# University of Missouri Kansas City MKT 480: MARKETING STRATEGY

Spring 2011

**Instructor:** Becky Johnston

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#### **Class Schedule:**

Tuesday & Thursday 2:00p.m. - 3:15p.m.

Room: Bloch 014

### **Course Description and Objectives**

Good marketing strategy is performance-based and the primary goal is to drive profitable growth through products and services that delivers superior customer value. This course builds on the basic concepts, theories and practices introduced in previous marketing courses, but the focus will go beyond marketing tactics for a single product or service offering. Instead, we will examine the strategic-level management of a firm's marketing resources and capabilities in order to maximize long-run customer value and to generate the greatest financial return for the firm.

There are three main course objectives:

- Understand how to apply marketing concepts, theories and practices to complex business situations.
- Learn how to think strategically about marketing.
- Understand how to create a strong marketing plan.

#### **Course Materials**

- 1. <u>Strategic Market management</u>, *David A. Aaker*, 9<sup>th</sup> edition
- 2. Markstrat On-line Site License and Student Handbook; order student handbook by going to the following website: http://estore.stratxsimulations.com/americas/. Students have a choice of purchasing either an electronic version (\$50) of the handbook (PDF) or a hardcopy (\$55).
- 3. Along with the assigned readings, you are encouraged to regularly read (watch, listen to) strategy-related items in the Wall Street Journal, NY Times, on National Public Radio, newsclips from MSNBC, CNBC, other publications (on-line and/or print), etc.,.

#### **Class Format**

A combination of case analysis, assignments/marketing strategy discussion, marketing simulation and guest speakers will be used to achieve the objectives of this course. The primary focus for the first half of the class will be on the development of skill in applying marketing concepts, theories and practices. The second half will focus on marketing simulation exercises.

- 1. Class discussions will develop your knowledge and skill in the application of advanced frameworks, concepts and methods for making strategic choices at the business unit level. You will be able to apply these marketing skills in the case study and simulation project. The marketing environment is rapidly changing. Through regular reading/viewing of news clips, you will begin to develop an awareness of the dynamic marketing environment and gain an appreciation for the importance of continuous learning.
- 2. Case analysis will be used to develop our critical thinking skills in order to solve key marketing strategy problems
- 3. Markstrat simulation tool will be used to apply your skill at marketing strategy design and evaluate outcomes.

#### **Method of Evaluation**

1. Class Attendance and Participation (5%)

**Class attendance** is required and attendance will be taken at each class. If you miss a class, you are responsible for obtaining information regarding any class issues discussed that day and for making arrangements to get any handouts distributed on the day you miss.

"What's hot in marketing?" for most sessions, the first few minutes of class will be a discussion of recent marketing-related news stories. The instructor will normally bring a recent article to class, and students are also encouraged to bring news, magazine articles of interest, video clips, etc.,. Students can also use the Blackboard WIKI tool to start an on-line discussion by calling attention to a book, article or news clip that pertains to the class and briefly summarize why you think others may benefit from reading it.

**Participation in Class Discussion**: This is an upper level course, and students are expected to do their part by being prepared and contributing to both group and class meetings.

2. Individual Assignments (20%)

There are 3 assignments, each designed to reinforce key concepts covered during the course: i) segmentation, ii) industry analysis, and iii) a case study that involves a comprehensive external and internal analysis.

These are individual assignments and should be handed in at the beginning of the session for which the assignment is due.

- 3. Exam (30%)
- 4. MARKSTRAT performance and presentation (45%)
  - Marketing Plan (20%)
  - MarkStrat Performance(10%)
  - Team Presentation (15 %)

A major component of the course is the MARKSTRAT management simulation exercise. This exercise provides the opportunity to learn by engaging in realistic strategic decision making in a dynamic competitive context. In contrast to conceptual discussions, MARKSTRAT forces you to consider the tactical decisions needed to implement higher level marketing strategies. And unlike case analyses, MARKSTRAT allows you to see the results of those actions and gives you a chance to follow up initial decisions with new actions.

Teams will be comprised of 3 - 5 students and will be formed (by me) with an attempt to balance areas of concentration among teams (e.g., Marketing, Finance, Entrepreneur, International Business, etc.,). Approximately 25% of your grade on this project will be determined by how well you perform relative to the other firms in your industry and across industry. Performance will be evaluated using firm net contribution, cumulative net contribution and share price index.

Team evaluations are optional (please see attached form).

## **Summary of Possible Points:**

Class Participation	5%	25 points	Segmentation	5%	25points
Individual Assignments (3)	20%	100 points	Industry Structure Analysis	5%	25 points
			Case: Energy Bar	10%	50 point
Exam	30%	150 points			
Simulation Project	45%	225 points <	Marketing Plan	20%	100 points
TOTAL	100%	500 points	Markstrat Performance	10%	50 points
			Final Presentation	15%	75 points

## **Course Grading Scale:**

$$90 - 100\% = A$$
  
 $80 - 89\% = B$   
 $70 - 79\% = C$   
 $60 - 69\% = D$   
Below  $60\% = F$ 

## ACADEMIC HONESTY

A student enrolling in any UMKC course is expected to exhibit high standards of academic honesty. In the case of academic misconduct, I will assess the affected work and report the incident to Bloch School administration according to the guidelines printed in the University catalog. See student conduct policies at: <a href="http://www.umkc.edu/umkc/catalog/html/append/policy/0020.html">http://www.umkc.edu/umkc/catalog/html/append/policy/0020.html</a>

