



# 15.810

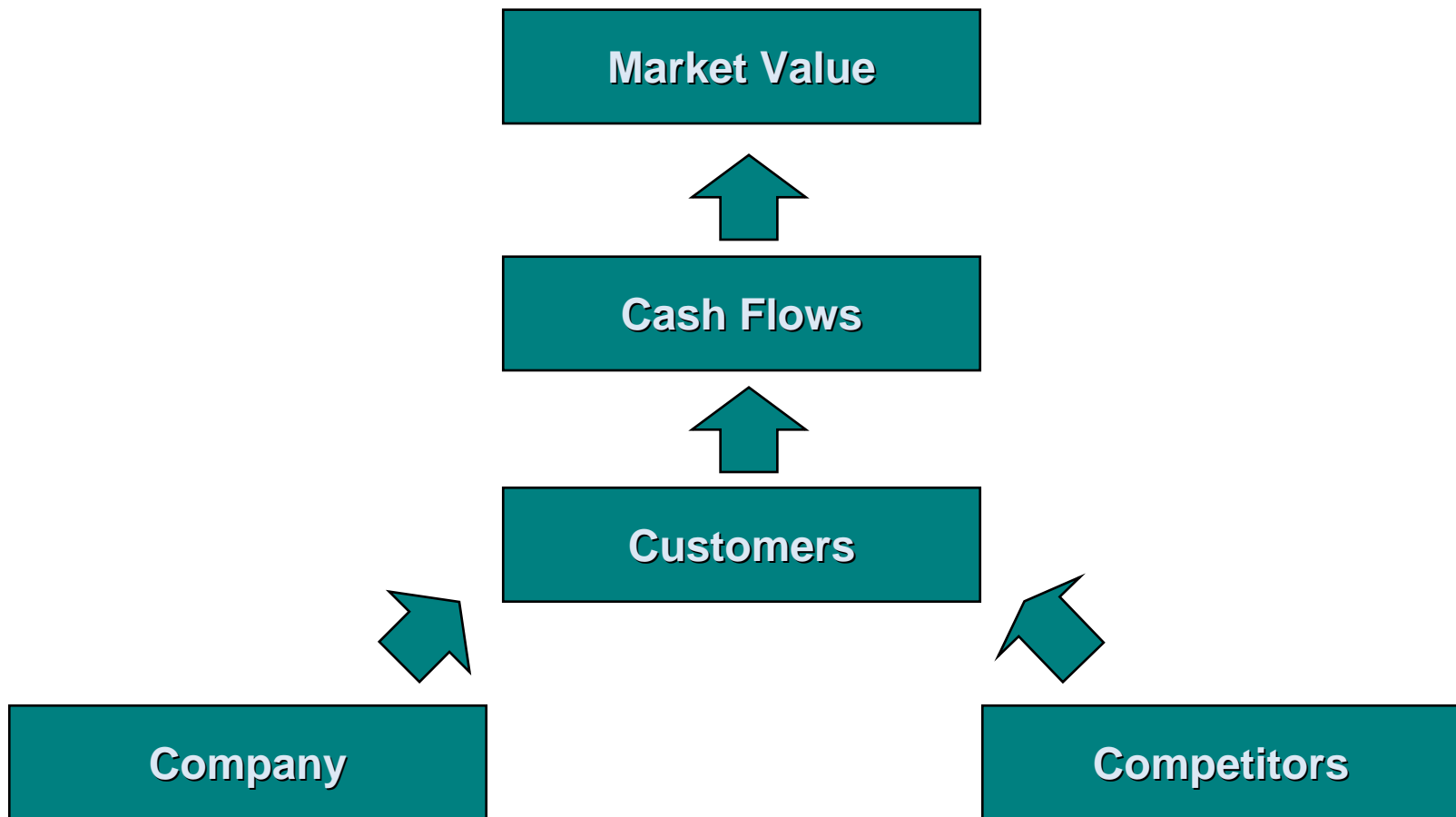
# Course Introduction

Marketing Management  
Prof. Natalie Mizik

# What is Marketing?

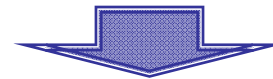
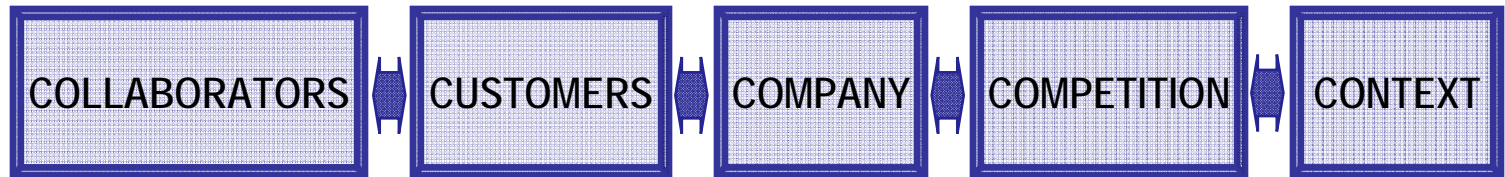
- Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large (AMA 2007)
- *Marketing is an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders (AMA 2004)*
- “Everything starts with the **customer**”
  - Lou Gerstner, CEO of IBM 1993-2002
- “Creating shareholder wealth is not the purpose of the business. It is the reward for creating **customer value**”
  - Tracy and Wiersema in CFO magazine
- “My own biggest mistake in the last 20 years was that sometimes I designed solutions for problems that people didn't yet know they had. That's why some of the things that could've made a difference couldn't find a market”
  - Bill Joy the ‘Edison of the Internet’
- To achieve organizational goals by determining the needs and wants of **customers** and delivering the desired benefits more effectively and efficiently than **competitors**

# Importance of Marketing

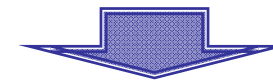
