

Marketing Management MKT430

Kevin McTigue (Section 71)

This course is intended to introduce you to the essentials of marketing: how firms and consumers behave and what strategies and methods marketers can use to successfully operate in today's dynamic environment. Specifically, the course goals are:

- To define the strategic role of marketing in the firm.
- To introduce students to the key elements of marketing analysis.
- To provide a sound conceptual and theoretical “tool kit” for analyzing marketing problems.
- To advance your understanding of the marketing process as a framework of looking at the world.

Course Organization

There are three main components of this course:

- Class sessions: Classes will involve a blend of case discussions and lectures. Students should be prepared to discuss the assigned cases in detail.
- Teamwork: A significant amount of the work for this course will be done in groups. Although this work is done entirely outside the classroom, students' contributions to these efforts are considered an integral aspect of the course.
- Individual work: In addition to preparing for class sessions (including responding to the weekly case prep questions), students will do two exercises and the final exam on an individual basis.

Groups

As noted above, teamwork is an essential component of the course. Groups will be formed during the first week of class and should be 4-6 students each. Students will work in these teams to prepare for case discussions and written assignments.

For each written assignment, one of the group members will act as the team leader. The team leader's job responsibilities include scheduling group meetings and submitting the case write up. In situations when there is a disagreement between group members (e.g., deciding on the best course of action), the team leader will make the final decision. Team leaders will change after each assignment.

To ensure equal participation on group projects, team members are requested to evaluate each other's performance using the Team Evaluation Form. This form is to be submitted anytime after the completion of the last group assignment and before the deadline for the final exam.

Assignments

Weekly

Each week students will submit individual solutions for the case(s) assigned using the online form following each case. All individual case solutions are due by 1pm the day before the class in which the case is discussed.

In addition, your group will also submit a solution using the same form and due by 11pm the day before class. The process of explaining/convincing teammates of your individual position enhances both individual learning and the quality of the class discussion.

Although not formally graded, these case assignments are an important aspect of your preparation for the in-class case discussion.

Quantitative Assignment

There is one quantitative assignment on financial aspects of marketing. Details and the submission template will be made available.

Cases Memos

There are two written case assignments: Calyx Flowers and Datril. Each team will prepare a single case write-up for each assignment. Use the case write-up template available on the website to write your analysis (1,000 words max, excluding the exhibits). The case assignment format is designed to enhance your analytical skills and your ability to communicate ideas in a clear, succinct, and persuasive manner.

All written assignments should be submitted by email as attachments following the case submission guidelines. All assignments are due by 1:00 PM the day before the class in which the case is discussed. Late cases will not be accepted. Please anticipate scheduling conflicts and submit early if necessary.

Final Exam

The final exam is a case analysis. The case will be distributed in week 9. This is a take-home assignment. The case analysis format and grading criteria are the same as for cases discussed in class. Early submissions are welcome.

Course Readings

- The course pack is required.
- Alexander Chernev, *Strategic Marketing Management*, 7th edition, Cerebellum Press, 2012 is strongly recommended and will be extensively used throughout the course.

Should you desire additional reading, I recommend Philip Kotler and Kevin Lane Keller, *Marketing Management*, 14, Prentice Hall, 2012. This book provides a comprehensive discussion of marketing concepts, frameworks and terminology illustrated by brief real-world case studies. It is an excellent reference book as is Alice M. Tybout and Bobby J. Calder, *Kellogg on Marketing*, Second Edition, John Wiley & Sons, 2010.

However, these two texts are not the explicit focus of our class discussion or your assignments and, therefore, are *not* required for the course.

