

Iowa State University  
College of Business  
Spring 2017

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**MKT501**

**Marketing**

Time: MW 7:30 – 10:50am & 5:50 – 9:10pm

Location: Gerdin 2117 & 400 Locust St, Suite 160, DSM

Course Web Page: Blackboard

**Prof. Sekar Raju**

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**Overview and Objectives**

Marketing is the business function that is charged with generating profits by providing value to customers and recapturing some of that value for the firm. Marketing managers must identify and measure customers' needs and wants, select the most appropriate customer targets, and then develop marketing programs that satisfy the customers' needs.

The objective of the course, therefore, is to develop a way of thinking through realistic business situations to answer the following questions – *which* customers should be served, *what* is the optimal product bundle for these customers, and *how* the two are to be brought together. Mastering the discipline of marketing in a single term is impossible, therefore the specific goals of this first course in marketing are:

1. To provide a solid foundation for strategic marketing thinking, and to introduce a series of frameworks and tools that may be used to solve marketing problems.
2. To familiarize you with the functional decision areas of the marketing manager (product strategy, branding, pricing, advertising and promotion, and distribution), and to enhance your problem solving and decision making abilities in these operational areas of marketing.
3. To provide you with a forum (both written and oral) for presenting and defending your own recommendations, and for critically examining and discussing the recommendations of others.

This class is not about the memorization of marketing facts or techniques, although these will be presented and discussed. Rather it is focused on systematic critical thinking and the reasoned application of several general, underlying principles and strong quantitative and conceptual analysis. These skills are developed through the lecture, assignments, and the case method. The pedagogical style emphasizes your role in applying the concepts discussed in the lectures to the business situations at hand (i.e., the cases). The role of the instructor is to provide you with tools to structure your thinking and stimulate and facilitate your analysis of the cases.

**Instruction Material**

**Readings:** The readings are available as a coursepack [[Link: http://cb.hbsp.harvard.edu/cbmp/access/61015398](http://cb.hbsp.harvard.edu/cbmp/access/61015398)]. Other readings are from Harvard Business Review (HBR), MIT Sloan Management Review, or freely accessible online. Access HBR articles through the university library link [<http://instr.iastate.libguides.com/mba>].

**Text:** Marketing by Dhruv Grewal and Michael Levy (5<sup>th</sup> ed.) or Principles of Marketing by Kotler and Armstrong (16ed.), or Marketing by Kerin and Hartley (12<sup>th</sup> ed.), or any other Principles of Marketing textbook. You do not need the newest edition. One edition prior will work just as well.

### Preparation

The tentative class schedule lists the topics and assignments for each class. Lectures are designed to complement but not duplicate the readings, I expect you to have completed the readings and come prepared to discuss them in class.

### Evaluation

Your score in the course will be determined as follows:

Method	Points	Remarks
Group case write-up	200	4 cases (50 points each)
Individual Reading assignment	100	5 assignments (20 points each)
Exam	100	
Class participation	100	
<b>TOTAL</b>	<b>500</b>	

Final grades are based on the following schedule (numbers refer to percentages).

A	≥ 92.0	B+	87.0 - 89.9	C+	77.0 - 79.9	D+	67.0 - 69.9	F	≤ 59.9
A-	90.0 - 91.9	B	84.0 - 86.9	C	74.0 - 76.9	D	64.0 - 66.9		
		B-	80.0 - 83.9	C-	70.0 - 73.9	D-	60.0 - 63.9		

Please approach me immediately with any concerns about your class performance. Do not wait until there is little that can be done to remedy your concerns.

### Assignments

**All assignments are due at the beginning of class.**

*Individual Readings Assignment:* There are **five** individual assignments. This assignment is required only on those days when there is **NO** case listed. If multiple readings are listed for the class, select any **one** article from the required reading's list for this assignment. The maximum page length is two pages, single-spaced.

In your write-up focus on what you learnt and how it developed/changed your views on the topic. The readings are designed to help you think creatively about marketing issues and stimulate class discussion. There are no wrong answers to the assignments, and so long as students have demonstrated reasonable thought and attention to the assignment, they will receive full credit.

