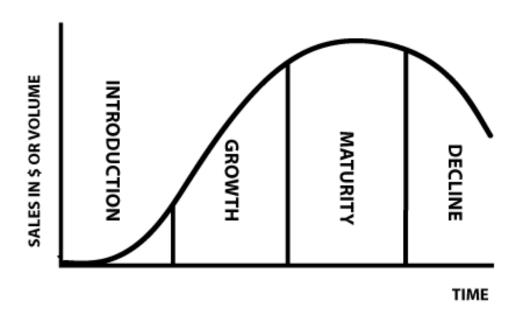# STRATEGIC MARKETING SIMULATION
(MKTG 613)
Section 003

January 2020

**COURSE DESCRIPTION,
REQUIREMENTS AND ASSIGNMENTS**

Professor David J. Reibstein

Objectives

Building upon Marketing 611, this course focuses on helping you refine your skills in developing a marketing strategy and seeing how the marketing tactics selected need to be in alignment with that strategy. The course will focus specifically on issues such as the selection of which businesses and segments to compete in, how to allocate resources across businesses, segments, and elements of the marketing mix, as well as other significant strategic issues facing today's managers in a dynamic competitive environment.

All of these issues will be discussed and couched in the context of *the dynamic nature of market evolution that occurs throughout the Product Life Cycle (PLC),* pictured above. Students will develop strategic thinking skills and learn to apply analytical tools to help formulate effective marketing tactics in each phase of the PLC. These concepts will be further concretized in the context of an in-depth marketing strategy simulation that will occur throughout the course.

This simulation, SABRE, will occupy a significant part of our time and activity in the course. You will be assigned to a SABRE team where each team will be charged with managing a firm in an unfamiliar new market where in each "SABRE period" you will make a wide range of decisions including what new

products to bring out, when, and how to market them. The SABRE simulation thus provides an experiential context that serves to illustrate the PLC principles discussed in class, and gives you the opportunity to test alternative actions and analyses without the cost of implementing them in real settings.

Outline of Each Class Session

While the exact structure of each class session will vary depending on whether it is a case or lecture, in general each session will have three facets:

1) *Analytical frameworks for thinking through the problem.* For the business problem being discussed, the class will explore a range of general analytic frameworks through which the problem might be approached, and evaluate their comparative strengths and weaknesses. The purpose of this is to provide a systematic basis for narrowing down the set of candidate options, and choosing a best option in light of available data.

2) *Informing the decision through data.* Given a general analytic framework, most classes will go on to explore how greater precision can be brought to their application through the use of data---both in the form of customer insights (marketing research), and secondary data on sales, costs, and competition.

3) *Linking class ideas to the SABRE simulation.* A critical objective of each class will be to help make transparent the links between the real-world problems and tools discussed in class and the problems you face managing your SABRE firm. In some cases this will include demonstrations of how analytic tools introduced in class can be directly applied to aid decisions in SABRE.

Course Materials

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

Course Website

Many of the course's activities (SABRE-related and otherwise) will involve the use of Wharton's **Canvas** software, which you can access at: https://**canvas**.upenn.edu/.

Please bookmark this website and check it as often as necessary. This site will contain information about SABRE, copies of class handouts, and other general information about the course. If you have any problems accessing it, please send an email to courseware@wharton.upenn.edu.

Grading

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

SABRE Performance	
Periods 1-3	**35%**
Periods 4-6	**35%**
Final SABRE Memo	**10%**
Final Exam	**20%**
	100%

You must attend the first class! You cannot drop the course once we begin!

NOTE: Classroom Participation Info:

Since the course is intensive and team dependent, you are expected to be present for all aspects of the course and your teamwork. ATTENDANCE IS REQUIRED. Failure to be present will leave me the latitude to adjust your grade downward.

If you have documentable special circumstances such as illness, or grave personal difficulties such as a death in the family, you should speak with the MBA Program Office, which will work with me in appropriate cases to find a resolution.

Course Outline

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. At a designated time, 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 1/8/20, 9:00 a.m.)*** 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 the round five decision 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).

Pre-class Prep	Saturday-1/4	Sunday-1/5	Monday-1/6	Tuesday-1/7	Wednesday-1/8
Read student manual View Videos Access your data and review	9-11 a.m. *Introduction to SABRE* *Reading*: "SABRE Manual". **Classroom: F85 JMHH**	9-11 a.m. Period 2 Decisions	9-11 a.m. Multiproduct Resource Allocation **Classroom: 240 JMHH**	9 a.m.-12 p.m. Period 5 Decisions Due	9-10 a.m. Final Exam *Please bring iPad or larger device for the exam. **Classroom: F85 JMHH**
	11-2 p.m. Receive team data Meet in teams to review inheritance and system interface	11:15-12:45 p.m. Kindle Fire Case **Classroom: 240 JMHH**	11-3 p.m. Period 4 Decisions Due	12-1 p.m. Lunch	10-10:15 a.m. Break
	2-3 p.m. Questions regarding SABRE **Classroom: F85 JMHH**	1-3 p.m. Period 2 Decisions Due (Continued)	3:30-5 p.m. To Pioneer or not to pioneer, that is the question. **Classroom: F85 JMHH**	1-2 p.m. Product Breadth **Classroom: F85 JMHH**	10:15-11:30 a.m. Meet with other teams in your world Review flipcharts
	3-3:15 p.m. Break	3:30-5 p.m. Segmentation and segment selection **Classroom: F85 JMHH**		2-5 p.m. Period 6 Decisions Due	11:30-11:45 a.m. Break
	3:15-5 p.m. Marketing Research for Strategic Decisions **Classroom: F85 JMHH**	5-8 p.m. Period 3 Decisions Due		5 p.m. Market Share Period 6 Forecast	11:45-12:30 p.m. Meet with others within your color
	5-10 p.m. Period 1 Decisions Due			5-10 p.m. Final Paper & Develop Flipcharts	12:30-1:45 p.m. Overall review, Period 6 results and summary **Classroom: F85 JMHH**