

The Wharton School
University of Pennsylvania

Spring 2003 (3)
**Marketing Methods and Applications
for Business Consulting (MKTG 789)**
Tuesday, Thursday 10:30-12:00

Administrative details

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Office Hours: Tuesday and Thursday 8-8:45 am, and by appointment

Web Café Address: <http://webcafe.wharton.upenn.edu/eRoom/mktg/789/401>

Required Material: Course bulk pack

I. Who Should Take This Course

The course is designed for students interested in business consulting and research and modeling for marketing and business strategy.

II. Objectives

This course is to provide students with a working knowledge of a set of marketing research and modeling tools that are indispensable for effective marketing and business consulting and the design and evaluation of marketing and business strategies.

The course centers on key areas addresses by consultant and the major marketing research and modeling tools that can be used to help reach better consulting recommendations on problems of marketing and business strategy.

The decision areas to be covered in the course include:

- Business and Corporate Strategy
- Branding
- Pricing
- CRM
- Marketing Effectiveness
- War for Talent
- Merger and Acquisitions
- New Product Development
- Market Segmentation
- Positioning

- Customer Satisfaction
- Data Base Marketing

To support these areas, a variety of marketing research and modeling tools are covered in the course including:

- Approaches for the Generation of Creative Options
- Conjoint Analysis
- Simulation and Optimization Models for Conjoint Analysis Studies
- Multidimensional Scaling
- Clustering
- Market Response Models
- Resource Allocation Model
- Analytical Hierarchy Process (AHP) and Analytic Network Process (ANP)

III. Process

The course is based on four pedagogical principles—(1) learning is a co-production process of the students and the faculty, (2) discovery based learning (3) Action learning and (4) teaching is the best way to learn. Building on these principles, the course uses five major pedagogical approaches: (a) lectures and discussions, (b) group teaching exercise, (c) a project, (d) readings, and (e) guest lectures—the developers of some of the methods covered in the course.

Note: Please notify me if you will not be in class or if you are not prepared to participate!

A Note On Selecting Your Team

Since most of the course assignments are team based, much of what you get out of the course depends on the composition of the team and how effectively it functions. To get the most out of the team you work with, try to ensure that your team is interdisciplinary (e.g. members with different professional backgrounds and majors), and culturally diverse (includes members from various countries).

1. Lectures/Discussions

These sessions introduce key methods and center on constructive discussion of their applicability.

2. Group Teaching Exercise

There is strong evidence that the best way to learn is to teach. You will need to form a teaching group of approximately 3 students. Each group will have the responsibility for selecting a topic from the sessions without a guest lecturer in which they will develop a learning opportunity for the first 20 minutes of the class session.

3. Course Project

Please form a group. Select a consulting issue and develop a research and modeling approach.

The project should reflect your analysis of the problem and outline a detailed research and modeling approach. It is due on the last two classes of the semester.

4. Readings

A bulk pack provides some initial readings. It will be augmented with material distributed in class or added to the class web site. The readings in the bulk package are only illustrative of articles addressing the various topics we discuss. Feel free to substitute any of the readings with other recent articles or books.

In addition to the assigned reading material, you are encouraged to review the marketing research and modeling journals such as JMR, Marketing Research and Marketing Science.

IV. Prerequisite

Marketing 621 or by permission of the instructor

V. Actual Software Application

Students interested in applying the available software can do so for extra credit or as a substitute for the teaching projects by either selecting a group to work on a S/W based case:

MBA Job—Simple Conjoint Analysis

Toyota Corolla—SIMOPT

Epsilon—Voice Model

Or on a customer application on any of the other S/W packages. Tom Saaty will be available on the afternoon of February 13th to discuss with any interested team possible application of the ANP.

VI. Assessment

Your final grade in the course will be based on the following components

- Class Participation (individual) 20%
- Teaching projects (group) 20%
- 1 page write-ups (individual or small group) 20%
- Consulting Project (group) 40%

Note:

- (For group work, I will assume an equal division of labor among group members, so pick your groups carefully.)
- The 1 page assignments should ideally be done individual or in groups of 2.