*Group case write-up:* There are **four** cases. Cases are marked as such in the "Readings" column of the tentative syllabus. Case analysis is a team assignment. The write-up should identify the most critical

issue(s) in the case and recommend a plan of action to deal with these issues. Use the posted questions to help you focus your answers.

All team members are expected to read the case and be prepared to discuss it. The best way to maximize learning from each case is to test your ideas and analyses with your peers and the instructor. In so doing, you will build up the practice (and confidence) you will need to analyze a new marketing situation and to make well-justified recommendations to management.

### **Exam:**

There is one exam at the end of the course. The exam will be designed to assess both theoretical understanding and application of concepts derived from the readings, lectures and assignments from class. If you are unable to take the exam, you must notify me well in advance or you will be given no credit for the exam.

### **Class Participation:**

Attendance and participation are required to maximize both individual and team learning. Participation implies both contributing insights and responding to the insights of others. Please use your tent card with your name until I am familiar with you.

For group activity, each team member will be asked to provide feedback on the value of the team member's effort toward the team assignments and discussions. Feedback from your colleagues will be used to determine part of this grade.

### **General Policies**

*Re-grading Policy:* Errors in grading do happen from time to time (e.g., an appendix gets overlooked). The re-grading policy is designed to rectify these errors. The requests must be submitted in writing (email is sufficient) with a detailed explanation of why you think the request is legitimate. Requests should be submitted within **seven** days of receipt of the grade. The full paper in question will be re-considered, so the grade may go up or down. Therefore, please consider your re-grading requests carefully before submitting them.

*Late work:* The important deadlines for the course are included in the class schedule and on the assignments themselves. The due-dates are strict since most assignments will be discussed in class. No late assignments will be accepted. Please ensure that you meet the deadlines. Submit things early if you anticipate a problem close to the deadline.

**Classroom Etiquette:** *Computer and smartphone policy:* Any use of the internet is not allowed in class, unless you are given special dispensation by the instructor, because it is disruptive to discussion and concentration. Your phone should be in your bag or in your pocket, not on your desk. If you are expecting an important phone-call during class, please notify the instructor at the beginning of the appropriate class session.

Laptops and various tablets should only be used to take notes or to view assigned readings. Exceptions from this policy can be made for medical reasons. Everyone's attention should be focused on the discussion.

Professional etiquette is expected. Your conduct is expected to demonstrate respect for and garner respect from your colleagues. Enthusiastic discussion is welcome... intolerant and belittling commentary is not. Be ready to engage in classroom activities on-time and with adequate preparation. Cell phones should be silenced and distracting materials put away.

**Academic Dishonesty:**

The class will follow Iowa State University's policy on academic dishonesty and follow the College of Business Masters of Business Administration academic dishonesty honor code. Anyone suspected of academic dishonesty will be reported to the Dean of Students Office. Anyone engaging in academic dishonesty will fail the course.

<http://www.dso.iastate.edu/ja/academic/misconduct.html>

**Student Disability Resources:**

Iowa State University complies with the Americans with Disabilities Act and Section 504 of the Rehabilitation Act. If you have a disability and anticipate needing accommodations in this course, please contact me to set up a meeting within the first two weeks of the semester or as soon as you become aware of your need. Before meeting with me, you will need to obtain a SAAR form with recommendations for accommodations from the Disability Resources Office, located in Room 1076 on the main floor of the Student Services Building. Their telephone number is 515-294-7220 or email [disabilityresources@iastate.edu](mailto:disabilityresources@iastate.edu). Retroactive requests for accommodations will not be honored.

**Harassment and Discrimination:**

Iowa State University strives to maintain our campus as a place of work and study for faculty, staff, and students that is free of all forms of prohibited discrimination and harassment based upon race, ethnicity, sex (including sexual assault), pregnancy, color, religion, national origin, physical or mental disability, age, marital status, sexual orientation, gender identity, genetic information, or status as a U.S. veteran. Any student who has concerns about such behavior should contact me, Student Assistance at 515-294-1020 or email [dso-sas@iastate.edu](mailto:dso-sas@iastate.edu), and the Office of Equal Opportunity and Compliance at 515-294-7612.

