Introduction to Marketing Management
MGT 505 (Evans Hall 2410)

Instructor: Jiwoong Shin
Fall 2016

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TA: Jungju Yu (Jungju.yu@yale.edu)
TA Hours: TBA

<table>
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<tr>
<th>Class Meeting Times</th>
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<tr>
<td>8:30 AM – 9:50 AM</td>
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<th>Office Hours*</th>
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* Office Hours are also available by appointment. I am always available via email.

Overview of the Course

This course provides a comprehensive introduction to contemporary marketing practices, with a focus on turning technologies into market value. Upon completion of this course, you will be able to:

- Understand key marketing concepts and their real-world implementations
- Apply state-of-the-art frameworks towards analyzing marketing problems
- Develop and present a concrete marketing plan

This course explores both marketing theory and practice. The lecture sessions introduce you to established concepts, techniques, and frameworks to approach marketing problems. The case study sessions — which cover a range of products from home video game systems, fashion accessories, traditional retailers, to sports services — illustrate how these marketing concepts, techniques, and frameworks can be applied in real world situations.

Course concepts are illustrated primarily through lectures and for each topic we discuss one or two cases. The cases are complemented with readings that further elaborate on key concepts. You will have a chance to illustrate your ability to apply the framework in this course through case discussion, case write-ups, and mid-term, final exams.
We start with “marketing strategies,” where the 5 C’s of marketing (Consumers, Company, Competitors, Collaborators, and Context) jointly determine the selection of target market and positioning strategies. We then proceed with “marketing tactics,” where a firm chooses the 4 P’s of marketing (Product, Place, Promotion, and Price) to implement its marketing strategies.

Course Materials


- **Reading list**: The course draws upon a reading list that contains cases and background articles. Please see pages 6-7 of this syllabus for the full list. These materials will be posted in Class V2. You are required to read the assigned cases before class and be prepared to discuss the cases critically.

- **Slides**: Slides for the lecture sessions will be available in Class V2 before class. Please print and review these slides before coming to the lecture. Slides for the case sessions will be posted after class.

Grading

Final grades will be based on the following components:

1. Class participation (individual) 10%
2. Case write-ups (team) 20%
3. Midterm exam (individual) 25%
4. Team project (team) 20%
5. Final exam (individual) 25%

The expectations for each component are explained as follows:

1. **Class participation** (10%)  
   Your class participation grade is based on attendance and input. Simply, your absences will cost you attendance points, unless you encounter extenuating circumstances such as serious illness.

   Your input to class discussion will be evaluated by the TA and myself based on both quantity and quality. You should view class participation as an opportunity to both ask questions to enhance your understanding of the material and suggest examples that demonstrate such understanding.
In order to help me get to know you and give you credit for your comments, please always bring your nameplate to class. This is your opportunity for branding—you want me, the TA, and your classmates to associate your insights with you, the brand.

2. **Case write-ups** (20%)
   We will study six cases during the semester. In addition to discussing the cases in class, each team must submit at least **four** write-ups from the following six cases. Each case write-up contributes to 5% of your final grade.

   Each team can choose which case write-ups to hand in, but each team must hand in two reports before Spring Break and two after the break.

<table>
<thead>
<tr>
<th>Choose 2 of these cases:</th>
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<tbody>
<tr>
<td>Nintendo (Session 4)</td>
<td>Eileen Fisher (Session 15)</td>
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<tr>
<td>Black &amp; Decker (Session 10)</td>
<td>Costco (Session 17)</td>
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<tr>
<td>Gucci (Session 12)</td>
<td>Springfield Nor’easters (Session 23)</td>
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   A case write-up is due at the beginning of the class when that case is to be discussed. You will benefit from team preparation by gaining practice defending your ideas verbally and seeing the approaches employed by other team members. All team members should contribute to the case write-up, which is expected to be original material.

   As part of the case write-up, you may be asked to provide recommendations on a course of action. Note that there is rarely a "right" answer in any case—the course of action often depends on assumptions not explicitly present in the case facts. However, the process by which you arrive at a recommendation and the principles you draw on are extremely important.

   Please refer to the “tips” section for guidelines on how to form teams and structure case write-ups.

