BBA203:
PRODUCT & PRICING DECISIONS

Unit Outline, 2004

Lecturers: Leanne Carter
           Gareth Jude

Time: Lecture/Tutorial: Thursday 7.00pm-10.00pm

Location: C5C T1
MACQUARIE UNIVERSITY
DIVISION OF ECONOMIC AND FINANCIAL STUDIES
BUSINESS DEPARTMENT

BBA203 - Product & Pricing Decisions
Semester 1, 2004.

Course Introduction

This unit extends the material learnt in BBA101 - Fundamentals of Marketing in reference to product and pricing decisions. Product strategy will encompass product classification, product management, brand management, new product development and portfolio management. Pricing decisions will look at alternate methods of pricing.

This unit is designed to give an in-depth understanding of the job of the “typical” product manager in marketing consumer and business to business goods/services. While the specific duties of a product manager vary considerably across industries and companies, the course focuses on the four major activities common to the position: (1) analysis of market information, (2) developing product strategy, (3) programming the strategy, and (4) implementation. The course attempts to simulate the product manager’s job through the development of a marketing plan for a particular product or service through a computer simulation. In addition a range of cases will be analysed.

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Lecturer
Gareth Jude
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Please note the website address for this unit:
http://www.bus.mq.edu.au/units/bba203/index.htm
Use this site to access lecture notes, listen to taped lectures and undertake discussions between students and myself.

Assessment

Marks in this unit will be allocated on the following basis:

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Group Project - The Marketing Game</td>
<td>20%</td>
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<tr>
<td>Group Case Study Presentation</td>
<td>10%</td>
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<tr>
<td>Individual Case Study</td>
<td>20%</td>
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<tr>
<td>Final examination</td>
<td>50%</td>
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All students are required to perform satisfactorily in the final examination to obtain a passing grade for the unit. No other assessment marks will be considered until a pass has been obtained in the final examination.

Students will have to cope with the usual range of issues that arise in the context of group work. There are to be no more than 6 students and no less than 4 students per group.
You are expected to have read nominated chapters, readings and/or cases prior to the appropriate lecture/tutorial, so you are prepared to discuss them in class.

In the case of missing lectures and/or tutorials, it is your responsibility to arrange for the submission of completed assignments and to obtain any notes, readings and assignment details.

Whilst there is a three hour lecture/tutorial session scheduled each week, it is expected that part of this time will be allocated to The Marketing Game simulation for weekly decision meetings.

The assessment items are all described below.

1. **Decision and Reports**

   **DUE DATE:** Weekly for 8 weeks (See Lecture Schedule)

   The Marketing Game requires weekly decisions to be made over 8 decision periods during the semester. (See the Lecture Schedule for specific details of dates). This component of assessment requires each group to submit a disk containing their decision files as well as a one page report on the rationale underlying these decisions. You are to use the proforma at the end of the Marketing Game text book. The page is titled “Marketing Strategy Summary Form”.

   These weekly reports are to be written using sentence structures, as you would a business report. Check spelling, grammar, punctuation, etc. They are to be used a record of why you decided the strategies with supporting research and justifications. You must keep a copy of these weekly reports for future reference as well as inserting as an appendix to the end of the Situational Analysis and Marketing Plan Report (see next assessment item).

   It is critical that each group’s decision (disk and report) is handed in by the due time. Failure to submit a set of decisions will mean that the period’s decision is cancelled for the offending team. So do not be late in submitting your decisions!! It will affect your performance and mark.

   EACH DECISION IS DUE BY 7.00PM AT THE START OF THE LECTURE READY FOR PROCESSING.

   RESULTS CAN BE COLLECTED FROM ERIC AT 3.00PM ON THE FOLLOWING FRIDAY, OR AS OTHERWISE NOTIFIED.

2. **Situational Analysis and Marketing Plan Report**

   **DUE DATE:** 7.15pm, Thursday, 29 April, 2004.

   After completing four decision periods, each team will be required to submit a Situational Analysis and Marketing Plan Report by 7.15pm, Thursday, 29 April, 2004. This report is worth 30%.

   The Situational Analysis relates to the Starting Position up to Period 4 (inclusive). The Marketing Objectives and Plan is designed for the next year, that is, Period 5.