Grading

Each student's overall course grade will be based upon the following:

- Class contribution (individual) 20%
- Quantitative assignment (group) 5%
- Case Memo 1 (group) 20%
- Case Memo 2 (group) 20%
- Final exam (individual) 35%

Case memos are graded on a 10 pt scale as follows:

- 9-10: **Excellent:** A coherent strategy is presented in a persuasive and compelling manner. Case information and sound logic are used not only to support the strategy, but also to explain why it is superior to alternative courses of action.
- 7-8: **Good:** A coherent strategy is presented and strong arguments in favor of the strategy are given
- 5-6: **Adequate:** Recommendations reflect a grasp of some key issues and some support is provided
- 3-4: **Weak:** Some sound observations about the case situation, but recommendations are not supported
- 1-2: **Unsatisfactory:** Set time to meet with me

Class participation grading is based on completion of the Qualtrics surveys in advance of each class meeting, attendance (you can't participate if you're not there), the quality of the contributions that you make to class discussion (*quality not quantity*...be sure you give others a chance to participate too), and on feedback on your participation in group assignments from your team.

Please feel free to ask any questions in or outside of class to maximize your understanding of the material. You will not be evaluated on questions that you ask to clarify lecture or course material. If you have a question, chances are that the same question is on the minds of some of your classmates as well. Thus, you are doing the class a favor by asking it.

Final grades usually range from A to C. The grading is "on the curve" and, in accordance with guidelines set by the dean's office for core courses, the total number of A's in any given section will not exceed 40%. Keep in mind that your grade is not always a perfect indicator of your potential marketing skills; it simply reflects your performance on the set of specific tasks outlined above.

Attendance Policy

- Students taking this course for a credit must attend the first class.
- It is strongly recommended that students attend every class session.

- Missing more than two class sessions is strongly discouraged and may lead to a grade adjustment. If you know your work schedule will require you to miss multiple classes during the term, it is recommended that you not enroll in the class this quarter.
- Students are required to e-mail me at k-mctigue@kellogg.northwestern.edu each time they miss a class noting the reason why and how many classes they have previously missed. This must be sent before the class session. In case of emergencies, the absence form can be submitted after the student has missed a class but no later than two days after the class.

Honor Code

In addition to Kellogg's Honor Code, the following rules apply to this class:

- Written cases are to be prepared by group members only. The cases are not to be discussed with out-of-group members. In addition using case-related information other than what is provided in your course pack or on the website is not permitted.
- The final exam should be done individually.
- Solutions to cases and assignments should never be discussed with students outside class.

Classroom Etiquette

- To provide an optimal learning experience, students are asked to refrain from eating and/or using laptops/electronics during class sessions unless they have previous permission from me.
- Students are expected to remain in the classroom for the duration of the class. If you must leave early due to unavoidable circumstances, please inform the instructor before class.

Class Schedule

Class 1 – Overview & Marketing as Value Creation – September 22

Overview

This class introduces the concept of marketing as an integrative discipline and discusses the role of strategic marketing analysis in developing a business strategy and solving business problems. In addition we begin the course with an understanding of goals and goal setting. This session will also cover various organizational and course management issues, such as providing students with a clear understanding of the structure of this course, assignments, evaluation, and feedback mechanisms.

Assignments

Website: Read the course overview:

Relevant Readings: Course overview; Chapters 1, 2

Class 2 – Market Analysis – September 29

Overview

Weeks 2-5 focus on marketing strategy. The focus of this module is on leveraging frameworks for a comprehensive analysis of market forces and understanding the differences in the consumer and business buying process. The discussion is focused on the Iridium case which illustrates the

importance of strategic and tactical planning for optimizing customer, company and collaborator value.

Case: Iridium Satellite Phone - When the Pioneer Fails

Key discussion question (our focus for class discussion):

- Why did Iridium fail?

Analysis questions (helpful questions to think about as you analyze the case):

- What were the key aspects of Iridium's strategy and tactics?
- Define the Iridium's value proposition to its customers, collaborators, and stakeholders.
- Who were Iridium's competitors? Did they succeed or fail? Why?