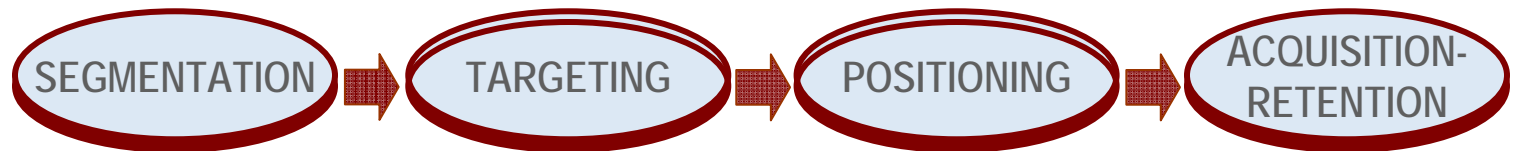


# Course Objectives and Structure

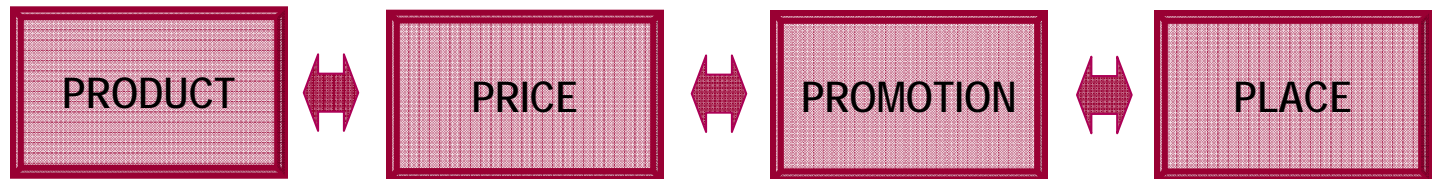
**I. Situation Analysis: Identify Market Opportunities (5Cs)**



**II. Set Strategy (STP)**



**III. Formulate Marketing Programs (4Ps)**



# 15.810 Course Structure:

## I. Analyzing Markets and Identifying Opportunities

Session Date	Topic	Case/Readings	Assignment
1. Sept 8	Introduction and Company Analysis	<b>Case: Federal Express (B)</b> Read: "Note on Marketing Strategy" Read: "Basic Quantitative Analysis for Marketing" Read: "Analyzing Marketing Problems and Cases"	
2. Sept 13	Competitive Analysis	<b>Case: American Airlines (A)</b> Skim: "Managing the Competition" Read: "How to manage an aggressive competitor" Read: "To Understand Your Customers, You Have to Know How they Think"	Marketing Survey due by 7:00 pm
3 Sept 15	Customer Analysis I	Read: "A Nobel That Bridges Economics and Psychology"	HW Assignment 1
4. Sept 20	Customer Analysis II & III: Value to the Customer and Customer Lifetime Value	Read: "Economic Benefits and Value Creation" Read: "Zero Defections: Quality Comes to Services" Read: "Customers As Assets"	

