

## MARKETING MANAGEMENT

### Introduction

As companies increasingly revolve within their networks of partnerships and customers, marketing managers are responsible for much more than just facilitating sales. They must ensure that every aspect of the business is focused on delivering superior value to customers. Marketing management, as a specialized business function, is responsible for understanding the customer intimately and keeping the entire organization informed. The skill of marketing lies in monitoring customers, competitors, and collaborators, and identifying ways to better design and deploy the firm's capabilities to serve customers in a manner that is consistent with the organization's objectives and values (e.g., profitably, sustainably, ethically, etc.). Marketing is critical to defining the firm's strategic direction.

This responsibility operates on multiple levels. At the corporate level, marketing helps define the business the company is in and determines the mission, scope, shape, and structure of the firm. Key roles at this level include assessing the attractiveness of alternative markets, promoting customer orientation, and developing the firm's overall marketing value proposition. Here, the cultural influence of marketing within the company becomes evident. At the business level, the primary challenge is competing effectively within the chosen market. This involves segmenting the market, conducting a thorough analysis of competitors and customers, and selecting a distinctive market position. At the operational level, the issues related to the marketing mix will be resolved.

The first, and arguably most important, element of the marketing mix is product/service selection. A second critical element is pricing, which involves setting prices for individual products and lines while considering discounts, special conditions, and promotions.

Another key element is distribution system decisions, including the design and control of channels through which products and services reach end users. Additional "go-to-market" decisions involve sales forces, agents, and partners. Finally, Market communications decisions include components such as online visibility (SEO/SEM), print/traditional advertising, endorsement and word-of-mouth advertising, direct mail, trade shows, point-of-sale displays, sampling, etc.

Each level of strategy and each dimension of the marketing must be developed in the context of the others, ensuring that the final implementation is based on a sound formulation across levels. And, of course, any marketing objectives and strategies will have to take into account both the firm's core competencies and its resource limitations.

Through a variety of concrete case studies, this course will immerse you in these marketing issues. This hands-on approach will prepare you for (an inevitable!) incorporation of marketing into not only your future business practice and interactions with marketing teams, but also for your day-to-day life as a consumer and communicator.

## Objectives

The primary objectives of this course are as follows:

- To introduce key basic marketing concepts needed to deal with business problems such as segmentation, targeting, positioning, marketing mix, marketing services, pricing decisions, market orientation.
- To provide the marketing perspective in approaching business problems, including strategy development. We will do this by covering: (1) Market and opportunity analysis, and (2) Product, branding, and pricing decisions, and other marketing-related courses will enrich this list.
- To illustrate the range of marketing tasks in the organization, including the functional responsibilities of marketing managers.
- To refine decision-making, analytical skills, and the ability to debate ideas with the help of others.

## Content

The course has two major delivery methods:

1. General sessions: Case discussions according to the course outline detailed in the last pages of this document.
2. Lectures: Two or three of the course sessions will be lectures. The objective of these sessions is to consolidate the different concepts raised during the case discussions. Remember, however, that this is a course in which experiential learning methods are the major way to construct an intimate understanding of the principles of marketing to have the confidence and skills to do the job.

## Evaluation

Grades in this course will be based on the following:

- Class participation (55%)
- Midterm report (if assigned, 20%)
- Final exam (25% if midterm is assigned; 45% if midterm is not assigned) 2

You will benefit in this course by sharing your analysis and judgment on the cases with the class.

Class participation is the primary means of achieving the goals of this course. The value you gain from this course will be directly proportional to the extent to which you expose your viewpoints or conclusions to the scrutiny of the class. The same is true for your classmates – they gain from your contributions, insights, and experiences.

Failing to participate is hence detrimental not only to you, but also to your classmates. Don't let them down, they're trying to learn from you as much as you are from them. In essence, you should view class participation as an opportunity to deepen our shared understanding of the material. Be prepared to provide constructive input as the class collaboratively addresses the issues presented in each case. Don't be afraid to sound stupid! More often than you'd think, the dumbest questions yield the most interesting and insightful of discussion points. We all sound stupid from time to time. It's nothing to stress about. Instead, think about how your ideas build on (or contradict!) others' ideas. Bring these points up. Be thoughtful. Be respectful. Be bold. Take risks. Have fun.

