

# MKTG 613

## STRATEGIC MARKETING SIMULATION

Professor Robert Meyer

### COURSE DESCRIPTION, REQUIREMENTS AND ASSIGNMENTS



### Objectives

Marketing 613 is an intensive immersion course designed to develop skills in formulating and implementing marketing strategies for brands and businesses. The central activity will be participation in a realistic integrative product management simulation named SABRE. In SABRE students will form management teams that oversee all critical aspects of modern product management: the design and marketing of new products, advertising budgeting and design, sales force sizing and allocation, and production planning. As in the real world, teams will compete for profitability, and the success that each team has in achieving this goal will be a major driver of the class assessment.

The class will be taught in an intensive WEMBA-style format involving two half-day sessions taught on Fridays and Saturdays (either morning or afternoon depending on section).

The SABRE simulation is used to convey the two foci of learning in the course: the changing nature of strategic problems and their optimal solutions as industries progress through the product life cycle, and exposure to the latest analytic tools for solving these problems. Specifically, SABRE management teams will receive training in both how to make optimal use of marketing research information to reduce uncertainty in product design and positioning, as well as decision support models to guide resource allocation.

### Pedagogic Approach

The learning objectives of the course will be achieved through a blend of large-group common lectures, small group consulting interactions with faculty, and independent team work on the

SABRE simulation. While the exact structure of each day varies somewhat (see course schedule below), the general format is:

**1. Large-group Lecture.** The goal of each the large-group lecture is to provide both common exposure to tools and frameworks that can be used to make decisions in the SABRE simulation, as well as how these tools are used in the real world. More specifically, early in the week lectures will focus more on analytic topics as how to interpret and apply marketing research information, while later in the week lectures will focus on how strategies should be modified as consumer tastes change and competition becomes more intense---two central features of business dynamics that arise both in SABRE and the real world.

**2. Application of Lecture ideas to SABRE.** After each lecture the class will be broken up into smaller management teams who will review the results of their latest decisions and plan their next decision. Each lecture will be designed to provide a new set of formal tools or frameworks that can be used to aid decision making at that stage in the simulation, and teams will have the opportunity to immediately apply these ideas.

**3. Team-based consulting meetings.** During the course of independent group work faculty will schedule short meetings with each team. The goal of these meetings is to give faculty an opportunity to customize the application of the day's lecture materials to each team's particular strategic situation, as well as for each team to seek faculty guidance on how they might ideally proceed in the simulation.

## Course Materials

All course materials will be available at <http://www.study.net>

## Assessment

The weighting of the inputs for the final course grade is:

<b>Class Participation</b>	<b>20%</b>
<b>SABRE Performance</b>	
<b>Periods 1-3</b>	<b>30%</b>
<b>Periods 4-6</b>	<b>30%</b>
<b>Initial SABRE Strategy Presentation</b>	<b>10%</b>
<b>Final SABRE Memo</b>	<b><u>10%</u></b>
	<b>100%</b>

## DETAILED COURSE EVALUATION CRITERIA

1. **Measuring SABRE Performance:** Your team's performance in the SABRE simulation will constitute a major part of your grade. The primary measure we will use is the net cash flow generated by your business ("Cumulative Net Contribution"), which you will be striving to maximize within your virtual industry. Each industry will have six independent teams with different starting positions.

In order not to discourage any team prematurely, we will measure and grade your SABRE team based on Cumulative Net Contribution at two points in time, first for the early three decisions (periods 1-3) and then again for the later three decisions (periods 4-6). This will give us the possibility to reward turnarounds and penalize "fizzle-outs." Hence, you will receive two scores which will then be averaged for your grade in this component of the course.

When your SABRE decisions have been run, you will receive an email. Then, you may download your results and data for the next round of decisions. See the course outline at the end of the syllabus for specific dates and times.

2. **Initial SABRE Strategy Statement—TEAM ASSIGNMENT (DUE 4/6/13, 9 a.m.):** Assess your market position, including your products, competitors, and potential for growth. In doing so, consider questions such as: How do buyer-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 the five competitors within your industry. This report should use the results through the first round of decisions made by each team.

Following your analyses, please provide a clear statement of your objectives, your strategy for achieving those objectives, and the tactics you have been employing to implement your strategy.

This report should not exceed **THREE** double-spaced typewritten pages (not including tables and appendices), and 8 pages in total.

