

**University of Pennsylvania
The Wharton School
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**Marketing 277
Marketing Strategy**

Instructor: Prof. Terence A. Oliva
Office: 7th Floor of J. Huntsman
E-mail: olivat@wharton.upenn.edu

Office Hours: Before & After Class, or By appt.
Phone: Phone 215-898-8244

Course Description And Goal:

This course is one of the capstone options for the marketing major. As such, it focuses the integration of material rather than the accumulation of large amounts of new material. The discussion context for the integrating the course material is business-level *marketing strategy*, rather than corporate strategy or business policy. Its intent is to help you to solidify and further ground the knowledge you have gained throughout the major, in order to help improve your ability to develop effective marketing strategies in what appears to be a chaotic future. This is done by exposing you to a variety of old (tried and true), new, and sometimes unusual, ideas about competitive marketing strategy. For non-marketing majors looking for an elective, you should not have a problem as long as you have taken the basic marketing course and are willing to work. As part of the course requirements you will compete in a computer-based marketing strategy simulation, complete business-level marketing planning project, and two individual application-based papers. September 11, 2001 has changed the nature of business and how the economy operates into the foreseeable future along with the affects of the accounting scandals at major companies like Worldcom, Enron, etc. The willingness to pay for high-priced talent will depend on the cost/benefits of such talent. Therefore, it is incumbent on students to demonstrate their ability to add real value to the firm from the get go, whereas, in the past firms might have simply bet on brand name. Clearly, there is a back to basics (fundamentals) mentality that requires students to be able to separate themselves from others in a tight market. In a broad sense, this course attempts to help you develop the skills needed to succeed in a buyers market by having an application orientation.

Grading Weights:

The Markstrat Competition & Plan	(Group)	25% (20% g, 5% p)
The Marketing Planning Project	(Group)	25% (15% p, 10% w)
Group Application Presentation	(Group)	10%
Think-In-Your Seat	(Individual)	10% +
Two Mini-Applications	(Individual)	30% (10%, 20%)
Total		100% +

Required Texts:

1. Marketing Strategy: A Decision Focused Approach, by Walker, Boyd, Larreche, 4rd ed., Irwin, 2003.

2. *Markstrat3*, by Larreche & Gatignon (you may buy this book used without the disk)

Administrative Comments

1. Each student is required to complete all assigned readings, attend class and be prepared to participation in general class discussions by paying attention. **Note! All written assignments are due to be turned in at the beginning of class on the due date.** Those turned in late will be assessed a 10 point reduction in grade if not turned in within the first 10 minutes of class (i.e., -10 points from whatever grade you receive on the assignment), and an additional 10 points per additional day missed.
2. If at any point during the course, you have questions regarding what is expected of you, please contact me. If scheduled office hours are inconvenient for you, or you miss me for some reason, you will need to make arrangements for an alternative appointment. Many general questions can be handled through email.
3. Please use name cards regularly in class throughout the term so I can learn your names. I usually have large number students across all of my classes, so this will facilitate the process. If you do not use name cards I will assume you do not care if I know who you are.
4. The Markstrat competition, group application presentation and marketing plan will be group efforts. The same group will be used for these assignments.
5. Since much of modern management life is spent in some type of group interaction, your team provides a natural "lab" for preparing to carry out management tasks. Unfortunately, even at a business school like Wharton there seems to continue to be problems with group effort. Note, to this end, the project will receive a single grade. *It is expected that each group will handle participation problems internally.* That is, each group must establish its own norms and procedures for effective functioning. There will also be a group peer evaluation of each member of the group on all group work, regarding the contribution of that member to the group's effort. The evaluations will be included in the determination of the final course grades for each class member. This should help to alleviate the possibility of inappropriate behavior by any individual. ***In the final analysis, you may throw an individual off the group, if he or she fails to do his or her share of the work.*** To do this requires that the remaining group members: 1) submit a written warning to the individual of impending dismissal from the group when failure to accomplish an agreed upon assignment occurs; 2) a written petition to the instructor on a subsequent failure, that is signed by all the remaining group members. Note! If I receive such a document, the student is in danger of failing the course. If a student is removed from a group, that student must (on his or her own) get another group to take him or her on. Should no other group be willing to take the student, the student should immediately drop the course to avoid receiving a failing letter grade. There are no one-person projects. Be warned, I have little tolerance for individuals who free ride on others. PLEASE NOTE: Last term there were several groups with problems. This is inexcusable at Wharton where teamwork is required by both the school and the marketplace. I will not listen to crying about your team or teammates. Fire people from the start. Not tolerating freeloaders is a reality of 9/11, Enron, and the current world situation. It is time for students to act responsibly and not cover up for those want to get by on the work of others. Unfortunately, even at Wharton, there are slackers, and every semester there is at least one or two problems.
6. Also, to those of you who do all the work, yet fail to keep other group members in line, do not come to me saying you deserved more because you did all the work. It is a group grade, and if you let slackers get away with no or little work, and they perform better on other class assignments than you, they may get a higher course grade. Therefore, make sure everyone participates or is rated accurately on the peer evaluation forms. Again, ***you should deal with problem members early.*** Do not come to me near or at the end of the semester and complain. If you let people slide, you are at fault. There are **peer evaluations**, but your group work will have suffered if you have not rid yourself of the problem by the time the peer evaluations are turned in. On average I have had to reduce at least one individual per group for 30% to 50% of the groups each semester for a failure to carry out his or her group responsibilities.

