability of firms to price-discriminate across consumers?
- What did Coca-Cola do right? What did it do wrong?
Class #9: Guest Speaker on Creating Value Tues, 2/14

Guest: George C. McNamee has served as a director of iRobot since August 1999. Currently a private investor, Mr. McNamee served as a managing partner of FA Technology Ventures, an information and energy technology venture capital firm from 2000 until 2011. He serves as chairman of the board of directors of Plug Power Inc., a leading fuel cell developer, and is a director of several private companies, a member of the Yale Development Board and a Trustee of the Albany Academies and The American Friends of Eton College. Mr. McNamee previously served on the board of directors of Broadpoint (now Gleacher) Securities as well as serving from 1984 to 2007 as chairman of its predecessor First Albany Companies and was also a board member of the New York Stock Exchange Inc., MapInfo, Home Shopping Network and the Meta Group. He received his Bachelor of Arts degree from Yale University.

Assignment:
The robotics industry continues to grow into the home market, as we’ve seen with personal assistance bots such as Romba (from iRobot), Jibo, Personal Robot and NannyBot. Do some light Internet research on one or all of these companies.

Class #10: Segmentation & Targeting Fri, 2/17

Reading: Segmentation and Targeting

Questions:
• List and briefly define the major segmentation variables used in consumer markets. Give an example of two products that are likely to make use of each variable (either alone or in combination with other variables).

• At least one segmentation variable is common in business markets but not relevant to consumer markets. Briefly define this variable and give an example of how it might be applied.

• In the crowded market for candy, cookies, and other sweet treats, Estee Foods has successfully carved out a niche by offering a wide range of sugar-free products. Estee targets diabetics as well as other consumers who need or want to restrict their intake of sugar and other ingredients, like carbohydrates.

Discuss Estee’s target selection based on the three criteria in Section 2.3: segment characteristics, competition, and company fit.

• Airbnb has uncovered a segment of leisure travelers that is not served by conventional hotel firms. Describe and discuss this segment based on four of the key characteristics of useful segmentation described in Section 2.1: identifiable, accessible, stable, and actionable.

No Class 2/21 or 2/24. Enjoy your break!
Class #11: Segmentation & Targeting  
Tues, 2/28

Case: The New Beetle

Questions:
- Why is the situation described as “Mission Impossible?”
- What target market or markets should Liz Vanzura pursue? Why?
- What are the advantages and disadvantages of the different positioning options?
- How would pricing and media selection choices be affected by the positioning of the car?

Class #12: Segmentation & Targeting  
Fri, 3/3

DUE: CASE #1: Your hardcopy case write-up is due at the start of class. Please remember, this is an individual assignment; you must work entirely on your own. Your case write-up is to be analyzed and written without consultation with anyone. Be specific and detailed in your quantitative and qualitative analysis and recommendations. Build a logical and persuasive argument.

Case: Red Lobster

Questions:
- How has Red Lobster’s positioning changed over time? Do the current ads reflect the repositioning that Lopdrup and his team envisioned when their efforts began in 2004? (4Ps)
- What were the most effective elements in Lopdrup’s repositioning plan (initiated in 2004)? (Consider any relevant 5Cs as well.)
- Calculate restaurant level profitability under the following scenario: the mix of patrons shifts with the restaurant gaining 2,000 new Experiential customers, but losing 1,000 Indulgent customers and 1,000 Frugal customers.
- Should Lopdrup make Experientials the target segment and modify Red Lobster’s positioning accordingly? If so, how should he change its marketing mix (i.e., the 4Ps)?

Class #13: Buyer Behavior  
Tues, 3/7

Reading: Consumer Behavior and the Buying Process

Exercise: Consumer Behavior Exercise (A – F)*****
Assignment: Conduct the research assignment outlined in the case version you were assigned. Be prepared to share your findings succinctly in approximately 3 minutes so that we can hear about several interviews.

