

Department of Marketing
The Wharton School
University of Pennsylvania

**MARKETING 101:
Introduction to Marketing**

Fall 2006/Spring 2007

Professor Peter S. Fader
Professor Keith E. Niedermeier

Course Objective

People often think about marketing strictly as *advertising* — a highly visible activity by which organizations try to persuade customers to buy products and services. However, marketing is much more than advertising alone; even the most skillful marketer cannot make customers buy things they don't want. Rather, marketing involves: (1) identifying customer needs, (2) satisfying these needs with the right product and/or service, (3) assuring availability to customers through the best distribution channels, (4) using promotional activities in ways that motivate purchase as effectively as possible, and (5) choosing a suitable price to boost the firm's profitability while also maintaining customer satisfaction.

These decisions – product, distribution, promotion, and price – comprise the *marketing mix*. Together with a rigorous analysis of the customers, competitors, and the overall business environment, they are the key activities of marketing management, and they are crucial ones: failure to find the right combination of the “mix” may result in product (or service) failure. In turn, that means loss of revenue, loss of jobs, and economic inefficiency.

The objective of this course is to introduce students to the concepts, analyses, and activities that comprise marketing management, and to provide practice in assessing and solving marketing problems. The course is also a foundation for advanced electives in marketing as well as other business/social science disciplines.

Classes

Topics for each week of the course are identified on the course schedule. Each week, Monday's lecture will be given by Professor Fader or Professor Niedermeier and will provide an overview of the relevant topic. It is important that you do the assigned readings *in advance* of the lecture, since that session will build on the text and other reading materials. The lecture will NOT be a reiteration of the reading. Rather, it will go well beyond the book in breadth and depth of content as well as industry applications.

Your recitation section instructors meet each week with your professor. Each recitation section is either a carefully planned case study or a session devoted to understanding the marketing simulation (SABRE, see below) we will be using in the course. The quantity and quality of your participation in recitation discussions is an important part of the learning process in this course (and an important element of your final grade), so you should carefully read the assigned materials in preparation.

Attendance is required at all scheduled class sessions and the final examination. All students, whether taking the course pass-fail or not, must complete all the homework, SABRE-related projects, market research requirement, and the final examination in order to receive a grade for the course.

Academic Integrity

We take cases of cheating, excessive collaboration, or other violations of the University Code of Academic Integrity very seriously. Our TA's are trained and specifically instructed to identify such cases and bring them to our attention. We refer all potential violations to the Office of Student Conduct, which will determine if there was cheating and if so, what punishment will be administered. There are no exceptions to this policy under any circumstances. Students will receive an I (incomplete) for their course grade until the OSC completes its deliberations. In short, you should not take this class if you have any proclivity to be dishonest with your coursework.

Course Policy Regarding Drop or Withdrawal from Class

The formation of teams of students in the marketing simulation is a crucial component of the Marketing 101 class. Students enrolled in Marketing 101 may drop the course up until the time the teams for the market simulation are formed (approximately during the fourth week of classes). After that time, any student electing to drop the course will receive a W (withdrawn) on their transcript, even though it will likely occur before the 5 week University deadline for course drops without penalty on transcript.

Tests and Exams

There will be one final examination. This exam will comprise 30% of your final grade. Everything discussed in class and in the assigned readings may appear on the exam.

Final exams are scheduled by the University Registrar. A makeup examination must be requested in writing and will require **written medical proof**. Make up exams are only held during the official postponed exam period the following semester as scheduled by the University Registrar. **Do not take the course unless you can sit for the exam indicated on the assignment schedule handed out on the first day of class.**

No requests to retake the final exam will be granted.

Final exams will be kept on file for one semester following the course. Students who would like to view their final exams will be able to do so in the marketing department starting the second week of the semester following the course. Graduating seniors who will not be on campus to view their finals can receive them by bringing a self-addressed, stamped envelope to the final exam.

Homework

There will be four homework assignments throughout the semester. These will be short mini-case exercises from the textbook. Your TA will give you the specific assignments and due dates. Each assignment will count as 5% of your grade (20% total).

