

# **Marketing Strategy (Marketing 807)**

## **2017 Daytime MBA – Spring Term 2, Lilly Classroom**

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A308 Academic Center, (919) 660-7856, <http://www.duke.edu/~moorman>  
Office hours: By appointment; email to request time

Course website: <https://fuqua.instructure.com/>  
Sections: Tuesday and Friday, 9:00AM (401), 12:30PM (402), and 3:00PM (403)

### **Course Summary**

Marketing strategy is concerned with managing customers to maximize long-term company profits. The focus is on managing at the strategic level by targeting, acquiring, retaining, and growing customers. We will examine the management of both strategy and organization to build valuable customers for company growth and profits. The course builds on the core marketing and strategy classes. However, it differs from both in two ways. First, given the strategic focus of this course, less attention will be given to the tactical-level activities of the marketing department in implementing marketing decisions using the 4Ps. Second, given the customer focus of this course, we will place the organization's capabilities at the service of customers and not the other way around.

This is a practical class. Each class period examines a case about a firm's problem. Concepts, tools, and frameworks will be offered in the readings and during class to understand the effective resolution of these cases. These are one source of value from the class. A second source of value will come from working to solve these cases individually and in small groups before class.

### **Learning Outcomes**

Upon completion of the class, you will have gained knowledge and skills in the following areas:

- Managing customer value leadership
- Designing business models for customer value leadership
- Developing and using customer insight
- Innovating new value using growth strategies
- Templates for breakthrough innovation
- Managing marketing-sales integration
- Managing the customer as an asset
- Using customer lifetime value models to make investment decisions
- Targeting customers
- Managing the brand as an asset
- Managing marketing strategy in international markets
- Product line management
- Managing brands online
- Creating a market-oriented organization
- Managing the contribution of marketing to long-term profits and stock market performance
- Metrics for evaluating marketing strategy effectiveness

## Cases and Case Memos

**Overall approach.** The class is designed around eleven case studies, eight of which will be written up and graded. These cases are the most important feature of this course. The cases describe ambiguous, uncertain, and difficult-to-solve marketing strategy problems for which important company decisions need to be made. In nearly all situations, a case will represent your first exposure to a particular problem. Solutions will not be straightforward.

One case will be completed individually, and the remaining seven will be completed with your assigned team. You can find the names of your assigned team members in the TeamBuilder tool in FuquaWorld (on March 22 after drop-add ends).

**Processing cases with your team.** I recommend that teams set up a regular meeting time to process the team cases together. Read the case before attending this meeting and form initial ideas about how to address the required question. During your meeting, share ideas and come to a consensus about your answer. One or more team members can then write it up. All team members should review and approve the final document before submitting. Your preparation for these meetings and your involvement in writing the memos will help you prepare for class and help your team perform well on this part of the course. It will also ensure you prepared for the final exam which relies on themes and lessons from these cases as the basis for questions. Teams should not meet to discuss the individual case write-up.

**Writing memos.** Case write-ups will be evaluated for how well you or your team address the assigned write-up questions, not for accuracy relative to a pre-defined answer. The case write-up questions and the time the write-up is due are listed in the syllabus. I have shared several examples of excellent write-ups for the Becton Dickinson in Canvas for Session 1 which will become available at 5:30PM on March 21.

### Important notes:

- Write-ups are generally a one-page memo plus any supporting tables, figures, or appendices. Please use double-spacing, a minimum font size of 11 point, and one-inch margins all around. Place your team number (found in TeamBuilder) in the header of the document. Do not list team member names. This approach ensures that the grading process remains completely anonymous. If the write-up is individual, place your name in the header of the document.
- It is fine to include supporting materials or appendices; however, reference these materials in your memo. If not, these materials will be ignored when grading.
- Given you only have one page, do not waste space at the top repeating the write-up question or using any unnecessary formatting. Also, an introduction is not necessary. Focus on answering the assigned questions.
- No cover sheet is necessary.
- Do not look up material about the company on the web or in reference materials before working on the case or discussing it in class. Doing so is considered an Honor Code violation. The only exceptions are research for the IDEO session, your Xbox strategy, and in prepping for the Thrive discussion. In these cases, you are encouraged to access any information (except for prior course information) that will help you develop the best ideas possible.