7. The marketing planning project is to consist of a formal class presentation and written report of your industry and business-level marketing analysis. The presentation is expected to be of the *highest quality*. You are required to develop "first class" presentation materials (overheads, slides, video tapes, flip charts and the like). Part of this requirement is to have some portion of your presentation done on PowerPoint or some equivalent computer presentation package. You must turn in **all** presentation materials used (i.e., **if you use it, you lose it**). Failure to follow this requirement will result in your grade not being recorded. Remember, packaging is one of the 4P's, hence counts in this course. **You must develop a video commercial for your product as part of this effort.**
8. Furthermore, to provide examples for future classes, to reduce the temptation to replay the presentations or significant portions of it for other courses, or to have materials used by others in this or other course in the future, **these materials and the paper will not be returned**. The group will receive an evaluation sheet that will give you feedback on your presentation performance. You may stop by after the semester to review your grades on your group's written project. There will be no exception to this policy.
9. It is expected that the final group paper be typed, double spaced, and follow the Marketing Plan outline in the syllabus or the one given in the text. While no length is specified, 8 to 10 pages of text (@ 12 pt., exclusive of the appendices and exhibits) should be sufficient. Remember, most of the effort should be on the presentation given the weights.
10. Each presenting group will be allowed 20 minutes to present. You will be cut-off if you exceed your time limit. In general you should aim your talk for between 15 and 20 minutes to insure you do not run over. Practice your talk to time it and smooth it out. **Boring talks will be stopped within 5 minutes. I stopped 6 out of 12 presentations recently.**
11. Note! Lectures may or may not follow or duplicate the text.
12. Some extra credit will be available throughout the course, the times and assignments will be unannounced.
13. **Attendance is required.** You may take the standard 2 cuts, however these cuts will not excuse you from any required assignments, which may be due on days you cut. Penalties for cuts beyond the 2 standard are as follows: on your 3rd cut your final average will be reduced one letter grade, on the 4th cut 2 letter grades, etc. Note, I gave 2 "F's" last semester and lowered 2 other grades to people who did not believe I would actually implement this. **Late to class is absent. If you feel you need to see recruiting presentations all the time, you probably should not take this class as it may interfere with your desire to see the various recruiters. Finally, there are to be no cuts during the final presentations. You want people at your presentation, have enough class to show up for others.**
14. **Academic Integrity.** It assumed all students must adhere to the University Honor Code. Cheating in any form will be prosecuted. The most common cause of such problems in this course, which is in some sense cheat proof, is due to plagiarism. Much of it due to sloppiness, lack of attention, and/or a failure to have learned the rules for using others ideas. You need to reacquaint yourself with footnoting and citations to help avoid any problems. Note that it is also academically dishonest to fail to meet your group responsibilities, hence pay attention to item #5 above.
15. **Grades: Letter grades on Assignments** will be translated to a numeric format as follows:
 - a. A+ = 100% means a Nobel Prize or your team Won the Game (only A+ possible without extra pts).
 - b. A = 95% (highest grade possible for all assignments other than Markestrat simulation)
 - c. A- = 92%
 - d. A- - = 90%
 - e. B+ = 88%

