



## **Marketing Strategy**

Marketing 466, Sections 61 and 62  
Fall, 2013

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### Course Description

This course is focused on helping you become a strategic marketer so that you can create, gain support for and execute marketing plans that build strong businesses.

There are three main course objectives. By the end of the quarter, you should be able to:

- Think strategically about marketing
- Use key frameworks to analyze situations and make decisions
- Understand how to create a strong marketing plan

The course builds on the material covered in Marketing 430 and other marketing classes; it reinforces that material and introduces new concepts.

Marketing Strategy is certainly valuable for people who are going into marketing. It is also useful for people who are going into finance, strategy, operations and other functions. The course takes a broad view; every function is involved in building a strong business that succeeds in the market.

The course has five modules:

Module A: Fundamentals. This section covers marketing strategy basics, including the role of marketing strategy, customer advantage, differentiation, and positioning. It also includes a class on how to create an effective marketing plan.

Module B: New business strategy. In this section, the focus is on new business creation. We look at strategies for entering established categories and strategies for entering emerging categories.

Module C: Established business strategy. This section focuses on strategies to build established businesses, including margin enhancement strategies, core business growth strategies and new product strategies.

Module D: Portfolio strategy. Building a strong brand portfolio is important; this section looks at why portfolios matter, common pitfalls and keys to success.

Module E: Defensive strategy. In this module, we look at defensive marketing. We review why defense is important and how to develop strong defense plans.

The class includes cases, readings, and a computer simulation exercise, Markstrat.

Marketing Strategy is a challenging course. In particular, the simulation exercise requires a substantial time commitment. However, the class is a valuable learning experience; the material will help you analyze and understand businesses, develop and gain support for marketing plans and ultimately deliver strong business results.

### Instruction

The class will be taught by Professors Tim Calkins and Julie Hennessy. Professor Hennessy will be teaching two sessions over the course of the semester.

### Course Requirements

#### *Teams*

Most of the assignments are completed in teams. We will form teams in the third class session. Most teams will have four people. There will be a few teams of five. Teams of three and six are possible, too, but we need to have 15 teams in total, so I might need to split or combine teams. Please be flexible!

As part of the evaluation process, each person will recommend a grade for every team member at the end of the quarter. These grades play an important role in the determination of final grades. Weak team feedback can and generally will reduce a student's final grade.

#### *Case Analysis - Team (15% of the course grade)*

Each team will submit one case analysis. Most teams will do a paper on the Marlboro case. Two teams will do a presentation on Marlboro instead of the Marlboro paper.

Two other teams will do a presentation on the Steinway case instead of a paper or presentation on the Marlboro case.

#### *Markstrat - Team (50% of the course grade)*

Each team will manage a company in the Markstrat simulation. The team's task is to set objectives, develop a plan to achieve the objectives and implement the plan with appropriate tactical decisions.

Teams will create three marketing plans during the semester. The first two are written plans. The third is a presentation. I will randomly select five teams to present the final plan in class. The other teams will turn in slides. These teams can sign-up to present the update outside of class if they wish to do so.

The first written plan counts for 10%, the second plan counts for 15% and the Markstrat presentation counts for 20%. Actual Markstrat results count for 5% of the class grade.

### *Class Participation - Individual (15% of the course grade)*

Class participation is critical to the success of the course since the quality of the discussion is largely in your hands.

Please plan to attend all classes and to arrive ready for the case or discussion. Do not arrive late. In addition, please plan to stay for the entire class. I will do my best to start and end on time. In week 2 I will send around a seating chart.

Preparation is important! You should do three things to prepare for each class: read the assigned articles, analyze and think about the cases and follow the class blog

Keyboards and smart phones are not allowed in class. Surfing seems to be an inevitable and unfortunate result and it is distracting for everyone. I allow tablet computers but only for referencing documents and taking notes with a stylus. I do not allow keyboards.

### *Final Exam - Individual (20% of class grade)*

The course will conclude with a sixty-minute, multiple choice final exam. It is open book.

### Course Administration

I am on campus most days and I am happy to meet to discuss the course, Markstrat, careers and life; just call or send an email to set up some time. I am also available before and after class.

I will be using Blackboard to post announcements, class notes and other materials. Please check Blackboard regularly for updates.

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The attached schedule shows the latest class plan, with topics, assignments and readings. I will likely adjust the schedule during the semester due to pacing and guests. I will always post the latest schedule on Blackboard.

### Honor Code

The honor code applies to this course and to the Markstrat simulation.

### Required Course Materials

## MARKSTRAT

Every student will need to purchase a license for the Markstrat simulation; you can't participate in the simulation without one. I'll post details on how to do this.

Calkins, *Breakthrough Marketing Plans* (2<sup>nd</sup> Edition, Palgrave Macmillan, 2012)

This book is a short and practical guide to creating a strong marketing plan. It includes theory, frameworks and best practices.

## Case packet

The case packet contains most of the cases we will be discussing during the course. I may post one or two cases on Blackboard.

## Articles

Most of the articles for the course are in the case pack. I will post some on the class Blackboard site; this keeps the cost of the case packet down. You can find the optional articles by searching the web.

