

MACQUARIE UNIVERSITY



MKTG 806 APPLIED MARKETING STRATEGY

UNIT OUTLINE SEMESTER 1, 2005

Unit convenor - Julian deMeyrick

Students in this unit should read this unit outline carefully at the start of semester. It contains important information about the unit. If anything in it is unclear, please consult one of the teaching staff in the unit.

Student Resource Centre
Division of Economic & Financial Studies
MACQUARIE UNIVERSITY



Macquarie University

MKTG 806 – Applied Marketing Strategy

About this unit:

This subject provides an analytical overview of marketing strategy in the broader context of corporate and business unit strategy. It builds on the general marketing knowledge students have gained in market research, consumer behaviour and marketing management.

Learning Outcomes:

The aim of the subject is to develop knowledge and skills that enable students to:

- (1) Critically analyse business environments both external to the firm and within the organisation;
- (2) Gain knowledge of the process by which organisations can develop a strategic and sustainable competitive advantage;
- (3) Assess marketing strategies from the standpoint of growth, market share, and profitability; and within the context of the market environment.
- (4) Understand marketing investment decisions and choices.

The focus is on a customer-oriented approach to the marketing organisation, market definition, and market segmentation, as well as an entrepreneurial approach to strategic choice.

Throughout the course, the emphasis is on the analysis process: identifying information needs, acquiring the necessary information, interpreting it and using it as the basis for business recommendations.

This course will also enhance the generic skills - critical thinking, independent work, teamwork, writing skills, and problem-solving skills.

Successful Completion of the Unit

In order to successfully complete the Unit you must:

- Attend and participate in the weekly lectures.
- Participate in Case Study analysis and discussion.
- Complete the two assignments (individual case study and a group assignment).
- Complete a final exam (with a mark of 50% or better).
- **Satisfactory assignment work and attendance may be used to determine a marginal grade.**

Lectures:

Lecture will be held on Wednesday from 6.00pm – 9.00pm in E5A Room 119

Textbook:

Available at the University Co-op Bookshop. You will need to purchase or have access to the title throughout the semester:

Orville C. Walker, Harper W. Boyd and Jean Claude Larreche, *Marketing Strategy-A Decision-Focussed Approach, Fourth Edition*, Irwin McGraw –Hill, 2003

Marketing Strategy Case Book (MKTG 303)

References:

Donald Lehman and Russell Winer, *Analysis for Marketing Planning 5th Edition*, McGraw Hill, USA, 1997.

Joseph Guiltinan, Gordon Paul, and Thomas Madden, *Marketing Management: Strategies and Programs 6th Edition*, Prentice –Hall, USA, 1997

Jean-Jacques Lambin, *Strategic Marketing Management*, McGraw Hill, U.K, 1997.

David W. Cravens, Bill Merrilees and Rhett H. Walker, *Strategic Marketing Management for the Pacific Regions*, McGraw Hill Australia Pty Limited, 2000

Workload:

This is a single semester (half-year) 3-credit point unit. The number of credit points that a unit is worth is determined by the number of hours that a student is expected to spend each week attending lectures, reading and preparing assignments. For a single semester unit, students are expected to spend 4 hours per credit point each week on work related to the unit. Students are strongly advised to prepare their study timetable accordingly. Successful performance in the exam requires knowledge and understanding of the content of the lectures and set readings.

Teaching Staff:

Lawrence Potter

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Consultation arrangements will be discussed in lectures.

