

**Edwards School of Business
University of Saskatchewan**

MARKETING for ORGANIZATIONAL DECISION-MAKING

MBA 833.2 (01)

2 – 11 January 2009

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Course Materials

- Readings/case packet and class notes are provided for this course.

Marketing is...the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational goals.

(American Marketing Association pre-2004)

Marketing is an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders.

(American Marketing Association new-2004)

Marketing Management is the management of the innovative and imitative processes that firms use to identify and satisfy customers while being more cost effective than their rivals

(Dickson 2000)

Through a range of activities that include lectures, in-depth case studies, and projects, we will develop an understanding of the decisions required of marketing executives as they seek to develop, implement, and control integrated marketing programs. Attention will be given to each of the supporting decisions of market selection, product policy, communications, distribution channels, and pricing. Analysis will reflect the fact that these decisions are interrelated and highly situational, dependent on the specific conditions of the particular business environment. Case situations will cover a diversity of product, market, and industry environments.

COURSE OBJECTIVES

The course has been developed with a number of objectives in mind.

- To create an awareness and sensitivity to the role of marketing in the development and implementation of strategy.
- To develop working knowledge of marketing as an integrated discipline in which policy and operating decisions reflect the interrelationships of various elements.

- To develop skills in analyzing marketing/business situations.
- To develop skills in decision-making in situations under conditions of uncertainty and incomplete information.
- To further enhance communications skills in both written and oral form.

EXPECTATIONS

Class Discussion/Involvement

This represents 15% of your grade.

Readings and/or Cases will be assigned for each session. **Class preparation is expected to be of sufficient depth to permit meaningful participation in the analysis and discussion of the assigned materials.**

There are important ways for you to perform well in this area:

- **Attendance.** This “keeps you in the game”. However, passive attendance will not be sufficient for me to discern that you are involved in the course nor whether you are well-preparing for class discussions. In fact, simple attendance without active quality participation assures you of approximately an 70% for this component of the course. So, attend classes - but also be an ongoing participant.
- **Participation.** Stay up with the readings and prepare for discussions on assigned readings and cases as expected. Talk with your class members. Then, during class discussions, take charge of your opportunities to be involved. Be sure to bring to class “key learnings” from the readings.

NOTE: You should pre-read several of the articles prior to the first day of class (2 Jan). At the very least, read the first 4 articles so that the weekend is more purposeful.

Exam

This represents 50% of your grade.

The exam will consist of several short essay questions. Each will be presented as various business situations that require you to act as a consultant and propose solutions and/or issues that the business leaders need to consider in dealing with the situations. The exams are evaluated on a question by question basis in terms of response strength relative to your peers.

The exam will be given to you on the final Sunday at 10am. You are expected to complete the exam and send it to me as an attachment, in MS Word, and via email by 8pm the same evening.

You can use any WRITTEN OR ONLINE resources of your choosing while working on the exam with the following exception: you are not permitted to talk with one another or with anyone else or write to anyone about the exam during the exam period.

Team-Based Expectations

There are two components to the team-based expectation, representing 35% of your total grade.

You will **placed on teams of four** for these deliverables. Your team will assume the role of marketing/strategy consultants. Develop a name for your consultancy - along with a by-line that captures the meaning that you want to have in the market.

Team-Based Expectation 1: Case Report and Presentation (10% of total grade)

On 2 Jan (Friday), teams will be established. In addition, at that time I will hand out the first case (other cases should be accessible via online and/or Leslie Harden will have these for us). You will be expected analyze the business situation two young entrepreneurs are pursuing, along with advising them on a viable strategy as they pursue their venture. On the first Saturday (3 Jan) we will have breakout sessions for your team to work on this case, followed by presentations to the larger class on Sunday. The specific requirements for the report and presentation will be established at the start of the breakout session on 3 January.

Team-Based Expectation 2: Formal Report and Presentation (25% of total grade)

For this report your team is expected to do field work, with the purpose of summarizing the marketing activities of a company within their markets. Also, to assess the role of marketing (as a function) within the company. Also, to identify possible OFIs that would improve/strengthen marketing practices at the company. In essence, this paper is a mini-audit of the marketing activities and marketing function at the company.

