Graduate School of Management  
University of California at Davis

MGP 204 Marketing Management                                                                 Prof. Allan D. Shocker
Monday 18:00 - 21:00 Spring 2006 OCM3                                               adshocker@ucdavis.edu
Office [OCM3]  Hours: MonTue 17:00-18:00 and by appointment                                           530-752-6127 (office)

Required Texts
(S) Website containing cases and readings downloadable from the internet at www.study.net

Course Objectives
Marketing is the managerial process by which firms create value for customers to encourage their exchange of products and services generally for money. A marketing orientation is a philosophy of business and personal conduct. This is the core marketing course for the UC-Davis GSM. Its aim is to provide a rigorous and comprehensive introduction to contemporary marketing practice and principles. Broad topics covered include (1) analyzing marketing situations and opportunities; (2) researching and selecting target markets; (3) developing marketing strategies; (4) planning marketing programs; and (5) organizing, implementing and controlling the marketing effort. It will broaden your perspectives on the relationship between marketing and other functional areas of business. Lectures, cases and assignments provide you with the opportunity to develop skills in analysis, working in teams, organizing and presenting your ideas, meeting deadlines, and developing your verbal and written communications skills. More specifically, the course aims to:

• Develop an understanding of what a market orientation involves.
• Provide an understanding of the interaction between a firm and its environment and to demonstrate the critical importance of marketing thinking in developing corporate strategy.
• Specifically consider the importance of the global economy and its implications for management.
• Identify and understand some of the major forces that influence marketing decisions.
• Provide working knowledge of the tools of marketing (price, promotion, distribution, etc.) and how those tools can be usefully employed.
• Build skills in analyzing marketing problems and opportunities and in developing programs.
• Further understanding of relationships between marketing and other business functions.
• Increase general analytical skills and to broaden managerial perspective.
• Further develop your skills of oral and written communication.

Course Format
Limited class time will be spent simply rehashing the concepts presented in the text. Key marketing ideas and concepts are relatively easy to understand, but much more difficult to implement [please ask questions if this is not so in any specific case]. Class sessions will be devoted more to amplifying, extending, and applying the course material. I will always assume you have read and thought about the assigned material prior to class and wish to build upon it.

Each of you is expected to contribute substantially to class discussion. It cannot be emphasized strongly enough that significant learning comes from feedback and feedback arises out of a willingness to expose your viewpoints to the critical judgment of the class and the instructor. You are preparing for a
management career and your future job decisions will affect other people's lives and fortunes as well as your own. **Make mistakes, if they must be made, in school rather than the real world.**

**Course Website**

Relevant course material will be posted on (www.study.net) so check it regularly. Readings and Cases can be downloaded from this site once you have registered and paid the necessary fees. Syllabus changes, if any, and images of most class powerpoints will also be made available on a timely basis.

**Additional Reading**

I encourage you to read contemporary business periodicals and can assist you in getting a student subscription to the *Wall Street Journal*, *Business Week*, and *Fortune*. The UC-Davis Library carries many specialty-marketing publications, including *Advertising Age*, *AdWeek*, *American Demographics*, and leading academic journals such as the *Journal of Marketing*, *Journal of Marketing Research*, *Marketing Science*, and *Journal of Consumer Research*.

**Grading**

You are expected to write a two–hour final exam, two 2-3 page case briefs (1-1/2-spaced, typed), and complete a Group Project regarding a strategy for launching a product currently available in the USA into another country where it is not now available. *All assignments turned in for a grade are intended to allow you to demonstrate your mastery of concepts of the course; treat them accordingly.*

**Cases** relate to actual marketing problems faced by real world firms and provide you with an opportunity to analyze the situation and suggest and defend plausible solutions for implementation. There are two cases in the Syllabus assigned for hand-in as **Case Briefs** and class discussion. The first, *Enterprise Rent-a-Car* [Session #5], will serve to exemplify how segmentation affects marketing strategy. The second, *Goodyear: Aquatred* [Session #8], deals with the launch of a promising new product and the factors that affect its distribution, pricing, and promotion. You are asked to read and think about the managerial issues raised by these cases, participate in class discussion, and submit written analysis and recommendations. All written cases are to be handed in on their date of class discussion. **No late papers will be accepted.**

The **final examination** will consist of objective questions, short-answer essay questions, and possibly short cases. Questions regarding the application of course concepts to the real world situations depicted by the cases and videos and lecture examples are very likely to appear on the examinations. Preparation for each exam should involve (1) reading and studying the assignment material, including the in-class videos, (2) taking comprehensive class notes and reviewing them prior to the exam, and (3) preparation and analysis of all cases (including the *Merritt Ice Cream* video case). **Topics of special emphasis for study and review are indicated by the headings and subheadings in the syllabus.**

The class will be formed into groups of 4-5 for the purpose of completing a **Global Marketing Project** [GMP] developing a marketing strategy and plan for a product or service in an international setting. Further information is posted on the study.net site. Each team will be expected to make a 10-15 minute oral presentation of their plan during the final class session. After this presentation, feedback will be given by me as well as class members and is intended to help improve a team’s written project report. A group grade will be given each completed project/presentation and individual grades may be adjusted up or down from this group grade on the basis of peer evaluations.