**Submitting memos in Canvas.** Submit a PDF of your write-ups in Canvas before 8:00AM on the day the case is covered in class. Retain a copy for case discussion during class. Late memos will receive a grade of zero. Only one team member should submit the team case write-ups. Label your file using the following convention: TeamNumber\_CaseName. Therefore, if your team number is 3 and the memo is for HubSpot, label your file: 3\_HubSpot. If the write-up is individual, put your name in the header of the document and label the file Lastname\_Firstname\_Unilever.

To upload memos, go to the Assignments link in Canvas and click on the relevant Assignment title in the list. Select “Submit Assignment” then “Choose File” and browse to select the file you want to upload. Note you may attach multiple files to a submission. Select the “Submit Assignment” button and after a successful submission you will see the submitted file along with your submission details.

There are numerous situations that arise when a team member is acting as an agent on behalf of the team that prevent the full execution of those responsibilities, such as forgetting to submit, sleeping through the deadline, failing to include an important paragraph, or leaving in track changes. These are unfortunate situations. However, there is no way to adjust the scores across different team members. Given this, be sure to put in checks to ensure your team’s work is managed well.

**Memo feedback.** Teams and individuals will receive a score and comments for each memo. In particular, you will receive a score of 0-3 points (3 is high) and a short paragraph of feedback from the TAs and me. Late memos will receive a grade of zero. Points tend to be lost for three reasons: (1) parts of the assigned question(s) are not answered; (2) inadequate description or justification of your recommendations; or (3) work is not carefully proofed or track changes are left in the document. Inadequate description or justification usually occurs because too many ideas are offered. Select a few ideas and describe them carefully and justify them effectively. More than two or three ideas is too many for a one-page memo.

**Living cases.** We will work on a living case for Xbox. The deliverable is a PowerPoint presentation. Given student feedback in prior classes, not all teams will present their recommendations during class. Instead, Microsoft will select a few teams to present. However, all teams should come prepared to pitch their ideas in case they are selected. Before coming to class, decide which team member(s) will pitch the idea and which will respond to questions. The same team members should not do both. Your presentation will be shown in class and presenting team members will come to the front of class to pitch their ideas. All memos will be shared with Microsoft. If you do not wish for your memo to be shared, you will have a chance to share this preference when you submit your work (see details in the Xbox brief).

## **Course Materials**

The framework in my book will serve as the basis for the course (see last page of the syllabus for this big picture). Course materials include:

- George S. Day and Christine Moorman (2010), *Strategy from the Outside In: Profiting from Customer Value*, New York: McGraw Hill. Referred to in the syllabus as *SFTOI*.
- Course packet of cases, readings, and videos.
- Online multimedia cases and videos to be streamed (described in syllabus)

## **Final Exam**

This course will use a final exam to assess how well you have learned the concepts, tools, and frameworks. The exam will be open book and open note. I will not introduce a new case for the final, but instead will draw on the cases we have used throughout the term. All questions will come directly from the cases, readings, and in-class materials. Your best preparation for the exam is to prepare for each class and case and attend class regularly.

Exam questions will be of two types. First, some questions will involve calculations using tools we have learned in class. Second, other questions will involve short answer responses that examine how well you have learned the case lessons. For example, you might be asked to apply the IDEO business model framework we discussed in Virgin Atlantic to the HubSpot case. Any of the readings, videos, handouts, or in-class documents may be used in the final exam. To help you prepare for the final exam, I will provide an exam review guide in advance. This guide will outline all of the course elements that you should have familiarity with before the exam. This guide will also contain a set of sample questions from previous years to give you a sense of the types of questions I will use. These questions do not involve cases we are using this year, so focus more on the type of questions I ask, not on the specific content of the question.

You may study for the final exam with any current student across sections. Do not study with any of the TAs supporting the course. If questions arise in your preparation for the exam, please see me and I may assign a TA to work with you to answer your questions. The final exam review session will be held on April 29<sup>th</sup> at 4:00PM in Geneen.

## **Course Assessment**

The distribution of grades for the class will follow Fuqua's recommended policy for elective courses: SP (no more than 30%), HP (no more than 45%), and P, LP, F (at least 25%).

