

B5601: EMBA MARKETING STRATEGY SPRING 2023

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COURSE DESCRIPTION

Marketing activity is the core of operating a business. It provides the managerial focus for interfacing with customers and the source of intelligence about customers, competitors, and the general environment.

The first half of the course focuses on marketing strategy: Understanding customers, understanding the market, and developing strategy. In order to make effective strategic decisions, managers must identify and measure consumers' needs and wants, assess the competitive environment, select the most appropriate customer targets, and then develop marketing programs that satisfy consumers' needs better than the competition. Further, marketing focuses on not only short-run sales and profits but also the long-run relationship of a company to its customers. A central goal will be on *applying* the various principles and tools introduced; to this end, students will (in their learning teams) practice and apply major principles or methods learned to a publicly-traded company that they have chosen (out of a list of about 30 such companies) during the beginning of the course. Students will, in their groups, analyze their selected company and **deliver a presentation** to their peers and the professor; in the final session, a guest speaker will join to offer additional feedback.

The second part of the course focuses on the *decisions* that managers make and the *tools* that they use to support an effective marketing strategy. The attraction and retention of profitable customers must involve consideration of the product or service being offered, the way in which the product is sold and distributed, how pricing is set and structured, and how the value of the offering is communicated.

Through class projects, hands-on group exercises and presentations, case studies, and class discussions, we will explore marketing strategy and its implementation through what is traditionally called the “marketing mix”. As we progress, it will become apparent that each of these decisions affects the others and that they must all be framed as part of an integrated marketing strategy. This course emphasizes both quantitative and qualitative analysis. Quantitative analysis is valuable for estimating the impact of marketing decisions on customers and firm profits. At the same time,

qualitative analysis is important because marketing is concerned with the psychology and the behavior of people – consumers, competitors, collaborators/partners that is sometimes difficult to capture in quantitative terms. It is important to balance both kinds of analyses when you justify the marketing decisions you will make in class discussions and assignments.

Course Objectives:

B5601 is the core marketing course in the EMBA program at Columbia Business School. This course emphasizes the role of marketing in creating value for customers, which in turn leads to value for other stakeholders in a firm (*e.g.*, owners, shareholders, employees). The main objectives of the course are to *improve your ability to:*

1. Assess market opportunities by analyzing customers, competitors and the strengths and weaknesses of a company.
2. Design effective marketing strategies to maximize a company's chance of winning in these markets.
3. Communicate and defend your own marketing recommendations and critically examine and build upon the recommendations of others.
4. Learn the tools necessary to implement marketing strategy and improve performance.
5. Understand the interdependence of marketing decisions and their effects on the firm's customers and its competitors.
6. Develop and evaluate programs designed to implement marketing strategy and to help organizations facing difficult marketing decisions.

COURSE MATERIAL

Required Reading

The key resources for the course are:

1. Readings and Cases will be available on the course website in Canvas.
2. Lecture handouts will be available on Canvas.

We will provide recommendations for optional reading on Canvas.