Due to the time intensive nature of the class, you should come to the first class with company preferences for the project, which you will then discuss with your teammates on Friday evening (2 Jan) following team selection. Prior to the start of the first evening (2 Jan), if you have already gained approval from executives at your company for the project, you will be greatly advantaged (if you choose this route, explain to the executive(s) that the company may be selected and, if so, that interviews will be conducted during the week of 5 – 10 January, preferably early in the week). The company can be in any industry, from services to manufacturing, from commodities to high technology, etc.

Who Should You Interview? You will ideally have a series of interviews at the company. First, you want to interview anyone who works full-time in a position(s) related to marketing. Here, you will capture roles and responsibilities, along with how the marketing function relates to other functional areas in the company. Other interviews will be with additional functional areas (any/all of the following: operations, finance, logistics, senior executives, etc.). During these interviews, you want to learn about how the company is positioned (relative to competitors in the market in terms of serving customers in superior ways), how their functional areas relate to the marketing function, what they see as strengths/weaknesses of the marketing function at the firm, etc. Ultimately, you are making an assessment of the company and you can only do this by talking with people who can help you gain insight into the industry, their company, and the workings of the various functions (especially marketing).

If your team has no idea how to get started, how Do You Find Someone to Interview? If you have a company in mind, start by calling their corporate office. Briefly explain that you are a student team at

the University and you are working on a project for your marketing class. Say you would like to speak with a ___ (e.g., buyer, marketing team member, brand manager, assistant brand manager) and ask if they could suggest someone or transfer you to someone who could help. You may get transferred around a bit, but with persistence you should be able to find someone. Here again, you may want to do some pre-work on this yourself so that you can hit the ground running once your team is established.

What Questions Should You Ask? Ask questions that will help you gain insight into the industry, company, and profession. The following are examples of questions you might ask:

- What is this industry like? Is it a growth industry? How would you describe your customers? How would you describe your competitors? How do you see your brand positioned relative to competitors? In what ways is your brand unique? Strong? What weaknesses do you see your brand having right now and do you have a team working on these weak areas?
- How important is marketing to your company? How much power does the marketing department have (if there is a marketing dept)? Too much? Too little? Why?
- What drives decisions in your company as to strategic directions, markets pursued, etc? To what extent does gut feeling vs analysis drive decisions? Which departments have the most say or most input when it comes to products launched, markets pursued, or campaigns used to grow your brand?
- Please describe your position. What are your major responsibilities? What are your greatest challenges? Do you feel you have sufficient decision-making authority? If so, in what ways? If not, in what ways?
- If you are working on a product launch (or marketing communications), who are you likely to be working with to achieve this goal (e.g., people in other departments, customers, suppliers, etc)?
- What types of interactions do you have with other departments? How frequently do you interact with other departments (emails, phone, casual/formal meetings, etc.)?
- In what ways does your boss help (or hinder) your efforts?
- If you could advise other managers in your field on how to be more effective, what recommendations would you make? What does it take to be a good performer in your profession?

Remember to adapt questions to the particular individual with whom you are conducting the interview! When you are talking with people in other functional areas, you want to gain particular insights as to their perceptions not just about the brand but also about their thoughts regarding the marketing department/function and its strengths and weaknesses in the firm.

In addition to the interviews, additional research will be needed. This may include online searches (possibly gaining insight into company mission, clarity as to range of products, etc., as well as knowledge about the industry and competitive dynamics). Also, company charts showing the line relationships between departments will be good to have.

Structuring Your Report. After you've conducted your interviews and gathered additional research, the next step is to structure your report.

You are welcome to structure the body of the report in a manner of your choosing. However, keep in mind the following parameters:

- **Format**
 - **Typed, 12-point font (Times New Roman), single-spaced (but double-spaced between paragraphs), 1” margins**
 - **Maximum of 8 pages (not including appendices or executive summary), stapled (not in binder)**
 - **Consultancy Name, Company Name, and Student names on cover page**
 - **Executive summary – a 1 to 1 ½ page summation, providing the snapshot for harried executives**
 - **Table of contents, serving as a quick reference guide to the contents.**
 - **Relevant headings/indents/italics so that the reader can quickly note sections and major ideas**

