The Wharton School
University of Pennsylvania

Marketing Strategy
MKTG 777
Fall 2015
Professor Yoram (Jerry) Wind
Tuesday, Thursday 1:30 – 2:50
JMHH

Professor: Professor Yoram (Jerry) Wind, JMHH 7th Fl., Tel (215) 898-8267
Email: windj@wharton.upenn.edu
For Resume: http://marketing.wharton.upenn.edu/people/faculty.cfm?id=196
For current research activities, see my center website: http://seicenter.wharton.upenn.edu/

Assistant: Megan Gillespie, JMHH 7th Fl., and Tel (215) 898-6848

Office Hours: T, Th 8:00-8:45 AM – and by appointment

Canvas Site:

Required Material:
Illustrative readings are suggested for each session but should be augmented by:
- Ongoing familiarity with the business press (Business Week, Fortune, WSJ, Economist…)
- Relevant web searches and other sources.
- And some of the books listed in Section VIII

I. Objective

Students will develop their competencies in the creative, analytic, and systematic use of marketing concepts and methods in the design, evaluation, and implementation of marketing strategy and marketing driven business strategies of organizations in the rapidly changing and complex global business environment. In support of this objective, students are expected to:

1. Understand how the dramatic changes in the global business environment and especially in technology and empowered consumers are affecting the currently accepted marketing strategy concepts, methods and practices as they relate to both marketing strategy and marketing perspectives and drivers of business strategy.
2. Develop a working knowledge of the strategic marketing concepts, methods and practices that reflect the impact of the changing global business environment.
3. Apply this knowledge to practical problems and context in a creative and analytic way, focusing diverse perspectives including those of:
   - CMO
   - CEO
   - Other C-level executives
   - Heads of business units
   - Support organizations such as advertising agencies, marketing research firms, etc.
4. Prepare and present persuasive oral and written reports.
II. Premises

1. Successful marketing and business strategy require mastery of marketing concepts, findings, methods and processes.
2. The dramatic changes in the global business environment are constantly changing the nature of marketing and the marketing and business strategy options.
3. Understanding these changes and their impact on marketing concepts and methods is a must. The conceptual framework guiding the course is outlined in the following Exhibit.

*My premise is that the status quo is not an option!
III. Who should take this course?

This course is intended as a capstone course in marketing that “ties everything together and provides a marketing perspective for business and corporate strategy.” It is a generalist’s course, not a specialist’s course: we will not spend a large amount of time on any one marketing mix variable (e.g., advertising), or on one marketing function (e.g., marketing research). Instead, all marketing mix variables will be discussed in an integrated way, with a focus on the fundamental strategic marketing issues that confront senior management. The course is tailored to those intending to pursue careers in marketing, consulting, or general management, and offers to all management functions (finance, operations, etc.) key insights on how to get the most from their interaction with marketing.

IV. Philosophy, pedagogical approach & course requirements

*Whatever be the detail with which you cram your student, the chance of his meeting in after-life exactly that detail is almost infinitesimal; and if he does meet it, he will probably have forgotten what you taught him about it. The really useful training yields a comprehension of a few general principles with a thorough grounding in the way they apply to a variety of concrete details. In subsequent practice the (students) will have forgotten your particular details; but they will remember by an unconscious common sense how to apply principles to immediate circumstances.*

— Alfred Whitehead, *The Aims of Education and Other Essays*

The course is based on five pedagogical concepts—(1) learning is a co-production process of the students and the faculty, (2) discovery based learning, (3) Action learning, (4) the value of reflections, and (5) teaching is the best way to learn.

These are implemented by five major pedagogical approaches.

1. Lectures/Discussions

These sessions introduce principles, theories, concepts, findings, and methods. Constructive discussion and critique are strongly encouraged, and require appropriate preparation and active class discussion.

2. Group Teaching Exercise

There is strong evidence that the best way to learn is to teach. You will need to form a teaching group of approximately 3-4 students. Each group will have the responsibility for selecting one topic from the “rethinking” topics (sessions # 13, 14, 15, 16, 17, 18, 19, and 20). The topics will be assigned on a first come, first serve basis. The task is to develop and manage a pedagogical exercise, experiential learning opportunity, etc. The teaching project is designed to enhance the class understanding of the topic. You should design it as an assignment to be completed by the students before the class and you will have 15 minutes in class to discuss and debrief the students on the experience and lessons learned.

