This syllabus is a good description of the general content and assignments for New Product Marketing and Design in Spring 2005.

New York University
Stern School of Business

Marketing Concepts and Strategies
Spring 2005
M, W 1:30 – 2:50
Office Hours: TBA
and by appointment

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Introduction

A marketing orientation drives strategic decision-making in most companies today. The business press is constantly discussing the efforts of companies to get close to their customers or to meet their needs better than the competition. Indeed, it is impossible to understand the current and potential financial success of companies today without a thorough understanding of their target markets, customer relationships, product development skills, and competitive advantages and disadvantages.

Marketing is all about creating and capturing value. By providing superior value to customers, companies enhance their own value. Without customers, who provide revenue and profit by buying a firm’s products and services (these include “products” of non-profit organizations), firms have no value. They eventually go out of business and the rest of business strategy is pointless. The marketing concept is so pervasive in companies that a marketing orientation extends well beyond the marketing department. Marketing has become everyone’s job. This course will enable you to apply marketing tools and concepts, whether you work in the marketing department or not.

Course Material on Stern Web Site

A course web site is available through Blackboard, http://sternclasses.nyu.edu. This site contains the course syllabus. Other important course material like PowerPoint presentations and handouts will be posted during the semester.

Objectives

1. To understand the role of marketing in companies. This role includes vastly more than advertising and sales. Marketing is about understanding your customers, competitors, and your company's strengths and weaknesses and then using this knowledge to develop a competitive advantage in the market.

2. To learn how to integrate the customer into every aspect of business planning. The core competence of marketing in any organization is its understanding of the customer.

3. To learn how companies develop relationships with customers that provide lifetime value, both to the company and its customers.

4. To learn and apply concepts and tools appropriate for marketing analysis.
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5. To develop specific recommendations and actions plans for companies facing difficult marketing decisions.

Readings


Case Packet: Available at the NYU Professional Bookstore.

Outside Readings: During the semester, we will discuss relevant articles from the *Wall Street Journal*, *New York Times*, and *BusinessWeek*. These articles will relate current events to the concepts taught in class.

Course Grade

Your course grade is based on the following components:

- Written case analyses: New Beetle 15%
  TiVo in 2002 15%
  Mary Kay 20%
- Final Exam 30%
- Class Participation 20%

Policy for reconsidering grades. If you believe that a mistake was made in grading your assignment, please give me a written explanation along with the original assignment. Since your grade reflects an overall judgment about the quality of your assignment, I will re-evaluate the entire assignment rather than just re-consider one aspect of it.

Course Content

The course uses a combination of:
1. Lectures
2. Cases
3. Final exam
4. Class discussion.

1. Lectures
Lectures will introduce new tools, frameworks, and concepts that are important for conducting a thorough marketing analysis. These lectures will be interactive, so be prepared to ask and answer questions.

2. Cases
Cases are descriptions of real-world business situations that provide opportunities to define and develop marketing strategies. Case analyses will illustrate how marketing concepts apply to these complex situations. Analyzing cases promotes your decision-making capabilities by developing a
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process of thinking. There is no single “right” answer to a case, but there are many weak answers resulting from inadequate analysis. Case discussions also provide opportunities to develop your communication skills. Your contribution to each case discussion will be evaluated immediately after each class.

The success of our case discussions is largely up to you. Good case discussions involve interactions among students. Case discussions are based solely on the material presented in each case. Please do not collect any post-case information. Our emphasis will be on the decision-making process at the time of the case rather than on the decision outcome. Since managers must constantly make decisions without all the information they desire, being able to make decisions under these circumstances is a critical skill.

Typically, I will select one or two students to introduce the key elements of the case. Afterwards, I will open the discussion to the class. In our discussions, the roles of professor and students are crucial, but very different. My role is to facilitate the discussion, rather than to direct the discussion in a predetermined direction. You (collectively) must raise the relevant issues. I will make sure that all opinions and recommendations have a chance to be raised. Then, I will help the class synthesize the different perspectives and form a framework for decision-making. I will share my views at the end of each case. However, it is important to remember that the purpose of case analysis is not to determine right and wrong answers. The validity of any recommendation rests on its logic and incorporation of all relevant facts from the case.

