

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 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 on Canvas (Files Folder)

Assessment

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

SABRE Performance	
Periods 1-3	40%
Periods 4-6	40%
Final SABRE Memo and Presentation	<u>20%</u>
	100%

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. Final SABRE Memo—TEAM ASSIGNMENT (DUE 4/12/13, in class)

Discuss the evolution of your strategy as the simulation progressed. This report should address 3 major aspects:

- 1.** Your initial your market position, including your products, competitors, and potential for growth. In doing so, consider questions such as: How did buyer-preferences vary throughout the market? What were the principal strengths and weaknesses of your firm and its starting position? What was your strategy based on this analysis?
- 2.** 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.
- 3. 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 **SIX** double-spaced typewritten pages (not including tables and appendices) and 10 pages in total. **HINT:**

Day-to-Day Outline

April 4:

9-Noon: *Common Lecture: Opening Class Overview: The Mechanics of the Sabre Simulation*

Location: Large Lecture Room

1-3PM: SABRE Decisions and Faculty consulting meetings

Location: Break-out rooms

3-4PM: *Optional Large Group Q&A session*

Location: Large Lecture Room

4-9PM SABRE Decisions and Faculty consulting meetings

Location: Break-out rooms

9 PM: *SABRE DECISION 1 DUE*

April 5:

9-10:30: *Common Lecture: Marketing Research for Strategic Decision Making*

10:30-12 *Common Lecture: Optimal Resource Allocation*

1-8 PM: Decisions and Faculty consulting meetings

Location: Break-out rooms

8PM: *SABRE DECISION 2 DUE*

April 7:

10 PM: *SABRE DECISION 3 DUE*

April 9:

10 PM: *SABRE DECISION 4 DUE*

April 11:

9-12: SABRE Decisions and Faculty consulting meetings

Location: Break-out rooms

1PM: Sabre Decision 5 Due

1-3PM *Common Lecture: Target-market selection and new-product*

Launch decisions, PLC Forecasting

3-8PM SABRE Decisions and Faculty consulting meetings

Location: Break-out rooms

8PM: *SABRE DECISION 6 DUE*

April 12:

9--12 SABRE Final Report, Presentation Preparation

Location: Break-out rooms

1:30-5PM: *Common Class:* team presentations, summary, share results across industries

Location: Large Lecture Room