<table>
<thead>
<tr>
<th>Due Dates: (ONE of these sessions):</th>
<th>#13</th>
<th>#14</th>
<th>#15</th>
<th>#16</th>
<th>#17</th>
<th>#18</th>
<th>#19</th>
<th>#20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>October 8</td>
<td>October 13</td>
<td>October 15</td>
<td>October 20</td>
<td>October 22</td>
<td>October 27</td>
<td>October 29</td>
<td>Nov 3</td>
</tr>
</tbody>
</table>
3. Written Assignments

(1) (Group): **#6 Segmentation**: For the company or organization you select for your final group project, a short (two page) paper on what is the best way to segment their market and the rationale for it.

| Due Date: | September 15 |

(2) (Individual): **#12 Experiment to Address a Key Marketing Management Challenge**: A short paper (two pages) on any strategic marketing issue of your choice focusing on the issue and designing an experiment to address it creatively and efficiently. Ideally apply this to your project (selected company/industry/organization).

| Due Date: | October 6 |

(3) (Individual): **#17 Book Review**: A short book review (two pages). [Section VIII includes a number of illustrative books. Feel free, however, to select any other marketing related book, if you so desire.]

| Due Date: | October 22 |

(4) (Group): **#21 The Dashboard Assignment**: Form a group of 3-4 students and select a company or organization for whom you will develop a market-driven dashboard. You will need to dive deep enough into this company or organization to understand their current strategy, as well as their current obstacles and constraints, and the implications of changing their strategy. The Dashboard should show the key performance measures and their drivers. For this assignment the Marketing Metrics book (Farris, Paul, Neil Bendle, Phillip Pfeifer, David Reibstein. *Marketing Metrics: 50+ Metrics Every Executive Should Master*) should be very helpful.

| Due Date: | November 5 |

(5) (Individual): **#29 Reflections and Rules**: Ongoing reflections and listing of the take-aways and “rules” for Marketing Strategy

| Due Date: | December 8 |

(6) (Individual or Small Groups): **Short discussion notes** Re: each of the Marketing Strategy components [Sessions 13, 14, 15, 16, 17, 18, 19 and 20] addressing questions such as:

- What are the key concepts and tools that are valid even in today’s environment? And why?
- What concepts and tools should be modified and/or deleted? And why?
- What new concepts and tools are needed? And why?

<table>
<thead>
<tr>
<th>Due Dates:</th>
<th>#13 October 8</th>
<th>#14 October 13</th>
<th>#15 October 15</th>
<th>#16 October 20</th>
<th>#17 October 22</th>
<th>#18 October 27</th>
<th>#19 October 29</th>
<th>#20 Nov 3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>#13 October 8</td>
<td>#14 October 13</td>
<td>#15 October 15</td>
<td>#16 October 20</td>
<td>#17 October 22</td>
<td>#18 October 27</td>
<td>#19 October 29</td>
<td>#20 Nov 3</td>
</tr>
<tr>
<td>#22 Nov 10</td>
<td>#23 Nov 12</td>
<td>#24 Nov 17</td>
<td>#25 Nov 19</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

And other selected current topics

| Due Date: | As appropriate |

Please prepare these short notes for yourselves in preparation for each of the classes and submit at least three of them.
(7) (Group): **Marketing Strategy Project**: This report will be prepared and presented by small teams of three or four students. The topic should relate to the content of the course and provide a significant learning experience for all members of the group. Possible topics include:

- An evaluation of the strategy of a firm or business
- Applying a strategic marketing concept
- Designing a marketing strategy for the next presidential campaign
- Design a marketing strategy to improve the global image of a country, state, or city of your choice
- Design a market driven strategy for a new startup of your choice

The report will typically be based on secondary sources and information in the public domain, but can also be based on field research or interviews and data collection within a company (but remember it is **not** a marketing research course). Key to the selection of the topic is the group members’ **passion** for it.