Course grades are based on four elements: Class participation (15 points), individual case-write-up (8 points), team case write-ups (44 points), and the final exam (33 points). Given this design, 56% of your final score is driven by individual work. Details are summarized in the table below:

Assessment type	Due date, all 8:00AM EDT	Weighting	Group/Individual
Participation (sum of points for each class)	In class	15 points	Individual
Virgin Atlantic Airways case write-up	March 24	6 points	Team
Harley Davidson case write-up	March 28	6 points	Team
Avaya case write-up	March 31	6 points	Team
Xbox case write-up	April 7	8 points	Team
Eataly case write-up	April 11	6 points	Team
HubSpot case write-up	April 14	6 points	Team
Threadless case write-up	April 18	8 points	Individual
Unilever in Brazil case write-up	April 25	6 points	Team
Final exam	May 1, 6:30-10:30PM	33 points	Individual

Course assessment notes:

- All case write-ups will be scored 0-3 where 3 is high. These scores will be scaled to the number of points allocated to the case. For example, if the case is worth 6 points, scores would be allocated as  $3/3*6 = 6$  points,  $2/3*6 = 4$  points,  $1/3*6 = 2$  points and  $0/3*6 = 0$  points.
- At the end of the course, students will be asked individually to evaluate other team members' contributions to the team case write-ups. If there is general agreement that a member has not adequately contributed to the team write-up process, team write-up points will be adjusted to reflect this before determining final course performance. Students will be asked to assign 100 points for each team member and the average of these submitted scores will be calculated. A score of 100 is used to reflect that a team member has pulled his or her weight on the team and the student will receive 100% of team points for his/her final grade. If, on the other hand, the average of these scores is 90, the student will receive 90% of the team write-up points for his/her final grade. Be sure to do your part to help your team perform well.

### **Course TAs**

Teaching assistants are an integral part of the success of this course. They assist in designing the course, pretesting materials (including the exam), grading cases, posting scores and comments, helping run the IDEO session, scoring participation, and grading the exam.

**MBA Teaching Assistants:** Catlin Alcala, Abdullah Alrashid, Ishita Anil, Dion Aviki, Joel Bergstein, Catie Bishop, Catherine Carter, Aditya Dave, Mark Hammer, Brittany Holland, Udit Jain, Shreyas Jayanth, Michelle Jiang, Anant Johri, Payal Kapoor, Maria Labandeira, Kate Mills, Myles Neumann, Trang Nguyen, Jarrett Nobles, Greg Omand, Deb Origel, Brinda Panchal, Joanna Perey, Mayur Pillay, Linda Rassenti, Bilal Shaikh, Pat Sophastienphong, Hope Taft, and Dana Vielmetti.

**Ph.D. Teaching Assistants:** Sarah Memmi and Scott Wallace

If you have questions about any aspect of the course, including your scores or comments for the write-ups or your participation score, please contact Professor Moorman directly.

### **Attendance and Class Participation**

Given the focus on case analysis, I expect you to attend class regularly and to be actively involved in class discussions, which means asking questions and sharing your opinions, ideas, and experiences. Important details of this part of class include:

- You can't score participation points if you are not in class.
- Please focus on offering the highest quality comments and questions in class. Quality should be emphasized over quantity. One higher-quality comment can score the same number of points as multiple of lower-quality comments.
- You will receive a participation score for each class which will be summed at the end of the term to determine your participation grade for the course. This participation score will be between 0-3 and it will cover both hours of class. Each comment or question will be scored to derive your overall score for the class. Sarah Memmi and Scott Wallace, both Ph.D. students in marketing, will sit in on all classes to help with participation scores and course administration.

- I will work to ensure that all students have a chance to participate. Therefore, if you have already participated on a topic and have your hand up, I will call on other students for that topic.
- I reserve the right to cold call students in class. I will do so in each class to ensure all students have an opportunity to participate. If you are not prepared or draw a blank, you can simply signal with “I will need to pass on that question.”
- I will pass around a seating chart during the first and second classes. Please select and use a seat throughout the term so I can get to know you quickly and accurately score your participation.
- Please use your Fuqua-issued name tent for all class sessions. Hand-written tents are difficult for me to read from the front of the classroom. If you need a spare, I will have markers and paper in the front of the class.

I recommend that you attend your assigned section to ensure I accurately score your participation. However, if a conflict arises and you must attend another session, let Sarah or Scott know you are visiting from another class and they will help you locate a seat not taken by a member of that class. Each class session will be video recorded using Fuqua’s “Panopto” system. I will wear a microphone throughout the term to increase the voice capture on these videos. However, I cannot guarantee the quality of these recordings nor ensure that all comments will be captured or that material on the board will be visible. Hence, viewing these links is not a substitute for attending class. All links have been released to students in the class and can be found at <http://fuqua.capture.duke.edu>.