3. **Midterm exam** (25%)
   An 80-minute midterm exam will be given in class on Wed, Mar 9. The exam covers all lectures and case discussions up to Monday Mar 7. The types of questions may include multiple choice, quantitative problems, and short answers.

4. **Final project** (20%)
   Throughout the course, we will discuss the key elements of marketing plans, and understand several tactics used in practice. Each group is encouraged to find and document an interesting or somewhat counter-intuitive marketing phenomenon which we often observe in our everyday life ("a stylized fact"—empirical findings that are so consistent across a wide range of situations, markets and time periods).
The project involves two steps. First, each team needs to document and explain the phenomenon: discussion should focus on the facts about what industries, and under what conditions we are more likely to observe this. Second, each team apply marketing framework and tactics developed in class and provide an explanation why this is happening. The explanation can be based on either psychological mechanism or economical mechanism.

The project will be evaluated (1) how interesting (or surprising) the phenomenon is, and (2) how plausible or convincing your explanation is.

The deliverables:

a. Project presentation: a 10 minute presentation at the end of the semester that shares your stylized fact with the class (10%).

b. Final paper (completed): a maximum 5-page document due before class on Monday, May 2 (10%).

4. Final exam (25%) 
An 80-minute final exam will be given in class on Wednesday, May 4. The exam covers all lectures and case discussions during the semester.

Tips

1. Forming teams
You should form teams to prepare for the cases and to complete the marketing plan exercise. The target size is 3-4. Teams of more than five people are not allowed, and teams of fewer than three people are strongly discouraged.

Please submit to your TA a roster of your team members by the end of the second class. Please designate a contact person and provide a phone number for that person. If you are a free agent or a team of only two members, submit your name or roster anyway, and we will help you grow a team by random matching.

2. Case write-ups
Use the case questions I give you as a guide. Here are some tips for preparing your case write-ups:
   - Use headings to highlight which questions you are answering.
   - Structure your answers using sub-headings, when necessary, to make it clear that you have used an analytical approach to reach your answers. Random lists of issues without structure leave us guessing as to which issue you consider most critical to the case analysis.
- Do not omit the obvious points. In fact, it helps to start with the most obvious points and work further from there.

I am more interested in the quality of your analysis than any specific set of conclusions. Make sure that you give both the pros and the cons of each alternative and remember there is no right answer for this. Describe the theory and process by which you arrived at your conclusions. Review the lecture slides before writing your analysis. The theory presented in the lectures can serve as a useful guide.

3. **Getting Help from the Professor and the TA**

You may have various questions about the course or marketing in general. I will try to stay after class to answer any questions. You can also email me and/or your TA and set up office appointments. In addition, I encourage you to get to know your TA as soon as possible. I have requested your TA to meet with each team as you prepare for one of the early case discussions, and when you start working on the final project. The TA will arrange a time and place that is mutually convenient. Overall, your TA is an excellent source of buzz on how you might optimize your course experience. Please feel free to discuss your questions, concerns, and suggestions with him/her.
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<tr>
<th>Class</th>
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<th>Topic</th>
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<tr>
<td>1</td>
<td>Mon</td>
<td>8/31</td>
<td>Introduction</td>
<td>Class syllabus</td>
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| 2     | Fri  | 9/2   | Framework of Marketing                         | Dolan, “Note on Marketing Strategy”  
Hammond, “Learning by the Case Method”  
Kotler and Keller, Chapter 2 |
| 3     | Wed  | 9/7   | Resource-Based View (RBV) of Marketing Strategy - Foundation | Collis and Montgomery, “Resources and Rents,” Chapter 2, pp25-47                                 |
| 4     | Mon  | 9/12  | RBV of Marketing Strategy – Application: Creating vs capturing values  
**Case:** Nintendo and Sega | “Power Play – Nintendo (A) and Sega (B),”  
HBS Cases |
| 5     | Wed  | 9/14  | Marketing research                             | Hauser (MIT Sloan note), “Note on the Voice of the Customer”  
Kotler and Keller, Chapter 4 |
| 6     | Mon  | 9/19  | Customer Relationship Management (CRM)          | Shin and Sudhir, “Should you Punish or Reward Current Customers”  
Kotler and Keller, Chapter 5 |
| 7     | Wed  | 9/21  | Customer Behavior Decision Analysis            | Guest Lecture: Vineet Kumar, Assistant Professor of Marketing, Yale SOM  
Customer Interview Exercise  
Kotler and Keller, Chapter 6 |
| 8     | Mon  | 9/26  | Market Structure and Competitor Analysis        | Levitt, “What Business Are you In?”  
Kotler and Keller, Chapter 2 (pp47-51),  
Chapter 10 (pp 279-294) |
Kotler and Keller Chapter 8 |
| 10    | Mon  | 10/3  | **Case:** Black & Decker Corporation           | “The Black & Decker Corporation (A): Power Tools Division,” HBS Case |
| 11    | Wed  | 10/5  | Company (Branding)                              | Keinan and Avery, “Understanding Brands”  
Kotler and Keller, Chapter 9 |
| 12    | Mon  | 10/10 | **Case:** Gucci                                | “Gucci Group N. V.” HBS Cases |
| 13    | Wed  | 10/12 | **Midterm Exam**                               |                                                                                                   |