**Religious Accommodation:**

If an academic requirement conflicts with your religious practices and/or observances, you may request reasonable accommodations. Your request must be in writing, and your instructor or supervisor will review the request. You may also seek assistance from the Dean of Students Office or the Office of Equal Opportunity and Compliance.

**University Contact Information:**

If you are experiencing, or have experienced, a problem with academic dishonesty, disability accommodations (having followed the prescribed procedure), harassment and discrimination, and/or religious accommodation, email [academicissues@iastate.edu](mailto:academicissues@iastate.edu).

**Tentative Class Schedule** (*Readings in Italics are Optional*)

Date	Topic	Readings
Feb 20	Introduction to Marketing	<ul style="list-style-type: none"> <li>• What Business Are You In?: Classic Advice from Theodore Levitt (<b>HBR, Oct 2006</b>)</li> <li>• Competing on Resources (<b>HBR, Jul-Aug 2008</b>)</li> <li>• Note on Low-Tech Marketing Math<sup>#</sup></li> <li>• <i>Learning by Case Method</i><sup>#</sup></li> <li>• <i>How to Avoid Getting Lost in the Numbers</i><sup>#</sup></li> </ul>
Feb 22	Consumer Behavior and Decision Making	<ul style="list-style-type: none"> <li>• Analyzing Consumer Perceptions<sup>#</sup></li> <li>• Customer-Centric Pricing: The Surprising Secret for Profitability (<b>Business Horizons 2005</b>)<sup>@</sup></li> </ul>
Feb 27	Segmentation and Targeting Customer Profitability and Lifetime Value*	<ul style="list-style-type: none"> <li>• Rediscovering Market Segmentation (<b>HBR, Feb 2006</b>)</li> <li>• Target the Right Market (<b>HBR, Oct 2012</b>)</li> <li>• <b>Market Heterogeneity: Malcom Gladwell's Spaghetti Sauce video (TED Talks: 17 minutes)</b></li> </ul>
Mar 1	Branding and positioning	<ul style="list-style-type: none"> <li>• <b>Case: EILEEN FISHER: Repositioning the Brand</b><sup>#</sup></li> <li>• A Better Way to Map Brand Strategy (<b>HBR, Jun 2015</b>)</li> </ul>
Mar 6	Competitive Strategies	<ul style="list-style-type: none"> <li>• Five Competitive Forces that Shape Marketing Strategy (<b>HBR, Jan 2008</b>)</li> </ul>
Mar 8	Buffer class	
13 – 17	Spring Break	
Mar 20	Product Decisions	<ul style="list-style-type: none"> <li>• <b>Exercise: An Exercise in Designing a Travel Coffee Mug</b><sup>#</sup></li> <li>• Extend Profits, Not product lines (<b>HBR, Sep-Oct 1994</b>)</li> <li>• <i>Note on Innovation Diffusion: Rogers' 5 factors</i><sup>#</sup></li> </ul>
Mar 22	Pricing	<ul style="list-style-type: none"> <li>• <b>Case: Curled Metal Incorporated</b><sup>#</sup></li> <li>• What Is a Free Customer Worth? (<b>HBR, Nov 2008</b>)</li> <li>• <i>Pricing: A Value Based Approach</i><sup>#</sup></li> </ul>
Mar 27	Marketing Channels	<ul style="list-style-type: none"> <li>• <b>Case: Natureview Farms</b><sup>#</sup></li> <li>• The Customer has Escaped (<b>HBR, Nov 2003</b>)</li> </ul>
Mar 29	Integrated Marketing Communications	<ul style="list-style-type: none"> <li>• Getting the Most out of Advertising (<b>HBR, May-Jun 1990</b>)</li> <li>• Three Faces of Consumer Promotions (<b>Berkeley Haas, Summer 2004</b>)<sup>@</sup></li> </ul>
Apr 3	Digital Marketing Review	<ul style="list-style-type: none"> <li>• <b>Case: Maersk Line: B2B Social Media</b><sup>#</sup></li> <li>• Finding Sustainable Profitability in Electronic Commerce (<b>MIT Sloan Management Review, Summer 2000</b>)<sup>@</sup></li> </ul>
Apr 5	Exam 2	

**KEY:**

\* Topic may be covered on March 8<sup>th</sup> (depending on time)

