

Marketing

Professor Olivier Toubia

Spring 2015

Tuesdays and Thursdays, 9.00am-10.30am, 10.45am-12.15pm, 2.15pm-3.45pm
Warren 310

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Office Hours: Thursday 4.00-5.00pm, Uris 522.

Course Description

Marketing provides tools and frameworks for (i) understanding customers, (ii) delivering value to customers, and (iii) extracting value from customers. The course is organized around these three pillars. Products and services (Product) distributed through channels (Place) are the main vehicles for delivering value to customers. Pricing strategies (Price) and promotion and advertising (Promotion) help firms extract value from customers. Therefore, we will also cover the 4 P's of marketing throughout the course.

Evaluation Overview

Class participation / class preparedness	15%
Individual assignment 1	8%
Individual assignment 2	8%
4P presentation	4%
Conjoint Analysis project	15%
Final examination	50%

Course Overview

Session	Topic(s)	Required Readings	Due that day (group/ind.)
1 03/24 (T)	Customer Lifetime Value <i>How much are our customers worth?</i>		Read syllabus carefully (ind.) Answer online survey (ind.)
2 03/26 (R)	Conjoint Analysis <i>What do our customers value?</i>	Online conjoint tutorial (registration required)	Answer online survey (ind.)
3 03/31 (T)	Segmentation and Targeting <i>How can we segment our customers and competitors?</i> <i>Which customers should we target?</i>		
4 04/02 (R)	Perceptual Maps and Positioning <i>How do our customers perceive us?</i> <i>How should we position our products/services?</i>		
5* 04/07 (T)	Ideation <i>How do we generate ideas for new products/services?</i>		Individual assignment 1 (ind.)
6* 04/09 (R)	Channels <i>Which distribution channel(s) should we use and how?</i>	Bank of America: Mobile Banking (case)	Answer online survey (ind.)
7 04/14 (T)	Diffusion of Innovation <i>How do we forecast the diffusion of an innovation?</i>	Note of Diffusion Models	Conjoint Analysis project (group)
8* 04/16 (R)	Pricing 1 <i>How do we measure our customers' willingness to pay? Are our prices "fair"?</i>	Retailers Try Out New Ways to Set Prices Deal or No Deal? Pricing Strategies for the Subprime Auto Buyer (case)	
9 04/21 (T)	Pricing 2 (Montclair case) <i>How do we optimize prices in practice?</i>	Montclair Video (read case, don't prepare questions)	
10* 04/23 (R)	Advertising 1 (BBVA case) <i>How do we advertise our products/services?</i>	BBVA (case)	Answer online survey (ind.)
11 04/28 (T)	Price Promotions <i>How do we quantify the impact of promotions?</i>		Individual assignment 2 (ind.)
12 04/30 (R)	Advertising 2 (Cheyef Halak case) <i>How do we influence our customers' behavior?</i>	Cheyef Halak: Driving Social Change in Lebanon (case)	Answer online survey (ind.)
05/04 (M)	Final exam review session (optional), Uris 142		

*: 4P student presentations

Evaluation and Assignments Details

Class Participation / Class preparedness

Your class participation / class preparedness grade will be based on:

- Attending class and being on time (5%). Please advise the Office of Student Affairs of any excused absence and they will forward me the information.
- Being prepared for class (5%). Class preparedness will be assessed based on your responses to some short online surveys to be filled out before several of the sessions. You should fill out each survey before the start of the corresponding class, and if possible before 9 am that day (so that I can incorporate your responses into the class discussion). The link to each survey may be found on the course website. Note: many of the questions in these surveys do not have a unique answer. You will receive full credit for each survey as long as you fill it out and give some reasonable justification for your answers.
- Your conduct and behavior in class, including the quality of your comments (5%).

Individual Assignments

These short assignments (multiple choice questions) are available on Canvas. They will give you a chance to review some concepts from the course and practice for the final exam. These are individual assignments (“type C”).

4P presentation

Each learning team will make a short (5 min) presentation related to one of the four 4 P’s, i.e., about an interesting product or service innovation (Product: Session 5), an interesting distribution strategy / channel innovation (Place: Session 6), an interesting pricing strategy (Price: Session 8), or an interesting advertising campaign (Promotion: Session 10). Each presentation will present facts, critically analyze the case, and extract some learning. This is a group assignment (“type A”). Note: please try to be original (no Apple example please!).

Please pick the topic of your presentation (i.e., Product, Place, Price, or Promotion) by selecting the appropriate time slot on the following doodle poll: <http://doodle.com/ushh6x8ewgpm4ueh>. Please make sure to include your learning team number and the names of your learning team members, and to sign up for the appropriate time based on your course section.

Conjoint Analysis project

The instructions for completing and submitting this exercise are available on Canvas. This is a group assignment (“type A”).

Final Examination

The final exam will be designed to test your understanding of the topics covered in the lectures, readings, cases and assignments. Final exams will be available from my office for all of next semester.

List of Optional Readings

Session	Optional Readings
1 03/24 (T)	What's a Customer Worth? The CEO of Williams-Sonoma on Blending Instinct with Analysis
2 03/26 (R)	A New Way to Gain Customer Insights Apple vs. Samsung: The \$2B Case Apple vs. Samsung: The \$2B Case (Epilogue)
3 03/31 (T)	
4 04/02 (R)	Generating Perceptual Maps from Social Media Data
5 04/07 (T)	New Product Development Finding your Innovation Sweet Spot Hearing Every Voice in the Room
6 04/09 (R)	Daring to Cut Off Amazon
7 04/14 (T)	Encouraging Innovation and New Product Adoption
8 04/16 (R)	Using Big Data to Make Better Pricing Decisions
9 04/21 (T)	
10 04/23 (R)	Using Social Media to track the Effectiveness of a Communication Campaign Social Strategies that Work
11 04/28 (T)	
12 04/30 (R)	

Columbia Core Culture

The purpose of the Columbia Core Culture is to promote a consistent classroom environment of mutual respect, preparation and engagement. Our expectation of you in class is to be:

Present: Your success depends on being on time and present for the entire class every session. Attendance will be part of your grade for class participation and students are expected to sit in their assigned seats.

Prepared: Bring your nameplate, clicker, and complete any pre-work needed for class discussion. Expect the professor to cold call in class.

Participating: Active participation calls for no electronic devices such as laptops, tablet computers, or smartphones during class, except when the professor tells you as part of in-class work.

Honor Code

You are expected to conform to the norms of behavior outlined in the Columbia Business School Integrity Code (printed at the beginning of the reading packet). Use of case or lecture notes from previous sections of the course is not allowed. Any allegation of academic dishonesty will be forwarded to the Dean's office for investigation. Any case of proven academic dishonesty will result in failure in the course. Simple things such as arriving on time to class, turning cell phones off during class time and not being tempted by the many distractions that the Internet offers can make the experience more enjoyable and rewarding to all.