Assignments

Iridium: Prepare for case discussion | [Submit your solution \(individual + group\) online](#)

Relevant Readings: Chapter 5, 6, 7

Class 3 – Managing Value - October 6

Overview

The discussion focuses on managing value in consumer markets and translating company assets into consumer benefits. The Renova Case highlights the core issue of differentiation and the importance of a unique value proposition.

Case: Renova

Key discussion question:

- If you were the CEO of Renova, what would you do?

Analysis questions:

- What is the key problem facing Renova?
- If Renova lowers its price, by how much it should increase its sales volume to avoid decline in profits?
- What are the pros and cons of launching private labels?

Assignments

Renova case: Prepare for a case discussion | [Submit your solution \(individual + group\) online](#)

Quantitative assignment: [Assignment details](#) | [Answer Template](#) | Submit your solution (group) to me via e-mail: kevin-mctigue@kellogg.northwestern.edu

Relevant Readings: Chapters 3, 4, Chapter 22 (Quant assignment);

Class 4 – Segmentation & Targeting – October 13

Overview

The focus of this module is on understanding the methodology and importance of customer segmentation and the development of target markets. The Hubspot case helps to illustrate the importance of understanding consumer segments.

Case: Hubspot

Key discussion question:

- Who should Hubspot target?

Analysis questions:

- What is the right pricing model?
- Should Hubspot add outbound marketing to their mix?

Assignments

Hubspot: Prepare for a brief case discussion | [Submit your solution \(individual + group\) online](#)

Note: No outside case-related resources should be used for case analysis; you must rely only on the information provided in the case.

Relevant Readings: Chapters 3, 4

Class 5 – Value Proposition & Positioning – October 20

Overview

This module focuses on the issues of designing a customer value proposition and developing a positioning strategy. The Calyx Flowers case examines the role of the segmentation and targeting in creating value.

Case: Calyx Flowers - Managing Profitable Growth

Key discussion question:

- Identify the key problem for Calyx Flowers and propose a course of action. Your solution can be one of the solutions discussed in the case or you can propose an alternative solution.

Analysis questions:

- Which attributes are important to people when they buy flowers?
- Is the flower market homogeneous or are there different customer segments? If yes, what are these segments? How do they vary in their motivation for buying flowers?
- To which segment can Calyx Flowers deliver superior value relative to the competition?
- How should Calyx Flowers reach its target customers?

Assignments

Calyx Flowers: Identify the key problem for Calyx Flowers and propose a course of action. Your solution can be one of the solutions discussed in the case or you can propose an alternative solution. The chapter on identifying target customers could be helpful in analyzing the case | Helpful hint: First identify and solve the problem facing the company and then use the template to outline your solution (rather than trying to find the solution by filling out the template) |

Submit your group case solution (use the Calyx case analysis template to write up the case) to me via e-mail: kevin-mctigue@kellogg.northwestern.edu

Please submit your memo as an attachment labeled as follows:[section number]_[group name]_[case]. For example: 71_MarketingMavericks_Calyx. Please enter your section number and group name in the Subject line of the email.

[Submit your individual solution \(in addition to the group case\) using the standard Qualtrics tool](#)

Relevant Readings: Chapters 4, 20

Class 6 – Distribution & Collaborator Value – October 27

Overview

Week 6 begins our transition to examination of marketing tactics. This module focuses on creating collaborator value and strategic use of distribution options. The Soren Chemicals case illustrates the value and decisions that must be made in channel development.

Case: Soren Chemicals

Key discussion question:

- Which option should Soren Chemicals do?

Analysis questions:

- What are the key benefits of Coracle?
- How should Soren Chemicals price Coracle?
- How should Soren Chemicals distribute Coracle?

Assignments

Relevant Readings: Chapters 6, 13

Soren Chemicals: Prepare for case discussion | [Submit your solution \(individual+ group\) online](#)

Class 7 – Products & Service Marketing – November 3

Overview

This module addresses the key issues in marketing products vs. services. The Datril case illustrates the link between strategic and tactical decisions in creating customer, company, and collaborator value. The DryClean Express case is used to illustrate the concept of customer equity and the relationship between customer and company value.