OVERVIEW OF CLASS SCHEDULE

A. Understanding Customers, Understanding the Market, and Developing Strategy

Professor Ran Kivetz

Date	Session	Topic(s)	Required Readings	Assignments / Presentations
Mon. 1/9	Session 1a	<p>Introduction to Marketing & Customer Centricity: <i>What is marketing?</i></p> <p>Segmentation, Targeting and Positioning (STP): <i>How can we segment our customers? Whom should we target? How should we position our brands to succeed?</i></p> <p>Brief Overview of Assignments</p>	<p>Pre-class reading:</p> <ul style="list-style-type: none"> • “Segmentation” <p>Post-class reading:</p> <ul style="list-style-type: none"> • “Note on Marketing Strategy” • “Basic Quantitative Analysis for Marketing” 	<p><i>Assignment #1 (Applying STP / Value Proposition) assigned. Presentations during class on Sat., 2/4. Slide deck due via Courseworks by Fri., 2/3, 8:00pm EST.</i></p>
	Session 1b	<p>Branding & Building Value Propositions: <i>What is branding? How can we build a compelling value proposition?</i></p> <ul style="list-style-type: none"> • Guest Speaker: Gary Singer (Chief Strategic Officer, Kobre & Kim, LLC) 	<p>Pre-class reading:</p> <ul style="list-style-type: none"> • “How do Brands Create Value?” 	<p><i>Assignment #2 (Starbucks Case Individual Write-up) assigned. Due Wed., 2/15, 11:59pm EST.</i></p>
Tues. 1/10	Session 2a	Applying STP (Case Analysis)	<p>Pre-class reading:</p> <ul style="list-style-type: none"> • Case: Virgin America; review discussion questions (see detailed agenda in this syllabus) 	
	Session 2b	<p>Customer Lifetime Value (CLV): <i>How much are customers worth? How much is a business worth?</i></p>	<p>Pre-class reading:</p> <ul style="list-style-type: none"> • “What’s a Customer Worth?” 	
Thurs. 1/12	Session 3a	<p>Behavioral Economics of Choice: <i>How do customers make decisions? How can we apply behavioral economics to pricing, product lines, and versioning?</i></p>	<p>Pre-class reading:</p> <ul style="list-style-type: none"> • “To Understand Your Customers, You Have to Know How they Think” • “A Nobel that Bridges Economics & Psychology” 	
	Session 3b	<p>Behavioral Economics of Incentives, Retention, & Behavior Change: <i>How do we retain customers and change their behavior?</i></p>	<p>Pre-class reading:</p> <ul style="list-style-type: none"> • “Why Cash Incentives Fail” 	

Date	Session	Topic(s)	Required Readings	Assignments / Presentations
Fri. 1/20	Session 4a	The Perils of Customer Growth: <i>How can companies scale? What are the risks and rewards of expansion?</i>	Pre-class reading: • Case: Starbucks: Delivering Customer Service	
	Session 4b	Marketing Strategy at Google, DoubleClick, 1stDibs, and Twitter: Perspective of a CEO and Board Member • Guest Speaker: David Rosenblatt (CEO, 1stDibs; former CEO, DoubleClick)	N/A	
Sat. 1/21	Session 5a	Applying CLV (Case Analysis)	Pre-class reading: • Case: Chase Sapphire: Creating a Millennial Cult Brand; review discussion questions (<i>see</i> detailed agenda in this syllabus)	
	Session 5b			
Sat. 2/4	Session 6a	Applying STP / Value Proposition: Group presentations (Assignment #3) With: Gary Singer (Chief Strategic Officer, Kobre & Kim, LLC)	N/A	Assignment #1 (Applying STP / Value Proposition) slide deck due via Courseworks by Fri., 2/3, 8:00pm EST.
	Session 6b	Applying STP / Value Proposition: Group presentations, continued (Assignment #3) With: Gary Singer (Chief Strategic Officer, Kobre & Kim, LLC) Mid-Course Wrap-Up	N/A	Assignment #2 (Starbucks Case Individual Write-up) due via Courseworks by Wed., 2/15, 11:59pm EST.

B. Marketing Implementation
Professor Oded Netzer

Date	Session	Topic(s)	Required Readings	Assignments / Presentations
Fri. 2/17	Session 7	Products - (Conjoint Analysis): <i>How do we determine what customers value when developing new products?</i>	Mini Case: Apple Vs. Samsung: The \$2 Billion Case (PART I)	<i>Online survey: Conjoint</i> Due 2/15 at 5:00 PM <i>Online survey: Apple vs. Samsung</i> Due 2/17 at 8:00 AM
Fri. 3/3	Session 8	<i>New Products: Ideation and Introduction of New Products</i>	Case: Chateau Margaux: Launching the Third Wine Post-class reading: <ul style="list-style-type: none"> • Ombre, Tie-Dye, Splat Hair: Trends or Fads • Generating Perceptual Maps from Social Media Data 	<i>Online survey: Chateau Margaux</i> Due 3/3 at 8:00 AM Complete Conjoint Analysis Concept Check Due 3/3 at 11:59 PM
Sat. 3/4	Session 9	Price: <i>How do we determine our price promotional strategy design, and create targeted promotions?</i>	Mini-Case: Promotion Exercise: Chirpin' Tavern's Coupon Promotion Mini-Case: Artea: Designing Target Strategies Post-class reading: <ul style="list-style-type: none"> • Marketing Promotions • Trade Promotion: Essential to Selling through Resellers 	<i>Online survey: Artea</i> Due 3/4 at 8:00 AM
Sat. 3/25	Session 10	Distribution: <i>Which distribution channels should we use? How do we innovate via channels?</i>	Case: Amazon in 2021 Post-class reading: <ul style="list-style-type: none"> • How to Win in an Omnichannel World? • Direct to Consumers Brands 	<i>Online survey: Amazon</i> Due 3/25 at 8:00 AM Complete Promotion Exercise Concept Check Due 3/25 at 11:59 PM
Fri. 3/31	Session 11	Advertising: <i>How do we select media and evaluate the effectiveness of our campaign?</i> Capstone case and course review	Case: Launching Mobile Financial Services in Myanmar: The Case of Ooredoo <ul style="list-style-type: none"> • The New Dot Com Bubble is Here • Using Social Media Data to Track the Effectiveness of a Communication Campaign 	Course Feedback <i>Online survey: Ooredoo</i> Due 3/31 at 8:00 AM Assignment #3 (Product Design Exercise) Due Mon., 4/2, 11:59 PM
Final Exam (April 15th, In-person)				

Review sessions (Optional):

Date, Time , Place	Agenda
TBD	Final exam review session

STUDENT EVALUATION

Course Section	Component / Assignment	Weight	Designation (Deliverable)	Submission Deadline
A + B	Class Participation	20%	Individual	N/A
A	<i>Assignment #1:</i> Applying STP / Value Proposition	18%	Group (Slide deck + Presentations)	Slide deck due via Canvas by Friday, 2/3, 8:00 PM EST
A	<i>Assignment #2:</i> Starbucks Case Exercise	22%	Individual (Write-up)	Individual write-up due via Canvas by Wednesday, 2/15, 11:59 PM EST
B	<i>Assignment #3:</i> Product Design Exercise	15%	Group (Write-up)	Group write-up due via Canvas by Monday, 4/2, 11:59 PM EST
B	Final Examination	25%	Individual	Saturday, 4/15, Time TBD

(1) Class Participation

A large portion of the class time will be devoted to analyzing assigned cases, group discussions, and in-class exercises. You will work with your group in a number of in- and out-of-class exercises during breakout discussions as well as out of class.

Several criteria are considered when evaluating your class participation.

- Most important is the quality of the class participation. The sheer quantity is neither sufficient nor necessarily desirable.
- High-quality class participation includes comments that add to our understanding of a situation. They go beyond mere repetition of case facts.
- High-quality class participation can be supported with qualitative and/or quantitative analysis based on marketing theory and concepts.
- Your comments should take into account the comments and analyses of your classmates. Participation should move our discussion forward.
- Finally, you need to be present (either physically in class or remotely via Zoom) in order to receive a strong class participation score. Attendance is mandatory in accordance with EMBA program policy.

A note on **case discussions**: The case method is one of the most effective means of sharpening your decision-making abilities. A case discussion requires that you be an active participant in resolving a marketing problem. The assigned cases are intended to give you practice in assembling data to support a decision. The discussion format provides you with an opportunity to argue your position and to learn

from others by listening to their comments, analysis, and criticism. You will learn the most from the cases if you and your classmates prepare and participate fully. You all have different experiences, insights and opinions, and a great deal of what you will learn from the cases will be from each other. It is therefore essential that you be fully prepared for all the cases.

In **Part A** of the course, you will be given a number of discussion questions. These are important questions that you will want to think about and complete on your own (albeit they won't be formally submitted) in order to prepare and understand the cases/readings.

