

**Kellogg School of Management  
Northwestern University**

Mktg 451 Sec. 61 –Marketing Channel Strategies

Professor Rick Wilson  
Fall Quarter, 2010

**Instructor Information**

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Hours: M/R 10:00am – 12:00pm ... and by appointment

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**Nature and Purpose of the Course**

For the purpose of this course, a marketing channel is viewed as an inter-organizational system involved with the task of making goods, services, and concepts available to end-users by enhancing their time, place, possession and total experience utilities. Focus is on how organizations can effectively and efficiently architect and orchestrate differentiated customer experience systems that transmit things of value from points of production to points of consumption. The goal of this course is to develop a strategic framework that is enduring and can be applied to both the initial customer experience system design and its ongoing management.

In this course, marketing channels are analyzed broadly as social, economic, and political systems. Strong emphasis is placed on understanding and dissecting the behavioral dimensions of channel relations - the roles of channel members, their use of power, the conflicts that arise among them, their communication networks, the challenges of innovating and adapting to changing market forces. The course takes a corporate strategy perspective, not a detailed functional or operational view of retailing and wholesaling.

With senior executives increasingly stressing that channels are crucial and critical aspects of their firms' long-term competitive viability, the orientation of the course is on constructing and administering the relationships among the various firms linked together in a distribution system. As distribution increasingly involves complex, global systems, the overall subject matter and reading material is designed to be relevant in any geographic market.

**Text and References for Assignments**

1. Anne T. Coughlan , Erin Anderson, Louis W. Stern, Adel I. El-Ansary, *Marketing Channels*, 7<sup>th</sup> edition, (Englewood Cliffs, NJ: Prentice-Hall, Inc. 2006)
2. The packet of case materials available at Norris Bookstore.
3. Additional reference material and assignment information on the course Blackboard site

## **Contacting Me**

I will routinely use Blackboard and email to communicate with you about various course-related issues; **please use e-mail** as the primary way to get in touch with me, ask me questions about course notes and concepts, and run assignment clarifications by me. I check e-mail regularly. I am also available to meet with you by appointment outside office hours.

My e-mail address is: [r-wilson3@kellogg.northwestern.edu](mailto:r-wilson3@kellogg.northwestern.edu)

## **Honor Code Issues**

In this course, individuals may discuss individual written case assignments. They may share information, discuss analyses, compare observations, and otherwise engage in understanding the cases more completely. However, when the time comes for each of you to write up your individual case memos, you should do so based upon your own independent final analysis. **Each individual's case memos should reflect their own unique point of view, irrespective of the amount of collaboration with others prior to the development of the final output.**

It would, however, be an honor code violation if any individual were to seek out case analyses done by previous or other classes at Kellogg or elsewhere. Case teaching notes prepared by case writers or others are also off-limits.

## **Evaluation of Students' Work**

Course concepts are illustrated primarily in cases and most weeks we will discuss a case that address issues related to channel design, conflict, coordination, and management. The cases are complemented with readings that further elaborate on key concepts and our case discussion may conclude with a short lecture. You will have significant opportunities to apply the frameworks in this course through case memo write-ups and class discussion.

Your grade in this class will depend on four areas: a completed channel audit, two written case memos, your participation in class, and a group channel strategy exercise. Unless otherwise indicated, all assignments are required and must be turned in before the start of the class for which they are due. Assignments and their weights are as follows:

| <b>Grade Component</b>   | <b>Weight</b> |
|--------------------------|---------------|
| 1. Retail Audit Exercise | 10%           |
| 2. Two Case Memos        | 20%           |
| 3. Class Participation   | 40%           |
| 4. Group Project         | 30%           |

### **Grade Component 1: Retail Audit Exercise**

The entire retail audit exercise is an individual assignment – you are to work on it alone and hand in individual analysis templates and summary slide. This assignment is required and is worth 10% of your course grade. The exercise itself is provided on the course Blackboard site, and in

the Casepak for the course; we will discuss in the first week what service outputs are. The exercise itself requires you to visit two retail outlets and evaluate their performance against desired service outputs.

### **Grade Component 2: Case Memos**

Every student is required to write a case memo for **two** of learning cases we will discuss in class. The specific cases for which you will be required to submit a case memo will be assigned on the first day of class. Your case memos are collectively worth 20% of your grade.