**Class participation** is expected. **Note will be taken not only of the frequency with which you comment or ask questions, but also of the quality of your remarks.** Saying something occasionally is strongly preferred to being quiet the whole term. Attendance at every class session is not mandatory, but if it is discovered that a student has missed more than 20% of the sessions, s/he will be deemed not to have
completed the course and an unauthorized withdrawal may be awarded instead of a grade. **Turning in assignments and showing up for exams is not equivalent to taking this course.**

**Your course grade will be based on the following approximate weightings:**

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<tr>
<th>Component</th>
<th>Weight</th>
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<tr>
<td>Final Exam</td>
<td>35%</td>
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<tr>
<td>Two 2-3 page case briefs [10% + 15% each]</td>
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<td>Global Marketing Project (presentation + written plan) [10% + 20%]</td>
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<td>Class Participation</td>
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<td><strong>TOTAL</strong></td>
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**Course Policy on Academic Integrity**

I expect students to **not** engage in any form of academic dishonesty in this course. You are living in an era where moral and ethical misconduct by business managers is being publicized and punished. Academic and corporate institutions are under considerable pressure to respond. Be assured that I will be very strict with anyone found guilty of dishonesty including, but not limited to, receiving a failing grade in the course. Academic dishonesty includes aiding or receiving unauthorized assistance in any form (e.g., cheating on exams; seeking exam questions prior to the exam, obtaining assignments on the internet), plagiarism (using some or all of another’s work without acknowledgment of the source), failure to report a known or suspected violation to the instructor, submission of work prepared for another course without the specific prior authorization of the instructors in both courses, and falsification of results of a study or research. You are permitted to discuss the case assignments with other students so long as the written report is your own work. If I become aware of any academic dishonesty in this course, my policy will be to notify the affected student(s) and take unilateral action or immediately refer the issue to appropriate authorities for a hearing.

**The bottom line is that academic dishonesty** is unfair to other students, lowers standards within the Graduate School of Management, is embarrassing to you and your family as well as the broader UC-Davis community, and **will not be tolerated in this course**
## SYLLABUS

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<thead>
<tr>
<th>Date</th>
<th>Topics</th>
<th>Reading Assignment</th>
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<tbody>
<tr>
<td>4/3</td>
<td>1. Course Overview</td>
<td>(W) Chs. 1; 14, pp. 378-382, 386, 389-404</td>
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<tr>
<td></td>
<td>Introduction to Marketing</td>
<td>Video Case 1: Merritt Ice Cream</td>
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<td>Creating Exchanges and Transactions</td>
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<td>Market Orientation - Marketing Concept</td>
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<td>Customer Relationships</td>
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<td>The Marketing Process</td>
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<td>Environment of Marketing Decisions</td>
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<td>The Marketing Plan and Planning</td>
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<td>Marketing and Change</td>
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<td>Internet &amp; Globalization</td>
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<td>Quality and Value</td>
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<td>Customer Satisfaction and Loyalty</td>
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<td>Long-Term Worth of Customer</td>
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<td>Thought Questions for Merritt Ice Cream</td>
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<tr>
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<td>1. What are differences between marketing &amp; selling [Hint: How do two managers’ behaviors differ?]</td>
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<td>2. Do all the actions taken at the end of the case follow the marketing concept?</td>
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<td>4/10</td>
<td>2. Marketing Strategy</td>
<td>(W) Chs. 2; 15</td>
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<td>A Strategic Framework</td>
<td>Video 2: Song Airlines [KK]</td>
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<td>Segmentation, Targeting, Positioning</td>
<td>Video 3: In Search of Excellence (Disney)</td>
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<td>The Marketing Mix [4Ps + 1]</td>
<td>Form Teams for Term Project</td>
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<td>Sustainable Competitive Advantage [SCA]</td>
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<td>S.W./O.T. Analysis</td>
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<td>Core Strategy</td>
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<td>Generic Strategies for Growth</td>
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<td>Product Strategy over the Life Cycle [PLC]</td>
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<td>Experience Effects and Economies of Scale</td>
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<td>Products and Service Relations</td>
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<td>Strategies for Services</td>
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<td>4/17</td>
<td>3. Marketing Research and Information</td>
<td>(W) Ch. 3</td>
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<td>Functions of Market Research</td>
<td>Video 4: Burke Marketing Research [KK]</td>
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<td>The Marketing Research Process</td>
<td>Video 5: Not By Jeans Alone</td>
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<td>Types of Research Design</td>
<td>(S) Suggestions for Analyzing Cases</td>
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<td>G.I.G.O. and Information</td>
<td>Finalize Project Teams</td>
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<td>Types and Sources of Data</td>
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<td>Understanding Customer Requirements</td>
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Forecasting Market Potential & Sales
Competitive Intelligence

II. THE SITUATION (BACKGROUND) ANALYSIS

4/24 4. Analysis of Customers

What Makes Someone a Customer?
The Usefulness of Market Segmentation
Why Customers Buy? Role of Purpose
How Customers Make Purchase Decisions?
Where Do They Buy? When?
Post-Purchase Behaviors

Other Influences on Buyer Behavior
Context and Situation
Product Class Influences and Expertise
Personal Influence and Diffusion

Business Markets and Behavior
Importance of B2B Marketing
Characteristics of Business Markets
The Business Buying Process

Distributors are Customers Too!