- f. B = 85%
- g. B- = 82%
- h. B- - = 80%
- i. C+ = 78%
- j. C = 75%
- k. C- = 72%
- l. C- - = 70%
- m. Remaining lower grades to F are the same but 10 percentage points lower per grade. Where further assignment deductions are taken for lateness, failure to use color, etc., it is possible to go lower. For example, a G = 45%; an H = 35%; an I = 25%, a J = 15%; a K = 5%. Lower deductions and you owe me points. Plus and minus ranges are the same. So an H- would equal 32%. Apparently, I am famous in France for giving a student a “J” on an assignment because it had an auto “F” error, was doubly late, had no color, and no charts.

16. Grades: **Letter grade ranges for final course grades:**

- a. A = 100% to 92%
- b. A- = 91% to 90%
- c. B+ = 89% to 88%
- d. B = 87% to 82%
- e. B- = 81% to 80%
- f. C+ = 79% to 78%
- g. C = 77% to 72%
- h. C- = 71% to 70%
- i. Remaining lower grades to F use the same ranges but 10 percentage points lower per grade.

Mini-Applications

You are required to hand in two Mini-Applications based on the text and class materials plus any relevant outside readings you gather. The applications are intended to relate text and lecture concepts to current real-world business events and/or problems in a visual manner. The events or problems may be identified through the popular press (e.g., *Business Week*, *Fortune*, *Wall Street Journal*, *Philadelphia Inquirer*, *Entertainment Weekly*, *Chain Store Age*, *Beverage World*, *Variety*, and so forth). Your choice of business/company is up to you. It may be in entertainment, heavy industry, fashion, consumer, transportation, or whatever you like. No person is to use the same company/business. Nor is the same company/business to be used by a person more than once. You should, therefore, use the reservation form on Webcafe as soon as possible to avoid any problems. Finally, **you may not use companies that are used as examples in the text**, unless you give me a detailed written petition showing how the example will be different from the text example. The first Mini-App will be based on chapters 1 through 7, and the second Mini-App will be based on chapters 8 through 14. The text portion of the Mini-App may be single or doubled spaced.

Format:

1. The mini-app is primarily comprised of course-concept type charts, which are modified to your specific company, business, and/or product. Student examples of such charts are presented on Webcafe. Your modifications to these charts are your “value added.” As simple as this sounds, many have trouble doing this correctly. The greater the amount of detail and specificity in the charts, the better the grade. Proper citation of sources must occur in the charts and in the text portion. All diagrams, figures, charts, and the like must be done on a graphics package like PowerPoint, etc. You must use color for all charts and in this and the other documents submitted in the class. **Mini-Apps may not be emailed or otherwise submitted electronically. You must have at least 7 high quality course-concept type charts in each mini-app. Note, course concept charts not what might be called data-descriptive charts (e.g., pie, bar, or line charts that might be produced by Excel), rather they are the box and arrow charts used to present conceptual models and theories). More complex charts result in higher grades. For example, a chart that presents company’s mission statement is of little value in demonstrating your understanding of the material, while a properly**

presented BCG Matrix has much more bang. Each chart must have a figure or exhibit number and have a label (title). At the end there needs to be an overall page or two that summarizes the strategic position or situation of the firm/brand/product as a whole. **Please do not bind or otherwise put your mini-app in a covered holder; rather, make sure that it is properly stapled.** All pages must be numbered and color is required.