The reports will be evaluated according to the following criteria:

1. The quality of the questions asked and the diagnostics.
2. The creativity of the solution options.
3. The feasibility of the conclusions or recommendations—did they follow from the analysis?
4. The mastery of the frameworks, concepts, and methods developed during the course.
5. The effectiveness of the written and verbal presentation. The presentation and the executive summary should be accompanied with a brief section on lessons learned.

### Project Due Dates

<table>
<thead>
<tr>
<th>#5</th>
<th>Email a brief (one-paragraph to one-page) proposal to be submitted with the names of the team members and their areas of expertise.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sept 10</td>
<td></td>
</tr>
<tr>
<td>Sept 24</td>
<td>A one-page double-spaced progress report is due every two weeks.</td>
</tr>
<tr>
<td>Oct 8</td>
<td></td>
</tr>
<tr>
<td>Oct 22</td>
<td></td>
</tr>
<tr>
<td>Nov 5</td>
<td></td>
</tr>
<tr>
<td>Nov 19</td>
<td></td>
</tr>
<tr>
<td>Nov 24</td>
<td>The final presentations and a short executive summary</td>
</tr>
<tr>
<td>Dec 1</td>
<td></td>
</tr>
</tbody>
</table>

**A Note On Teams**

**Selection:**
Since many of the course assignments are team based, much of what you get out of the course depends on the composition of the team and how effectively it functions. To get the most out of the team you work with, try to ensure that your team is interdisciplinary (e.g. members with different professional backgrounds, majors, and interests), and culturally diverse (includes members from various countries).

For group work, I will assume an equal division of labor among group members, so pick your groups carefully and note that you can create different teams for the various assignments.
Conduct:
The purpose of the team projects is to encourage co-creation and learning from each other. Please avoid the practice of dividing the assignments among the group members and thus turning it into individual assignments. If you do so you will be missing an indispensable learning opportunity.

5. Readings

We will be using a combination few readings provided on Canvas, and materials you can find on the internet.


In searching for information consider the numerous databases that can be accessed from the Penn library homepage.

Other Sources:
There are an increasing number of books that could be of value for your class preparation and as general references. An illustrative list is included in section VIII. All books will be on reserve at Lippencott.

Note: Please notify me before the class if you will not be in class or if you are not prepared to participate!

Class Participation and Collaboration Technology:

All projects will be turned in through Canvas, and it is expected that all students will provide feedback on some of the work of others in the Discussion area. This feedback will be reviewed and counted toward the class participation grade.

V. Assessment

The best measure of what you have learned is your own assessment of the progress you have made in understanding the key marketing strategy concepts and methods and your ability to apply them. For the formal course assessment, I will use the following guidelines:

- Quality and quantity of class participation (individual) 20%
- Teaching project (group) 10%
- Dashboard assignment (group) 10%
- Marketing Strategy Rules (individual) 10%
- Short assignments (individual & group) 25%
- Final Project (group) 25%
### VI. Class schedule at a glance