In preparing cases, assume that you are a marketing consultant who has been hired by the company. Do not focus solely on a description of the facts in the case, rather focus on the following three factors: statement of the problem(s) or decision(s) to be made; description of your decisions or recommendations; supporting logic and analyses. Your recommendations should be based on quantitative and qualitative analysis of case data. Your analysis should anticipate potential objections to your recommendations and illustrate its superiority over alternative recommendations.

Case Preparation
1. Skim through the case to understand the basic setting and framework. This will help you to assimilate the facts of the case when you read it.
2. Review all tables and figures.
3. Read the case study questions. Use these questions as a guide to some of the key issues in the case. Remember, it’s still up to you to decide what is important based on the evidence in each case.
4. Now read the case and begin to analyze it qualitatively and quantitatively. What are the key issues? What do you recommend? What alternatives did you consider? Why did you select your preferred course of action?
5. Now with a reasonably good understanding of the situation, you should reread the case to incorporate important details that will impact your analysis. Step 5 will probably differentiate the A’s from the B’s on the case write-ups and discussions.
6. In preparing the cases, don't look for a single right answer. Each case will raise a number of issues that need to be evaluated. A good recommendation is one that is based on solid analysis, considers multiple courses of action, and integrates its individual elements.
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Note: If you are unable to attend a case discussion and would like to receive some participation credit for your analysis, please give me a write-up of your analysis prior to our class discussion. This write-up should be more detailed than the brief case write-ups (see next page).

Hierarchy of Comments
1. Agreeing with someone else's statement.
2. Describing events in the case.
3. Demonstrating an understanding of the situation/problem in the case.
4. Explaining events in the case and recommending solutions based on analysis of relevant data.
5. Relating your explanations and recommendations to knowledge developed from readings, lectures, and previous discussions.

Case Assignments

Formal Case Write-ups
All students will formally write-up New Beetle, TiVo in 2002, and Mary Kay. These assignments provide practical experience in applying concepts from the course to develop recommendations for solving marketing problems. For New Beetle, please work in groups of 3-5. Working in a group is a good way to meet other people in the class and learn from them. For the second and third write-ups, you can complete it individually or in groups up to 5 people. Specific instructions for these assignments will be handed out about two weeks before they’re due.

Brief Case Write-ups
For four of the cases, please submit a short write-up (less than one page, double-spaced) describing the 2-3 key issues in the case and your specific recommendations for dealing with these issues. You may choose any four of the following cases: Mediquip, Calyx & Corolla, TiVo, RBC Financial Group, Computron, Z Corporation, and Digital Angel. The objective of these write-ups is to formalize your recommendations prior to discussing the cases. This leads to more lively discussions and more active learning during class discussions. These assignments will be graded satisfactory or unsatisfactory. I expect that every reasonable attempt at this assignment will be judged satisfactory. You can assume that it is, unless I return it to you. Completion of these assignments is worth ¼ of your class participation grade (or 5% of your total course grade).

Quantitative Questions for Cases
For some cases, I will hand out quantitative questions for you to work on prior to our discussion. I will not ask you to hand in your answers, but we will cover these questions in class.

3. Final Exam
The final exam will consist of multiple choice, short-answer, and quantitative questions.

4. Class Discussion
The best learning experiences occur when students participate actively. You must be prepared to discuss all assigned readings and cases. Your comments should reflect a depth of understanding indicative of thorough analysis (including number crunching) and most often discussions with other students prior to class. You should be prepared to articulate and defend your position when called on to do so. Active participation of all students is required but quality and frequency of comments is
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**more important than duration of each comment.** The ability to speak comfortably to a group is a vital business skill. If you are anxious about public speaking, the only way to get better is to practice. The best way to reduce your anxiety is to be thoroughly prepared.