**SOM Global Network Week / Fall Recession (10/17, 10/19)**
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<td>14</td>
<td>Mon</td>
<td>10/24</td>
<td>Product Policy</td>
<td>Kotler and Keller, Chapter 12</td>
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<td>16</td>
<td>Mon</td>
<td>10/31</td>
<td>Rejuvenating PLC Case: Eileen Fisher</td>
<td>“Eileen Fisher: Repositioning the Brand,” HBS Cases</td>
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<td>17</td>
<td>Wed</td>
<td>11/2</td>
<td>Marketing Channels Strategy</td>
<td>Bell, Gallino and Moreno, “How to win in an omnichannel world” Kotler and Keller, Chapter 15</td>
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<td>18</td>
<td>Mon</td>
<td>11/7</td>
<td>Marketing Channels: Retailing Case: Costco</td>
<td>“Costco Companies, Inc” (HBS Case)</td>
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<tr>
<td>19</td>
<td>Wed</td>
<td>11/9</td>
<td>Promotion I (Communication and Advertising)</td>
<td>Kotler and Keller, Chapter 18</td>
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<tr>
<td>20</td>
<td>Mon</td>
<td>11/14</td>
<td>Promotion II (Social Media and Advertising)</td>
<td>Gupta, Armstrong, and Clayton, “Social Media” Kotler and Keller, Chapter 19</td>
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*Thanksgiving break (11/21, 11/23)*

| 22 | Mon   | 11/28| Pricing Strategy II (Psychology)           | Anderson and Simester, “Mind Your Pricing Cues” Kotler and Keller, Chapter 14 |
| 23 | Wed   | 11/30| Case: Springfield Nor’easters              | “The Springfield Nor’easters: Maximizing Revenues in the Minor Leagues,” HBS case |
| 24 | Mon   | 12/5 | Project Presentation I                     |                                           |
| 25 | Wed   | 12/7 | Project Presentation II                    |                                           |
| 26 | Mon   | 12/9 | **Final Exam**                             |                                           |
DETAILED CLASS SCHEDULE

I. Foundation: A Strategic Marketing Framework

1. Lecture: Introduction to Marketing Management
   • Course syllabus

2. Lecture: Framework of Marketing
   • Kotler and Keller, Chapter 2

3. Lecture: Resource-Based View (RBV) of Marketing Strategy - Foundation

4. Case Discussion for RBV of marketing strategy – application (Value creating vs. value capturing)
   “Power Play – Nintendo (A) and Sega (B),” HBS Cases (9-795-102, 103)
   • Nintendo successfully recreated the home video game business following the Atari-era boom and bust. How did it do so? What was the key difference between the Nintendo and Atari strategies?
   • How was Nintendo able to capture value from the home video game business?
   • Evaluate NEC’s and Sega’s strategies for challenging Nintendo in the video game business.