<table>
<thead>
<tr>
<th>TUESDAY</th>
<th>THURSDAY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. August 27</strong></td>
<td><strong>1. August 27</strong></td>
</tr>
<tr>
<td>Topic: Introduction to Course and Class Introductions</td>
<td></td>
</tr>
<tr>
<td><strong>2. September 1</strong></td>
<td><strong>3. September 3</strong></td>
</tr>
<tr>
<td><strong>4. September 8</strong></td>
<td><strong>5. September 10</strong></td>
</tr>
</tbody>
</table>
| Topic: Customer Insights and Marketing Actions in the Age of Watson & AI | [Submit Project Proposal]  
Guest Lecture: David Barber, Blue Hill Farms |
| **6. September 15** | **7. September 17** |
| Topic: Market Segmentation in the Age of Personalization at Scale | Topic: Value Proposition, Positioning, and Competitive Strategies |
| **8. September 22** | **9. September 24** |
| Topic: Generating Creative Options | [Submit Project Update]  
Topic: Growth Strategies |
| **10. September 29** | **11. October 1** |
| Topic: Idealized Design and Creating a Marketing Innovation Engine | Guest Lecture: Dan Saaty, Decision Lens, and AHP / ANP |
| **12. October 6** | **13. October 8** |
| [Submit Experiment]  
Topic: Adaptive Experimentation | [Teaching /Short Notes and Project Update]  
Topic: Rethinking Branding, Brand Strategies, and Creating Global Brands |
| **14. October 13** | **15. October 15** |
| [Teaching/Short Notes]  
Topic: Rethinking the Product & Service Offerings & Experience | [Teaching/Short Notes]  
Topic: Rethinking Pricing & Revenue Models |
| **16. October 20** | **17. October 22** |
| [Teaching/Short Note]  
Topic: Rethinking Advertising and Communication | [Teaching/Short Note; Book Review and Project Update]  
Topic: Rethinking Distribution |
| **18. October 27** | **19. October** |
| [Teaching/Short Note]  
Topic: Rethinking “Go to” Market and Pre-emptive Marketing Strategies | [Teaching/Short Note]  
Topic: Rethinking CRM & Loyalty Programs |
| **20. November 3** | **21. November 5** |
| [Teaching/Short Note]  
Topic: Rethinking the Business Model and Portfolio Strategies | [Submit Dashboard Assignment and Project Update]  
Topic: Marketing Metrics & Dashboard |
| **22. November 10** | **23. November 12** |
| [Short Notes]  
Topic: Resource Allocation | [Short Notes]  
Topic: Organizational architecture |
| **24. November 17** | **25. November 19** |
| [Short Notes]  
Topic: Network Orchestration and the Role of the CMO | [Short Notes; Project Update]  
Topic: Toward Implementation |
| **26. November 24** | **Thanksgiving** |
| Topic: Project Presentations (1) |  |
| **27. December 1** | **28. December 3** |
| Topic: Project Presentations (2) | Guest Lecture: Prof. David Reibstein, Linking Marketing to Financial Consequences |
| **29. December 8** | **Submit Reflections and Rules** |
| Topic: Reflections & Conclusions |  |
### VII. Initial List of Class Assignments

[Additional assignments will be given reflecting class interaction and progress. In addition, the students are encouraged to identity relevant readings, websites, and videos.]