2. The title page must include: a) the name of the company/business/product you are examining [centered on the page], your course number, and b) your name.
3. An appropriate footnote or endnote citation system must be used for any written portion and all references.
4. The more course-concept charts and detail provided, the better your chances will be for getting a good grade. Remember, the purpose is to demonstrate how well you can link actual business behavior to the various course concepts and theories.
5. *Industries/businesses that may not be used this semester for mini-apps (or projects include): Automobiles, Pharmaceuticals (other than common OTC drugs), Cell Phones (the hand sets), and Condoms*

Think-In-Your Seat

During the semester I will put articles in a section on webcafe called “Strategy-In-The News.” The “think-in-your-seat” assignment consists of identifying and commenting on as many concepts as you can within a five-minute time constraint. The purpose of this assignment is to provide you with an opportunity to apply and develop your understanding of marketing concepts in a real time, real world context. In other words, they are like pop quizzes. You are required to come up with 5 concepts and relate them to items in the articles. Hence, your **TIYS** 10% is scored on a 0 to 5 scale. But, if you can produce more than 5 concepts, you will extra credit at the rate of .20 per concept (5 more concepts equals a point) that will be allocated to your first and second Mini-Apps as follows. **TIYS’s** before the second mini-app are credited to the first mini-app, those after to the second mini-app. This can give you a big boost as the second mini-app is worth 20% and you can earn over 100% on the mini-app which then goes to the rest of your grade. It is possible for students to get as many as 20 concepts or more each think-in-your-seat (e.g., 20 would give you 3 pts). If a person accumulated 6 extra credit points that were applied to the first mini-app and the grade on the mini-app had been a B- (82%), it would now be a B+ (88%). **Note, the extra credit point are recorded in a different place from the TIYS points, hence, you cannot simply do well on one exercise to make up for not doing well on the others.** That is, in order to get the full 10% of your grade for TIYS you need to score 5 on each one of the exercises.

MARKSTRAT COMPETITION (Business Simulation)

You will compete in a comprehensive marketing-strategy computer-based simulation. The purpose of this simulation is to provide you with an opportunity to integrate the concepts that you have learned in the marketing program and this class in the context of a running a competitive business. You will be assigned to an industry with several companies in an industry. Your grade will be based on two components equaling 25% of your grade on the project: (1) 20% is based on your relative position within your industry (defined as the total net contribution to profit in the last period of the simulation; please note that if this number is negative, you will receive a maximum of 10% for the simulation component, i.e., an F); and (2) 5% is based on a strategic plan meets the following requirements:

The Written Markstrat Strategy Plan (Approximately 4 to 5 pages in total length)

Section 1: In this section you will give the initial business plan for your company. The plan must address your company's mission, objectives, situation analysis, target market(s) and general marketing strategy during the simulation. **Hence, start making a log of what you do from the beginning.**

Section 2: In this section you will give your situation in the second to last period. You will give what you tried in order to improve your position by the next [last] period (i.e., end ahead of another team or teams). Next present the results of your computer simulation. How you ended up.

Section 3: In this final section, you will discuss how you would modify your game plan based on your performance in the simulation. Remember, the plan stipulates what you intend to do and the simulation identifies what you actually did.

The Final Marketing Plan Project

The final project consists of 2 parts, a **Presentation** and a **Written Marketing Plan**. The business, brand, or product you choose is up to you, but it may not be from one of those listed in 5 above. Most of the weight is on the presentation, which needs to be entertaining and informative. Its format will be arranged in a logical sequence that mirrors the Marketing Plan outline in the text or below. However, for the presentation, you will support your analysis by using mini-app type course concept/theory charts along with some data charts. The presentation must be engaging and entertaining. No one will have faith in your marketing ability if you provide boring presentation. Keep in mind that there is no single type of marketing plan, but the elements are similar (check out plans on the internet). It will start with a general industry description as indicated in the section that follows. The charts used in the presentation will be printed out and used as an appendix for the written portion of the project. Since the presentation must be entertaining and have an element of “show”, not every member of the group needs to speak. You may have one, two, or three individuals talk. Do not have more than three speak if you have a large group. The goal is to have the best presentation, so choose the best speakers (by contrast, everyone is required to speak in the Group Application Presentation: see below).