# Available in the coursepack

**HBR** Available for download from University library (use [link](#) on CoB webpage to access online version of HBR)

@ Available for free download (search using Google)

## Assignments Due Dates

Date	Assignment
Feb 20	Individual Readings summary
Feb 22	Individual Readings summary
Feb 27	Individual Readings summary
Mar 1	<b>Group case write-up</b>
Mar 6	Individual Readings summary
Mar 8	No assignment
Mar 20	<b>In-class exercise:</b> An Exercise in Designing a Travel Coffee Mug
Mar 22	<b>Group case write-up</b>
Mar 27	<b>Group case write-up</b>
Mar 29	Individual Readings summary
Apr 3	<b>Group case write-up</b>

## APPENDIX

### GUIDELINES FOR CASE PREPARATION AND ANALYSIS

When you begin to prepare a case, start by making a quick run-through of the text. This reading sets the tone by giving you an idea of the case. Once you have done this, re-read the case in detail (pay special attention to the exhibits this time). Stop at the parts that seem important to you, make notes and internalize the vocabulary of the case. The third reading of the case is the most important one. When you read the case this time, use the case guidelines to list the major problems/issues. Proceed to the detailed analyses (both qualitative and quantitative) and formulate your recommendations. Finally, check the sensitivity of your recommendations to your assumptions and develop the specific action plan.

As in real life, the case may not provide you enough data. However, you need to develop a logical, self-consistent plan based on the available data and information. Resist the temptation to obtain outside information and 'work backwards' to your recommendations. No credit will be given for analyses based on outside information. Also, do not use papers or notes from previous or concurrent marketing classes to aid you in your analysis. You will be doing your fellow classmates a great disservice.

Common pitfalls to avoid

- Report leaves reader guessing at used terminology, especially in appendices (e.g., basis for calculations, labels on graph axes). Use labels, definitions, cross-references, footnotes etc. to ensure

that the reader is “with you”. In the end, the team member least familiar with the computations should be able to follow your calculations easily without the need to ask any further clarifying questions.

- Make assumptions, but do not engage in wishful thinking. What's the difference? Assumptions help you solve the problem, wishful thinking makes the problem disappear.
- Whenever the case gives you a choice between two courses of action A and B, give an argument for A is better than B. A list of good things about A or B is not an argument. Do not use the analysis to push a specific course of action (e.g., by not noting the sensitivity of your recommendation to certain assumptions). Provide a balanced analysis and persuade the reader that your recommendation makes logical sense.
- Report is an exercise in restating case facts. Use case facts only to support your analysis and decisions in a convincing manner. It is fair to assume that your audience has read the case and is familiar with all the historical facts about the company.
- Problem/issue is not clearly defined. This report usually presents case facts and then jumps straight to analyses without outlining the critical issue. Problem diagnosis is probably the most important part of the process.
- Recommendation does not follow from analysis (the most common shortcoming). This may happen when the recommendation is made but there is no indication of the specific business issue it deals with. For example, “After much deliberation, we decided to target the affluent segment” is a decision but not an argument. It prescribes a course of action but doesn’t tell you why it should be followed.
- Recommendation is generic and does not specify action plan. Contrast the generic “we recommend that the firm analyze its competitive position and develop new products that are not easily captured by competitors” with the specific “we recommend that the firm target the higher education market, focusing exclusively on texts written by leading professors at top ranked universities with whom the firm has long-term contracts and on-going relationships”.
- Analysis dwells on minor case issues. Let the case guide you in the selection of issues (e.g., if there is very little information/data on an issue in the case, it isn’t worthwhile spending effort on it). Do not get lost in the numbers (review the reading from week 1).
- Report brings in information and/or data from the outside world i.e., beyond what is present in the case and beyond what is common knowledge (e.g., it is common knowledge that light bulbs use electricity. It is not common knowledge that the overall luminous intensity of a 40W tungsten incandescent light bulb is 1.9 percent). The case method is designed to provide you a situation that you analyze only on the basis on the provided facts. Therefore, avoid the temptation to bring in extra-case knowledge and stay with the case facts (especially if you are an expert in the domain the case is set in, e.g., in light bulbs