<table>
<thead>
<tr>
<th>Session</th>
<th>Date</th>
<th>Preparation/Readings/Assignments</th>
</tr>
</thead>
</table>
| 1       | Aug. 27  | **Introduction to Course and Class Introductions**  
  - Read Course Outline carefully                                                                                                                                 |
| 2       | Sep. 1   | **The Changing Market Reality and Its Implications**  
  - Read Wind, Hays & the Innovative Network, Beyond Advertising, chapter 1 - The Five Forces Driving the Need for Change, and the Enablers to Do So  
  - Review the current business publications  
| 3       | Sep. 3   | **Challenging Our Mental Models of Marketing**  
  - Skim, Wind & Crook, Power of Impossible Thinking.  
  - Wind, Hays & Network, chapter 2 of Beyond Advertising - It’s All In Your Head  
  - Be ready to discuss your current mental model of marketing strategy. |
| 4       | Sep. 8   | **Customer Insights and Marketing Actions in the Age of Watson and AI**  
  - Review the literature on cognitive computing (Watson). Google’s Deep Mind, Microsoft ChatBot, and the AI literature |
| 5       | Sep. 10  | **Guest Lecture: David Barber, Blue Hill Farms**  
  - Review the website and be ready to discuss |
| 6       | Sep. 15  | **Market Segmentation in the Age of Personalization at Scale**  
| 7       | Sep. 17  | **Value Proposition, Positioning, and Competitive Strategies**  
| 8       | Sep. 22  | **Generating Creative Options**  
  - Review “Should You and Can You Inspire Creativity” Wind, TEDxFreeLibraryofPhiladelphia – and other TED videos on Creativity |
| 9       | Sep. 24  | **Growth Strategies**  
  - George Day, Organic Growth (to be distributed) |
| 10      | Sep. 29  | **Idealized Design and Creating a Marketing Innovation Engine**  
  - Review the literature on innovation and marketing innovation. |
| 11      | Oct. 1   | **Guest Lecture: Dan Saaty**  
  - Read Chapters 2-3 and 5-6 from Decision Making for Leaders.  
| 12      | Oct. 6   | **Adaptive Experimentation**  
  - Chapter 7 of Wind, Hays & Network: Beyond Advertising – Embrace a Culture of Adaptive Experimentation |
| 13      | Oct. 8   | **Rethinking, Branding, Brand Strategies, and Creating Global Brands**  
  - Skim Light, 6 Rules for Brand Revitalization: Learn How Companies like McDonald's Can Re-Energize Their Brands.  
  - Review the rich branding and brand equity literature.  
  - Review the rich literature on Customer Experience. |
| 14      | Oct. 13  | **Rethinking the Product & Service Offerings & Experience**  
  - Review the rich literature on product and service management and new product development. |
<table>
<thead>
<tr>
<th>Session</th>
<th>Date</th>
<th>Preparation/Readings/Assignments</th>
</tr>
</thead>
</table>
| 15      | Oct. 15| **Rethinking Pricing & Revenue Models**  
|         |        | • Review the rich pricing and revenue models literature  
|         |        | • Raju & Zhang, *Smart Pricing: How Google, Priceline, and Leading Businesses Use Pricing Innovation for Profitability* |
| 16      | Oct. 20| **Rethinking Advertising and Communication**  
|         |        | • Review Wind, Hays and the Wharton Future of Advertising Innovation Network, *Beyond Advertising*, chapters 3-6 |
| 17      | Oct. 22| **Rethinking Distribution**  
|         |        | • Review the rich distribution literature |
| 18      | Oct. 27| **Rethinking “Go to” Market and Pre-emptive Marketing Strategies**  
|         |        | • Wind. “Rethinking your Go To Market Strategies,” Wharton School Working Paper. [Will be handed out in class.] |
| 19      | Oct. 29| **Rethinking CRM & Loyalty Programs**  
|         |        | • Review the rich literature on CRM and loyalty programs. |
| 20      | Nov. 3 | **Rethinking the Business Model and Portfolio Strategies**  
| 21      | Nov. 5 | **Marketing Metrics & Dashboard**  
|         |        | • Prepare and submit the dashboard assignment.  
| 22      | Nov. 10| **Resource Allocation**  
|         |        | • Review rich resource allocation literature.  
|         |        | • Skim the relevant chapters of Lilien and Rangaswamy, *Marketing Engineering, Revised Second Edition* |
| 23      | Nov. 12| **Organizational Architecture**  
|         |        | • Chapter 8 of *Beyond Advertising* - Leverage All Aspects of the Organizational Architecture to Effect Change or Start Fresh |
| 24      | Nov. 17| **Network Orchestration and the Role of the CMO**  
|         |        | • Chapter 9 of *Beyond Advertising* - Transcend Silos and Barriers with Aligned Objectives, Open Innovation, Network Activation and Network Orchestration |
| 25      | Nov. 19| **Toward Implementation**  
|         |        | • Review the rich strategy implementation literature. |
| 26      | Nov. 24| **Project Presentations (1)** |
| 27      | Dec. 1 | **Project Presentations (2)** |
| 28      | Dec. 3 | **Guest Lecture: Prof. David Reibstein**  
|         |        | • Review the MASB website |
| 29      | Dec. 8 | **Reflections & Conclusions** |
VIII. Illustrative Reading List


Keller, K. *Strategic Brand Management, Build, Meaning and Managing Brand Equity*. Prentice Hall. 1996.


Zyman, S. *The End of Marketing as We Know It*. Harper Paperbacks, November 2000.

*Recommended for skimming in preparation for specific sessions.*
YORAM (JERRY) WIND

Academic Positions: Jerry Wind is The Lauder Professor and Professor of Marketing at The Wharton School of the University of Pennsylvania. He is the founding director of the Wharton “think tank,” The SEI Center for Advanced Studies in Management. The Center’s mission is to assure, through research and development, the quality, relevance, and impact of management research, education, and practice. Dr. Wind joined the Wharton faculty in January 1967, upon receipt of his doctorate from Stanford University.

Program Development: Dr. Wind is the founder and academic director of The Wharton Fellows program. From 1983 to 1988, he was the founding director of The Joseph H. Lauder Institute of Management and International Studies, and from 1980 to 1983 the founding director of The Wharton Center for International Management Studies. Dr. Wind chaired the Wharton committees that designed The Wharton Executive MBA Program (1974), the new MBA curriculum (1991), the School’s globalization strategy (1995-1997), and the MBA’s cross-functional integration efforts (2002-04). He also started The Wharton International Forum (1987) and served as the chairman of its faculty council until 1998. He was instrumental in establishing the Alfred West, Jr. Learning Lab and served as a member of its first advisory board (2001-05).