5/1 5. Market Structure and Competition

The Market Segmentation Process
Purpose, Product, Person
Benefit Segmentation

Competition and Product-Market Definition
A Hierarchy of Competition
Relevance of “Other Products”
Product Position

The Majority Fallacy

Competitor Analysis
Forecasting Competitors’ Behaviors
Prisoner’s Dilemma

Self-Analysis
Case Discussion and write-up due

Thought Questions for Enterprise RAC

1. What segments exist in car rentals? How know? In what ways are their requirements same or different?
2. How are the different segments best reached through promotions? Distribution? Pricing?
3. How is Enterprise similar/different from other car rental companies?
4. What are Enterprise’s strengths and weaknesses in reaching each of the segments identified above if they were their target market? Who is actually their target? Do other segments provide opportunity?
5. Does their corporate culture affect their customer value and profitability? How?
6. Who are Enterprise’s competitors at the time of the case? What are their strengths and weaknesses? Which car rental companies have decided to compete with Enterprise? How have they done this?
7. What are the more promising opportunities for Enterprise’s growth at time of the case?
8. Does Enterprise really have an awareness (promotional) problem? How do you know?

III. THE MARKETING MIX

5/8 6. Managing Existing Products and Services  
The Product Line  
Packaging and Warranty
Managing Brand Equity  
Meaning and Importance of Brands  
Global Brands  
Internet and High Tech Brands
Designing and Developing New Products  
Why “New Products?”  
What is New About a New Product?  
New Product Success/Failure
Proactive New Product Development (NPD)  
A Stylized NPD Process  
Importance of Product Design  
Crossing the Chasm [Ch. 5, pp. 122-5]  
Product and Service Decisions

5/15 7. Communications Strategy  
The Communications Process  
The Informative Role of Promotion  
Options in the Promotional Mix  
Strengths and Weaknesses of Options
Advertising Management  
Objectives and the Hierarchy of Effects  
Appeals and Messaging  
Media Selection and Budgeting  
Measuring Effectiveness
Integrated Marketing Communications  
How Promotion Works?  
The Importance of Personal Communication

5/22 8. Channel Strategy  
What Middlemen and Channels Do?  
Major Types of Middlemen  
Channel Dynamics
Channel Management  
Complex Sales/Distribution Arrangements  
Horizontal Competition  
Conflict & Power in Channels
Personal Selling and Direct Marketing  
Distributor and Manufacturer Salesforces

(W) Chs. 7; 8  
Video 10: Rollerblade (BW2)  
Video 11: Palm Pilot (BW17)

(W) Ch. 9  
Video 12: Mitsubishi advertising  
Video 13: Motorola [KK]

(W) Chs. 10, 11  
Video 14: Hasbro [KK]  
Video 15: Reebok [BW 15]  
(S) Case 2: Goodyear: The Aquatred Launch [HBS #594-106]
What Salespeople Do?
Managing the Salesforce

Direct Marketing

Case Discussion and write-up due

Thought Questions for Goodyear-Aquatred

1. What are conditions in the tire industry at the time of the case? Assess Goodyear’s position.
2. When and how do consumers buy replacement tires? How should the tire market be segmented?
3. Is Aquatred the right product at the right time for Goodyear? Why or why not?
4. Assess the evolution of Goodyear’s USA distribution channels for replacement tires. Why does Goodyear use multiple channels? What is relation between them and with Goodyear?
5. Assess Aquatred’s strategic role and its proposed marketing program. Comment on pricing.
6. Should Goodyear broaden its distribution to mass merchandisers? If so, what is the role for Aquatred? Why is it important to consider reactions of other Goodyear distributors?
7. Should Aquatred’s launch be national or via a regional rollout? What are the issues?

5/29 Memorial Day Holiday [NO CLASS] Make-up Session is:

The Importance of Price
The Complexity of Pricing
Customer Value and Price
Price Determinants and Strategy
Pricing Decisions for New Products
Specific Pricing Tactics

Sales Promotion
Types of Sales Promotion
Sales Promotional Strategy
Push and Pull [Ch. 10, pp. 259, 265]
Sales Promotion in the Promotional Mix

6/5 10. In-Class Presentations of Term Projects
(S) Sample Exam Questions

6/12 11. Final Examination
Written Global Marketing Term Projects Due