### **Classroom Norms**

This class will observe Fuqua classroom norms associated with promptness, courtesy, and preparedness. These norms express the underlying value of the classroom experience and help preserve it through their operation. A complete description of these norms can be found at: <https://go.fuqua.duke.edu/supportDocs/ClassroomNorms.docx>.

As a quick review, we will begin and end class on time. Be in your seat, on time, at the beginning of class and after breaks. If you arrive late, please take a seat at the back of the room until a break or time when you can move to your seat without disrupting the class. Hand-held devices or laptops cannot be used in class and only beverages may be brought into the classroom.

Your level of preparedness is important to the class. In class, raising your hand, listening carefully, and not interrupting one another will make the class more effective and fun for all.

If you have questions or concerns, please feel free to share with me and your classroom liaisons: Melissa Blette: [melissa.blette@duke.edu](mailto:melissa.blette@duke.edu) (401), Dima Perkis: [dima.perkis@duke.edu](mailto:dima.perkis@duke.edu) (402), and Geetika Gupta: [geetika.gupta@duke.edu](mailto:geetika.gupta@duke.edu) (403).

### **Guests**

Please review guest bios in Canvas. I will not do formal introductions in class to save time. As always, please engage with guests in a professional manner. There is no need to dress up, but avoid hats and super casual attire.

## **Course Announcements and Discussions**

I will post course announcements in Canvas under “Announcements.” To ensure you receive the announcements as email notifications, please go to “Account-Notifications” and verify that you have your “Announcement Notification” set to “ASAP”. I tend to post announcements once after class to note any follow ups (e.g., Follow up to Session 1) and once before a class as a look-ahead (e.g., Looking Ahead to Session 2) in which I will also let you know that case scores have been posted.

I will also use “Discussions” in Canvas to extend the classroom experience with additional readings and thoughts. I invite you to add your own examples, questions, or comments to Discussions. It is a fun way to contribute to the class and is added to your class participation grade. I recommend that you receive emails notifications for new topics and replies to your posts. Select this notification by going to “Account-Notifications” and set both “Discussion” and “Discussion Post” to ASAP.

Although the syllabus and course assignments have been reviewed carefully, there are occasionally new and unanticipated questions or insights. When questions arise that I believe will benefit the class, I will send you an email with information.

## **The Honor Code**

With the exception of using outside reference materials for the IDEO, Xbox, and Thrive cases, you may not use notes or materials (including conversations and internet content) from any source other than course materials to complete any graded assignment for this course. If there is ever any doubt regarding how the Honor Code applies to any aspect of this course, please contact me.

## **Faculty Bio**

**Christine Moorman** is the T. Austin Finch, Sr. Professor of Business Administration at The Fuqua School of Business, Duke University. Professor Moorman’s expertise lies in examining the nature and effects of learning and knowledge utilization by consumers, marketers, organizations, and financial markets. She has studied these effects in the context of innovation, alliances and networks, and public policy. Professor Moorman’s research has been published in top marketing and management journals, including the *Harvard Business Review*, *Journal of Marketing Research*, *Journal of Consumer Research*, *Journal of Marketing*, *Marketing Science*, and the *Academy of Management Review*. She is the recipient of several National Science Foundation awards and is an Associate Editor for the *Journal of Marketing* and the *Journal of Marketing Research*. Professor Moorman is the founder and managing director of The CMO Survey ([www.cmosurvey.org](http://www.cmosurvey.org)) and author of the book, *Strategy from the Outside In: Profiting from Customer Value*, which was awarded the 2011 Berry Book prize for the best book in marketing. She was named a Fellow of the American Marketing Association in 2017, won the 2012 Paul D. Converse Award, and the 2008 Mahajan Award for Career Contributions to Marketing Strategy.

## Course Calendar

Class sessions will cover one or two topics. If covering two topics, each topic will be listed separately. You should prepare materials for the entire session prior to class.