The written Marketing Plan should follow the outline for a plan given below or the one in your text. You may get a plan template from another source, but it should be relatively close in format. At this point the write up should be a kind of fill in the blank, where you follow the guideline. The length of the written is normally from 8 to 10 pages (excluding exhibits, some or most of which will be the slides from your presentations).

Finally, it is important that your presentation and written plan present your ideas for marketing the firm, brand, or product in the future. As such, it provides your value added, as would be expected in your job. Therefore, do not tell me what the organization’s marketing plan is for the future, since this provides no value added on your part and will have a detrimental effect on your grade.

General Industry Considerations for Final Project Presentation

Your final project is a marketing plan presentation and write up. The industry your firm is in forms the competitive context for that plan. Therefore, for the presentation it is necessary to have a Porter or Similar type industry analysis to help you learn the nature of that competitive context. This will help your team build a strong marketing plan. In addition, for the final presentation you must have done an analysis of the industry the company, product, or brand. The outcome of the analysis is the “Rules Of The Game” and “The Key Success Factors”. Rules of the game tell you how to play in the industry (just as the rules in competitive sport or game tell you how to play). Key success factors tell you how to win the game. Remember, all players follow the rules of the game, but different players may have different key success factor to exploit to win the game. Hence, your presentation should have 3 to 5 charts that cover the industry structure, key success factors, and rules of the game. These need not be directly incorporated into the written paper, which should follow one of the outlines indicated above. To help you think about industry issues, I have presented a guideline for analysis.

Some Key Starting Points To Consider When Doing An Industry Analysis

Nature of Competition In The Industry -- For example, a Porter-Type Analysis

- A. Key Forces In The Industry
 - 1. Bargaining Power of Suppliers
 - 2. Bargaining Power of Buyers

3. Threats From Substitutes
 4. Threats From Other Entrants
 5. Rivalry Within Industry
 6. Current Environmental Factors (Legal, Social, Physical, etc.)
- B. Note: Not all of these forces are critical in every industry.
- C. Structural Analysis Within The Industry
1. Identify critical competitive dimensions of industry -- What are the keys to success in the industry?
 2. Develop Strategic Groups Maps (If relevant)
 3. Identify mobility barriers
 4. Use the three above to identify marginal groups, trends in rivalry, and hence opportunities and threats for individual competitors.
 5. Economic Structure of the Industry (Oligopoly, Monopolistic Competition, Degree of Concentration, Fragmentation, etc.)
- D. Industry Evolution: Are there changes (current or predicted) within the industry that affect any of the key driving forces identified in A above:
1. Societal Trends
 2. Economic Trends
 3. Market Trends
 4. Government Regulation
 5. Innovations of all types, inside and outside the industry.
 6. Changes that effect the cost structure of the industry
 7. Structural changes in adjacent industries (suppliers, etc.)
 8. Entries and Exits to the industry
- E. Competitor Analysis (hence likely moves) for each key player
1. Goals -- Business and Corporate
 2. Assumptions About Future Competitive Behavior
 3. Current position and strategy
 4. Distinctive competencies and Achilles Heel
- F. Any Resource Based Issues That Are Relevant For Competition
- G. Rules of the game for the industry. In short, how does one play in this industry? In basketball baskets are 10' high, in baseball there are 9 innings, in chess the knights can hop over other pieces.
1. Quick response organization structure
 2. Need large advertising budgets
 3. Must be able to control distribution channels
 4. Must have large R&D budgets.
 5. Does not favor new comers
 6. Heavily regulated industry
 7. etc.
- H. Key Success Factors: How does one "Win" in the industry, leverage the rules of the game. In basketball, tall players are favored, in baseball a sufficient rally in bottom of the 9th inning does not allow the other team to respond.

1. Own distribution channels
2. Have lots of cash on hand
3. Has creative management team
4. Industry member for 20 years (has lots of specific knowledge).
5. etc.

Note: Not all competitors should be examined in this profile. You should only consider significant-current competitors, (e.g., major players in the industry, or key competitors in each strategic group), or potential new competitors. The more critical analyses will identify targets for acquisitions within the industry, which might dramatically shift a player's position.