Class Participation and Attendance

Class attendance and participation is mandatory to do well in this class. You are expected to come to each recitation period prepared to discuss the current case/topic and meaningfully participate in class exercises. Participation and attendance will count as 25% of your grade.

SABRE (Marketing Simulation)

You will participate in a marketing simulation exercise called SABRE (“Strategic Allocation of Business Resources”), in which teams of students will compete in simulated markets. Specific details about the simulation will be distributed during the semester. Your team will submit a marketing plan at the start of the simulation (10%), write a paper evaluating your team’s performance and strategy at the end of the simulation (10%), and give a class presentation (5%). Thus, the team grade for SABRE will count as a total of 25% of your grade.

Market Research Requirement

In order to receive a grade in Marketing 101, you are **required** to participate in a market research project. There are two alternative ways to participate. The *first* is to be a participant for academic research projects for 1 hour. You will be assigned to participate in specific research projects by your TA. There are two goals motivating this requirement. The first goal is to provide the students with first-hand experience in marketing research. Simply participating in the market research process can be instructive. Each study that the student participates in will be fully explained to the student after the study is completed. Another goal is that your participation in academic research projects will help Wharton Marketing faculty continue to develop state-of-the-art marketing thought, which is ultimately brought back to the classroom. The *second* way to fulfill this requirement is to write a 10-page paper on a market research topic of your choice, but the topic must be approved by your TA.

Course Materials

There are two required books for this course; both are available at the Penn Bookstore:

- (1) Kotler and Armstrong, *Principles of Marketing*, 11th Edition, Pearson/Prentice Hall
- (2) Custom Case Book for Marketing 101.

In addition there will be a fee for this course, billed to you at the end of the semester. This fee will cover the cost of reproducing in-class handouts.

Marketing 101 webCafé

There will be a webCafé site set up for this course. Available at the webCafé will be copies of the lecture slides, SABRE-related materials and online resources, administrative documents, and other materials relevant for the course. In addition, each TA will have a folder assigned to his or her recitations to cover specific recitation materials that they will use.

To access the webCafé for Marketing 101, go to the internet URL: <http://webcafe.wharton.upenn.edu>
On that page, click on MKTG to display links to Marketing course webCafé rooms, and then click on your section number.

Non-Wharton students MUST obtain a Wharton computer account in order to access webCafé.
You can sign up at: <http://accounts.wharton.upenn.edu>

Grading

Your grade will be calculated in the following manner:

4 Case reports / homework assignments (5% each)	20%
SABRE Performance	10%
SABRE Strategy statement (group paper)	10%
SABRE Presentation	5%
Class participation	25%
Final exam	30%
Total	<u>100%</u>

Notes on SABRE evaluation:

Measuring SABRE Performance: We judge your team's performance in the SABRE simulation based on the net cash flow generated by your business ("Net Contribution"), which you will be striving to maximize within your virtual industry. The starting positions for each of the five firms within an industry are different, but across industries, the starting position for a given firm is always the same. Therefore, we will be comparing your Net Contribution to the firms in other industries that have the same starting positions. In other words, if your team is "Firm A," we will compare your Net Contribution to that of all the other "Firm A" groups in the entire MKTG 101 course.

SABRE Strategy Statement: Assess your market position, including your products, competitors, and potential for growth. In doing so, consider questions such as: How does customer preferences vary throughout the market? What are the principal strengths and weaknesses of your firm and its starting position? What is the best possible competitive position for your firm? Then complete a similar analysis for each of the competitors within your industry. Please provide a clear statement of your objectives, your strategy for achieving those objectives, and the tactics you've been employing to implement your strategy. This report should not exceed THREE double-spaced pages (not including tables and appendices).

SABRE Presentation: After the simulation has been completed, each SABRE team will have an opportunity to offer a short but informative presentation to convey their strategy and some of their key takeaways from their SABRE experience. The TA's will offer specific tips and guidelines during the semester.