In **Part B** of the course, there will be a number of pre-class questions you are asked to answer via online surveys. Many of the pre-class questions do not have a unique answer as they depend on how one interprets and uses the data and other information. We expect that you would respond thoughtfully to the questions, giving reasonable justification for your answers. High-quality pre-class responses are supported with qualitative and/or quantitative analysis based on logic and marketing concepts. Additionally, There will be two "concept checks." The concept checks will be posted on Canvas. These are very short quizzes to be done individually to check your understanding of the material. If you understand the material, it should take you no more than 10 minutes to do each concept check. Your completion (but NOT performance) on the concept checks will go towards your participation grade. Again, how well you do on these concept checks is only for your own assessment. You will receive a full grade for the concept check for simply doing them on time, independent of the grade. You can earn extra credit by contributing content relevant to the course by posting on the discussion thread on the Canvas course page. You can contribute content by participating in these discussions. If your contribution is made early enough, we may be able to discuss it during class!

(2) Assignments

Group assignments are to be done in your learning team/group. A clear typed-up electronic copy should be submitted online by one of the members in your group **via Canvas** on the specified due date with the **names of all team members clearly indicated**. No late submissions will be accepted. The clarity of your presentation, reasoning, and analysis are extremely important for receiving full credit for your work. All group members will receive the same grade.

Individual assignments are to be done **individually**—that is, any sharing or discussion of concepts and/or solutions in preparing the assignment are not permitted (per the Honor Code).

(3) Midterm/Final

There is no midterm examination for Part A of this course. We will have group presentations in which each learning group will submit slide decks in advance and have **10 minutes** to present on the last day of Part A, *i.e.*, on **Saturday, February 4**. The presentations will apply the topics of STP (segmentation, targeting, and positioning) and value proposition to each group's chosen publicly-traded company. More details of this assignment will be discussed in class.

The final examination will be designed to test your understanding of the topics covered in the lectures, readings, and exercises from Part B of this course. It will be held on **[TBD]**, or a window around this date (**TBD**). The construction of reliable, discriminating and valid exams is a very difficult

endeavor, and returning exams precludes the use of those test questions for many years. Since the primary goal of the exam in this course is to evaluate students' knowledge, returning exams would make it more difficult for that goal to be achieved. Therefore, exams will be available in our offices for all of next semester, either during office hours or by appointment.

LAPTOP POLICY

The school laptop policy will be observed in the classroom: with the exception of your iPads/tablets for course readings, other electronic devices (laptops, cell phones, and other devices) are prohibited.

HONOR CODE

At no time should you use lecture or case notes from previous sections of the course, nor should you violate the Columbia Business School Integrity Code (printed at the beginning of the readings packet) in any other way.

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.

Prepared: Bring your nameplate 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 (except laptops for students attending remotely), including tablet computers or smartphones during class, except when expressly permitted as part of in-class work.

DETAILED AGENDA AND ROADMAP FOR PART A

Understanding Customers, Understanding the Market, and Developing Strategy Professor Ran Kivetz

SESSION 1 (RESIDENCE WEEK)

- **WHEN: Monday, January 9, 2023**
- **WHERE: IBM Louis V. Gerstner Learning Center**

Session 1a – Introduction to Marketing & Customer Centricity; Segmentation, Targeting, & Positioning (STP)

- *What is marketing and marketing strategy?*
- *How can we segment our customers? Whom should we target? How should we position our brands to succeed?*

This first part of the session will introduce the course and its key concepts, methods, and approach, beginning with understanding customers and assessing new market opportunities.

Then, we focus on the notion that customers have different preferences. This simple idea has led to powerful concepts of segmentation, targeting, and positioning (STP). We will review these concepts, illustrate them with industry examples, and apply them in class.

We will briefly introduce the assignments for Part A of this course, including the major group assignment that you will be working on and completing in your learning teams for the rest of Part A. The assignment will apply a range of principles and tools covered in class (with emphasis on segmentation, targeting, and positioning, and building a compelling value proposition) to an existing company that each group will select from a list of publicly-traded companies. These companies span a wide range of industries and include both domestic (U.S.) and international organizations. Further details regarding these companies and the assignments will be discussed in class.

Readings (pre-class):

- Lehmann, Donald R. and Russell S. Winer (2006), “Segmentation,” *Product Management*.
 - A fairly detailed guide to segmentation methods.

Readings (post-class):

- “Note on Marketing Strategy” (HBS).
 - This reading provides an overview of key concepts in marketing strategy.
- “Basic Quantitative Analysis for Marketing” (HBS).
 - This reading provides a background of some basic terminology, concepts, and calculations that are useful in conducting analysis in marketing.

Session 1b – Branding & Building Value Propositions

- *What is branding? How can we build a compelling value proposition?*
- **Guest speaker:** Gary Singer (*Chief Strategic Officer, Kobre & Kim, LLC; Partner Emeritus and former Global CMO, AT Kearney*)

We will host a leading branding expert, Gary Singer (Chief Strategy Officer, Kobre & Kim, LLC). Among the topics of discussion will be branding—including how brands facilitate or impede innovation and marketing strategy—segmentation and targeting, and the art and science of defining and mobilizing a crisp and impactful value proposition.

Readings (pre-class):

- Keller, Kevin Lane and Donald R. Lehmann (2003), “How Do Brands Create Value?” *Marketing Management*.
 - This article provides a framework for understanding the development and impact of brand equity.

Optional Background Readings:

- Keller, Kevin Lane (1998), “Brand Equity,” Chapter 2, *Strategic Brand Management*, pp. 41 – 85.
 - This chapter provides an overview of brand equity and related concepts and frameworks.
- Gary Singer’s Bio

Assignment #1 (Applying STP / Value Proposition) assigned. Assignment #1 is to be done **in your learning teams**. Group presentations will be during the last class on **Saturday, February 4**, and a member from the group should submit on your team's behalf a slide deck via Courseworks by **Friday, February 3 at 8:00pm EST**.

Assignment #2 (Starbucks Case Individual Write-up) assigned. You are required to upload to the designated assignment dropbox via Courseworks your analysis of the ***Starbucks: Delivering Customer Service*** case by **Wednesday, February 15 at 11:59pm EST**. The assignment is to be done individually. You must not consult with your classmates on any matter related to this case analysis, and you must not search online for any materials or information related to this case. Clearly state your assumptions if you need to make any assumptions. For full credit and to avoid any confusion, show all your work and solution logic clearly.

Please answer the following questions, using both qualitative and quantitative analyses where relevant:

1. What is the situation that Starbucks is facing?
2. Would you recommend making the \$40 million expenditure? If so, why? If not, why not? Please make sure to support your analysis quantitatively and qualitatively.
3. Is spending to hire more employees the most effective way to improve performance? Is there a different area in which Starbucks should invest? If you recommend not making a monetary investment, what course of action would you recommend Starbucks undertake?

NOTE: Your write-up should be based only on information contained in the ***Starbucks: Delivering Customer Service*** case reading.

SESSION 2 (RESIDENCE WEEK)

- **WHEN:** Tuesday, January 10, 2023
- **WHERE:** **IBM Louis V. Gerstner Learning Center**

Session 2a – Applying STP (Case Analysis)

We will discuss the **Virgin America** case as an application of STP and customer value.

Readings (pre-class):

- **CASE: Virgin America Airlines: Spinning Customer Satisfaction into Gold**

After winning a host of industry awards for innovation and customer satisfaction, five-year-old Virgin America Airlines also had a string of financial losses to overcome. While in early 2013 the financial situation was improving, what might the company do to build on its innovativeness and high customer satisfaction to set the stage for a profitable future?

Discussion questions for Virgin America case:

1. Virgin America is still losing money—what should they do? Is this a marketing or operations problem?
2. Who is Virgin America’s target audience and how can they be reached?
3. How would you articulate a position statement and value proposition for the Virgin America brand?