Final Written Project Outline

Marketing Strategy Plan

A Suggested Outline: Since no one outline is appropriate for every kind of marketing plan here is a generic one to use as a starting point. Note your text on page 321 in the Appendix gives a marketing plan. You should modify (add and delete) as appropriate. Note there are examples of plans on the Internet, so you should pick a format that works best for your firm/brand/product. You should develop the paper according to a Marketing Plan outline. You must attach your presentation slides to the document as an appendix, which you may choose to refer to in the document.

1. Executive Summary
 - a. Synopsis of Situation
 - b. Key Aspects of the Marketing Plan
2. Environmental Analysis
 - a. Identify strengths and weaknesses
 - b. Identify opportunities and threats
 - c. Identify current objectives and performance
3. Desired Result
 - a. Goals
 - b. Objectives
4. Marketing Strategies
 - a. Target market(s)
 - b. Marketing mix for market(s)
5. Product Market Fit
 - a. Key characteristics of each market
 - b. Distribution Channels
 - c. Product Benefits as perceived by Customers
 - d. Likely competitive response to proposed product(s)
6. Control Measures
 - a. Performance measures
 - b. Evaluation procedures
7. Financial Projections
 - a. Delineation of costs
 - b. Estimates of sales and revenues

- c. Estimates of profit, ROI, etc.

Group Application Presentation:

Your presentation will focus on one or two strategy concepts from the chapters in the text that have been addressed in either the business or popular press. At the time of your presentation, you will submit a 4 to 6 page analysis of the concept(s) and the article(s) that you are presenting. These presentations must involve the use of PowerPoint as a communications tool. (Presentation length is about 2 minutes per group member everyone speaks).

The presentation should follow the following outline: (1) identify presenter(s); (2) identify the article used and the concept(s) analyzed; (3) provide a brief overview of the article(s); (4) define the concept(s) to be analyzed; and (5) demonstrate your understanding of the concept(s) through an analysis of the article(s) in the context of a problem or opportunity with specific recommendations. *Each group will pick a different topic. To help insure there is no confusion, you sign up for concepts on WebCafe on a first come, first serve basis. You must identify the concept(s) you are using and the date for the presentation and the company used prior to your presentation. The group that identifies an article(s)/concept(s)/company first "owns" the material and it may not be used by another group.*

Additional Assignment Tips, Suggestions, and Requirements

1. Suggestions for selecting an industry for the final project:

- a. An industry containing a large number of public companies has more information readily available, but in many cases your paper will not be as unique and distinctive because of this. Pick a company whose products you are familiar with. Do not pick something that is technical like fiber optics or telecommunications switching devices. Drugs and pharmaceuticals can be equally problematic as are automobiles and cellular phones. Do not pick industries or companies that have Harvard cases done on them, since it is difficult to determine your contribution from Harvard's. For the most part, people doing them have received low grades. As a whole, consumer products companies are generally better choices, as are very high profile publicly run companies.
- b. Be creative in your selection process, by choosing an area which you feel you can add a unique insight.
- c. Choose an area that you are interested in, if done well these projects can help you in your career because you will have a greater understanding of the industry than most others.
- d. It is helpful if you choose an industry where you can get access to one of its members.

2. Sources for information

- a. Annual Reports
- b. Analyst Reports -- If you can identify the analysts who cover the industry, you sometimes can call them up and get more up-to-date information.
- c. Databases.
- d. Department of Commerce -- The government keeps track of much industry data for its own use and fortunately most of it is available to the public through the Department of Commerce. The primary codification of this data is through SIC codes which are two digit numbers representing an industry with numbers further attached to represent a finer gradation of the information. The Department of Commerce publishes its data in various journals, which are divided by state, industry, and channels of distribution. The library should have some of the journals, but they may be out of date or incomplete at any given time.
- e. Libraries -- Searching other libraries can be very helpful. Our proximity to a number of other universities gives you an advantage over those at rural campuses. Note: Use the librarians when you have no idea of

where to turn, they can save you many hours of wasted effort. At the same time, make their job easier by having the problem area and kind of information you are looking for clearly defined.

f. Trade Journals

g. Academic Journals

h. Moody's or Value Line -- These resources are especially useful if you are looking for historical raw data such as sales, net income, multipliers, etc.

i. Business Periodicals -- *Wall Street Journal*, *Business Week*, *Fortune*, etc.

j. Other Students -- Some of your classmates may have worked in the industry your team selected or have parents who have worked in these industries, and could be a valuable resource. This is especially true when it comes to the detailed information that may not be published.

k. The Internet, but make sure you use proper sourcing for Internet materials. The rules of plagiarism still apply.