5. Lecture: Marketing research
   • Kotler and Keller, Chapter 4.

II. Marketing Decision -- Marketing Strategy: Analysis of 5C’s and STP

6. Lecture: Customer Relationship Management (CRM)
   • Shin and Sudhir (2015), “Should you Punish or Reward Current Customers” Sloan Management Review
   • Kotler and Keller, Chapter 5
7. Lecture: Customer Behavior Decision Analysis (What do customers want?)
   • **Guest Lecture**: Vineet Kumar, Assistant Professor of Marketing, Yale SOM
   • Assignment: Customer Interview Exercise
   • Kotler and Keller, Chapter 6

8. Lecture: Market Structure and Competitor Analysis
   • Levitt (2006), “What Business Are You In?” HBR article (R0610J)
   • Kotler and Keller, Chapter 2 (pp47-51)
   • Kotler and Keller, Chapter 10 (pp 279-294)

9. Lecture: Segmentation, Targeting, and Positioning (STP)
   • Kotler and Keller Chapter 8

10. **Case** Discussion for STP - application
    “*The Black & Decker Corporation (A)*,” HBS Cases (9-595-057)
    • Why are Black and Decker doing poorly in the tradesman segment?
    • What do the tradesmen want?
    • Do Black and Decker have a resource that could help them?

11. Lecture: Company (Branding)
    • "Understanding Brands," Anat Keinan and Jill Avery (2008), HBR article (9-509-041).
    • Kotler and Keller, Chapter 9

12. **Case** Discussion for brand management – application
    “*Gucci Group N. V. (A)*,” HBS Cases (9-701-037)
    • How has Gucci’s positioning changed: where was it in 1990? 1994? And 2000??
    • What were the key elements of Gucci’s positioning strategy in 2000?
    • What are the synergies in this industry?
    • Does it make sense to become a multi-brand company? Evaluate the YSL acquisition

13. **In class Mid-term Exam**  Wed (10/12) 8:30am – 9:50am
III. Marketing Decision -- Making Tactics: 4Ps

14. Lecture: Product Policy
   • Kotler and Keller, Chapter 12

15. Lecture: Product Development Strategy over PLC and Product Diffusion
   • “Note on Life Cycle Diffusion Models,” (Hauser, MIT Sloan note)
   • Kotler and Keller, Chapter 12

16. Case Discussion:
   “Eileen Fisher: Repositioning the Brand,” HBS Case (9-512-085)
   • How healthy is Eileen Fisher (EF) brand at the time of the case? Is brand equity increasing, decreasing, or holding steady over time?
   • Should EF reposition its brand to target the new segments? What are the pros and cons of repositioning the brand to appeal to each target?
     (1) Should EF change its existing brand to appeal to new target segment?
     (2) Should EF launch a sub-brand?
     (3) Should EF retrench and continue to exclusively target the established women?
   • Has EF stayed true to its brand or has it strayed too far?

17. Lecture: Marketing Channels Strategy
   • “How to Win in an Omnichannel World,” Bell, Gallino and Moreno(2014), Sloan Management Review
   • Kotler and Keller, Chapter 15

18. Case Discussion:
   “Costco Companies, Inc,” HBS Case (9-599-041)
   • Why do people shop at Costco?
   • How does Costco make money?
   • How would you market the new services?
   • Is the selling of services in this way a good idea?

19. Lecture: Promotion I (Communication and Advertising)
20. Lecture: Promotion II (Social Media and Advertising)
   - "Social Media," Sunil Gupta, Kristen Armstrong and Zachary Clayton (2011), HBR Article (9-510-095)
   - Kotler and Keller, Chapter 18

21. Lecture: Pricing Strategy I (Economics)
   - Kotler and Keller, Chapter 14

22. Lecture: Pricing Strategy II (Psychology)
   - "Mind Your Pricing Cues," Eric Anderson and Duncan Simester (2003), HBR article.
   - Kotler and Keller, Chapter 14

23. Case Discussion
   "The Springfield Nor’easters: Maximizing Revenues in the Minor Leagues," HBS Case (2510)
   - What are the major decision problems for the firm, and what are the objectives of marketing research?
   - What do you consider to be the key findings of the research survey? What considerations should the Nor’easters take into account in establishing a price policy?
   - Design a ticket pricing plan for the Nor’easter’s first season. Be very specific, and be prepared to explain the assumptions. How should ticket pricing vary by package type?
   - Using the price plan you have designed and given Buckingham’s assumptions about concession sales (i.e., 39% profit margin on page 4), will the team reach breakeven in the first year? If not, what options does Buckingham have to reach his target?

24. Project Presentation I
25. Project Presentation II
26. In-class Final Exam