The questions you are expected to answer in your memo for each case are included in the Casepak and posted on the course Blackboard site. For each of your assigned case memos, you should write a 3 page maximum narrative memorandum (single-spaced, no bullets or outline formats, 12 point font, maximum 1.25" margin) summarizing your detailed insights and recommendations. **All case memos are individual assignments.** Each case memo should be direct, concise, and clearly supported by your own individual strategic analyses and conclusions.

**A pdf of each completed case memo should be sent to me via email before the beginning of the class in which we will discuss the case. No late memos will be allowed.**

### **Grade Component 3: Class Participation and Class Discussion**

Contribution to class discussion will be central to the educational experience of this course, and frequent cold calling will be used to stimulate an active learning environment. To a substantial extent, the benefit that you will derive from the course is related to your willingness to expose your own viewpoints or conclusions to the critical judgment of the class and to your active participation by building upon or evaluating critically the judgment of your classmates. It is very important that you come prepared to air your views in class.

Students in past sessions have found the case discussions one of the most valuable parts of this course. In general, you should view preparing the cases as an opportunity to practice using the analytical tools we are developing in class. **40% of your grade depends on class participation, regardless of whether you have been assigned to prepare the case for a written memo.** In a typical case session, I will open with a few remarks and then ask for your opinions on the case. I will typically cold call a student to start each case discussion, therefore it is critical that you are prepared to address the case questions with your analyses and recommendations.

You also may find it necessary to constructively challenge other students' opinions and case analyses. The benefit that you will derive from this course will depend upon the extent to which you expose your own viewpoints or conclusions to the critical judgment of the class. You should view class participation both as an opportunity to ask questions to enhance your understanding, as well as an opportunity to demonstrate your critical analysis of the material. *It is not an opportunity to listen to yourself speak.*

### **Grade Component 4. Group Project**

During the second week of class, you will be assigned to a group for purposes of collaborating on the Group Channel Strategy assignment which is due by noon on Sunday, 28 November 2010.

Additional detail on the Group Strategy Assignment will be handed out in class and posted on the course blackboard site. The group Channel Strategy assignment and exercise will account for 30% of your grade

### **Peer Evaluations**

Individual grades in the course will be affected by the evaluations each student receives from other members of their Group Channel Strategy team. Group members will evaluate one another in terms of: 1) attitude, 2) originality and initiative, and 3) dependability.

I will collect interim (midpoint) peer evaluations about week seven of the course to check on your teams and ensure you are working together productively. The interim peer evaluations will not impact your grades, but will be used by you as opportunities to surface and discuss any concerns or issues in your group.

### **First Week Assignments**

While the complete curriculum schedule for the course will be handed out in the first class session, below are the assignments for the first week we meet in September:

| Class | Date      | Subject                           | Assignments                                                                                              |
|-------|-----------|-----------------------------------|----------------------------------------------------------------------------------------------------------|
| 1     | 20 - Sept | Course Introduction and Framework | Read: Marketing Channels, Chapter 1<br>Read: <i>Customer Experience Systems</i> (Technical Note; pp 1-8) |
| 2     | 23 - Sept | Demand Side Analysis              | Read: Marketing Channels, Chapters 2<br>Read: Channel Audit Assignment                                   |

### **Class Attendance and Behavior**

**Attendance is required in the first class session.** Regular class attendance is expected, and attendance is required on days that an outside speaker is presenting. You are only allowed one missed class with no impact on your grade, and you must email me in advance of class to indicate you will not be in attendance.

You may bring coffee, tea, or other liquid refreshments into the classroom, but eating meals in the classroom is not allowed. Please do not leave the classroom in the middle of class for a few minutes and then return; this also is disruptive. However, I understand that you may on occasion need to leave class early or arrive to class late (e.g., because of an interview). If this is the case, please let me know in advance, and sit on the end of an aisle to avoid bothering the other students when you leave. Finally, I expect you to treat me, and your fellow students, professionally and with respect at all times.

### **Laptop usage**

Laptop usage in class is handled just as it would be if you were attending a senior executive review with your company's Board of Directors – it is not permitted (nor appropriate given your active participation in discussions). Likewise, the use of Blackberries or other PDAs, cell phones, or other electronic devices is not allowed.