The situations in the cases are complex, and rarely (if ever) will there be a single correct answer, though there may certainly be incorrect ones. The class will rarely (if ever) reach a unanimous consensus, as the appropriate response often depends on assumptions made. Real learning occurs when you observe how others approach a problem about which you have thought carefully.

Case preparation involves developing a personalized and intimate marketing problem-solving style. Cases are semi-structured problems, and the main "product" of repeated exposure to these learning devices is the development of problem definition skills.

Although there is no formula for case preparation, most students follow a general path, which includes:

1. **Reading the case quickly:** Skimming for the major issues and gaining a sense of its layout.
2. **Re-reading the case carefully:** Annotating, highlighting, and distinguishing important information, omissions, and questions raised by the reading.
3. **Identifying the key action issues:** Determining if the case is truly about (e.g., pricing) or if (e.g., pricing) is merely symptomatic of a deeper issue that requires examination and resolution.
4. **Formulating analysis questions:** Deciding what analysis questions will inform the key issues and what actions need to be taken.
5. **Answering analysis questions:** Using the available data from the case, making clear and well-informed assumptions about necessary but missing information.
6. **Deciding on a course of action:** Based on the analysis, explicitly considering and rejecting plausible alternative courses.
7. **Developing an implementation plan:** Crafting a plan to achieve the desired action within the constraints of the company, people, and other situational factors.
8. **Testing the plan and analysis:** Comparing your plan and analysis against those of others in your team meetings before class.

## Course Outline & Bibliography

<p><b>Module 1 - Market Analysis and Marketing Decisions</b></p> <p><u>Required Readings:</u>            Core Curriculum: Framework for Marketing Strategy Formation (HBS 8153)            What the Case Study Method Really Teaches (HBS H06R6A-PDF-ENG)</p> <p><u>Optional Readings:</u>            Core Curriculum: Creating Customer Value (8176)            Core Curriculum: Customer Behavior and the Buying Process (8167)            Business Decisions and Quantitative Analysis (IESE MN-396-E)            Marketing Analysis Toolkit Breakeven Analysis (510-080)</p>	
Session	Case
1	Casper Sleep Inc.: Marketing the 'One Perfect Mattress for Everyone' (HBS 9-517-042)
2	BSH Bean-to-Cup Coffeemakers (IESE M-1333-E)
<p><b>Module 2 - Segmentation, Targeting, and Positioning</b></p> <p><u>Required Readings:</u>            Core Curriculum: Segmentation and Targeting (HBS 8219)</p>	
3	The Captor Opportunity (IESE M-1380-E)
4	Red Lobster (HBS 9-511-052)
5	AéroTec Systèmes and the Space Tourism Race (IESE M-1395-E)
<p><b>Module 3 – Products &amp; Brands</b></p> <p><u>Required Readings:</u>            Core Curriculum: Product Policy (HBS 8208)</p> <p><u>Optional Readings:</u>            Brand Equity: An Overview (UV6938)            Brand Portfolio Strategy and Brand Architecture (9-517-021)</p>	
6	Rappi: The Growth Dilemma (IESE M-1377-E)
7	In a Bind: Peak Sealing Technologies' Product Line Extension Dilemma (HBS 9-914-533)
8	Dodot: The Introduction of a Basic Line in the Iberian Peninsula (IESE M-1298-E)
9	Keeping an Eye on the Brand: Etnia Barcelona's Retail Strategy (IESE M-1407-E)
10	The Marketing Plan: Review Lecture

**Module 4 – Pricing Decisions: Creating and Capturing Value**

Required Readings:

Prices (IESE MN-385-E)

Optional Readings:

Pricing and Customer Psychology (HBS 9-524-019)

11	Singapore Metals Inc.: Engineered Products Division (HBS 9-709-434)
12	Angie’s List: Ratings Pioneer Turns 20 (HBS 9-517-016)
13	EcoMetrics: How to price the measurement of sustainable advertising (IESE M1420-E)

**Module 5 - Market Orientation**

Required Readings:

Market Orientation (IESE MN-371-E)

14	ASICS: Chasing a 2020 Vision (HBS 9-517-060)
15	<b>Final Exam</b> (Terrifying!)

**Supplementary Readings:**

1. Philip Kotler, Kevin Lane Keller and Alexander Chernev (2021), Marketing Management (16th Global Edition)
2. Hanssens, D. M. (Ed.). (2015). Empirical generalizations about marketing impact. Marketing Science Institute.
3. Sharp, B. (2016). How brands grow. Oxford University Press.
4. Christensen, C. M. (2013). “The innovator’s dilemma: when new technologies cause great firms to fail.” Harvard Business Review Press.
5. Parker, G. G., Van Alstyne, M. W., & Choudary, S. P. (2016). “Platform revolution: How networked markets are transforming the economy and how to make them work for you.” WW Norton & Company.