<b>Tuesday March 21</b>	<p style="text-align: center;"><b>COURSE INTRODUCTION</b></p> <p><b><u>Topic 1: Course Introduction: Marketing Strategy from the Outside In</u></b></p> <p><b>Reading:</b> Chapter 1, <i>Strategy From The Outside In (SFTOI)</i></p> <p style="text-align: center;"><b>IMPERATIVE 1: BE A CUSTOMER VALUE LEADER</b></p> <p><b><u>Topic 2: Customer Value Leadership</u></b></p> <p><b>Case:</b> Becton-Dickinson &amp; Co: Vacutainer Systems Division</p> <p><b>Discussion question (No write-up due):</b> How should BDVS respond to APG demands regarding private labeling, use of distributors, and pricing?</p> <p><b>Note:</b> Sample Becton Dickinson case write-ups will be released at 5:30PM after class.</p>
<b>Friday March 24</b>	<p><b><u>Topic 3: Customer Value Leadership and the Business Model</u></b></p> <p><b>Reading:</b> Chapter 3, <i>SFTOI</i> and <a href="https://warpwire.duke.edu/w/zFEAAA/">https://warpwire.duke.edu/w/zFEAAA/</a> (See your Topic 2 class handout for slides on IDEO's business model for your files and for note-taking).</p> <p><b>Case:</b> Virgin Atlantic Airways: Ten Years After</p> <p><b>Write-up question (Team write-up due):</b> How should Virgin Atlantic's business model be modified to deliver customer value at a profit?</p>
<b>Tuesday March 28</b>	<p><b><u>Topic 4: Generating and Using Customer Insight to Drive Strategy</u></b></p> <p><b>Readings:</b></p> <ul style="list-style-type: none"><li>- Subcultures of Consumption: An Ethnography of the New Bikers, <i>Journal of Consumer Research</i></li><li>- HBR Blog: To Understand Consumer Data, Think Like an Anthropologist <a href="http://blogs.hbr.org/2013/11/to-understand-consumer-data-think-like-an-anthropologist/">http://blogs.hbr.org/2013/11/to-understand-consumer-data-think-like-an-anthropologist/</a></li></ul> <p><b>Multimedia case:</b> Building a Brand Community on the Harley Davidson Posse Ride (To access case, go to <a href="https://cb.hbsp.harvard.edu/cbmp/access/4780137">https://cb.hbsp.harvard.edu/cbmp/access/4780137</a>. Once you have registered at the site, you will gain access to the case.)<sup>1</sup></p> <p><b>Write-up question (Team write-up due):</b> How should Harley Davidson manage the posse ride to maximize long-term company profits while also staying true to its brand and community?</p>

<sup>1</sup> You will see "Authorized Student Access Required." If you have used this site for cases in the past, you can click "Login now" and enter your existing username and password. If not, click on "Register now" and create a new username and password. Then, click through three times: (1) Click on Coursepacks at the top of the screen; (2) Click on our course; and (3) Click on "View 'Multimedia Case'" on the right hand side of the title. Please try to open up the multimedia case before our class begins. If you have technical problems, try the following: (1) Delete your cache and cookies and restarting your browser using the following procedure (<http://forio.com/hbp-support/how-to-cache.html>) and (2) Ensure your browser settings are correct to view the cases by using this link: <http://forio.com/hbp-support/#check/multimedia/omc>. If you are still having issues, call 1-800-810-8858 (24 hours a day, 7 days a week).