Session 2b – Customer Lifetime Value (CLV)

- *How much are customers worth? How much is a business worth?*

We will discuss the importance of customer analysis and value. We will introduce the concept of customer acquisition, value, and retention, with a special emphasis on using customer lifetime value (CLV) to evaluate the market potential of a company or business. CLV is very useful for analyzing real-world businesses as well as entrepreneurial ventures. We will also discuss why firms should focus on the lifetime value of customers and how it affects firm profits and long-term value.

Readings (pre-class):

- Donald R. Lehmann, “What’s a Customer Worth?” Columbia CaseWorks, Columbia University Business School.
 - This reading provides a framework for understanding and determining the value of a customer to a firm.

SESSION 3 (RESIDENCE WEEK)

- **WHEN:** Thursday, January 12, 2023
- **WHERE:** **IBM Louis V. Gerstner Learning Center**

Session 3a – Behavioral Economics of Choice

- *How do customers make decisions? How can we apply behavioral economics to pricing, product lines, and versioning?*

In this part of the session, we will discuss the *behavioral economics of choice* and how companies can provide psychological value to customers. Specifically, we will cover strategies and tactics involved in consumer purchase decisions, pricing, and developing product lines.

Readings (post-class):

- Belsky, Gary (1999), “To Understand Your Customers, You Have to Know How they Think,” *America’s Community Banker*, 23 – 36.
 - This article provides a high-level overview of a few key concepts and phenomena in behavioral economics.
- Altman, Daniel (2002), “A Nobel that Bridges Economics and Psychology,” *The New York Times*
 - A *New York Times* article from 2002 on the Nobel prize in economics awarded to Daniel Kahneman (who, along with Amos Tversky, pioneered seminal work in behavioral economics and human judgment and decision making).

Session 3b – Behavioral Economics of Retention

- *How do we retain customers and change their behavior?*

We will discuss the *behavioral economics of incentives and retention* and best practices for how companies can provide psychological value to customers as well as gain customer loyalty.

Readings (post-class):

- Nolan, Paul (2005), “Why Cash Incentives Fail,” *SalesForceXP*.
 - This article from *SalesForceXP* Magazine highlights research on the disadvantages of cash incentives, on consumer behavior as it relates to (noncash) hedonic luxuries, and on the concept of “earning the right to indulge.”

SESSION 4

- **WHEN:** Friday, January 20, 2023
- **WHERE:** **TBD**

Session 4a – The Perils of Customer Growth

- *How can companies scale? What are the risks and rewards of expansion?*

We will apply several core course concepts using **Starbucks** as a case study. We will also explore the important challenges involved in scaling-up a business or organization.

Readings (pre-class):

- **CASE: Starbucks: Delivering Customer Service**

In 2002, Starbucks is the dominant specialty-coffee brand in the world with more than 4,500 retail outlets in North America alone. Its aggressive expansion strategy calls for an additional 750 North American retail outlets in 2003 even as the company explores other avenues for growth. At the same time, however, the company has gathered evidence that customer satisfaction is on the decline, its brand image is showing some rough edges, and its customer base has changed in significant ways. To address these problems—in particular, the decline in customer satisfaction—Starbucks is considering investing an additional \$40 million in labor in its stores.

Assignment #2: Please upload your individual case write-up to the designated assignment dropbox on Courseworks by **Wednesday, February 15 at 11:59pm EST**.

Session 4b – Marketing Strategy at Google, DoubleClick, 1stDibs, & Twitter: Perspective of a CEO and Board Member

- **Guest speaker:** David Rosenblatt (*CEO, 1stDibs; former President of Global Display Advertising, Google; former CEO, DoubleClick*)

We will host a leading executive, David Rosenblatt (current CEO of 1stDibs and former CEO of DoubleClick). David will discuss, among other topics, his past and current experience with various businesses in his capacity as President of Global Display Advertising (Google), CEO (DoubleClick and 1stDibs), and as a board member (Twitter and other companies). We will have a free-flow Q&A to conclude the session.

