

PSPR 208
Integrated Marketing Communications Strategy

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Course Objectives

This course is designed to offer an applied perspective to developing, implementing, and reviewing marketing communications in the context of professional public relations. The approach to the class will be from the perspective of the brand manager or marketing consultant. You will be asked to take on the role of “marketing strategist” as you review several companies’ marketing programs for different products and services. You will also test the feasibility of these programs by analyzing the company and its competitive environment. You will then use the marketing “tool box” to successfully implement strategies. This process will include an individual as well as integrated focus on product, distribution, pricing, promotion, and packaging decisions. Finally, you will concentrate on issues involved in managing the marketing enterprise, including P&L, research and operations. Upon completion of this course, you should have the knowledge and analytical abilities needed to develop, implement, and evaluate integrated marketing strategy and marketing communications successfully. Additionally, your business communications skills should be enhanced since you will be challenged to present and defend your analyses succinctly and clearly.

Course Structure and Requirements

The teaching method for this course will be comprised of lectures, class discussions, case presentations and analyses. The environment will be very interactive. To ensure a stimulating and educational experience, it is imperative that you attend class discussions and that you also prepare the assigned materials *before* each class.

Class Discussions Discussions are designed to provide both a theoretical and applied perspective of marketing communications. Discussions will focus upon interesting points from the field, our text, assigned cases, and selected articles from business periodicals.

You are expected to complete the reading assignments before each class and to come prepared to discuss current examples and issues related to the assigned topics. You should be prepared to present and defend your views as well as challenge your colleagues and professor on theirs.

Case Analyses: Case analyses are useful in providing a practical experience in dealing with marketing strategy problems faced in the “real world.” The importance of applied experience is vital in developing a fuller understanding of the development, implementation, and modification of marketing strategies. Therefore, the emphasis in this course will be on case studies.

A one-page analysis (10-point font, using bullets) of each assigned case will be due at the beginning of that class (examples are attached). There will be weekly cases, plus one extra for the final (see schedule on following pages). The first eight cases will total 50% of the course grade. Students are required to do *all* the cases.

Additionally, each week (beginning week 2), a three-partner team will be responsible for a presentation of the weekly case. I will compose the teams by the end of the first class. I will assign a case to each team. These weekly presentations constitute 15% of the final course grade.

Cases have been selected for their fit with the topic areas we will analyze and discuss. Appropriate preparation is expected for *all* cases, including the individually prepared, one-page analyses. **Late work will not be accepted since it makes little sense to read an analysis after the case has been discussed. Late submissions will receive a grade of zero.**

Final: There will be a Final Group Project that entails a full case analysis and presentation. The exam is comprehensive in scope and will cover both market analysis and implementation. More details will follow later in the course. One of two cases will be assigned to each group by the professor. The two cases are: Kingsford Charcoal and Launching the BMW Z3 Roadster (Do not order these as part of your case packets until the correct one has been assigned to your group.)

Course Evaluation

Final grades will be determined as follows:

Case Analyses	50%
Class Discussions	15%
Case Presentation	15%
Final Group Presentation	20%

Required Materials

PREFACE TO MARKETING MANAGEMENT, 9th edition

By J. Paul Peter, James H. Donnelly

Published by McGraw-Hill Professional, 2002

ISBN 0072466588, 9780072466584

- This text provides a direct and comprehensive explanation of the requirements of marketing communications and marketing strategy. It is “deep,” but not so deep as to distract from our case discussions and lectures. The chapters are assigned to support your work in each functional area.

Case/Readings Packet

- This packet is designed to take you from concept to application. It contains articles from the Harvard Business Review and other periodicals.