	<h2 style="text-align: center;"><b>IMPERATIVE 3: MANAGE THE CUSTOMER AS AN ASSET</b></h2> <p><b>Note:</b> This topic is part of the third imperative, “Manage the Customer as an Asset,” however, it is being presented sooner in the course given our IDEO guests’ availability.</p> <p><b>Friday March 31</b></p> <p><b>Topic 5: Integrating Marketing and Sales to Manage Customers</b></p> <p><b>Case:</b> Avaya (A)</p> <p><b>Write-up question (Team write-up due):</b> What is Avaya’s problem (be brief)? Describe and justify a solution.</p> <p><b>Introduction to Xbox case (distributed in class on March 28):</b> Please review the case before class so I can address your questions.</p>
<p><b>Tuesday April 4</b></p>	<h2 style="text-align: center;"><b>IMPERATIVE 2: INNOVATE NEW VALUE</b></h2> <p><b>Topic 6: IDEO Tools for Innovating New Value for Customers</b></p> <p><b>Important notes:</b></p> <p>**Class location: Classes will meet in the Kirby Reading Room.</p> <p>**Students will work in teams during class so do not attend a different session.</p> <p>**This session is designed to equip you with an understanding of IDEO tools for innovation. You will perform a set of research activities (outlined below) before class and share findings with your team before arriving at the session. If you don’t do the research, the session will not be very productive and your team will fall behind. During the class, IDEO leaders will teach you how to use IDEO tools which you can apply to develop strategies for Xbox.</p> <p><b>Visitors:</b> (review bios in Canvas): Misa Misono, Design Director, IDEO (Fuqua ’09) and Miki Heller, Business Designer, IDEO.</p> <p><b>Readings/Tools:</b></p> <ul style="list-style-type: none"> <li>- Brown, Tim “Converting Need into Demand” (Background reading, not required).</li> <li>- IDEO Guide: “Planning Observations: What to Do.”</li> <li>- IDEO Design Kit Methods (Visit <a href="http://www.designkit.org/methods">http://www.designkit.org/methods</a> or see the list in Canvas. Focus only on those tools under “Methods” and “Filter” in the kit. Do not use “How Might We” as we will do this in class together). There are also a number of case studies that you might find helpful and interesting on the same site.</li> <li>- Demos of <u>good</u> and <u>bad</u> interviews posted in Canvas.</li> <li>- Xbox Brief: Distributed in class on March 28.</li> </ul> <p><b>IDEO Research Activities: (see next page)</b></p>

## **IDEO Research Activities:**

Perform the research activities 1-6 below before class. Divide these activities among team members, but make sure that everyone has an opportunity to do at least 3-4 activities. You don't need to use all of the bulleted tools, but use as many as you can to generate the best insights. In all your research, keep an open mind about Xbox and 12-18 year olds. Do not consider aspects of the product or market as fixed. Instead, be open to how you might influence both. Collect observations, take photos/video, and make notes. Share your findings with your team before class.

1. Interview 3-4 Gen Z 12-18 year olds (including typical and extreme) and consider the following topics. Tips: Have them share specific experiences and when possible perform the interviews in their homes (see #3). Note: This can be done remotely and FaceTime or Skype can be used for the virtual tour (in-person is preferred).
  - a. What are their passions, projects, and past times?
  - b. How do games fit into their lives, if at all? What kinds of games are being played and where are they playing them?
  - c. Ask what is a video game to you? What delights and frustrates them in the online and video game areas?
  - Interview: <http://www.designkit.org/methods/2>
  - Root out key motivations: <http://www.designkit.org/methods/66>
  - Extremes and mainstreams: <http://www.designkit.org/methods/45>
  - Collage: <http://www.designkit.org/methods/25>
2. Interview 3-4 Gen Z 12-18 year old parents (design tools under #1 can be used here)
  - a. How are kids spending social time?
  - b. What kinds of online and video games are your kids playing and what would you like them to be playing?
  - c. How do you see the role of games in their lives and what would you like this to be? What are your concerns?
3. Visit the homes and experience the daily routines of Gen Zs. Immerse yourself in their environments to gain insight. If you can, watch them play a game (physical, online, or video game) or play it with them (if you can't visit, have them send a photo).
  - Immersion: <http://www.designkit.org/methods/23>
  - Guided tour: <http://www.designkit.org/methods/46>
4. Visit online gaming sites for kids and retailers selling games to understand challenges and opportunities. Visit other places where Gen Zs are spending time for insight into what motivates and interests them (use tools in #3 for insight). Consider analogous activities for that might hold insight for Xbox. This might include other places where they are spending their time as uncovered in interviews and home visits.
  - Analogous inspiration: <http://www.designkit.org/methods/6>
5. Play with the Xbox here at Fuqua. Ask Gen Zs to play the game with you and talk with them about the experience.
6. Look at secondary research around Gen Zs and gaming. The Xbox deck contains several links containing additional data from Mintel etc, but also feel free to do your own search.

After the IDEO workshop:

7. Show prototypes of your strategy to Gen Zs and their parents and gather feedback. A prototype in this case would be short description or depiction of your idea.