Optional Background Readings:

- David Rosenblatt's Bio

SESSION 5

- **WHEN:** Saturday, January 21, 2023
- **WHERE:** **TBD**

Sessions 5a + 5b – Applying CLV (Case Analysis)

In this part of the session, we will apply concepts covered on customer lifetime value (CLV) by conducting a case analysis. Specifically, we will discuss the case of **Chase Sapphire**. Please go over the discussion questions on your own in advance to prepare for discussing this case in class. In discussing this case, we will also introduce the idea of customer segmentation, target selection, new product development and design, among other topics.

Readings (pre-class):

- **CASE: Chase Sapphire: Creating a Millennial Cult Brand**

As JPMorgan Chase approaches the one-year anniversary of the launch of their Chase Sapphire Reserve card (now that the promotional inducement of 50,000 bonus points was gone), the company faces the challenge of how to manage its Sapphire portfolio. How should the company position or market its entire line of products to retain customers, address the needs of the credit card market, and maintain and improve its brand equity and competitive advantage?

Discussion questions for Chase Sapphire case:

1. What is your assessment of the Chase Sapphire Reserve card? Is this a good product for JPMorgan Chase (JPMC)? Why or why not?
2. How do you assess the 100,000-point launch offer? Was this a good or poor investment in customer acquisition? Why? How do you assess the current 50,000-point offer? What are its strengths and weaknesses?
3. Looking at page 3 in the case and Exhibit 2, which segment do you think Chase should go after? Why?
4. The behavior of individual adopters of the card will vary in how much they spend, whether they pay all of their charges in full each month and whether they churn. As noted on the top of page 3 in the case, three customer archetypes were *transactors*, *revolvers*, and *dormants*. Assuming the following for each type of customer, how profitable are these customers, taking into account the acquisition costs? How can the Chase Sapphire team best design its product and brand to attract the right customers? Has it done so successfully with the Chase Sapphire Reserve?

Transactors/Revolvers:

- Both spend \$16,000 per year
- Credit balance carried: \$0 for transactors, 50% of annual spend for revolvers
- Interest rate average: 20.5%
- Renew the card at \$450 annual fee

Dormants:

- Spend only enough to earn the sign-on bonus
- Credit balance carried: \$0
- Do not renew card at \$450 annual fee

SESSION 6 (LAST CLASS)

- **WHEN:** Saturday, February 4, 2023
- **WHERE:** **TBD**

Session 6 – Applying STP / Value Proposition: Group Presentations

- **Guest panelist:** Gary Singer (*Chief Strategic Officer, Kobre & Kim, LLC*)

In this last session, each group will give a **10-minute (maximum)** presentation that applies the concepts of STP and value proposition to their chosen publicly-traded company. Teams will present to both the class and to guest panelist Gary Singer, who will provide feedback on your presentations.

Assignment #1: Please have one member upload your team's slide deck to the designated assignment dropbox on Courseworks by **Friday, February 3 at 8:00pm EST.**

DETAILED AGENDA AND ROADMAP FOR PART B

Marketing Implementation

Professor Oded Netzer

Session 7 – New Products & Conjoint Analysis

WHEN: Friday, February 17, 2023

- *How do we determine what customers value when developing new products? How do we segment customers?*

Session 7 will build on the previous six sessions – in which you learned about customer centricity, customer value, STP and behavior change – to introduce core concepts of marketing implementation (i.e., the 4 P's of Marketing). We will begin with executing conjoint analysis, which will help us to determine (1) what customers value and (2) how to extract that value by designing better offerings. In other words, the “Product” part of the 4Ps. We will also learn several analytics tools for segmentation and positioning.

We will introduce the second major group assignment that you will be working on and completing in your learning teams for the rest of Part B of the course. The assignment will apply a range of principles and tools covered in class (with emphasis on product design and conjoint analysis) Further details of the assignment will be discussed in class and posted on Canvas.