## Blog

I post on the class blog at least once a week, usually building off topics we discuss in class. Please check the blog periodically and comment with your observations.

The address [www.strongbrands.wordpress.com](http://www.strongbrands.wordpress.com)

## Optional Course Materials

*Marketing Strategy* by Orville C. Walker, Jr. and John W. Mullins (8<sup>th</sup> Edition)

This book reinforces the concepts we discuss in class; it provides an in-depth discussion of the topics. The book is a good resource for students who like using a text to reinforce the concepts. Most students don't buy it.

## Reading List

I will post a reading list on Blackboard for people who want to read more about marketing and marketing strategy.

# Kellogg School of Management

## Marketing Strategy Marketing 466

Sections 61 and 62  
Fall, 2013  
Updated 7/5/2013

<u>Session</u>	<u>Topics</u>	<u>Assignments for this Class</u>
1: 9/23	Introduction to Marketing Strategy Course Overview Marketing for Customer Advantage	Read: Syllabus Read: Why Have Marketing Read: The Law of Perception Optional Article: What is Strategy
2: 9/26	Poland Spring Case	Prepare: Poland Spring Case
3: 9/30	Introduction to Markstrat	Read: Introduction to Markstrat Complete: Register for Markstrat Finalize teams
4: 10/3	Breakthrough Marketing Plans	
<i>Markstrat Decision 1 due 10/6, 11:00 PM</i>		
5: 10/7	New Business Strategy	Read: Eager Sellers and Stony Buyers Optional: <i>Marketing Strategy</i> , Ch. 10 Optional Article: Blue Ocean Strategy
6: 10/10	Guest Speaker	
<i>Markstrat Decision 2 due 10/13, 11:00 PM</i> <i>Markstrat Update 1 due 10/13, 11:00 PM</i>		
7: 10/14*	EMI Case (JH)	Prepare: EMI Case Read: <i>Breakthrough Marketing Plans</i> Chapters 1 – 5
<i>Attend Team Meetings: 10/15, 10/16 and 10/17</i>		
8: 10/17	Established Business Strategy - 1	Read: The Image and the Brand
<i>Markstrat Decision 3 due 10/20, 11:00 PM</i>		



# **Kellogg School of Management Marketing Strategy**

## **Markstrat Assignments**

### **Markstrat Management Update 1**

Write a marketing plan for your company, not to exceed 4 pages including exhibits. The plan should be clear, focused and convincing.

The plan should include: -Goals/Objectives: Your goals for the 7 periods, including profit  
-Strategic Initiatives  
-Tactics: Specific actions to progress the initiatives

### **Markstrat Management Update 2**

Write a business update reviewing your progress to date and plans going forward, not to exceed 5 pages including exhibits. The update should be clear, focused and convincing.

Updates should:        -Review your initial marketing plan  
                              -Present results  
                              -Highlight drivers of the results  
                              -Lay out your plan going forward

### **Markstrat Management Update 3**

Create a presentation reviewing your progress to date and plans going forward. I will randomly select five teams to present in class. Other teams will just submit slides. Teams can present the update outside of class if they would like to.

Presentations should be 10 minutes in length, with additional time for questions.

Presentations should: -Link back to your earlier plans  
                              -Present results  
                              -Highlight drivers of the results  
                              -Lay out your plan going forward

# **Kellogg School of Management Marketing Strategy**

## **Case Questions**

Please consider these questions when reading the cases. For all the case assignments, just use the information provided; do not do external research.

### **Poland Spring Case: Discussion Questions**

What should Mike Schott focus on first? Why?

### **EMI Case: Discussion Questions**

Why does John Powell feel good?  
Why should he worry?

### **Marlboro Case: Assignment**

Answer this question: Was the Marlboro strategy rolled out by PM a good idea? Why or why not?

Submit a paper presenting your point of view and providing clear, compelling support. Be as convincing as possible. Think through the issue from different angles to thoroughly address the question. The paper should be no more than five pages including exhibits. Two teams will do a presentation instead of writing a paper.

### **Leclerc Case: Discussion Questions**

How is Leclerc doing?  
What is the future outlook?

### **Tartans in Thailand Case: Discussion Questions**

How is the market for whisky different in Thailand as compared to other countries?  
How does this impact both consumer decision making and the competitive structure?  
Why has Pernod recently lost share?  
How have our own actions over past three years contributed to this?  
What should Pernod do to regain momentum in this important market?

### **Pedigree Case: Discussion Questions**

Is dog food a good category to be in?  
What should Julie Smith recommend? Why?



### **A.1. Case: Discussion Questions**

What is the financial risk to A.1.? Quantify this figure.

Should A.1. defend? Why or why not?

If so, what precisely should the A.1. team do?

### **Steinway Case: Discussion Questions**

Is Steinway a good brand?

Should the new owners invest in the Boston by Steinway brand? Why or why not?

# Kellogg School of Management Marketing Strategy

## Group Evaluation Form

Please list below each member of your group. For each person, assign a grade (A, B, C, D or F) that reflects their overall contribution to the group's output. Please consider the quality and quantity of their work. Responses are confidential and can have a substantial impact on final class grades. Please provide comments!

Your name:

Your team (industry and color):

<u>Team Member</u>	<u>Grade</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Comments: