

MACQUARIE
UNIVERSITY



FACULTY OF
BUSINESS AND ECONOMICS

MKTG210
Marketing Metrics

Semester 2, 2010

Department of Business

**MACQUARIE UNIVERSITY
FACULTY OF BUSINESS AND ECONOMICS
UNIT OUTLINE**

Year and Semester:	Semester 2, 2010
Unit convenor:	Con Korkofingas
Prerequisites:	MKTG101 Marketing Fundamentals

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.

ABOUT THIS UNIT

- This subject introduces the conceptual and practical issues in developing models to aid in decision making in marketing. It considers a wide range of problems, with students developing practical skills in model building in applied computer sessions.
- Marketing Metrics is about what to measure, and how to measure, when assessing the effects of marketing programs. Evaluation and control are essential strategic marketing processes; and the basis of evaluation and control is measurement. Measurement and models are applied to evaluate the impact of marketing actions and potentially improve future marketing decision making.

TEACHING STAFF

- **Convenor:** Con Korkofingas
 - Phone: (02) 9850 8545
 - Email: con.korkofingas@mq.edu.au
 - Room: E4A 629
- **Consultation times:** TBA

CLASSES

- There are 13 x 3 hours of a Lecture/Seminar each week on Monday from 11:00am to 1:00pm in Room E4B 118, and Tutorial/Workshop from 1:00pm to 2:00pm in E4B 118, commencing 9 August 2010.
- The timetable for classes can be found on the University web site at: <http://www.timetables.mq.edu.au/>

REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS

- Prescribed text

Farris Paul W., Bendle Neil T., Pfeifer Phillip E. and Reibstein David J. 2nd Editions (2010) "**Marketing Metrics- The Definitive Guide to Measuring Marketing Performance**", Wharton School Publishing/Pearson Education, ISBN #0-13-705829-2.

UNIT WEB PAGE

- The web page for this unit can be found at: <http://learn.mq.edu.au/>
- All enrolled students should have automatic access to this site.

LEARNING OBJECTIVES AND OUTCOMES

This course aims to extend the knowledge and skills gained from earlier and current Marketing courses and apply them to the very real problems of measuring and communicating the components of marketing activity.

Students who successfully complete this course will be able to:

- Use spreadsheets and pivot tables to interrogate and summarise large data sets,
- Apply an range of analytical techniques to gain information for decision making,
- Recognise different types of business problems and frame appropriate questions.

In addition to the discipline-based learning objectives, all academic programs at Macquarie seek to develop students' generic skills in a range of areas. One of the aims of this unit is that students develop their skills in the following:

- *Foundation skills of literacy, numeracy and information technology;*
- *Communication skills;*
- *Critical analysis skills;*
- *Problem-solving skills;*
- *Creative thinking skills.*

TEACHING AND LEARNING STRATEGY

- This is a predominantly applied course, designed to provide students with analytical skills.
- Time in the "lectures" will be mostly a seminar/workshop format, with discussion of problems and demonstration of alternative solutions. Tutorials are an opportunity to try out different analytical approaches hands-on.

- Students are expected to have read the appropriate chapters in advance of the lectures so that they can participate in discussion and make the seminar format fruitful for all.

RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES

- Most weeks in this course involves a new set of abstractions requiring a different set of analytical tools and practical skills. Students are expected to move beyond knowledge and comprehension levels of understanding towards application, analysis and synthesis of concepts. Assessment then will be in the form of a series of short exercises designed to enhance conceptual, analytical and technical skills.

<i>Assessment</i>	<i>Date due</i>	<i>Value</i>
Analytical report #1 Maximum 3 pages. Graphs, tables and discussion.	Week 5: 30/8	10%
Analytical report #2 Maximum 3 pages. Pivot tables and discussion.	Week 9: 11/10	10%
Analytical report #3 Maximum 3 pages. Optimisation report, discussion	Week 11: 25/10	10%
Group Project Maximum 6 pages. Segmentation, Pricing or Promotion Report. discussion	Week 13: 12/11 (BESS, 5pm)	20%
Final Examination 3 hours: Interpretation and conclusions from reports.	Exam period	50%

The relationship between assessment and learning activities can be seen in the following table. The list of activities listed here is tentative. Some may change as the interests and skills of the class develop during the semester.

<i>Week</i>	<i>Domain</i>	<i>Theory</i>	<i>Practice</i>	<i>Skills learned</i>	<i>Assessment</i>
2, 3 & 4	Sales, Consumers	Forecasting Portfolio analysis Customer lifetime value Trial/ Repeat	Simple time-based pattern repetition, Simple forecasting BCG matrix	Formulae & Complex graphs in MS-Excel Time-series plots	<u>Graph report</u> 3 pages max <u>Week 5</u> 10%
5, 6 & 7	Product	Product design	Choice modelling/ Conjoint analysis	Experimental design Multiple Regression	<u>Pivot tables report</u> 3 pages max <u>Week 9</u> 10 %
9	Market structure	Segmentation	Key customers' behavioural analysis Cluster analysis	Excel sort Pivot-tables	Final Exam <i>(Option for Group Project)</i>
10	Distribution	Warehouse/ store location	Minimise distance to customers.	MS-Excel Solver	<u>Solver report</u> 3 pages max <u>Week 11</u> 10 %
11	Price	Price elasticity, Optimal pricing	Simple multinomial-logit model	Predictive models in Excel	Final Exam <i>(Option for Group Project)</i>
12	Promotion	Advertising effectiveness	Reach & Frequency, Internet click-through Media allocation	Ratios	Final Exam <i>(Option for Group Project)</i>
13					<u>Group project</u> 6 pages max <u>Due Friday 12/11 (BESS 5pm)</u> 20 %
					Final Examination <u>3 hours</u> 50% <u>Must perform satisfactorily to pass course.</u>

- Assessment details will be posted to the course website, along with marking guides and learning rubrics.