Course Overview

<u>Session</u>	<u>Topic</u>	<u>Reading Assignments</u>
T, Sept. 2	Marketing Overview	Reading 1: Marketing Strategy
	Customer Analysis	Reading 1: Customer Profitability & Lifetime Value
Case: Cola Wars Continue-Coke vs. Pepsi 2006		Reading 2: Analyzing Consumer Perceptions Reading 3: Analyzing Consumer Preferences Reading 4: P&D Chapter 2 & 3
T, Sept. 9	Competitive Intelligence & It's relationship to Corporate Communications:	Reading 1: Competitive Intelligence 1999-A Primer
Case: Barco Projection Systems (A)		Reading 2: P&D Chapter 1 Reading 3: P&D Section II (Analyzing Marketing Problems & Cases)
T, Sept. 16	Integrated Marketing Communications	Reading 1: Integrated Marketing Communication
Case: Cunard Line Ltd.: Managing Integrated Marketing Communications		Reading 2: Double Jeopardy of Sales Promotions Reading 3: P&D Chapters 8 & 9
T, Sept. 23	Segmentation, Target Marketing, & Product Positioning	Reading 1: Target Market Selection and Product Positioning
Case: Land Rover North America		Reading 2: New Criteria for Market Segmentation
T, Sept. 30	ROSH HASHANAH (NO CLASS)	
T, Oct. 7	New Product Development	Reading 1: Best of HBR on Innovation: One Part Inspiration Two Parts Discipline
Case: Coca-Cola's New Vending Machine (A): Pricing to Capture Value, or Not?		Reading 2: P&D Ch. 7

<u>Session</u>	<u>Topic</u>	<u>Reading Assignments</u>
T, Oct. 14	Product Strategy	Reading 1: Brand Leverage Power: The Critical Role of Brand Balance Reading 2: P&D Ch. 6
Case: Shanghai Jahwa Luishen Shower Cream		
T, Oct. 21	Pricing & the Psychology of Consumption	Reading 1: Pricing and the Psychology of Consumption Reading 2: How to Fight a Price War Reading 3: P&D Ch. 11
Case: Burroughs Wellcome and AZT (A)		
T, Oct. 28	Group Project Meetings	
T, November 4	Distribution	Reading 1: Rethinking Distribution: Adaptive Channels Reading 2: Changing Channels: The Impact of the Internet on Distribution Strategy Reading 3: P&D Ch. 10
Case: Eddie Bauer, Inc. Guest Speaker: TBA		
T, November 11	Advertising & Sponsorship	Reading 1: Getting the Most Out of Advertising & Promotion
Case: Charles Schwab & Co., Inc. Guest Speaker: TBA		
T, November 18	Group Project Meetings	
T, November 25	Final Presentations Groups 1 & 2 ALL GROUPS PAPERS ARE DUE TODAY	
T, December 2	Final Presentations Groups 3, 4 & 5	Reading 1: Marketing for Muggles

One-Page Case Analysis

For each case, you have to submit a one-page, individually prepared, case analysis. This document describes the format of that analysis. The one-page format will force you to eliminate extraneous materials and to focus upon the key issues in the case. The key to a great case analysis is to interpret case material in order to develop a strategic review of the alternatives available to resolve the issues(s) presented in the case. Repeating the key case facts (summary) is NOT an analysis. The analysis comes in the form of using the information provided in order to support or detract from possible alternatives that you believe might truly resolve the issues presented.

The analysis will consist of:

1. **Definition of the Problem** – This is a concise definition of the problem(S) that need to be resolved in this case. It should get at the source of the issue, rather than all of its symptoms. This is usually done in one or two sentences.
2. **Alternatives for Resolution** – You are not to repeat the case information. This section describes alternatives that you believe can resolve the problem(s) you identified in Part 1. For each alternative, the case information should be analyzed and interpreted based on how that information serves to support or detract from the feasibility of the alternative. This is often presented in bullet point format using +s and –s for each alternative. An alternative that has all –s is not an alternative, and an alternative that has all +s probably has not been reviewed in an unbiased manner.
3. **Choice and Implementation** – This section describes why you picked one alternative (or, some combination) from Part 2 over the other choices presented. It also explains a bit about how you would go about implementing your choice to make sure that it is feasible given the marketing environment presented in the case.

Two examples are attached. Review them in terms of format, as the detail provided may or may not be sufficient depending on the depth of analysis you believe sufficiently addresses the issues presented in the case.