   For the basis of this assessment item, you must ensure that you cover the following headings:
Section 1 Executive Summary

Section II Situational Analysis for decision periods 0-4
A. Category/Competitor Definition
B. Category Analysis
C. Company and Competitor Analysis
D. Customer Analysis
E. Planning Assumptions

Section III Objectives for the next decision period 5
A. Corporate Objectives (if appropriate)
B. Divisional Objectives (if appropriate)
C. Marketing Objectives

Section IV Product/Brand Strategy for the next decision period 5
A. Customer Targets
B. Competitor Targets
C. Product/Service Features
D. Core Strategy

Section V Supporting Marketing Programmes for the next decision period 5
A. Price
B. Place
C. Promotion

Section VI Financial Documents for the decision periods 1-5
A. Budgets and Actuals

Some guidelines when writing your report.
Ensure you include:
• Title Page, Firm Number, Firm Name, Group Members' Names and Student Numbers.
• No more than 30 pages including graphs, tables and other figures (Times New Roman, single spacing).
• Be certain any tables are clearly labelled and referenced (with sources of data).
• Text in paragraphs – not bullet points. This is a written document - not an overhead presentation.
• The written report should reflect the depth and breadth of your marketing analysis, planning and strategy skills, especially in terms of product and pricing decisions acquired to date.
• See the Appendix to Chapter 2 of Lehmann and Winer for more specific format details.
• The Marketing Plan Reports submitted weekly with your decisions should be added as an appendix to the report.

Assessment Criteria.
☐ realistic
☐ comprehensive
☐ consistent/integrated
☐ clarity of expression and referencing
Peer assessment will be offered to participants felt not to be contributing equally may be given a lower mark than other group members. This will be administered on a needs only basis. If any group problems emerge, you need to speak with a lecturer as soon as possible so it can be managed.

This assignment should be handed in at the lecture or placed in the correct assignment box in ERIC by 7.15pm on the due date. Note that it is the student's responsibility to place the assignment in the correct box. Penalties for late assignments will be 10% of total potential marks for each day late.

3. **Group Case Study Presentation**  10%

There are several case studies that will be discussed and analysed during this subject with the aim of making links between theory and practice. The cases are contained in *Product and Pricing Decision Cases* prepared for Macquarie University. The cases that will be covered in the lecture/tutorial sessions include:

a) Coca-Cola (Japan)  
b) Dunkin Donuts  
c) Rollerblade  
d) Goodyear  
e) The American Express Corporate Purchasing Card  
f) Quaker Oats Company, Gatorade, and Snapple Beverage  
g) Colgate-Palmolive: The Precision Toothbrush  
h) Slendertone (A): Creating a World Class brand  
i) Cruisers

It is a requirement of this course that you come prepared to each of the lectures in which the cases are discussed having read and understand the key issues of the case.

Please note that any of these cases discussed in lectures/tutorials may be included in the final exam, so it is in your best interests to prepare, participate and take notes during the discussions.

Your group will be allocated one case for presentation in the lecture for Week 5. You will use the same groups as for The Marketing Game. Your presentation should be on OHP and a paper copy should be submitted at the start of the lecture (7.00 pm) for assessment. Every group will be called on to present part of their nominated cases analysis during the relevant lecture. The case allocation for your group and instructions on how to prepare the presentation will be given in the introductory lecture on Cases in Week 5. Please keep a copy of your group presentation for revision purposes. You should use the following structure for each case:

**Situation Analysis**  
Note the significant marketing facts in the case; for example, where is the company now? Where is it headed? Where should it be headed? Strengths and weaknesses of the company; opportunities and threats in its external environment. State any assumptions being made.
Problem Definition
Define the main issues or real problems facing the company and lay these out, where relevant, as one or more principal marketing problems and break each main marketing problem into sub-problems.

Analysis and Evaluation of Options
Develop the options open to the company to solve these problems. Analyse and evaluate the most feasible alternatives in terms of strengths and weaknesses, costs and benefits of each. Assess the option of doing nothing.

Other Information that should be Obtained
Specify the further data you think should be obtained and the analysis required.

Recommended Courses of Action
Make recommendations giving reasons.

More details for this structure will be given in Week 5.

4. Individual Case Study 20%

There are several case studies which will be discussed during the lecture/tutorial sessions of the subject (as discussed above). Participants are also required to submit written solutions to a case study individually.

Loctite Due Week 9 13 May 2004.
The individual case must be submitted by 7.15pm in the Lecture or ERIC on the due date. No late submissions will be accepted under any circumstances. The case should be written up using a structured approach to the work. You are to follow the case guidelines set out in the introductory lecture Week 5. The length required for the case write up is 6/8 pages of A4 or 2000 words typed.