VII. Class schedule at a glance

TUESDAY	THURSDAY
1. January 14 Topic: Introduction: The Consulting Challenge— <i>McKinsey Partner</i>	2. January 16 Topic: Advances in Marketing Research and Modeling
3. January 21 Topic: Approaches for Generation of Creative Options	4. January 23 Topic: Conjoint Analysis
5. January 28 Topic: MDS and Clustering	6. January 30 Topic: Applications of Conjoint Analysis and Related Approaches- <i>Howard Moskowitz</i>
7. February 4 Topic: Market Response Models and Resource Allocation— <i>Arvind Rangaswamy</i>	8. February 6 Topic: Advances in Conjoint Analysis and its Applications-- <i>Paul Green</i>
9. February 11 Topic: Data Mining- <i>Bob Stine</i>	10. February 13 Topic: AHP and ANP—Applications, <i>Tom Saaty</i>
11. February 18 Topic: Adaptive Experimentation	12. February 20 Topic: Simulations, Sensitivity Analysis, Executive Dashboard DSS...
13. February 25 Topic: Project Presentations	14. February 27 Topic: Project Presentations (cont.) and Conclusions

VIII. Initial List of Class Assignments

Session	Topic	Preparation/Readings	Assignments
1. Jan 14	1. Introduction: The Consulting Challenge— <i>McKinsey Partner</i>	<ul style="list-style-type: none"> Review the web sites of McKinsey and other Consulting firms 	
2. Jan 16	2. Advances in Marketing Research and Modeling	<ul style="list-style-type: none"> Review the marketing research and modeling 	Develop a 2 page proposal on how to determine the effectiveness of your corporate communication efforts
3. Jan 21	3. Approaches for Generation of Creative Options	<ul style="list-style-type: none"> Review the literature on creativity 	Use 3 approaches to generating creative options (other than brainstorming), illustrate the ideas you generated and comment on the value of the various approaches
4. Jan 23	4. Conjoint Analysis	<ul style="list-style-type: none"> Green, Krieger, and Wind. "30 Years of Conjoint Analysis: Reflections and Prospects." <i>Informs</i>. 2001. Wind, J. P.E. Green, D. Shifflet, and M. Scarbrough (1989), "Courtyard by Marriott: Designing a Hotel Facility with Consumer-Based Marketing Models," <i>Interfaces</i>, 19 (Jan.-Feb.), 25-47. 	Develop a conjoint analysis proposal with list of factors and levels

Session	Topic	Preparation/Readings	Assignments
5. Jan 28	5. MDS and Clustering	<ul style="list-style-type: none"> • Wind, J. "Positioning Analysis and Strategy," in the <i>Interface of Marketing and Strategy</i>, G. Day, B. Weitz and R. Wensley, eds. JAI Press, 387-411. • Wind, J. "Market Segmentation," in <i>Encyclopedia of Marketing</i>. M. Baker, ed., 394-419. • Green, P.E., "An Overview of Multidimensional Scaling and Cluster Analysis" <i>Research for Marketing Decision</i>, Prentice Hall. 	Develop a proposal for either a segmentation or positioning study
6. Jan 30	6. Applications of Conjoint Analysis and Related Approaches-Howard Moskowitz	Review the web site of Howard Moskowitz. http://www.mji-designlab.com	
7. Feb 4	7. Market Response Models and Resource Allocation—Arvind Rangaswamy		
8. Feb 6	8. Advances in Conjoint Analysis and it's Applications —Paul Green		Revise your original conjoint analysis proposal
9. Feb 11	9. Data Mining-Bob Stine		
10. Feb 13	10. AHP and ANP—Applications—Tom Saaty	<ul style="list-style-type: none"> • Wind, J. and T.L. Saaty (1980), "Marketing Applications of the Analytic Hierarchy Process," <i>Management Science</i>. • T.L. Saaty, <u>The Analytic Network Process</u>. 2nd edition. 2001. <i>RWS Publications</i>. 	Develop a simple AHP structure for a problem of your choice
11. Feb 18	11. Adaptive Experimentation		Develop a proposal for an adaptive experimentation design for a strategy of your choice
12. Feb 20	12. Simulations, Sensitivity Analysis, Executive Dashboard, DSS...		Develop a proposal for an executive dashboard
13. Feb 25	13. Project Presentations		
14. Feb 27	14. Project Presentations (cont.) and Conclusions		