- **Writing Style and Organization**
 - **Introduction grabs the reader’s attention and sets the stage for the rest of the report**
 - **Disciplined structure takes the reader from start to finish in a convincing, logical manner**
 - **Headings are used to organize the report, guide the reader, and enhance comprehension**
 - **Each paragraph develops a key point**
 - **Executive summary summarizes the main insights**
 - **There are no spelling or grammatical errors**
 - **Tight but complete thoughts - while your audience has knowledge of the issues, they are not mind readers of your intended thoughts - be concise but clear.**

- **Information on Company**
 - **Relevant background information on company and industry should be part of the opening section. This confirms to the client that you are familiar with them, their competitive environment, and their marketing efforts. A brief SWOT analysis would be appropriate (time does not permit an in-depth attack at this but you should have some insights across these issues).**

- **Insights**
 - **The report does not simply recite the conversation with the interviewee(s); rather, comments from the interview are collected, classified, analyzed, and presented topically.**
 - **Insights into the company, industry, position, or marketing in general are drawn from the interviewee’s comments as well as from other sources.**
 - **OIFs that you have identified, along with possible avenues to consider for improvement.**

You are encouraged to provide supplemental information in the form of appendices. Examples of supplemental information include an organizational chart, additional relevant information on the company and/or industry, etc. If you include appendices make sure you reference them in the body of your report.

Finally, write as if you are consultants and you are engaged in this task on behalf of the company. In fact, you should be able to turn this report over to the executives at the company!

Your team (consultancy firm) is to prepare the write-up as a selling document. That is, the writing style needs to be ‘sound’ in content and ‘strong’ in presentation. Importantly, the style has to be such that it is appropriate for your audience (ie, the individuals) to whom you are reporting.

Note: The Executive Summary and Appendices DO NOT count in the maximum page number (10) NOR DOES the cover page to the report. Begin page numbering with i, ii for the executive summary then 1,2,3 for the ensuing page numbering.

Your final deliverables:

(1) a professional presentation and (2) the Report.

Make both the report and presentation professional – act as if you needed to provide this to executives for distribution in the company.

For the presentation (11 Jan), act as if you are presenting/delivering to a group comprised of managers (identify your specific audience prior to starting your presentation; Ex: “The audience for our presentation is the CPG brand management team from Company X”, etc.). Because you are talking to the executives, your presentation should include key insights presented in an “actionable way”.

Then, say we are ready to begin and pause.

Then, begin your presentation.

Crucial: Make the report and presentations purposeful. Think about your audience. Talk to them - provide thoughtful and thought provoking insights.

The Keys to successful writing and presenting in this class rest on:

- You must demonstrate high knowledge of the issues facing the firm
- You must present reports that are professional
- You must direct reports to the decision makers for whom you are preparing the reports.

- Act as if the audience is comprised of decision makers in the firm.
- “Sell” your report as if you had to convince the group that your plan/direction is viable and the preferred path for the firm to take.
- The presentations should use Powerpoint. Make sure that you control the presentation and think through the concerns that the group might have before you make the presentation.
- The presentations should be no more than 15 minutes and you are not required to use the entire time!

Grading

Final grades for the course are based on:

Class discussion	15%
Exam	50%
Case/Presentation (team)	10%
Formal Report/Presentation (team)	25%

Note: I review and grade the reports and presentations as a collective whole. That is, a weak/strong presentation alters perceptions of the decision makers who want to rely on you for advice – make certain that your presentation(s) put them (me) in a proper mindset.

Note: You need to be an active participant on the team projects. Your final reports and presentations component of the grade will be adjusted based on evaluations by your team members.