Readings (pre-class):

- **CASE:** “Apple vs. Samsung: The \$2 Billion Case” ([PART I](#))
 - This reading provides a real-world example and application of conjoint analysis in determining what product attribute customers value, and to what extent they value these attributes (i.e., how much \$ are they willing to pay).

Assignments due for this session

- Online survey: Conjoint
- Online survey: Apple vs. Samsung

Session 8 – Innovation and New Products Decisions**WHEN: Friday, March 3, 2023**

- *How do we come up with new ideas? How do we make new product decisions?*

New products are the life-blood of many companies. In this session, we will discuss the new product development process. We will then focus on the first stage of the new product development process, idea generation. We will learn and practice an ideation tool based on ideation templates.

We will then use the Chateau Margaux case to discuss new product introductions and brand extension decisions and the possible complexity involved in making new products, segmentation, targeting, and positioning decisions in a growing company.

Readings (pre-class):

- Case: [Chateau Margaux: Launching the Third Wine](#)
 - This reading provides a real-world example of a company that has to decide on a new product introduction in the form of brand extension and decisions related to segmentation, targeting, and positioning of the new product.

Post-class reading:

- [Ombre, Tie-Dye, Splat Hair: Trends or Fads](#)
- [Generating Perceptual Maps from Social Media Data](#)

Assignments due for this session

- Online survey: Chateau Margaux
- Concept Check: Conjoint Analysis

Session 9 – Price Promotions**WHEN: Saturday, March 4, 2023**

- *How do we measure the ROI of price promotion? How do we effectively target marketing campaigns?*

In this session, we will learn how to assess the effectiveness of price promotions using historical sales data. We will focus on how to measure ROI on marketing campaigns and how effectively target price promotions.

Readings (pre-class):

- **MINI-CASE:** [Promotion Exercise: Chirpin' Tavern's Coupon Promotion](#)
 - This case explores how to calculate ROI on a price promotion strategy conducted by a small business.
- **MINI-CASE:** [Artea: Designing Target Strategies](#)
 - This case discusses how to target price promotions to individual customers.

Post-class reading:

- [Marketing Promotions](#)
- [Trade Promotion: Essential to Selling through Resellers](#)

Assignments due for this session

- Online survey: Artea

SESSION 10 - Distribution**WHEN: Saturday, March 25, 2023**

- *Which distribution channels should we use? How do we innovate via channels?*

Distribution channels are probably the fastest-growing and most innovative area in Marketing. With companies like Amazon, Warby Parker, Bonobos, and Fresh Direct, firms are facing new challenges and opportunities when it comes to channels of distribution.

In this session, we will discuss different types of distribution channels, new innovations in channels, the difference between multichannel and omnichannel structures, channel attribution, and direct-to-consumer marketing.

Readings (pre-class):

- **CASE:** “[Amazon in 2021](#)”
 - This reading discusses the digital economy and the role of Amazon in developing a customer-centric economy.

Readings (post-class):

- [How to Win in an Omnichannel World?](#)
- [Direct to Consumers Brands](#)

Assignments due for this session

- Online survey: Amazon
- Concept Check: Promotion Exercise

SESSION 11 – Advertising and Course Finale**WHEN: Saturday, March 31, 2023**

- *How to communicate our product*

This session is focused on how to construct a communications strategy across multiple media, with a special focus on digital advertising. We will highlight several issues related to advertising decision-making, such as communications strategy and media decisions.

In this second part of the session, we will use the Ooredoo case to highlight many of the aspects covered in this course. We will review important discussions and talk about what will be expected for the exam.

Readings (pre-class):

CASE: “[Launching Mobile Financial Services in Myanmar: The Case of Ooredoo](#)”

- This reading discusses the launch of mobile financial services in Myanmar to spark a discussion around the introduction of a new product in an emerging market and the notion of customer centricity in such endeavors.

Readings (post-class):

- [The New Dot Com Bubble is Here](#)
- [Using Social Media Data to Track the Effectiveness of a Communication Campaign](#)

Assignments due for this session

- Online survey: Ooredoo
- Assignment 3: Product Design Exercise (4/2)