2002 Weekly Program of Lecture Topics and Readings

Week No. Lecture Date	Topic	Readings/ Case Study
Week 1 2 March Julian	Introduction and Overview Subject Outline Strategic Role of Marketing	Walker, Boyd, and Larreche, Chapter 1, "Market Oriented Perspective Underlie Successful Corporate, Business, and Marketing Strategy."
Week 2 9 March	Strategic Decisions: Marketing Implications of Corporate Strategy decisions. <ul style="list-style-type: none"> • Corporate Scope- Defining the Firm's Mission. • Corporate Objectives • Enhancing Shareholder Value. • Corporate growth strategies. 	Walker, Boyd, and Larreche, Ch 2, "Corporate Strategy Decisions and Their Marketing Implications". R. McKenna, "Marketing is Everything", <i>HBR</i> , Jan-Feb 1991.
Week 3 16 March	Business Strategies and Their Marketing Implications <ul style="list-style-type: none"> • The concept of strategic fit • Strategic decisions at the business unit level • The underlying dimensions of alternative business strategies • Marketing implications of different business strategies. • Strategic adaptability. 	Walker, Boyd, and Larreche, Ch 3, "Business Strategies and Their Marketing Implications" B. Shapiro, V. Rangan, T. Moriarty, "Manage Customers for Profits (Not Just Sales)", <i>HBR</i> , Sep-Oct 1987.,
Week 4 23 March	Environmental Analysis <ul style="list-style-type: none"> • Identifying attractive markets • Industry analysis and competitive advantage • Industry Analysis and Competitive Advantage. 	Walker, Boyd, and Larreche, Ch 4&5, "Identifying Attractive Markets, " Industry Analysis and Competitive Advantage" Case Study DUE: Product
Week 5 30 March	Measuring Market Opportunities <ul style="list-style-type: none"> • Market Knowledge Systems • Marketing research: Strategic decision making • What questions do marketers need to ask when conducting marketing research 	Walker, Boyd, and Larreche, Ch 6, "Measuring Market Opportunities" W. Barnett, "Four Steps to Forecast Total Market Demand" <i>HBR</i> , Jul-Aug 1988.

Week No. Lecture Date	Topic	Readings/ Case Study
Week 6 6 April	Targeting Attractive Market Segments <ul style="list-style-type: none"> • The segmentation process • Defining market segments • Innovative segmentation • Targeting strategies 	Walker, Boyd, and Larreche, Ch 7, "Targeting Attractive Market Segments" B.P. Shapiro, T.V. Bonoma, "How to Segment Industrial Markets", <i>HBR</i> , May-Jun 1984
Week 7 13 April	Differentiation and Positioning Decisions. <ul style="list-style-type: none"> • Physical versus perceptual product positioning • The positioning process • Branding strategy 	Walker, Boyd, and Larreche, Ch 8, "Differentiation and Positioning". P. Doyle, Marketing in the New Millennium", <i>European Journal of Marketing</i> , vol 49, 1994, pp29-39. Case Study DUE: Place
Week 8 4 May	Formulating marketing strategies for new markets <ul style="list-style-type: none"> • Market entry strategies: Is it better to be a pioneer or a follower? • Strategic Marketing programs for Pioneers • Follower strategies • Strategies for new products and services. 	Walker, Boyd, and Larreche, Ch 9, "Marketing Strategies for New Market Entries" J.C.Anderson, J.A.Narus "Business Marketing: Understand What Customers Value" <i>HBR</i> , 1998 Case Study DUE: Promotion
Week 9 11 May	Formulating marketing strategies in high growth, highly competitive markets. <ul style="list-style-type: none"> • Opportunities and risks in growth markets • Share growth strategies • Marketing objectives for share leaders • Marketing strategies in growth markets. Formulating Marketing Strategies in declining and mature markets <ul style="list-style-type: none"> • Strategic choices in mature markets • Strategies for maintaining competitive advantage • Strategies for maintaining current market share • Strategies for extending volume growth • Customer Satisfaction and Loyalty 	Walker, Boyd, and Larreche, Ch 10, "Strategies for Growth Markets" Walker, Boyd, and Larreche, Ch 11, "Strategies for Mature and Declining Markets"