You are to follow the format presented in lectures in writing up the case study.

Assessment Criteria.
☐ Logic of the analysis of the situation
☐ Thoroughness of the analysis of alternatives
☐ Justification for and practicality of the recommendations
☐ Quality of calculations and tables to support analysis
☐ Quality of written work: grammar, spelling, presentation

Penalties for late assignments will be 10% of total potential marks for each day late. No late assignments will be accepted after the solutions have been discussed in class.

5. Final Examination 50%

A three hour written examination will be held in the examination period. The examination will include questions relating to The Marketing Game, Case Studies, and any materials discussed in lectures or distributed in ERIC. You will be expected to be able to apply your knowledge. To simply feedback lecture notes (or any other materials) will not guarantee a pass. Further details will be given in lectures.
Note: To obtain a passing grade in this unit you must pass the final examination. No other marks will be considered unless a pass is obtained in the final examination.

Essential Texts:


Note: These texts are available as a package from the Co-op Bookshop.

Additional/Recommended Reading (held in Special Reserve)


In addition to these there may be a number of journal articles held by ERIC during the semester. Material from any (or all) of these may be used for examination purposes. PLUS additional information on this subject can be found in the following business periodical publications. These publications are available in the library either in hard copy or in electronic format:

Journal of Marketing
Journal of Product and Brand Management

European Journal of Marketing
Harvard Business Review
Lecture Schedule
(Note that this Schedule of Topics is not formalised and some topics may not be covered)
Critical dates and issues are in **BOLD**

<table>
<thead>
<tr>
<th>Week</th>
<th>Date</th>
<th>Topic</th>
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| 1    | Thurs, 4 March | Course Introduction  
Introduction to Product Management and Marketing Planning  
L&W Chapters 1 & 2  
The Marketing Game- an introduction to the Group Project.  
Mason & Perreault |
| 2    | Thurs, 11 March | Assessing the Situation:  
Defining the Competitive Set  
Category Attractiveness  
Competitor Analysis  
L&W Chapters 3, 4, & 5.  
The Marketing Game:  
• Getting started  
• Finalisation of Firms (groups)  
• FAQ about The Marketing Game  
Mason & Perreault |
| 3    | Thurs, 18 March | Assessing the Situation:  
Customer Analysis  
Market Potential and Sales Forecasting  
L&W Chapter 6 & 7  
**DECISION 1 DUE** |
| 4    | Thurs, 25 March | Developing Product Strategies  
Brand Strategy and Product Management  
L&W Chapter 8  
**DECISION 2 DUE** |
| 5    | Thurs, 1 April | New Product Development  
L&W Chapter 9  
**DECISION 3 DUE** |
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<th>Week</th>
<th>Date</th>
<th>Topic</th>
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<tr>
<td>6</td>
<td>Thurs, 8 April</td>
<td>Case Study Method Introduction and explanation. Sample Case Discussed Coca-Cola (Japan)</td>
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<td><strong>DEdITION 4 DUE</strong></td>
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<td>Mid Semester Break</td>
<td>Mid Semester Break</td>
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<td>7</td>
<td>Thurs, 29 April</td>
<td>CASE STUDY a: Dunkin Donuts. CASE STUDY b: Rollerblade. ENSURE YOU COME PREPARED HAVING READ THE CASE AND PREPARED AN ANALYSIS.</td>
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<td><strong>DEdITION 5 DUE</strong></td>
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<td>GROUP ASSIGNMENT DUE. Marketing Game Situational Analysis and Marketing Plan. BY 7.15PM ON THURSDAY, 29 APRIL, 2004 (either in lecture or at ERIC).</td>
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<td>8</td>
<td>Thurs, 6 May</td>
<td>CASE STUDY c: GoodYear. CASE STUDY d: American Express. ENSURE YOU COME PREPARED HAVING READ THE CASE AND PREPARED AN ANALYSIS.</td>
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<td><strong>DEdITION 6 DUE</strong></td>
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<td>Week</td>
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<td>9</td>
<td>Thurs, 13 May</td>
<td>Pricing Decisions and Financial Analysis for Product Management L&amp;W Chapters 10 &amp; 15</td>
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<td><strong>CASE STUDY ASSIGNMENT DUE BY 7.15pm, THURSDAY, 13 MAY, 2004, IN THE LECTURE OR ERIC</strong></td>
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<td><strong>DECISION 7 DUE</strong></td>
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<td>10</td>
<td>Thurs, 20 May</td>
<td>CASE STUDY e: Quaker Oats Company.</td>
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<td>CASE STUDY f: Colgate-Palmolive</td>
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<td><strong>ENSURE YOU COME PREPARED HAVING READ THE CASE AND PREPARED AN ANALYSIS</strong></td>
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<td><strong>DECISION 8 DUE</strong></td>
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<td>11</td>
<td>Thurs, 27 May</td>
<td>CASE STUDY g: Slendertone</td>
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<td>CASE STUDY h: Coca Cola Vending Machine</td>
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<td><strong>ENSURE YOU COME PREPARED HAVING READ THE CASE AND PREPARED AN ANALYSIS</strong></td>
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<td><strong>FINAL RESULTS OF MARKETING GAME DISTRIBUTED</strong></td>
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<td>12</td>
<td>Thurs, 3 June</td>
<td>Solution to Assignment Case Study: LOCTITE</td>
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<td>CASE STUDY i: Crusiers</td>
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<td>13</td>
<td>Thurs, 10 June</td>
<td>The Debrief of The Marketing Game</td>
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<td>Review of Unit</td>
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Special Consideration