**** Your course pack shows that all 6 of these cases are optional because you only need to buy ONE case. You will be told in class during the preceding week which case you are to buy and work on.

Those of you conducting interviews A – C are investigating how consumers choose different types of products: who chose the product, what motivated the purchase, how was the decision made and where was the purchase made.

Those of you conducting interviews D - F are investigating how consumers use different kinds of products: their experience with the product, their feelings about the product, their relationship to the product and/or brand, and their level of (dis)satisfaction with the product.

A and D interviews: mundane products costing $5 or less
suggestions: shampoo, toothpaste, soda, candybar

B and E interviews: utilitarian products costing $100 more or less
suggestions: sweater/jacket, desk lamp, backpack/briefcase, PDA/daytimer, cell phone, haircut/beauty treatment

C and F interviews: products that reflect on who you are costing $100 +
suggestions: sweater/jacket, stereo equipment, TV, camera, skis, PDA, haircut/beauty treatment

Class #14 Promotion Fri, 3/10

Case: Launching the BMW Z3 Roadster

Questions:

• What factors underlie BMW’s desire to shift to a “non-traditional” marketing venue for the Z3 launch?
• Do you agree with McDowell that the Z3 launch qualifies as a “paradigm shift” in marketing for BMW? Was it a big deal?
• McDowell claims that he will never go back to traditional marketing after getting a taste of the non-traditional venue. What are the pros and cons?
• Was the Z3 launch successful? How do you know?
• What would you do for Phase II?
Class #15: Promotion Tues, 3/14

Case: Hasbro Games – POX (A) & POX (B)

Questions:
- Hasbro considers two different non-traditional campaigns. What are they?
- Do you support the traditional campaign proposed by Grey that uses primarily television and print or the campaign intended to generate buzz? Why? Is there something/s distinctly different about this non-traditional/buzz campaign vs. BMW (our last case)?
- Do you have any suggestions as to how to modify the proposal you support to maximize the adoption of POX, given the game’s novel characteristics?

Class #16: Going to Market Tues, 3/17

DUE: Final Project summary/outline

Case: Biopure

Questions:
- How do you assess Biopure’s potential in the human market? The animal market? What are the biggest obstacles to Biopure’s success in each?
- Which product would you launch first? How might Oxyglobin be a threat to Hemopure? How might it be an asset to Hemopure?
- What should Biopure do regarding the commercial release of Oxyglobin? If they release, what price should they set? How should it be distributed?

Class #17: Going to Market Tues, 3/21

DUE: Homework 2: Forecast the estimated demand (trial and repeat) for the two pizza options under consideration: Pizza and Topping and Pizza Only.

Case: Nestle Refrigerated Foods: Contadina Pasta & Pizza (A)

Questions:
- Using the BASES model described in Exhibit 9, forecast the demand (see above).
- What can one learn from Exhibits 13, 14 and 15?
- How does the pizza concept test data compare to the pasta concept test data?
- How would you compare those two opportunities: what is similar vs. different?
- Review the Nestle new product development process.
Class #18:  Guest Speaker on Digital Marketing  Fri, 3/24

Guest: Chris Hass, SVP Experience Design at Mad*Pow, a digital agency in Boston, has thirteen years of experience in human factors research, user interface design and accessibility in the development of innovative user experience products and programs. Chris has unique expertise conducting human factors research with persons who have physical and cognitive disabilities. Chris also has extensive experience designing information architecture and interaction designs for consumer, medical, professional and human service products. Chris used to work for the Bentley University Design and Usability Center as a usability consultant, and a senior research scientist in the Human Factors Research and Design Group at the American Institutes for Research and a Web Specialist at Harvard Medical School.

Chris has published numerous papers on usability including Optimizing Research Design for Diverse Target Populations, presented to the MIT Humans and Technology Symposium, and PHIN for all: Implementing Research Based Accessibility Practices into Web-based Applications, presented at the CDC Public Health Information Network Annual Conference. Chris holds a B.A. in English Literature from Davidson College.

