

MGB 293-1: Product Management

Fall 2014, Rev 7/11/2014

Oct 11, 25, Nov 8, 22, Dec 13

BASIC COURSE INFORMATION

San Ramon

Bishop Ranch 15

Room: 1503

Class Meets: Saturday 9-4

Instructor:

Marc Lowe, BS, MBA

Email: mdlowe@ucdavis.edu

Phone: 650.283.8100

COURSE SYNOPSIS

Product management careers present MBAs with the earliest career exposure to profit center management, and are frequently stepping stones to broader general management assignments. The product (or brand) manager is accountable for the ultimate success of a product line whether in high technology, consumer products, services, or online businesses.

Product managers drive the success of their product lines by developing and managing the execution of integrated plans across function areas both inside and outside the enterprise. These activities include: industry and competitive analysis, market research, customer needs assessments, product definition and planning, product life cycle management, and the development of pricing, positioning, promotional, product, and channel strategies with the goal of maximizing revenues and/or profits.

This course is designed to provide an overview of the requirements, issues, and tools involved in marketing of products and services through the use of lectures, case studies, and a hands-on, quarter-long competitive simulation. The MarkStrat simulation enables five student teams (firms) to compete with each other in the management of multiple products in both mature and emerging product categories. The interactive simulation is changes dynamically based on competitive moves and product life cycle. Teams have full control over resource allocation decisions and the implementation of strategies for advertising, channel, sales force, R&D, and manufacturing. Products can be spec'd, developed, and positioned to target specific customer segments with varying requirements and growth rates.

The Markstrat provides an opportunity for the student to integrate and apply concepts from the MBA core courses and marketing electives in a general management framework.

REQUIRED TEXTS & READING MATERIALS

- 1) Markstrat Participation Activation Key (PAK): The "book" for this course is the Participation Activation Key and the online Participant's Handbook. **The simulation begins during our first class session.** STRATX will send you a Markstrat Participant Activation Key before the beginning of Session #1. Your Markstrat Course ID is **A44437**. You must register with Markstrat using your PAK number as described below:
 - a. Go to <http://www.stratxsimulations.com> and select the 'LOGIN link
 - b. At the drop down, select, 'A Participant' and enter your PAK, click submit
 - c. You may edit your profile by going to the 'Edit My Profile' and update your information.
 - d. Click 'Downloads' and in the drop down for 'Download Category', select 'Software'
- 2) MGB 293-2 Course Packet: A course packet containing cases and readings is available through study.net.
- 3) The Product Manager's Desk Reference: Steven Haines, McGraw Hill, 2009, ISBN 978-0-07-159134-8

TEAM GRADED ASSIGNMENTS

ALL WRITTEN ASSIGNMENTS MUST BE SUBMITTED IN-CLASS IN HARD COPY ON THE DUE DATE. NO E-MAIL SUBMISSIONS WILL BE ACCEPTED. ALL PAPERS MUST BE DOUBLE-SPACED WITH STANDARD FONT SIZE AND PAGE MARGINS.

Team size depends on enrollment, but assume 4-5 students per team for now. There will be 10 to 12 teams in total divided into two industries. **Teams MUST be formed BEFORE Session #1 class meeting. We will begin the simulation in-class during the first session.** I will be sending out a class roster in advance so you can contact your classmates. Ideally, teams should represent a mix of skills. For example, the ideal team will include at least one person that has taken other marketing electives and at least one person with a strong financial or managerial accounting background.

As discussed above, TEAM activities will include leading the in-class discussion of an assigned case study or session topics. A final schedule of TEAM course activities will be prepared after team formation and assignment of the case studies.

The following is a brief description and expectations for the TEAM Assignments.

1. Team In-Class Case Study Facilitation

Each team is responsible for leading the discussion of one of the assigned case study. The team facilitation will be graded on the team's preparedness and **creativity in facilitating a high degree of class interaction and healthy debate**. The presenting team's visual aids and materials will be submitted to the instructor for evaluation. **No other team or individual written assignments are required for this case.**

The class discussion should cover: key decision(s) and/or issue(s), the class-generated decision alternatives and/or pertinent facts/statistics both qualitatively and quantitatively where applicable, the class's recommendations, the presenting team's key take-aways, or general principles that are applicable to other industries, markets, and/or business processes that you have learned from this case.