	<p style="text-align: center;"><b>IMPERATIVE 2: INNOVATE NEW VALUE (cont'd)</b></p> <p><b><u>Topic 7: Strategies for Innovating New Value for Customers</u></b></p> <p><b>Case:</b> Xbox</p> <p><b>Write-up question (Team write-up due):</b> See case guidelines in the Xbox brief.</p> <p><b>Reading:</b> Chapter 5, <i>SFTOI</i></p> <p><b>Friday April 7</b></p> <p>Given student feedback in prior classes, not all teams will present their recommendations during class. Instead, Microsoft will select a few teams to present. However, all teams should come prepared to pitch their ideas in case they are selected. Before coming to class, decide which team member(s) will pitch the idea and which will respond to questions. The same team members should not do both. Your presentation will be shown in class and presenting team members will come to the front of class to pitch their ideas.</p> <p><b><u>Topic 8: Templates for Breakthrough Innovation</u></b></p>
	<p style="text-align: center;"><b>IMPERATIVE 3: MANAGE THE CUSTOMER AS AN ASSET</b></p> <p><b><u>Topic 9: Managing Customer Experience</u></b></p> <p><b>Multimedia case:</b> Eataly (To access case, go to <a href="https://cb.hbsp.harvard.edu/cbmc/access/47801327">https://cb.hbsp.harvard.edu/cbmc/access/47801327</a>. There are ~30 minutes of video and associated financial reports about the company.) Follow the same procedures and troubleshooting used for the Harley Davidson case.</p> <p><b>Readings:</b></p> <ul style="list-style-type: none"> <li>- Eataly online reviews (pulled from Yelp and TripAdvisor).</li> <li>- “Eataly Review: A Glorious, Infuriating, and Very Tasty Circus” <i>Chicago Magazine</i>.</li> <li>- “Welcome to the Experience Economy,” <i>Harvard Business Review</i>.</li> <li>- “Chapter 8: Building and Managing Customer Relationships,” (read page 11-first half of page 18) in <i>Strategic Market Management</i>.</li> </ul> <p><b>Write-up question (Team write-up due):</b> Recommend a strategy to manage Eataly’s customer experience for long-term growth. Be sure to identify the customer segment(s) you are targeting with your strategy.</p> <p><b><u>Topic 10: Managing Customers for Profit</u></b></p> <p><b>Reading:</b> “Customer Profitability” – be sure to read before class.</p> <p>If you would like additional support on the customer lifetime value models, a TA will be available during the following times in Seminar Room D: Wed 4/12 (12-3PM), Thurs 4/13 (1:30-4:30PM), Friday 4/14 (11:45-2:45PM), and Saturday 4/29 (1-4PM).</p>

	<p style="text-align: center;"><b>IMPERATIVE 3: MANAGE THE CUSTOMER AS AN ASSET (cont'd)</b></p> <p><b><u>Topic 11: Managing the Customer Asset: Extensions and Applications</u></b></p> <p><b>CLV Practice set:</b> Computer Gear - Read the material in your coursepack and practice answering the CLV questions in the Computer Gear workbook you will download from Canvas. Check answers and procedures against those provided in the workbook. This will not be graded, but it will be part of the final so I encourage you to practice these skills.</p> <p><b>Reading:</b> Chapter 7, <i>SFTOI</i></p> <p>If you would like additional support on the customer lifetime value models, see TA availability under Topic 10.</p>
<p><b>Friday</b> <b>April 14</b></p>	<p><b><u>Topic 12: Targeting Customers and Inbound Marketing</u></b></p> <p><b>Case:</b> HubSpot</p> <p><b>Write-up question (Team write-up due):</b> Recommend a targeting strategy for HubSpot for the company's long-term success. Describe and justify your decision.</p> <p><b>CLV Notes:</b></p> <ul style="list-style-type: none"> <li>- To simplify your CLV analysis, you can ignore any segment changes related to customer transitions that you suspect are occurring in the case. Feel free to discuss this qualitatively, but don't worry about including this in your analysis. We will discuss an approach to manage this in class.</li> <li>- For this case, I found it helpful to perform the CLV analysis at the monthly level, which means you will have to adjust the yearly discount rate (assume 0.10) to 0.10/12.</li> <li>- Don't let the CLV analysis cut off a wider array of strategic analysis that is equally relevant to this case!</li> </ul> <p><b><u>Topic 13: Strategic Management of Channels: Managing Channel Conflict</u></b></p> <p><b>Reading:</b> Watch video on channel conflict before class. (<a href="https://warpwire.duke.edu/w/y1EAAA/">https://warpwire.duke.edu/w/y1EAAA/</a> ~35 mins)</p> <p style="text-align: center;"><b>IMPERATIVE 4: MANAGE THE BRAND AS AN ASSET</b></p> <p><b><u>Topic 14: The Nature and Management of Brand Equity</u></b></p> <p><b>Reading:</b> Chapter 9, <i>SFTOI</i></p> <p><b>Multimedia Case:</b> Threadless: The Business of Community</p> <p>To access the case, paste this link into your browser: <a href="https://cb.hbsp.harvard.edu/cbnp/access/47801327">https://cb.hbsp.harvard.edu/cbnp/access/47801327</a> and follow the same procedures and troubleshooting used for the Harley Davidson case.</p> <p><b>Discussion question (Individual write-up due):</b> In order to generate a good debate in class, I am assigning students to two groups:</p> <p><u>Last name begins between A-N:</u> Justify the decision to reject the offer from a major retailer. How should Threadless grow the business if it does not take the offer?</p> <p><u>Last name between O-Z:</u> Justify the decision to accept the offer from a major retailer. How should Threadless mitigate the brand equity risks?</p>