- Assignments will be submitted in hard-copy at the opening of class on the due day. Late submissions will be penalised by 10% per day late.
- Marks will be posted to the course website within 2 weeks of assignment receipt, and feedback returned at the next available class.
- A three hour final examination for this unit will be held during the University Examination period. **Students must deliver a satisfactory level of performance in the examination in order to pass the course.**
- The University Examination period in Second Half Year 2010 is from 17 November to 3 December.
- 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 Faculties may wish to signal when the Faculties' Supplementary Exams 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, which is the final day of the official examination period.

ACADEMIC HONESTY

The nature of scholarly endeavour, dependent as it is on the work of others, binds all members of the University community to abide by the principles of academic honesty. Its fundamental principle is that all staff and students act with integrity in the creation, development, application and use of ideas and information. This means that:

- all academic work claimed as original is the work of the author making the claim
- all academic collaborations are acknowledged
- academic work is not falsified in any way
- when the ideas of others are used, these ideas are acknowledged appropriately.

Further information on the academic honesty can be found in the Macquarie University Academic Honesty Policy at:

http://www.mq.edu.au/policy/docs/academic_honesty/policy.html

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.mq.edu.au/policy/docs/academic_honesty/policy.html

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.

GRADES

Please refer to relevant Bachelor Degree rule in the Handbook of Undergraduate Studies.

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://senate.mq.edu.au/rules/Guidelines2003.doc>

<http://senate.mq.edu.au/rules/detailedguidelines.doc>

DETERMINATION OF OVERALL GRADE

The lecturer reserves the right to adjust the final grade (see above).

SPECIAL CONSIDERATION

The University is committed to equity and fairness in all aspects of its learning and teaching. In stating this commitment, the University recognises that there may be circumstances where a student is prevented by unavoidable disruption from performing in accordance with their ability. A special consideration policy exists to support students who experience serious and unavoidable disruption such that they do not reach their usual demonstrated performance level. The policy is available at: http://www.mq.edu.au/policy/docs/special_consideration/procedure.html

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>

IT CONDITIONS OF USE

Access to all student computing facilities within the Faculty of Business and Economics is restricted to authorised coursework for approved units. Student ID cards must be displayed in the locations provided at all times.

Students are expected to act responsibly when utilising University IT facilities. The following regulations apply to the use of computing facilities and online services:

- Accessing inappropriate web sites or downloading inappropriate material is not permitted. Material that is not related to coursework for approved unit is deemed inappropriate.
- Downloading copyright material without permission from the copyright owner is illegal, and strictly prohibited. Students detected undertaking such activities will face disciplinary action, which may result in criminal proceedings.

Non-compliance with these conditions may result in disciplinary action without further notice.

Students must use their Macquarie University email addresses to communicate with staff as it is University policy that the University issued email account is used for official University communication.

Course Program 2010:

Week	Date	Topic	Readings
1	2/8	<u>Measurement, Modelling Theory</u>	Marketing Metrics, ch. 1
2	9/8	<u>Buyer Decision Making:</u> beliefs, attitudes, satisfaction	Marketing Metrics, ch. 2
3	16/8	<u>Buyer Decision Making:</u> beliefs, attitudes, satisfaction	Marketing Metrics, ch. 2, Readings
4	23/8	<u>Marketing Maths:</u> margins, contributions, breakeven, response functions	Marketing Metrics, ch. 3
5	30/8	<u>Product:</u> trial, repeat, penetration, volume;	Marketing Metrics, ch. 4
6	6/9	<u>Product-Brand Equity:</u> measurement, damage, product recall	Marketing Metrics, ch. 4, Readings
7	13/9	<u>Product:</u> conjoint analysis/ choice modelling	Marketing Metrics, ch. 4, Readings
8	4 /10	Public Holiday: Labour Day	No classes
9	11/10	<u>Customer Profitability:</u> cost allocation, profit allocation, lifetime value analysis, segmentation	Marketing Metrics, ch. 5
10	18/10	<u>Salesforce and Channel Management:</u> Goals, compensation, pipeline, out-of-stocks, inventory turn, markdowns, allocations	Marketing Metrics, ch. 6
11	25/10	<u>Price:</u> premiums, reservation price/value perception, elasticity, optimal pricing, discrimination, cross-elasticity, prisoners' dilemma	Marketing Metrics, ch. 7
12	1/11	<u>Promotion:</u> baseline and shift, coupons, price waterfall reach, frequency, GRP, CPM, frequency response functions, internet metrics	Marketing Metrics, ch. 8 and 9
13	8/11	Examination preparation/Course Review	