Publications: Dr. Wind is one of the most cited authors in marketing. His regular contributions to professional marketing literature include 23 books and over 250 papers, articles, and monographs encompassing the areas of marketing strategy, marketing research, new product and market development, consumer and industrial buying behavior, and global marketing. Dr. Wind’s books have received wide acclaim and many have been translated into a number of languages. His most recognized publications include: Competing in a Flat World, with Victor and William Fung (Wharton School Publishing 2007), The Power of Impossible Thinking: How Changing Your Mental Models Will Transform the Business of Your Life and the Life of Your Business, with Colin Crook (Wharton School Publishing 2004), Convergence Marketing: Strategies for Reaching the New Hybrid Consumer with Vijay Mahajan (Financial Times/Prentice Hall 2002), and Driving Change with Jeremy Main (Free Press 1998). Both The Power of Impossible Thinking and Convergence Marketing were selected by Executive Book Summaries as one of the thirty best business books of 2002 and 2004. His recent edited books—The Network Challenge: Strategy, Profit and Risk in an Interlinked World (Wharton School Publishing, June 2009), New Product Diffusion Models (Kluwer 2000), Digital Marketing (Wiley 2001), and Marketing Research and Modeling: Progress and Prospects (Kluwer 2004)—include the works of the leading experts on these topics. In 2012, Sage will publish an 8-volume edited anthology of Dr. Wind’s publications through the Legends of Marketing Series.


Business Experience: Dr. Wind has served as an advisor to many Fortune 500 firms and a number of non-U.S. multinationals in the financial services, pharmaceuticals, information, and consumer packaged goods industries. His consulting focuses on both overall global corporate and business strategy and transformation as well as marketing strategy and especially the development of new businesses. He is a regular advisor to SEI and a member of their executive committee. In addition, he has served as an expert witness in various legal cases. Dr. Wind is a member of the advisory board of a number of start-ups including Decision Lens. He is a former director of IDT (HK), Enhance Financial Services Corporation, Contel Corporation, CASA and a number of entrepreneurial ventures.

Professional Activities: Dr. Wind is an active member of the major marketing and management science professional associations. He is the former Chancellor of the International Academy of Management (IAM). He is a former academic trustee of the Marketing Science Institute and former chairman of the College of Marketing of the Institute of Management Science. He is a member of the Board of Directors of the Marketing Accountability Standards Board. He is one of the founders of the Israeli university—The Interdisciplinary Center Herzliya (IDC) (1994), chairman of its academic council, and member of its academic appointment and promotion committee. He is also a member of the board of the American Friends of IDC. He is a member of the boards of a number of Wharton’s centers, including the Lauder Institute and Knowledge@Wharton; a trustee of The Philadelphia Museum of Art, chairman of the marketing committee and member of its digital age committee. He is a frequent lecturer in faculty seminars and executive programs in over 50 universities worldwide and the founder of Reimagine Education: Innovative Pedagogical Approaches for Higher Education.

Awards: Dr. Wind is the recipient of various awards, including the four major marketing awards—The Charles Coolidge Parlin Award (1985), the AMA/Irwin Distinguished Educator Award (1993), the Paul D. Converse Award (1996) and the Buck Weaver Award (2007). He is the recipient of the first Faculty Impact Award given by Wharton Alumni (1993). In 1984, he was elected as member of the Attitude Research Hall of Fame and has won a number of research awards, including two Alpha Kappa Psi Foundation awards and a recent inclusion in JAR Classics issue of 18 articles that have withstood the test of time. In 2001 he was selected as one of the 10 Grand Auteurs in Marketing and later named as the 2003 recipient of the Elsevier Science Distinguished...
Scholar award of the Society for Marketing Advances. In May 2004 he was awarded as Honorary Fellow of the Decade by the Interdisciplinary Center Herzliya (Israel). In 2009, Dr. Wind was selected as one of the 10 Legends of Marketing and in 2013 Sage will publish 8 edited volumes anthologizing his various publications

Expanded CV can be found online at: https://marketing.wharton.upenn.edu/profile/196/cv