These are the elements I will consider in evaluating your participation:
1. Are you a good listener?
2. Do you contribute to the learning environment by sharing your relevant business experiences and those you read about?
3. Do your comments show evidence of thorough analysis?
4. Do you ask constructive questions of other students that help to deepen everyone's understanding?
5. Do you distinguish between different kinds of data (i.e., facts and opinions)?
6. Are you willing to share ideas and information in a collegial fashion?
7. Are you willing to test new ideas, or are all comments "safe" (e.g., a repetition of the case facts without new insights)?
8. Are you willing to interact with your classmates to help refine ideas?
9. Do your comments build on earlier comments to advance the discussion or are you merely repeating earlier comments or raising points that do not fit into the current discussion?
10. Do your comments incorporate concepts presented in lectures, readings, and earlier cases?
11. Do you make your points succinctly?

**Rules of Class Discussion**
Putting down legitimate comments (those not intended to be humorous) is not acceptable. Everyone's input, if not repetitious, must be considered valuable and encouraged. Feel free to question or disagree with other students, however, such disagreement must be based on the idea and not the person. Respect for your fellow students is the **sine qua non** of great discussions and great learning experiences.

**Administration**
1. You should attend all class sessions, complete all readings before class, and hand in all assignments at the beginning of class. Late assignments will be downgraded. Please minimize disturbances during class, i.e., talking, arriving late, leaving early, etc. Whenever you know in advance that you will miss a class, please let me know. If you miss class, you should get notes from two students to make sure that you do not miss any important material.

2. A blind grading process will be used in the course where possible. Please do not put your name on the case write-ups or final exam; instead, please use the last four digits of your social security number. This process will help to ensure that each assignment is graded solely on its merits without potential bias.

3. Students are expected to adhere to the school’s Honor Code. Please ask me if you have any questions about how the honor code applies to a specific situation. For this class, the most important aspect to be aware of is that case write-ups must reflect only the work of those people handing in the assignment. For other cases, I encourage you to discuss them with your classmates, although your brief write-ups should still be prepared individually.
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4. No extra credit assignments will be given in this course. Please see me right away if you are concerned about your performance in the class.

5. Deviations from the syllabus may be necessary.

6. The course Teaching Assistant is TBA.
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**COURSE SCHEDULE**

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<tr>
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<td>Introduction: What is marketing?</td>
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<td>September 9</td>
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<td>Text: Chapters 1 and 2, Kodak Funtime</td>
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<td>September 11</td>
<td><strong>Case Discussion: Overview of Marketing Analysis</strong></td>
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<td>September 16</td>
<td>Individual Consumer Decision Making</td>
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<td>September 23</td>
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<td>September 30</td>
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<td>October 7</td>
<td><strong>Case Discussion</strong></td>
<td>The New Beetle (First Written Assignment)</td>
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<td><strong>Getting to Know Your Customers Through Marketing Research</strong></td>
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<td>October 16</td>
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<td><strong>Product Decisions</strong></td>
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<td>October 21</td>
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<td>TiVo</td>
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<td>October 23</td>
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<td>October 28</td>
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<td>October 30</td>
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<td>Customer Profitability and Customer Relationship Management at RBC Financial Group, Text: 364-384</td>
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<td><strong>Pricing Decisions</strong></td>
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<td>November 11</td>
<td>Psychological Issues in Pricing</td>
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<td><strong>Place (Distribution) Decisions</strong></td>
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<td>November 20</td>
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<td>November 25</td>
<td>International Marketing</td>
<td>Text: Chapter 16</td>
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<td>November 27</td>
<td><strong>No Class – Happy Thanksgiving!</strong></td>
<td>(make up on buffer day, Dec. 11)</td>
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<td>December 2</td>
<td>Evaluating Advertising and Promotion Effectiveness</td>
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<td><strong>Course Conclusion</strong></td>
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**General Case Study Questions**

**Case #1: Eastman Kodak Company: Funtime Film**
1. Why is Kodak contemplating a revision in their product line?
2. What are Kodak’s objectives? What should they be?
3. How do you define the relevant market segments?
4. What do you think of the Funtime concept?
5. What should Kodak do?
6. What competitive response do you expect?