You are expected to attend scheduled examinations with the other students completing this unit. If extraordinary circumstances prevent you from attending the scheduled examination or affect your performance in an examination, you may wish to lodge a request for special consideration.

Any such requests must be lodged on the appropriate form. If there are medical circumstances you wish to be taken into account when considering your request, the medical information must be lodged on the attached Professional Authority Form. No other form of medical certificate will be recognised.

Supplementary Examinations

The academic staff managing this unit may, at their discretion, decide that, in the light of the circumstances set out in a request for special consideration, the appropriate way to assess your performance in this unit is to invite you to sit a supplementary examination. (It is not automatic that you will receive a supplementary examination if you have missed an examination due to medical reasons or misadventure. Students need to have an adequate performance in other assessment components to be considered for a supplementary examination.)

Cheating and Plagiarism

Cheating and plagiarism are regarded as attempts to gain an unfair advantage over your fellow students and will not be tolerated. Please read the Plagiarism and Cheating document below which sets out the Division’s policy in these matters.

Support Services for Overseas Students

The University Counselling and Health Services has appointed a counsellor specifically to assist students from overseas countries and those who speak English as their second language. She is particularly expert in assisting with difficulties which involve adjustment to University life or to Australian custom, personal difficulties or the skills of studying, of reading, learning and remembering, or organising and motivating study, or of facing the examinations. Much of the work with students is conducted on an individual basis in a confidential setting. However, each semester groups are conducted to assist students in study skills, stress management and preparation for returning to the home country.
THE DANGERS OF CHEATING AND PLAGIARISM AND HOW TO AVOID THEM

To cheat in the context of university assignments, tests and examinations is to attempt to gain an unfair advantage by violating the principles of intellectual and scholarly integrity. Cheating also encompasses plagiarism, which is the appropriation or imitation of another person’s ideas and manner of expressing them.

WHAT IS CHEATING?

You will be guilty of cheating if you do any of the following:

1. Copy from another student during a test or examination. This is cheating whether or not there is collusion between the students involved. Collusion with another student who wishes to cheat from you exposes both parties to penalties under University Regulations.

2. Use or paraphrase the work of others, including any document, audio-visual or computer-based material, when preparing an assignment or writing an examination, and pretend it is your own work by not acknowledging where it came from.

3. Copy from another student’s coursework whether that copying be with or without the knowledge of that student. This includes:
   - copying all or part of someone else’s assignment
   - allowing someone else to copy all or part of your assignment
   - having someone else do all or part of an assignment for you
   - doing all or part of someone else’s assignment for them.

4. Make up data and fabricate results in research assignments.

5. Impersonate someone else in an examination or test, or arrange such impersonation.

6. Use forbidden material in a test or examination, whether in printed or electronic form. For example, attempting to use a non-standard calculator in a restricted calculator examination.

WHY IS IT WRONG?

If you take and use the work of another person without clearly stating or acknowledging your source, you are falsely claiming that material as your own work and committing an act of plagiarism. This is wrong because:

- it violates the principle of intellectual and scholarly integrity.
- it devalues the grades and qualifications gained legitimately by other students.