Week No. Lecture Date	Topic	Readings/ Case Study
Week 10 18 May	Marketing Strategies for the New - Economy <ul style="list-style-type: none"> The inherent advantages and disadvantages of the new- economy for marketers Developing a new- economy strategy: a decision framework. Marketing Planning and Implementation <ul style="list-style-type: none"> Organisational structures Recent trends in organisational design Marketing Plans: implementing marketing actions Review final exam outline 	Walker, Boyd, and Larreche, Ch 12, "Marketing Strategies for the new Economy" Walker, Boyd, and Larreche, Ch 12, "Marketing Strategies for the new Economy" Case Study DUE: Price GROUP Assignment DUE
Week 11 25 May	GROUP ASSIGNMENT BOARD Presentations Groups 1 - 5	If your group is not presenting then there is no class.
Week 12 1 June	GROUP ASSIGNMENT BOARD Presentations Groups 6 - 10	If your group is not presenting then there is no class.
Week 13 8 June	Final Examination	

Assessments

All assignment tasks are compulsory. You will need to complete **three assessment tasks** and pass a **final examination** to satisfy the course requirements.

Assessment 1 – Individual Case Studies	Due Date: (see table below)	Mark: 20%
Assessment 2 – Strategic Marketing plan	Due Date : 25 May 2005	Mark: 25%
Assessment 3 - Workgroup Rating	Due Date : 25 May 2005	Mark: 5%
Assessment 4 - Final Examination	Date: 8 th June 2005	Mark : 50%

1. Assessment Task ONE: Product Case Studies – 4P's***This is an individual case analysis***

You are to choose ONE FMCG Company from the list provided in Week 1 and as the Marketing Manager for that company develop a marketing strategy for each of the 4 key marketing elements. You are to demonstrate a blend between theoretical knowledge and real life application, it is important to clarify what you would do, why that is appropriate, what are the potential commercial implications of your strategy.

- **Case Study 1: Product (Due Date : Week 4)**
- **Case Study 2: Place (Due Date: Week 7)**
- **Case Study 3: Promotion (Due Date: Week 8)**
- **Case Study 4: Price (Due Date : Week 10)**

PLEASE NOTE that NO LATE SUBMISSIONS will be accepted.

Mark: 20% (5% per Assignment)

Word limit – Maximum 4 typed A4 pages (excluding cover page)

2. Assessment Task TWO: Strategic Marketing Plan

Due Date: 30 May – Week 11

Mark: 30 %

Word Limit – 3000.

This is a group assignment. You will be allocated in to groups of three or four people.

Assessment weightings of the overall 30% will be as follows:

- 1) *Group Assignment 40% (Due Date: Week 10)*
- 2) *Group Presentation 40% (Presentation Dates: Weeks 11 and 12)*
- 3) *Participation Rating 20% (rated by other group members) (Due Date: Week 10)*

Guidelines for Strategic Marketing Plan

You are to develop the FY'2006 Marketing Plan for the company selected. In developing the Marketing Plan you are to complete the following criteria below.

Remember these are real businesses and therefore you will need to assess exactly what is happening and develop strategies that realistic based on the current and previous performance. As with the individual assignments the group is to assume the role of Marketing Manager/Director and demonstrate a knowledge of the market/industry, identify relevant marketing theories and develop practical marketing strategies for the business.

Your Group Marketing Presentation will be a Board Presentation and as such you will be evaluated on the whole groups' ability to present and answer questions in relation to your Marketing Plan. Each group will be allocated 30 minutes for their presentation time of which you will need to allow 10 minutes for questions in relation to the strategies presented. Presentations will be held in Weeks 11 and 12 and if you are not presenting to the Board then your group is not required at University.