# **TENTATIVE SCHEDULE**

Pundamentals of Strategy and the Role of Marketing Introduction to the MarkStrat Project  Reading: Chapter 1 of Strategic Market Management  External Analysis and Environmental Factors  Reading: Chapter 2 (p21–25) and Chapter 5 of Strategic Market Management  2. January 18 <sup>th</sup> Segmentation and Customer Analysis  Reading: Chapter 2 (p26-38)  Assign Segmentation Analysis (Due January 20 <sup>th</sup> ).  January 20 <sup>th</sup> Segmentation and Customer Analysis continued.  Segmentation assignment due.  3. January 25 <sup>th</sup> Competitor and Industry Analysis  Porter's 5 Factor Analysis  Reading: Chapter 3 of Strategic Market Management  Assign Industry Analysis (Due February 1 <sup>st</sup> )  January 27 <sup>th</sup> Market / Submarket Analysis	
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January 27 <sup>th</sup> Market / Submarket Analysis	
Reading: Chapter 4 of <u>Strategic Market Management</u>	
4. February 1 <sup>st</sup> Internal Analysis	
Reading: Chapter 6 of Strategic Market Management	
Industry analysis due	
February 3 <sup>rd</sup> Review External and Internal Analysis	
Assign Case Study Write-up: Energy Bar (Due February 10 <sup>th</sup> )	
5. February 8 <sup>th</sup> Creating Marketing Strategy	
The basic elements of a strategy statement	
Sustainable competitive advantage	
Strategic commitment, opportunism, and adaptability	
Reading: Chapter 7 of <u>Strategic Market Management</u>	
February 10 <sup>th</sup> Product and Pricing Strategy – New Product	$\dashv$
Product oriented vs. value marketing strategy	1
Alternative value propositions	ļ

		Sustaining value
		Product strategy dimensions
		<ul><li>Pricing strategy</li></ul>
	th	Reading: Chapter 8 of Strategic Market Management
6.	February 15 <sup>th</sup>	Promotional Strategy
		Building and managing brand equity
		Promotional expenditure strategy
		Promotional mix strategy
		Advertising objectives
		Reading: Chapter 9 of Strategic Market Management
	February 17 <sup>th</sup>	Channel Christian
	rebluary 17	Channel Strategy
		Six Cs of Channel Strategy
		Factors affecting Choice of Channel     Dimensions of Channel Channel
		Dimensions of Channel Strategy
7.	February 22 <sup>nd</sup>	Growth Strategies
		Driving growth among existing customers
		Repositioning with pricing vs. advertising vs. R&D
		Managing Perceptions / Perceptual Mapping
		The state of the s
		Reading: Chapter 10, 11 and 12 of Strategic Market Management
	February 24 <sup>th</sup>	Growth Strategies
		Expanding into Foreign Markets
		Standardization vs. customization
		Reading: 13 of <u>Strategic Market Management</u>
8.	March 1 <sup>st</sup>	Balancing the Brand Portfolio
		BCG matrix
		Harvest and Divestment
		Reading: 14 of Strategic Market Management
	March 3 <sup>rd</sup>	EXAM REVIEW
9.	March 8 <sup>th</sup>	EXAM
	March 10 <sup>th</sup>	Marketing Plays a Key Role in Leading Change
		Why Do Good Companies Go Bad?
		The Marketing Plan is a Tool that Drives Action
		MarkStrat Overview
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10	March 15 <sup>th</sup>	No Class
	March 17 <sup>th</sup>	Introduction to Markstrat
		Reading: chapters 1 through 4 in Markstrat Participant's Handbook
11.	March 22 <sup>nd</sup>	Introduction to Markstrat continued.
		Understanding your annual report and making decisions
		Work with teams on Marketing Plan

	May 5 <sup>th</sup>	FINAL PRESENTATIONS 10:30 a.m. to 12:30 p.m.
	April 28 <sup>th</sup>	Final Class: Expectations for Final Presentation
16.	April 26 <sup>th</sup>	Decision Round 7
	April 21 <sup>st</sup>	Decision Round 6
15.	April 19 <sup>th</sup>	Decision Round 5
	April 14 <sup>th</sup>	Decision Round 4
14.	April 12 <sup>th</sup>	Decision Round 3
		Decision Round 2
		Reading: Chapters 7 in Markstrat Participant's Handbook
		***Marketing Plan Due
	April 7 <sup>th</sup>	Markstrat: Repositioning through R&D
		Decision Round 1
13.	April 5 <sup>th</sup>	Markstrat Worksession
	March 31 <sup>st</sup>	Spring Break – no class
12.	March 29 <sup>th</sup>	Spring Break – no class
		Practice Round
		Work with teams on Marketing Plan
	March 24 <sup>th</sup>	Markstrat Worksession
		Reading: Chapters 5 and 6 in Markstrat Participant's Handbook
		Practice Round

As the schedule permits, guest speakers from organizations that are involved in International Marketing will be introduced. Time and schedule considerations may prompt other modifications of this syllabus (deletion of assignments/topics, modification of examination dates, etc.). Although I will explain any changes, it is the student's responsibility to keep up with any modifications that are made throughout the semester.