PREVENTING CHEATING

All students and staff have a responsibility to prevent, discourage and report cheating.

Typically students cheat because they are having difficulty with the unit content, the language of the unit, or both. Cheating and/or plagiarism can be a temptation when students are experiencing difficulty with a heavy workload in the unit and seek to save time by using others work.
To avoid having students resort to cheating, the University provides many services to help students with their course or to make thoughtful decisions about whether to continue. Within the Division of Economic and Financial Studies, students should first seek assistance from their tutor and/or lecturer. The University also offers help through the Dean of Students or the University Health and Counselling Services.

There is a difference between getting help and cheating. You are encouraged to get help if you need assistance to understand the material and any set work so that you are in a better position to create your own answers.

HOW TO PLAY SAFE

To maintain good academic practice, so that you may be given credit for your own efforts, and so that your own contribution can be properly appreciated and evaluated, you should acknowledge your sources and you should ALWAYS:

(i) State clearly in the appropriate form where you found the material on which you have based your work, using the system of reference specified by the Division in which your assignment was set;

(ii) Acknowledge the people whose concepts, experiments or results you have extracted, developed or summarised, even if you put these ideas into your own words;

(iii) Avoid excessive copying of passages by another author, even where the source is acknowledged. Find another form of words to show that you have thought about the material and understood it, but remember to state clearly where you found the ideas.

There is nothing wrong with working with other students in a group; indeed sometimes you will be encouraged to do so. But after a certain point, each student must work on their own to produce their own written answers. If no specific guidelines for group-work have been given, a reasonable interpretation is that it is acceptable for two or more students to discuss a problem among themselves or with a staff member. The group may then agree that the answer should include certain points. But then each member of the group must independently write their own answer to the problem.

PENALTIES

Students who are guilty of cheating and plagiarism will be penalised. Depending on the nature of the offence, the unit coordinator will determine the penalty. For example, extensive plagiarism may result in zero marks for an assignment. Repeat offences will be referred to the University Discipline Committee and may result in failure or exclusion from the university.

(This material has been compiled from the existing plagiarism documents of Macquarie University and University of Auckland.)
This form must be completed by a professional authority.

Students at Macquarie University are able to apply for special consideration if they are unable to attend an examination or if they consider that their examination preparation or overall performance in a unit of study has been affected by unavoidable disruption or misadventure. Special consideration may also be granted if a student is forced to leave the examination room early due to illness or unavoidable disruption and believes that his/her examination performance has been affected. In most circumstances documentary evidence is required before special consideration will be granted and your assistance in providing information on the student’s illness or misadventure would be appreciated. The information you provide will allow the University to make a fair decision about the student’s academic performance and will only be used to assess the student’s request for special consideration. If special consideration is requested on non-medical grounds, appropriate supporting documentation must be provided, e.g. statutory declarations by independent witnesses, police reports, or statements from sufficiently senior officials in the place of employment. Photocopies of documents will not be accepted unless they have been certified by a member of the Registrar’s staff.

Professional Use Only

Student’s Name: ___________________________    ID Number: _______________________

Date of Consultation: _________________________

Date/s of illness or misadventure: From: ___________________ To: _____________________

Please tick the box which best describes the student’s illness or misadventure

| Negligible ( ) | mild ( ) | moderate ( ) | severe ( ) |

Was the student suffering from symptoms of the illness or misadventure on the date of the consultation?  Yes/No

Please provide details of symptoms of the illness or misadventure on the date of the consultation. Is the illness or misadventure related to or as a result of a pre-existing condition? Give details below.

___________________________________________________________________________

___________________________________________________________________________

Name and Title: _____________________________________________________________

Profession: ___________________________    Provider Number: ______________________

Signature: ___________________________    Phone number/s: ________________________

Stamp or seal of Professional Authority

(or attach letterhead)
1. PRIMARY PHONE CONTACT FOR THIS GROUP:

   NAME ________________________________

2. OTHER PHONE NUMBERS and EMAIL ADDRESSES AS APPROPRIATE:

3. DAY and TIME of GROUP MEETINGS TO BE HELD:

   [Space for dates and times]

Please indicate if you are interested in participate in Business Communication Research

TICK FOLDER IF INTERESTED IN PARTICIPATING IN BUSINESS COMMUNICATION RESEARCH

NAME OF GROUP’S INDUSTRY AND NAME/NUMBER ALLOCATED