3. General Tips

- a. Do not start the week before the presentation is due. There is no way you can do even a passable job in this length of time. The presentation needs to include an original video commercial (not a composite or copy of an existing commercial) the team has developed.
- b. The best presentations are those that present a clear flow of logic to a final set of conclusions and recommendations, and not a simple compilation of facts or history of the industry or company. Remember, the industry analysis comes first. This should yield the "rules of the game" and "key success factors". Next comes the competitor analysis. This should give the strengths and weaknesses of the relevant competitors. Finally, you should present an actionable strategy for the firm you are examining. In short a strategy that tells the firm how to win, given the rules and the competitors.
- c. Like the mini-app and the industry analysis, the focus of the presentation should be course-concept charts. .
- d. Industries/businesses that ***may not be used this semester for mini-apps or projects include:*** Automobiles, Pharmaceuticals (other than common OTC drugs), Cell Phones (the hand sets), and Condoms.
- e. Failure to properly cite the work of others is plagiarism. You must use a standard footnoting or end- noting scheme. This means you must use some formal guide for writing. This can be any of a number of writing guides like the MLA Style Sheet, Chicago Manual of Style, Turabian, or any number of other guides. Many are online these days and require no monetary outlay.
- f. A common error in written analyses is the failure to use subheadings to break up the material, and the report is presented as a long narrative.
- g. Focusing on minor or irrelevant issues. If there is little or no data on an issue, do not focus on it in your analysis.
- h. Non-critical evaluation of data. Before you use evidence found in various sources, ask yourself if it was collected in a sound manner and whether it is relevant to the issues you are addressing. In some situations the information can be crosschecked in the business periodicals. Qualify your conclusions by evaluating the quality of the data on which the conclusions are based.

- i. Failure to develop specific recommendations and present the means of implementing them. For example, do not say, "increase advertising" and leave it at that. How much should advertising be increased in dollars? Where is the money coming from to pay for it? What outlets should the advertising appear in?
- j. Failure to provide a rationale for the elimination of the unused alternatives. It is important to show that the recommended course of action is likely to deal more efficiently and/or more effectively with the problems being examined. Hence, the limitations of the weaker alternatives must be presented.
- k. *To reiterate what you should already know, the above assignment requirements represent minimums in terms of performance. These are the levels needed to pass the course, not get A or B grades, which mean outstanding or excellent performance respectively.*

Markstrat

You will compete in a comprehensive marketing-strategy computer-based simulation. The purpose of this simulation is to provide you with an opportunity to integrate the concepts that you have learned in the marketing program and this class in the context of a running a competitive business. You will be assigned to an industry with several companies in an industry. Your grade will be based on two components equaling 25% of your grade on the project: (1) 20% is based on your relative position within your industry (defined as the total net contribution to profit in the last period of the simulation; please note that if this number is negative, you will receive a maximum of 10% for the simulation component (i.e., an F); and (2) 5% is based on a strategic plan that you used meets the following requirements:

The Written Markstrat Strategy Plan (Approximately 4 to 5 pages in total length)

See the syllabus for the description.

What is The Markstrat Simulation?