3. **Final SABRE Memo—TEAM ASSIGNMENT (DUE 4/13/13, in class)** Assess your final market position, including your products, competitors, and discuss how your strategies have changed over time in response to competition, industry evolution, and other strategic dynamics. Write this memo as if the audience were the next marketing management team that will be taking over your firm in the next hypothetical period. Discuss strengths and weaknesses, "blind spots" that you missed, and things that you would do differently. Describe briefly the strategy you foresee for your firm in the next hypothetical six periods. Please provide a clear statement of your firm's future objectives, strategies and tactics looking forward, based on what you have learned throughout the 613 course. This report should use the results through round five decisions made by each team.

**In addition, provide a forecast of what you predict will be your team's period-six dollar market share will be within the Regalto and Innovo markets** (actual performances will be revealed in the last class).

This report should not exceed **THREE** double-spaced typewritten pages (not including tables and appendices) and 8 pages in total.

## Day-to-Day Outline

	Section 1	Section 2
<b>April 5th 9:00am-10:30am</b>	Intro to PLC and SABRE	Intro to PLC and SABRE
<b>April 5th 10:30am-12:00pm</b>	SABRE Introduction Cont'd	SABRE Introduction Cont'd
<b>April 5th 1:30pm-3:30pm</b>	Work in SABRE Teams (Prof and TA moderated)	Work in SABRE Teams (Prof and TA moderated)
<b>April 5th 3:30pm-4:30pm</b>	In-Class SABRE Q & A with Professor	In-Class SABRE Q & A with Professor
<b>April 5th 4:30pm-6:00pm</b>	Work in SABRE Teams (Prof and TA moderated)	Work in SABRE Teams (Prof and TA moderated)
<b>April 5th 10:00pm</b>	<b>Round # 1 SABRE decisions due 10pm</b>	<b>Round # 1 SABRE decisions due 10pm</b>
<b>April 6th 9:00am-10:30am</b>	Marketing Research for New Product Launches	OPEN
<b>April 6th 10:30am-12:00pm</b>	Targeting and Optimal Resource Allocation	OPEN
<b>April 6th 1:30pm-3:00pm</b>	OPEN	Marketing Research for New Product Launches
<b>April 6th 3:00pm-4:30pm</b>	OPEN	Targeting and Optimal Resource Allocation
<b>April 6th 4:30pm-6:00pm</b>	Work in SABRE Teams (Prof and TA moderated)	Work in SABRE Teams (Prof and TA moderated)
<b>April 6th 10:00pm</b>	<b>Round # 2 SABRE decisions due 10pm</b>	<b>Round # 2 SABRE decisions due 10pm</b>
<b>April 8th 10:00pm</b>	<b>Round # 3 SABRE decisions due 10pm</b>	<b>Round # 3 SABRE decisions due 10pm</b>
<b>April 10th 10:00pm</b>	<b>Round # 4 SABRE decisions due 10pm</b>	<b>Round # 4 SABRE decisions due 10pm</b>
<b>April 12th 9:00am-10:30am</b>	Strategic adjustment through the PLC	OPEN
<b>April 12th 10:30am-12:00pm</b>	PLC Forecasting	OPEN
<b>April 12th 1:30pm</b>	<b>Round # 5 SABRE decisions due 1:30pm</b>	<b>Round # 5 SABRE decisions due 1:30pm</b>
<b>April 12th 1:30pm-3:00pm</b>	OPEN	Strategic adjustment through the PLC
<b>April 12th 3:00pm-4:30pm</b>	OPEN	PLC Forecasting
<b>April 12th 4:30pm-6:00pm</b>	Work in SABRE Teams (Prof and TA moderated)	Work in SABRE Teams (Prof and TA moderated)
<b>April 12th 10:00pm</b>	<b>Round # 6 SABRE decisions due 10pm</b>	<b>Round # 6 SABRE decisions due 10pm</b>
<b>April 13th 9:00am-10:30am</b>	Final Sabre Exercise (Prof and TA moderated)	Final Sabre Exercise (Prof and TA moderated)
<b>April 13th 10:30am-12:00pm</b>	Final Sabre Exercise (Prof and TA moderated)	Final Sabre Exercise (Prof and TA moderated)
<b>April 13th 12:00pm</b>	<b>FINAL SABRE STRATEGY PAPER due 12:00pm</b>	<b>FINAL SABRE STRATEGY PAPER due 12:00pm</b>
<b>April 13th 1:00pm-2:30pm</b>	Course Conclusion	Course Conclusion