Reading List

# refer to schedule for reading date(s)	Reading	Notes
1	Why Satisfied Customers Defect HBR Reprint 95606	<ul style="list-style-type: none"> ➤ Consider the widely held beliefs of many executives – prior to reading this article, were your assumptions similar? ➤ What must companies excel at in order to sustain a healthy future? ➤ Consider the satisfaction-loyalty link. ➤ What ways should we engage research to listen-well to customers? ➤ Measurement, measurement, measurement...and action!
2	Marketing Strategy – An Overview HBS 9-500-005	<ul style="list-style-type: none"> ➤ This article provides great grounding for the issues we will be discussing. ➤ Note the terrific questions posed – these kinds of questions are addressed by all companies. ➤ You should sense that information is the basis for decisions across the 4-Ps (product, price, place, promotion), as well as decisions regarding product/market selection. <p><i>Notice the many times the authors pose questions that strategists need to address in assessing opportunity and making decisions. Great questioning is an important skill.</i></p>
3	Note on Marketing Strategy HBS 9-598-061	<ul style="list-style-type: none"> ➤ Marketing as a process and value creation as a focus ➤ The 2 roles of marketing strategy ➤ Areas of analysis and the questions asked ➤ Positioning and the Marketing Mix (the 4 P's) <p><i>The framework and ensuing discussion become a useful tool for the entire semester. Note how each part of the marketing mix is defined and explained. Return here often!</i></p>
****	Initiating the Marketing Process A Sample Marketing Plan (to be provided)	<ul style="list-style-type: none"> ➤ Marketing Plans vs Business Plans – both have various audiences and intent ➤ The step-by-step illustration provides a terrific summation for many of our discussions as we move topic by topic through the semester ➤ The format provided is a template for the major project you will be undertaking this semester.
4	The Brand Report Card, HBR Jan/Feb 2000; Kevin Lane Keller	<ul style="list-style-type: none"> ➤ The 10 attributes shared here are valuable references for strategists <p><i>Notice the examples the author provides. These give us a better grasp of the points he is making.</i></p>

5	Marketing Research HBS 9-592-013	<ul style="list-style-type: none"> ➤A solid exploration of the fundamentals behind marketing research ➤The Exhibit 1 presents a summation of the various designs available to researchers. Critical for us is an understanding of how/when to use research and the strengths/limitations of various research options.
6	Principles of Product Policy HBS 9-506-018	<ul style="list-style-type: none"> ➤Sets the stage for the first of the 4-P's. ➤The tangible and intangibles define our value to market ➤Product decisions, adjustments to the product mix, and the new product development process are all ongoing decision areas for strategists ➤Notice the voice of the customer discussion – finding a position that sets us apart from competition is crucial and this can only be accomplished by closeness to customers, along with great competitive information ➤The PLC (product life cycle) is a useful, informative tool for assessing strategic steps. <p><i>We spend most of our efforts with an implicit awareness that activities we pursue need to be ethical. The authors close by reminding us of questions we should be asking ourselves in this regard.</i></p>
7	Principles of Pricing HBS 9-506-021 Robert J. Dolan	<ul style="list-style-type: none"> ➤Coming to price – the best price – is fraught with difficulties. Executives struggle to determine whether they are “leaving too much on the table” or “pricing themselves too high”. This article challenges us to examine what can be accomplished through price.
8	How do you know when the price is right? HBR Sept-Oct 1995 pp4-11 Robert Dolan	<ul style="list-style-type: none"> ➤Why is pricing such a headache? ➤What is it about policy and process that creates successful pricing efforts? ➤The eight steps – a solid summation for pricing experts
9	Integrated Marketing Communications; Robert J. Dolan HBS 9-599-087	<ul style="list-style-type: none"> ➤IMC is crucial – if customers do not know us they surely will not buy from us. ➤One-way versus two-way communications ➤Mass versus customizable ➤Each of the major media have characteristics that make them unique, along with advantages/disadvantages we need to understand ➤The 6M's model gives questions that require answers in order to justify any spend ➤Hierarchy of Effects
10	Controlled Infection! Spreading the Brand Message Through Viral Marketing Business Horizons 2005, 48, 143-149 Dobele, Toleman, and Beverland	<ul style="list-style-type: none"> ➤How we communicate – that is, spread the word about our offerings – has changed dramatically in recent years. ➤Consider the important elements of making viral marketing work ➤Consider how you could make viral marketing a part of your brand building efforts.