Case: Datril - Pioneering the Acetaminophen Market

Key discussion question:

- What strategy would you recommend for Datril?

Analysis questions:

- What is Datril's positioning strategy? Is this strategy viable? Why?
- How would Datril's strategy affect the market and what reactions should be expected from competitors?

Case: DryClean Express - Managing Dissatisfied Customers

Key discussion question:

- If you were the owner of the dry cleaning service depicted in the case, would you have

reimbursed the customer for the missing suit?

Analysis questions:

- What is this customer's value to the dry cleaning store?
- Should the dry cleaning store have offered the customer free dry cleaning vouchers in lieu of reimbursement?
- What should DryClean Express do to avoid similar incidents?

Assignments

Datril: Propose a strategy to launch Datril. Your solution may or may not be consistent with Datril's proposed solution. If your solution is different from the one proposed by Datril managers, your analysis should discuss the advantages of your solution.

Submit your group case solution ([use the Datril case analysis template to write up the case](#)) via e-mail at kevin-mctigue@kellogg.northwestern.edu by 11pm Monday

[Submit your individual Datril solution \(in addition to the group solution by 11am Monday\) via qualtrics](#)

[Submit your individual and group solutions to DryClean Express](#)

Relevant Readings: Chapters 8, 9, 14, 18

Class 8 – Pricing & Incentives – November 10

Overview

This class examines the value and role of brands and two related tactics - pricing and incentives. The Polyphonic Case will be used to understand pricing as it relates to customer perceived value.

Case: Polyphonic HMI

Key discussion question:

-If you were Mike McCready, the CEO of Polyphonic HMI, which target market (unsigned artists, producers, or record companies) would you pursue at this point? Why? What is your approach (strategy and tactics) to serve this target market? Why?

Analysis questions:

- What are the potential benefits and drawbacks of Hit Song Science for each player in the industry? Who stands to gain or lose most from this technology? How does this impact your plan?
 - How does Hit Song Science affect the expected revenues from albums and songs? (Table A could be helpful here)
- Polyphonic Case will be used to understand pricing as it relates to customer perceived value.

Assignments

Polyphonic: Prepare for a case discussion | [Submit your solution \(individual + group\) online](#)

Relevant Readings: Chapters 10, 11

Class 9 – Communications – November 17

Overview

This module examines managing communications, focusing on communications strategy, channel evaluation, and creative evaluation. The discussion is supplemented by the Unilever Brazil case. This case presents a scenario in which the market leader is considering launching a new offering to reach a large segment of low-income customers.

Case: Unilever Brazil: Reaching Low-Income Consumers

Key discussion question:

- Should Unilever enter the low-income consumer market? If yes, how should it position its offering and what marketing mix should it use?

Analysis questions:

- Identify Unilever's motivation to enter the low-income consumer market. What goal(s) was Unilever trying to achieve?

- Analyze the low-income market and identify the underlying needs Unilever should target with its offering.

- Propose a positioning strategy for Unilever's new product

- Propose a marketing mix for Unilever's offering (product formulation, brand, price, incentives, communication, and distribution) that will enable Unilever to achieve its goal(s)

Assignments

Unilever Brazil: Prepare for a case discussion | [Submit your solution \(individual + group\)](#)

Relevant Readings: Chapter 12 (Lecture); Chapters 14, 15, 18 (Case)

Class 10 – Innovation – December 1 (No class on 11/17)

Overview

This module offers a discussion on innovation in practice focusing on how new products are developed. .

Case: TiVo

Key discussion question:

To be posted

Assignments

To be posted

Relevant Readings: Chapter 15, 17, 18

Final Due by 12/8

The final exam is a take-home case analysis that will be distributed before or during week 9. The case analysis format and grading criteria are the same as for cases discussed in class. See the syllabus for the due date of the exam. Early submissions are welcome.