**Case #2: Mediquip**
1. Who are the members of the buying center for the CT scanner at Lohmann University Hospital? How easy is it to obtain this information?
2. What are the various formal and informal roles in a buying center?
3. What are the different objectives and potential sources of conflict among members of the buying center?
4. What aspects of Mediquip's CT scanner should Thaldorf emphasize to each member of the buying center?
5. What could Thaldorf have done differently?

**Case #3: Calyx & Corolla**
1. What are the strengths and weaknesses of the Calyx & Corolla system?
2. What is the value of a typical C&C customer?
3. What is the best way for C&C to grow? What type of customers should they try to attract?
4. What are the financial costs and rewards for growing this business?

**Case #4: The New Beetle**
Questions and Directions for Written Case Analysis to be Announced…

**Case #5: TiVo**
1. Which factors affect how quickly consumers are likely to adopt TiVo? Which of these factors work in TiVo's favor, and which against it? How does the competition compare on these factors?
2. What kinds of consumers are most likely to be Innovators, Early Adopters, and Early Majority for TiVo? What can TiVo do to promote a takeoff in sales?
3. Which group of adopters should TiVo focus its marketing efforts on?
4. How should TiVo position its product? How do your previous answers affect this decision?

**Case #6: Customer Profitability and Customer Relationship Management at RBC Financial**
1. What is customer relationship management (CRM)?
2. What are the major CRM activities at RBC? What are their costs? How can they help RBC?
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3. For RBC’s CRM activities, please think about (i) the information RBC needs to gather to make this CRM activity work, and (ii) the marketing strategies and tactics RBC can implement once it has this information.
4. How can RBC’s personal bankers use CRM to become more successful?
5. How do you evaluate RBC’s CRM program and what changes would you recommend?
6. What are the implications of RBC’s strategy with respect to different customer segments?

Case #7: TiVo in 2002
Questions and Directions for Written Case Analysis to be Announced…

Case #8: Computron
1. How far does Zimmermann have to cut price to have a chance?
2. What is lost by bidding low? What is gained by bidding low? What is gained by bidding high?
3. How do you appraise the competition and other market conditions?
4. What is Konig’s position? (i.e., how might the purchasing V.P. think about the problem?)
5. What is Zimmermann's position as manager of the European Sales office?
6. What should he do?

Case #9: Z Corporation
1. Which of the three options for selling the Z402 Prototyping System do you recommend that Z Corporation choose?
2. What are the advantages and disadvantages of using its own sales force versus an outside distributor?
3. What are the advantages and disadvantages of using each of the two kinds of outside distributors: a reseller of CAD software or a machine tool reseller?
4. If Z Corporation uses its own sales force, what strategy should they use to recruit the best salespeople? How should they train and compensate these salespeople?
5. If Z Corporation uses an outside distributor, what expectations should it have for this business relationship? What are potential sources of conflict between Z Corporation and its distributor? How can it best manage this relationship?

Case #10: Digital Angel
1. Which media should Digital Angel choose for its communications campaign? Why?
2. How much money should they allocate to this campaign?
3. What are the advantages and disadvantages of each of the media options that Digital Angel is considering?
4. What message should Digital Angel use? How does the message you recommend affect which media you recommend?
5. Which target segments should Digital Angel focus on in its communications campaign? How does this decision affect your previous recommendations? Should the choice of target segment drive the communications campaign, or vice-versa?
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Case #11: Mary Kay Cosmetics: Asian Market Entry
Questions and Directions for Written Case Analysis to be Announced…
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STUDENT INFORMATION SHEET

Name: ________________________________

Preferred First Name (if different): ________________________________

Expected Major(s): ________________________________

Please list your previous employer and briefly describe your work.

Please list any previous marketing courses you have taken.

Why are you taking this course and what do you hope to learn?