11	Challenges and Opportunities in Multichannel Customer Management Journal of Service Research 2006, vol 9, no. 2, 95-112 Neslin, et al	<ul style="list-style-type: none"> ➤ Sets the stage for our discussion of the next of the 4-P's, Place ➤ As you read this article, consider what needs to be done to get a product sold. Ultimately, we must find ways to assure value delivery ➤ Figure 1 provides a good framework, along with a reminder of the need to consider the entire customer activity cycle in our channels decisions. ➤ The search for increased efficiency is ongoing. Competitors continuously assess how well a given channel system is performing and maintain an alert eye for ways to provide necessary functions better. Closeness to customers remains a constant.
12	"The Seven Principles of Supply Chain Management," Supply Chain Management Review, Spring 1997, 31 – 41; Anderson, Britt, Favre	<ul style="list-style-type: none"> ➤ The supply chain is a whole, with goals of bringing better value to served markets and driving costs out of the system. ➤ The seven principles are aligned with many of our discussions ➤ P&G provides a strong case in point
13	Aspects of Sales Management: An Introduction HBS 9-589-061	<ul style="list-style-type: none"> ➤ The sales force plays a crucial role in most markets ➤ Channel strategy is not complete until we consider the role of the sales force in bringing value. ➤ Alignment between strategy and sales implies greater effectiveness ➤ Consider the tasks required of salespeople and the systems thinking that must be present in developing and maintaining an effective sales effort.

Case List

Number refer to schedule for reading date(s)	Case	<i>Be prepared to discuss the cases!</i>
C1	Optical Distortion, Inc. Provided by Instructor	(all teams will prepare this case using notes as provided 2/3 January)
C2	Aqualisa Quartz: Simply a Better Shower HBS 9-502-030	In class discussion 4 Jan or pushed to 9 January depending on progress
C3	Starbucks: Delivering Customer Service HBS 504-016	In class discussion either 9 Jan or 10 Jan

Class Schedule

Date	Topic	Reading/Case
Jan 2	Introduction to the Course	Team selected; submit names and name for your consultancy firm
	Marketing Strategy Overview	1,2
Jan 3	Market-Oriented Strategic Planning; Branding	3,4
Jan 3	Prep breakout sessions for case - begin your work on challenge facing your first client (Case: C1)	Begin preparations. Your briefing will be reviewed by business owners as to your recommendation for target market and 4P's; include scenario analysis; financials and logic of your decisions for next class.
	Market-Oriented Strategic Planning; Competition; Gathering Information...	*****"A Sample Marketing Plan"
4 Jan	Teams present Optical Distortion Plans	
3,4 Jan	Marketing Research and Product Management	5,6
	Examining a Business Situation in Depth	Case: C2 Aqualisa Quartz: Simply a Better Shower

4, 9 Jan	Designing Pricing Strategies and Programs	7,8
9, 10 Jan	IMC	9,10
	Examining a Business Situation in Depth	Case: C3 Starbucks: Delivering Customer Service
10 Jan	Channels and Supply Chain Management	11, 12
10 Jan	Sales Management and Strategic Alignment	13
11 Jan	PROJECT REPORT DUE TODAY	<u>All Reports Due at start of class</u> <u>Presentations today</u>
		Course Evaluations
11 Jan	EXAM Handed out. Due via email by 8pm this evening – follow guidelines noted earlier!	

To: Marketing Teams
From: William Murphy
Re: Case 1 preparation document

As you analyze the business situation facing these entrepreneurs, use the following structure (next page) in your preparation. You need to make it clear to your client how they should proceed in each of the specified categories (note the 4P's format!). My suggestion is that you take the tables shown and fill in blanks with your decisions. You are giving them a sketch of your plan as you advise them on their launch strategy.

You also need to give them a credible P&L, ie, Profit & Loss, statement (format is included with the case) along with assumptions you relied on in developing this statement.

Team: (name of your team and individual team member names)

Positioning Statement			
	Short-Term (0 – 12 months) Decision/Rationale	Long Term (1 – 3 years)	
Target Market (lg,med,small farms &/or geographic target)			
Product/Product Development			
Price			
Promotion	-----	-----	
Trade Show(s)			
Advertising			
Sales Force			
Internet			
Office(s)			

In developing our financials, we relied on the following assumptions:

We considered the following alternatives, though each were discarded (not chosen) for reasons shown

Alternative (you can discuss alternative price point, different resource allocations, etc.)	Reason(s) not chosen

If sufficient prelaunch time was available, we would conduct the following research (to provide more confidence in our decision):