The Markstrat is an integrative computer simulation in which firms compete in a virtual industry to sell virtual products. This is one of the premier simulations used by most of the top MBA programs. As such, playing it here will give you a leg up if you go on to get your MBA. You will manage your firm by making marketing-based decisions regarding: production, sales force, channels, price, advertising, promotion, etc. In order to let you test yourselves against your fellow students in a truly competitive situation, the instructor will not give out information regarding the game, other than a basic lecture. In addition to the integrative aspects of the game, a key point of the exercise is for your team to compete against the other teams without help - as in the "real world". All decisions will be handed in on disks, and all output results will be returned on disks. The winners will be determined net profits for the last round. This means that the early rounds your team is to get a strategy in place and get properly positioned for the last round. **Note, the criterion used to determine the winner is profits, not market share or anything else.** This allows firms to employ different strategies (niche, mass market, etc.) in order to beat the competition. In short, there is no single strategy that will guarantee the team using it, will win. **Unlike in the default option for Markstrat as described in the manual where teams are different sizes, all teams will start off with equal positions.** This allows you to easily measure your performance against the other teams. General playing conditions are given below: Look at the compressed notes file on webcafe for a basic overview.

The Game Master Announces The Following Playing Conditions

Game Condition 1: Your Team Is On Its Own

Game Condition 2: The Game Master Does Not Participate In Any Way

Game Condition 3: Read The Manual Many Times, It's All You Have

Game Condition 4: All Teams Start On A Level Playing Field

Game Condition 5: Profits From The Last Period Determines Who Wins

Game Condition 6: There Is Only One Winner Per Industry

1. There will be a trial decision as noted on the schedule. Your performance (good or bad) on the practice will decision will not count. It is intended to provide basic understanding of the game process. Note, this is NOT the same as the "Practice" found in the Markstrat Industry Area. The "Practice" found there is for you to see what the simulation might look like after 7 or so periods.

2. The Winning team in each industry will get the full 20% (i.e., 100% of the 20%) on this portion of the simulation grade course grade. Other team's grades will depend on the degree of competitiveness exhibited on the last period. However, you must end with a no loss or a profit on the last period to get a passing grade (C-) on the simulation portion of the game. Overall grades will be determined according to the last period net profits (net contribution) and the written Markstrat strategy described above. The grade structure for the simulation portion is given below.

Because of Viruses and related problems, the Data Disk rules are as follows:

- ! The Data (decisions) Disk will have no non Markstrat files on them.
- ! If a virus is found on the disk, a default-decision will be substituted.
- ! If non Markstrat files are found, a default-decision will be substituted.
- ! If the disk is unreadable, a default-decision will be used.
- ! Disks are due at the beginning of the class.

Late Decisions will not be accepted, and a default-decision will be substituted.

3. Grading on Simulation Portion is as follows:

Winning teams will get an A+ (i.e., 100%) on this portion of their course grade. Other team's grades will depend on the degree of competitiveness exhibited during the last two periods. However, you must end with a profit on the last period to get a passing game on the game (i.e., C- or higher). Grades will be determined as follows: Teams **within the following percentages of the winners** will receive the grades shown. Within 8% A, 16% A-, 24% B+, 32% B, 40% B-, 48% C+, 66% C, 67% to 100% C-. At less than 100% of the winner, the team has losses and an F. Hence, competitive teams could get A-'s or B+'s, while "out of it" teams could F's.

Note, if the competition in an industry is particularly good or interesting over the semester, I may consider revising the above percentages upward.

**Marketing
Peer Evaluation Form**

Below you are to allocate 100 points among you and your group members, which reflects each individual's contribution to all group work. Remember! You are to include yourself in the evaluation. Thus, if there are a total of 5 people in the group, and each member (including yourself) contributed equally, each person (including yourself) would receive 20 points each. Note, you are to use whole numbers. For example, if a group contained 6 people, and all contributed equally, you might give 4 people 17 and 2 people 16. Taking or adding a few points to anyone's score will not materially affect their grade. Therefore, if a member did not contribute, you must clearly denote it by deducting an amount of points appropriate to the lack of participation. *These evaluations are confidential and will not be shown to anyone else.* Failure to hand in this form will result in the assumption that everyone contributed equally, and the points will be so assigned. **PRINT INFORMATION & SIGN THE FORM**

Class Time: _____

Industry/Firm: _____

Names:

Points:

_____ (Yourself)

Total = 100

Signature:
