

MARKETING MANAGEMENT I
MARKETING 621, Fall 2002
The Wharton School, University of Pennsylvania

COURSE DESCRIPTION, REQUIREMENTS AND ASSIGNMENTS

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INTRODUCTION

This course addresses the management challenge of *designing* and *implementing* the best combination of marketing actions to carry out a firm's strategy in its target markets. Specifically, this course seeks to develop your skills in applying the analytic perspectives, decision tools, and concepts of marketing to the following decisions:

1. segmentation and positioning (assessing market potential, analyzing customer behavior, focusing resources on specific customer populations and against specific competitors)
2. product offering (including the breadth of product line, features, quality level, and customer service)
3. pricing (capturing the value created for the customer)
4. distribution channels (the role of distributors, retailers, and other intermediaries)
5. marketing communications (developing an effective balance of advertising, sales promotion, and personal selling)

OBJECTIVES

Your basic objective is to develop your own understanding and management skills in this critical aspect of general management. Our primary objective is to stimulate and guide this process. To achieve these joint objectives the course will use lectures and case discussions to help you:

1. Appreciate the value of marketing concepts when they are used as guides for understanding management problems and developing comprehensive marketing programs;
2. Develop a disciplined approach to the analysis of marketing situations;

3. Expand your decision making skills by requiring you to make and defend marketing decisions in the context of realistic problem situations with incomplete information;
4. Make connections between marketing and other functional areas of business;
5. Understand the role of marketing in global business strategies;
6. Appreciate how the elements of successful marketing programs fit together.

COURSE MATERIALS

Kotler, Philip (2000) *A Framework for Marketing Management*, Prentice-Hall.

Hoch, Steve, Wes Hutchinson, Jagmohan Raju, and Scott Ward (2002) *Marketing Management I: Casebook*, 4th Edition, McGraw-Hill/Primus Custom Printing.

LEARNING SUPPORT

Teaching assistants will be available to review lecture and case topics throughout the term.

The Wharton webCafe will be used as a source of various class handouts and a forum for communication and discussion. The eRoom for MKTG 621 can be found via mySPIKE (myspike.wharton.upenn.edu) or webCafe (webcafe.wharton.upenn.edu).

A website (<http://apps.wharton.upenn.edu/mme>) has been created that has a number of practice quantitative problems corresponding to the concepts covered in *Marketing Math Essentials*. The problems will become available of the site as we cover them in class.

GRADING

The weighting of the inputs for the final course grade is:

Class Participation	15%
Case Write-up by groups*	35%
Final Examination	<u>50%</u>
	100%

*The first case write-up is required of all groups and will be discussed in class. A second case write-up is optional and will not be discussed in class. For teams who choose not to do the second case, the score on the first write-up will count 35%; for teams who choose to

do the second write-up the higher of the two scores will count 25% and the lower will count 10%.

COURSE SCHEDULE

Analyzing Marketing Situations (The Four C's)

1. September 4 (Wednesday): Analyzing Markets and Customers (Part I)

This class introduces the role of marketing in the firm and reviews the marketing decision process. It focuses on market segmentation and product positioning as a key conceptual tools for analyzing markets. Methods for developing segment-based marketing strategies are presented, and the value of creating a clear positioning statement is illustrated.

Reading Assignment: Chapters 1, 3 (pp. 46-52) and all of chapter 8

Suggested Reading: Chapter 7 and remainder of chapter 3

2. September 9 (Monday): Analyzing Markets and Customers (Example)

In this case we examine all the mix decisions in the introduction of a new service. We also look at the role of analysis in structuring marketing decision-making.

Case: Federal Express (A)

Questions for Discussion:

1. What analyses are needed?
2. What decisions do we have to make?

3. September 11 (Wednesday): Analyzing Markets and Customers (Part II)

This class explores more detailed approaches to market analysis, including models of customer decision making and estimating the lifetime value of a customer.

Reading Assignment: Chapter 2, pp. 26-33, all of chapters 5 and 6

Suggested Reading: Chapter 4 and remainder of chapter 2

4. September 16 (Monday): The Marketing Decision Process

This case illustrates the marketing decision process. The focus is on understanding customer needs and, more specifically, analyzing which needs can be profitably satisfied by a specific product or service.

Case: Gillette Indonesia

Preparation for Discussion:

Analyze Gillette's situation in Indonesia, identify alternative strategies for brand growth, and recommend a specific plan of action for the strategy you feel is best. Be sure your analyses and recommendations include:

1. short – and long-run growth,
2. the relative emphasis on blades, disposables, and systems,
3. the relative emphasis on distribution and sales vs. communications.

Of course, the above list is not exhaustive, and your analyses are likely to reveal other important issues that must be addressed.

Marketing Strategies and Decisions (The Four P's)

5. September 18 (Wednesday): Products and Brands

In this class, we examine product line decisions, and focus on the concept of brand equity. We review the importance of building brand equity for all types of firms and outline the risks and benefits of using that equity by introducing brand extensions.

Reading Assignment: Chapter 10

Suggested Reading: Chapters 9 and 11

6. September 23 (Monday): Developing High-Tech Products

The case and specific instructions for the Case Write-up will be distributed in a prior class. This assignment is due by 9:00 a.m. on Monday, September 23.

Case: Digital Angel (Write-up Case)

7. September 25 (Wednesday): Introduction to Pricing Issues

This class examines the many ways in which a firm can decide how to price a product. It reviews different pricing strategies and how they interact with the rest of the marketing mix.

Reading Assignment: Chapter 12

8. September 30 (Monday): Pricing Strategies

This case examines the potential introduction of a new chemical treatment along with channel and pricing decisions.

Case: Rohm and Haas (A): New Product Marketing Strategy

Questions for Discussion:

1. What factors led to the failure of Kathon MWX?
2. What alternative strategies should Joan Macey consider? What course of action do you recommend she follow?
3. How should this plan of action be implemented? Be specific about the pricing and distribution of the product.

9. October 2 (Wednesday): Distribution Strategies

This class examines how to select and manage marketing channels. It also examines how to manage multiple channels and looks at new innovative routes which connect firms and customers.

Reading Assignment: Chapter 13

Suggested Reading: Chapters 14 and 17

10. October 7 (Monday): Distribution and the Marketing Mix

This case illustrates the relationship of distribution decisions to other aspects of the marketing mix.

Case: Vistakon: 1 Day Acuvue Disposable Contact Lenses

Questions for Discussion:

1. Analyze Vistakon's situation, identify alternative strategies for the company and recommend a specific plan of action for the strategy you feel is best. Be sure your analyses and recommendations address the problems explicitly mentioned in the case, including the target segment, pricing, and the size of the marketing budget for 1 Day Acuvue.

11. October 9 (Wednesday): Marketing Communications

This class introduces the basic elements of marketing communications (advertising, sales promotion, and personal selling). Particular emphasis is placed on developing message and media strategies that are consistent with the other components in the marketing mix.

Reading Assignment: Chapters 15 and 16

12. October 14 (Monday): Course Wrap-up

The launch of the BMW Z3 is an example of a non-traditional marketing plan.

Case: Launching the BMW Z3 Roadster

Questions for Discussion:

1. What are the marketing objectives of the Z3 launch?
2. What are the communication objectives of the Z3 launch?
3. What aspects of the launch are non-traditional? What are the advantages and disadvantages of non-traditional marketing?

13. October (TBA): Review Session

14. October (TBA): Final Examination