**Professor’s Biography**

Daniel Mirny is an Assistant Professor of Marketing at IESE Business School. Daniel has a B.S. in Brain and Cognitive Sciences from MIT and a Ph.D. in Management from the UCLA Anderson School of Management.

His research broadly considers how consumers perceive and process information in a noisy, information-rich world. This includes (i) how consumers perceive the objectivity of information, (ii) why consumers fail to remember the sources of information, and (iii) when consumers see the world in black and white rather than in shades of gray. Daniel is interested in both the cognitive mechanisms underpinning these processes, as well as in their applications to marketing, interpersonal conflict, political polarization, and the spread of misinformation.

Daniel also cares deeply about mental health on college campuses, with an interest in digital innovations and standardized metrics of impact. He has spent nearly a decade consulting various tech and mental health platforms. The work of his nonprofit, Lean On Me, has been covered by The Washington Post, NPR, NBC News, CBS News, The Boston Globe, etc.

## **Additional Information for Reporting and Accreditation purposes**

### **Competences**

#### **Basic**

CB6. Possess and understand knowledge that provides a basis or opportunity to be original in the development and / or application of ideas, often in a research context.

CB7. The students know how to apply the knowledge acquired and their ability to solve problems in new or unfamiliar environments within broader (or multidisciplinary) contexts related to their area of study.

CB8. The students can integrate knowledge and face the complexity of formulating judgments based on information that, being incomplete or limited, includes reflections on social and ethical responsibilities linked to the application of their knowledge and judgments.

CB9. Students know how to communicate their conclusions and the knowledge and ultimate reasons that support them to specialized and non-specialized audiences in a clear and unambiguous way.

CB10. Students possess the learning skills that allow them to continue studying in a way that will be largely self-directed or autonomous.

#### **General.**

CG1 - Listen, understand, and contrast the points of view of others to make an objective composition of a business situation. Communicate in a structured and persuasive way. (Interpersonal communication).

CG2 - Work effectively in multicultural teams, assuming the leadership of a project when required. Integrate the value of diversity in the decision process and teamwork. (Ability to work in multicultural teams).

CG3 - Critically evaluate the information and the context of a business situation to reach its own conclusions for making prudential decisions. (Critical thinking).

CG4 - Acquire the self-knowledge and self-control necessary to work effectively in professional environments under pressure, understanding the motivations of others and the culture of the company. (Emotional intelligence).

CG5 - Apply proven ethical criteria in making business decisions, respecting the intrinsic dignity of each person and the achievement of the common good. (Integrity).

CG6 - Develop a proactive and open mindset to organizational change in order to design and promote process improvement initiatives and facilitate one's ability to adapt to new organizational cultures. (Innovative spirit).

#### **Specific**

CE01 - Identify the relevant data to diagnose a business problem and generate sensible decision alternatives.

CE11 - Manage in a multidisciplinary manner for the definition of products and services, aimed at reinforcing their commercialization ("business development").

CE14 - Identify the mechanisms of team management that generate an environment of collaboration, communication, trust, and achievement of the common goal.

CE15 - Understand the commercial process as a scheme to generate value, extract part of it corresponding to the company and make it sustainable over time.

CE16 - Apply strategic principles and tools in order to align the development and commercialization of a brand's products and services with the needs and desires of its customers ("Customer Centricity").  
CE17 - Identify digital marketing tools to acquire customers and reinforce the value and brand of the company.

## **Sustainable Development Goals (SDG)**

For official reporting purposes, we are required to state below the Sustainable Development Goals (SDGs) discussed in this course. This list is not intended to serve as an illustration of how to approach sustainability issues. We acknowledge that there might be other relevant topics on sustainability not included in the SDGs that might also be addressed in class.

SDG 8 – Decent Work and Economic Growth

SDG 9 – Industry Innovation and Infrastructure

SDG 10 – Reduced Inequalities

SDG 12 – Responsible Consumption and Production

SDG 17 – Partnerships for the Goals