	<p><b>IMPERATIVE 4: MANAGE THE BRAND AS AN ASSET (cont'd)</b></p> <p><b>Topic 15: Managing Brand Equity Online</b></p> <p><b>Reading:</b> Shared in class as a takeaway</p> <p><b>Case:</b> Thrive Global</p> <p><b>Preparation Materials and Question (No write-up due):</b></p> <ul style="list-style-type: none"> <li>- Materials: (1) Read the Thrive brief passed out in class and posted on Canvas on April 18; (2) Watch the video introduction from Ruslan posted in Canvas; and (3) Visit <a href="https://www.thriveglobal.com/">https://www.thriveglobal.com/</a> and links in the Thrive deck to familiarize yourself with the company before class.</li> <li>- Question: What target markets should Thrive focus on in its marketing strategy?</li> </ul> <p><b>Visitor:</b> (review bio in Canvas): Ruslan Tovbulatov, Founding member of the Google BrandLab and coauthor of the YouTube Creator Playbook for Brands and Director of Corporate Marketing and Client Services, Thrive Global.</p>
<p><b>Tuesday</b> <b>April 25</b></p>	<p><b>Topic 16: Managing Brands to Grow International Markets</b></p> <p><b>Case:</b> Unilever in Brazil. Be sure to watch the Omo and Minerva ads posted on the course website.</p> <p><b>Write-up question (Team write-up due):</b> This is a three-part question: (1) Why should Unilever target the low-income segment consumers in the Northeast of Brazil with a washing powder (be very, very brief); (2) Describe why a new brand is or is not necessary? (3) Describe and justify (a) a price for the brand and (b) the position for the brand that focuses on the <i>underlying need</i> that is being fulfilled (ALERT: The case material focuses on “positioning on <i>attribute</i>” which does not address the need or benefit).</p> <p><b>Topic 17: Managing Product Line Strategy</b></p>
<p><b>Friday</b> <b>April 28</b></p>	<p><b>THE ORGANIZATION AND IMPACT OF CUSTOMER CENTRICITY</b></p> <p><b>Topic 18: How Marketing Assets Produce Value for the Firm</b></p> <p><b>Reading:</b> “Market-Based Assets and Shareholder Value,” <i>Journal of Marketing</i></p> <p><b>Topic 19: Building a Customer-Centric Organization</b></p> <p><b>Readings:</b></p> <ul style="list-style-type: none"> <li>- “Rethinking Marketing,” <i>Harvard Business Review</i></li> <li>- “The Institutional Yes,” <i>Harvard Business Review</i></li> </ul> <p><b>COURSE FINALE, EVALUATION, AND FINAL EXAM</b></p> <p><b>Topic 20: Course Finale</b></p>

<b>Saturday April 29</b>	<p><b><u>Final Exam Review (4:00-5:30PM in Geneen)</u></b></p> <p>If you want additional support on the customer lifetime value models, a TA will be available in Seminar Room D from 1:00-4:00PM</p>
<b>Monday May 1</b>	<p><b><u>Final Exam (6:30-10:30PM)</u></b></p>

# 2017 Marketing Strategy Topics and Cases



## The Organization and Impact of Customer Centricity

- How marketing assets produce value for the company
- Building a customer-centric organization