Assignment: Familiarize yourself with Chris’ agency: Mad*Pow and look at some of their client work.

Class #19  Uber  Tues, 3/28

Class Preparation:  TBD

Class #20  Channels of Distribution  Fri, 3/31

Case:  Stihl Inc.: Go-to-Market Strategy for Next-Generation Consumers

Questions:

- Was Stihl’s decision to avoid the home-center channel a good one? What are the benefits of sticking with it? What are your concerns?
- What should Stihl change, if anything, in how the company goes to market as Generation X and (later) Generation Y mature into home-owning, tool purchasing consumers?
- Looking forward three to five years, does the company’s total reliance on its dealers continue to make sense?
- If a multi-channel system appears more suitable to market needs and Stihl corporate objectives, how can the company get there from here?

Class #21:  Declining Markets & Sales Management  Tues, 4/4
Case: Hunter Business Group: Team TBA

Questions:
- What do you think of HBG’s approach? Do you agree with the approach of managing costs given a revenue target?
- How much validity do you give the customer contact matrix? For which industries do you see it effective, and where are its limitations?
- How important are direct marketing mechanisms in the B2B context?
- Kowalski is faced with the task of reducing expenses. What would you do: reduce fixed costs, variable costs? What would you change/what is the tradeoff, if any, between eliminating salesforce and the likely corresponding drop off in contacts made as a result of decreased workforce? What would you eliminate – field reps, telesales, direct mail? Would you increase the number of contacts by the same number of employees?
- What do you think will happen to Team TBA in the next 3 to 5 years?

Class #22: Integrated Marketing Strategy/Sustaining Value Fri, 4/7

DUE: CASE #2: Your hardcopy case write-up is due at the start of class. Please remember, this is an individual assignment; you must work entirely on your own. Your case write-up is to be analyzed and written without consultation with anyone. Be specific and detailed in your quantitative and qualitative analysis and recommendations. Build a logical and persuasive argument.

Case: Aqualisa Quartz: Simply a Better Shower

Questions:
- Aqualisa spent three years and €5.8 million developing the Quartz. Was the product worth the investment?
- Why is the Quartz shower not selling? What is the Quartz value proposition?
- What should Rawlinson do to generate sales momentum for the Quartz product? Who should he target? Why? How?

No class 4/11, 4/14 or 4/18. Enjoy!

Class #23: Integrated Marketing Strategy/Sustaining Value Fri, 4/21

Case: Black & Decker Corp. (A): Power Tools Division

Questions:
- Why is Makita outselling Black & Decker 8 to 1 in an account which
gives them equal shelf space? Why are Black & Decker’s shares of the two professional segments – Industrial and Tradesmen – so different? Wouldn’t you expect them to be similar?

- What, if anything, do you learn from B&D’s consumer research?
  Joe Galli’s objective is “to develop and gain corporate support for a viable program to challenge Makita for leadership” in the Tradesmen segment. To gain support, the minimal share objective would have to be “nearly 20% within three years, with major share ‘take-away’ from Makita.” How realistic is this?
- If you think Galli should pursue a “build share” strategy, what actions do you recommend? Does the DeWalt idea have any merit? How about the sub-branding option?

Class #24: Final Project Presentations: Groups 1, 2, 3 Tues, 4/25

DUE: Final Project slides are due from ALL teams at the start of class.

All teams must submit hard copy of their slides at the start of class. Teams may not alter their slides after they have been submitted for any reason. On the day of your presentation, be sure that your slides are loaded and ready to go before the start of class so that we can use every minute productively.

Class #25: Final Project Presentations: Groups 4, 5, 6 Fri, 4/28

Class #26: Final Project Presentations: Groups 7, 8 Tues, 5/2

We will also spend some time during our last session reflecting on what we have covered, answering questions and providing case-specific feedback.