## II. Developing Marketing Strategy

5. Sept 22	Developing Mkt Strategy	<b>Case: Aqualisa Quartz: Simply a Better Shower</b>	
6. Sept 27	Segmentation, Targeting and Positioning	Skim: "Segmentation and Targeting Analysis" Skim: "Value Proposition and Positioning"	HW Assignment 2
7. Sept 29	EVC-Based Strategy	<b>Case: Optical Distortion, Inc.</b>	
8. Oct 4	STP-based Strategy and IBS	<b>Case: Harrah's Entertainment Inc.</b> Read: "The Worst of all Bets" Read: "Betting Your Life on It" Read: "Behavioral Addictions"	HW Assignment 3
9. Oct 6	IBS, Social Responsibility and Marketing	<b>Speaker: Ron Gonen</b> (Founder and CEO, RecycleBank)	
Oct 11	No class	<i>Columbus Day holiday</i>	No class
10. Oct 13	Branding	Read: "How do Brands Create Value?" Read: "How to Better Value Branded Businesses"	
Oct 18-22	SIP	<b>October 18-22 SIP</b>	No class
11. Oct 25	Developing Mktg Strategy for Innovation	<b>Case: Sonance (A)</b>	Case Write-up due by 10 am

## III. Formulating Marketing Programs

Session Date	Topic	Case/Readings	Assignment
12. Oct 27	Product	Read: "Product Development: A Customer-Driven Approach" Read: "First-Mover Disadvantage"	
13. Nov 1	Mktg Products for Multi-Sided Demand Markets	<b>Case: Massive Inc.</b> <b>Speaker: Katherine Hays</b> (CEO, GenArts, Inc., former COO and CFO of Massive Inc.)	HW Assignment 4
14. Nov 3	Price	<b>Case: Medicines Co</b> Read: "Pricing Opportunities" Read: "Ethical Issues in Pricing"	
15. Nov 8	Promotion	Read: "Who Benefits from Price Promotion?" Read: "Marketing Communications and Customer Response" <b>Speaker: John Gerzema</b> (CIO, Young&Rubicam)	Final Project Proposal
16. Nov 10	Distribution	<b>Case: Rohm and Haas (A)</b> Read: "Aligning Incentives in Marketing Channels"	

## IV. Special Topics

17. Nov 15	International Market Entry	<b>Case: Citibank: Launching the Credit Card in Asia Pacific (A)</b>	
18. Nov 17	International Branding	<b>Speaker: Juan J. Alfonso</b> (Vice President, Marketing & Program Development, ESPN International)	
19. Nov 22	Course Summary	Read: "The Cost of Myopic Management" Read: "Myopic Marketing Management"	
Nov 24	No Class	Thanksgiving	
20. Nov 29	Team Presentations	Read: "Building a Marketing Plan"	
December 1		Final Projects Due	Final Project

# What You Will Learn

## What to do

- A. Frameworks to develop and evaluate marketing strategy.
  - 1. Analysis (**C**ompany, **C**ompetitors, **C**ustomers, **C**ontext, **C**ollaborators: **5Cs**)
  - 2. **S**egmenting, **T**argeting, **P**ositioning (**STP**)
- B. Analytical tools
  - 1. Value of products (**EV**C)
  - 2. Value of customers (**CL**V)
  - 3. Value of brands (brand equity)
- C. Marketing assets
  - 1. Customers
  - 2. Brands

## How to do it

- A. Developing marketing programs (**P**roduct, **P**lace, **P**rice, **P**romotion: **4Ps**)
- B. Strategy implementation

# Why it will help you

- **Marketers**—gateway course, basic intro to marketing (take electives!)
- **Entrepreneurs**—framework for identifying and exploiting market opportunities
- **Consultants**—strategic framework and tools to facilitate firm decision-making
- **Financiers**—where cash comes from, alternative approaches to valuation

# 15.810 Course Logistics

- In-class requirements
  - Name tents, stable seating
  - Effective participation
  - No laptops or wireless devices – print out your analysis before the class
- Course requirements
  - Four individual Homework assignments
  - One case write-up in groups of 4 (“Sonance” due Session 11)
  - In-class group presentation, Session 20
  - Final group project, Session 20



# Course Special Elements

- Ethics/ Individual, Business & Society
  - Throughout, but an emphasis on
    - Harrah's – privacy issues and marketing to vulnerable audiences
- Bridging Theory and Practice
  - Throughout, but an emphasis on Developing an Integrated Marketing Strategy
    - Juan J. Alfonso** (VP, ESPN International)
    - John Gerzema** (CIO, Young&Rubicam)
    - Ron Gonen** (Founder and CEO, RecycleBank)
    - Katherine Hays** (CEO, GenArts)

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