Gillette Case

Problem ID:

Should Gillette enter the blank cassette tape market, and if so how?

Alternatives:

- 1) Enter the Budget Tape Market
 - + 50% volume of a \$127.5 mm market
 - + Little brand loyalty in this market.
 - + Strong presence in 67% of the distribution channels
 - Risk of deteriorating brand equity in budget market.
 - Dollars required for entry are heavy (both for consumer & trade).
 - Heavy discounts in this market eroding margins.
 - Market trend is away from budget and to standard and professional quality.

- 2) Enter the standard Tape Market
 - + This segment should represent 50% of the market in the near future.
 - + Gillette covers many outlets, though market development will be needed.
 - + Gillette name and quality will give market power advantages.
 - Breakeven share is 42% w/o profit and 83% with.
 - If Memorex enters, we will have to spend more.
 - Sales force attention will be limited.

- 3) Enter the Professional Tape Market
 - + Best markups and profit margins in market.
 - + High quality fits the Gillette image.
 - .No distribution synergies.
 - No sales force expertise in these channels.
 - Most manufacturers make other equipment for this market, no growth potential.
 - No ability to get Dolby technology.
 - Gillette's quality reputation is for other products.

- 4) Do Not Enter
 - + No way Gillette can be the market leader as commitment is to other product lines.
 - + Name and reputation are for other products.
 - + Competition will be fierce in markets where synergies exist.
 - + Investment capital can be used for other growth possibilities.
 - Need to find other opportunities.

Recommendation:

I recommend that Gillette not enter this market. Although there are distribution possibilities, the use of the Gillette name brings no advantage in terms of customer sales. We will get shelf space due to market power, but this is offset by the risk of failure's effect on other lines. The profit picture is bleak, and the marketplace is moving away from the areas where we have advantages. (NOTE: If yes, then brief action plan is needed)

Suzuki Samurai Case

Problem ID: The major issue in this case is the positioning decision for the Suzuki Samurai. The car can be positioned in an established category or, alternatively, Suzuki can adopt an “unpositioned” strategy that is meant to straddle the other categories.

Alternatives:

- 1) Position as a Sports Utility Vehicle
 - + Styling natural falls into this category
 - + Price & fuel efficiency benefits relative to competitors.
 - + Fastest growing of the traditional categories
 - + Proven effective in Canada
 - + Potential to raise prices above original margins
 - Small category size in terms of total market
 - Price may appear “cheap” and tarnish image
 - Japanese penetration is small in this market
 - Larger vehicles dominate growth.
- 2) Position as a small truck
 - + Highest Japanese share of the traditional categories
 - + 4WD benefit is good in this category
 - + Styling is unique within this segment
 - + Canadian research shows that trucks were considered a viable alternative to Samurai owners
 - No price advantage
 - Worse performance compared to real trucks i.e. the natural position of the product detracts from its performance here
 - Small segment relative to cars
 - Sports utility dominates in terms of transitioning into other markets later
- 3) Position as a Subcompact Car
 - + Best Largest subcategory
 - + Fits the data from Florida & Canada
 - + Priced competitively
 - + Unique styling within category
 - .Natural positioning does not fit the segment in terms of style or performance (ride)
 - Disappointment as a car will negatively affect future introductions
 - Car positioning will alienate truck and SUV prospects.
- 4) Unposition the Samurai
 - + Segments based on image - fun
 - + Name and reputation are for other product Ignores demographic differences between categories.
 - + Appeals to a broader range of customers
 - Cannot be all things to everybody – sets up false expectations for some groups
 - Awareness needs to be larger, this costs \$ and ad dollars are tight
 - Must counter the advertising power of vehicles across classes

Recommendation: Suzuki should position the Samurai as an entry model in the sports utility category. While there are drawbacks to this decision, Suzuki can successfully differentiate from the others in the class. It is styled like a “Jeep,” in fact 68% of owners considered a sports utility vehicle when they purchased their Samurai. Additionally, as the entry model they can raise prices and still remain below others. This alternative also fits with the performance aspects of the car, which is already completed.