Marketing Plan Structure:

1. Briefly describe the product(s) or service(s). Describe its basic features and benefits, its target market, the assortment on offer.
2. Develop a comprehensive and focussed Situation Analysis evaluating both the internal and external environmental factors that are likely to impact on the industry and on the products and services of your organisation. This is perhaps the most important part of the analysis for marketing strategy decisions as it enables to **measure the size of the market opportunity** and provide information to support the strategies outlined in the Marketing Plan. The situational factors to consider could include any of the following:
 - **External environment-** Demographic, Economic, Political/Legal, Socio-cultural, Technological.
 - **Industry environment-** Market size and growth, Market Opportunity, Threat of new entrants, Power of suppliers, Power of Buyers, Product substitutes, Intensity of rivalry.
 - **Competitive environment.**
 - **Internal environment-** Organisations resources, capabilities and core competencies.
3. **State clear and explicit business and marketing objectives** based on the size of the market opportunity and expected return on investment. An objective is a quantified goal identifying what is expected when. It specifies the end results expected. Objectives should also be included for the following program components (1) product, (2) price, (3) distribution, (4) promotion (salesforce, advertising, sales promotion and public relations).
4. **Positioning Statement** – Write statements that describe how you want each market target to perceive the products or services relative to competition. State the core concept used to position the product (brand) in the eyes and mind of the targeted buyer. The positioning statement should describe: (1) What criteria or benefits the customer when buying a product along with the level of importance, (2) What we offer that differentiates our product from competition, and (3) The limitations of competitive products.
5. **Develop an overall marketing strategy for the organisation and the product(s), focussing on how the organisation can achieve its stated marketing objectives. You may have more than one strategic option. Clearly evaluate your options and build a concise argument for your strategy selection, using data collected to justify the best option.**
6. **Marketing Mix Strategy for each market target.**

- Product strategy – Identify the key benefits the product offers to meet consumer needs. Other issues that may be addressed would be new product suggestions, adjustments in the mix of existing products, and product deletion candidates.
 - Price strategy – The overall pricing strategy (ie competitive, premium priced etc) should be identified along with a cost/benefit analysis if applicable. Identify what role you want price to play. What is the breakeven position based on the pricing strategy.
 - Distribution Strategy- Describe specific distribution strategies for each market target. Issues to be addressed are intensity of distribution (market coverage), how distribution will be accomplished, and assistance provided to distributors. The role of the sales force, wholesalers and distributors should also be considered.
 - Promotion Strategy – Promotion strategy is used to initiate and maintain a flow of communication between company and the target market. To assist in developing the communications program, the attributes and benefits of your product or service should be identified for each market target. How the product differs from competition (competitive advantage) should be listed. Strategies should be listed for personal selling, advertising, sales promotion, and public relations activities.
7. **Coordination with other business functions** – Indicate other departments/functions that have responsibilities for implementing the marketing plan.
8. **Estimate of sales forecasts and budgets** – Based on the size and potential growth of the market, estimate potential sales for the product, market share and the marketing expenditure required to achieve marketing objectives over a three year period. (These should only be estimates, based on publicly available data from such sources as ABS or industry publications).
9. **Contingency Plans** – Indicate how your plans should be modified if events should occur that are different from those assumed in the plan.

3. Final Examination

There will be a three-hour examination that is worth **50% of the assessment** for the course. You must obtain a pass (50% or greater) in this examination, regardless of the marks you achieve in the assignment, to pass the subject.

All students are expected to sit for the final examination at the scheduled time.
The exam will incorporate theoretical concepts with case study application studied in class.

Assignment Assessment Requirements

- All assignments are to be typed in a 12-point font, double-spaced with 2.5-cm margins.
- Your assignments will be marked according to the following criteria:
 - Expression (spelling, syntax, grammar)
 - Description (accurate, coherent, unambiguous)
 - Argument (valid, logical, reasonable)
 - Relevance (with respect to the set topic)
 - Research (effective use of relevant literature)
- Assignments are to be submitted with the name of the subject and the assignment on the front cover. **Your name(s) and SID(s) are to be clearly identified in the top right hand corner of the front cover of each assignment.**
- Staple your assignment in the top left-hand corner. **Do not put the report in a binder or individual pages in separate plastic holders** – you will not get the binder or plastic sleeve back and they may not be marked or you may not get comments on your assignment. Make sure that your name and SID are clearly legible without opening the report.
- Any assignment received after the due date will lose 10 marks. No assignment will be accepted after two weeks after the due date, that is, you will receive a Fail grade for the assignment. If you have a professional authorisation form, a new assignment will be given to you.
- Extensions of time for the submission of assignments will be granted only in special circumstances. Applications for such extension must be made in writing to Zeynep Roberts, the Unit Convenor, at least three days before the submission date, and must include appropriate evidence to support your application. There are two possible grounds for seeking an extension (a) illness and (b) misadventure (that is, circumstances beyond the student's control, not pressure of accumulated assignments). Late assignments will be penalised, however, this does not apply when an extension of time has been granted.
- It should be noted that under no circumstances will any late assignments be accepted for grading after examined assignments have been returned to students.
- Lost assignments: All students must keep a copy of their assignment in case the submitted copy is mislaid.
- All sources must be referenced.
- If you wish to appeal against your assignment grade, you must first contact the original marker within one week of the marked assignment being returned.
- Remember the essay must be your own work. Plagiarism is a serious offence.

The University Examination period in First Half Year 2005 is from 15 June to 29 June.

You are expected to present yourself for examination at the time and place designated in the University Examination Timetable. The timetable will be available in Draft form approximately eight weeks before the commencement of the examinations and in Final form approximately four weeks before the commencement of the examinations.

<http://www.timetables.mq.edu.au/exam>

The only exception to not sitting an examination at the designated time is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Special Consideration. Information about unavoidable disruption and the special consideration process is available at <http://www.reg.mq.edu.au/Forms/APSCon.pdf>

If a Supplementary Examination is granted as a result of the Special Consideration process the examination will be scheduled after the conclusion of the official examination period. (Individual Divisions may wish to signal when the Division's Supplementaries are normally scheduled.)

You are advised that it is Macquarie University policy not to set early examinations for individuals or groups of students. All students are expected to ensure that they are available until the end of the teaching semester, that is the final day of the official examination period.

PLAGIARISM

The University defines plagiarism in its rules: "Plagiarism involves using the work of another person and presenting it as one's own." Plagiarism is a serious breach of the University's rules and carries significant penalties. You must read the University's practices and procedures on plagiarism. These can be found in the *Handbook of Undergraduate Studies* or on the web at: <http://www.student.mq.edu.au/plagiarism/>

The policies and procedures explain what plagiarism is, how to avoid it, the procedures that will be taken in cases of suspected plagiarism, and the penalties if you are found guilty. Penalties may include a deduction of marks, failure in the unit, and/or referral to the University Discipline Committee.

UNIVERSITY POLICY ON GRADING

Academic Senate has a set of guidelines on the distribution of grades across the range from fail to high distinction. Your final result will include one of these grades plus a standardised numerical grade (SNG).

On occasion your raw mark for a unit (i.e., the total of your marks for each assessment item) may not be the same as the SNG which you receive. Under the Senate guidelines, results may be scaled to ensure that there is a degree of comparability across the university, so that units with the same past performances of their students should achieve similar results.

It is important that you realise that the policy does not require that a minimum number of students are to be failed in any unit. In fact it does something like the opposite, in requiring examiners to explain their actions if more than 20% of students fail in a unit.

The process of scaling does not change the order of marks among students. A student who receives a higher raw mark than another will also receive a higher final scaled mark.

For an explanation of the policy see

<http://www.mq.edu.au/senate/MQUonly/Issues/Guidelines2003.doc> or

<http://www.mq.edu.au/senate/MQUonly/Issues/detailedguidelines.doc>.

STUDENT SUPPORT SERVICES

Macquarie University provides a range of Academic Student Support Services. Details of these services can be accessed at <http://www.student.mq.edu.au>.

[Individual Unit Convenors may wish to add Unit/ Division specific support eg ERIC Room, PAL,TEPIT Centre, ELS Student Support Officers.]

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