2. Markstrat Marketing Plan, Rev 1.0. [Emphasis on Goals & Strategy] due on MONDAY, OCT 27, 9:00 PM.

Each team will submit a 5-7 page paper focused on your firm's **Corporate Goals, Financial Objectives, and Segment Selection**. The marketing plan will address the following key areas:

- **How will you measure your firm's success?**
 - ☞ A statement of primary corporate goals for your firm
 - ☞ Corporate goals must be stated **relative to your competition, expressed quantitatively** where applicable, and reflect your firm's position accomplish by the end of the simulation
 - ☞ What are the MEASURABLE financial objectives which support your corporate goals in aggregate and by market (Sonite & Vodite)?
- **What are your target segments for the Sonite market?**
 - ☞ Which customer segment(s) will you target? When? AND WHY?
 - ☞ What are your goals and financial objectives for these customers segments?
 - Market share, volume goals, revenue and margin goals...
 - Do the sum of your segment goals achieve your firm's overall financial goals?
 - ☞ What competitive considerations have you taken into account?
- **What are your plans for the Vodite market?**
 - ☞ When do you plan to enter the Vodite market? What factors have you considered in your timing decision? How does your timing influence your Vodite segment selection?
 - ☞ What are your goals and financial objectives for the Vodite market?
 - ☞ What competitive considerations have you taken into account?

3. **Markstrat Marketing Plan, Rev 2.0 Paper due on MONDAY, 11/24, 9:00 PM.** Each team will submit a revision of the original marketing plan in the form of a 7-10-page exec summary.

As teams progress through the early periods of the Markstrat simulation, the validity of assumptions used to prepare the first Marketing Plan may be challenged by competitors and new information. Moreover, market conditions and circumstances will have changed. The revised plan enables teams to evolve their strategies, resource allocations, tactics, and in some cases, primary business goals, based on real-time market and industry feedback. Your Marketing Plan, Rev 2.0 should include:

- a) A statement or re-statement of your firm's business goals (stock price, market cap, final firm ranking) and business objectives for the existing and planned product lines that support the achievement of your firm's business goals including: target segments, market share, volume goals, revenue, and margin goals. These goals must be quantitative where applicable and reflect and evolution over the time horizon of the simulation.
- b) Analysis of customer and competitive environment, selection of target customer segments and an evaluation of customer needs, preferences, and requirements.
- c) Key strategies for product strategy, product development, pricing, promotion and advertising, and channel selection and programs consistent with achievement of product line business objectives and ultimately your firm's business goals.
- d) Forecasted resource allocations for product development, pricing strategy, promotional and advertising budgets, and channel selection and programs consistent with key strategies.
- e) Recommended tactics to be implemented in support of the key strategies (product, price, promotion, place) for the remainder of the simulation.

4. **Team Markstrat Lessons Learned Term Paper due on MONDAY, DEC 15, 9:00 PM.**

Each team is responsible for submitting a written 10-page post mortem. The paper should be typewritten, double-spaced, and no more than 15-pages, inclusive of figures, tables, exhibits, and references.

The primary goal of the Markstrat Lessons Learned Term Paper is to provide a re-cap and analysis of the strategic and tactical decisions made during the course of the Markstrat simulation, and also the lessons learned (what worked, what didn't, why strategies and tactics worked or didn't work, and suggestions for change) impacting the team's final results. **The post-mortem should be written from the perspective of the results of the simulation itself and supported by solid marketing theory and concepts.**

The Markstrat Lessons Learned Term Paper should include coverage of the following topics:

- a) Final team quantitative results and comparison of actual results with goals established at the outset of the simulation
- b) High level of summary of initial and revised marketing plan
- c) Analysis and assessment of key strategic decisions made during the course of the simulation and the impact of these decisions on the final simulation results.
- d) Assessment of the team's success in integrating the key elements of the marketing mix with the goals and strategies established in versions 1 and 2 of the Marketing Plan. Did the strategies, investments, and tactics relate to each other and the ultimate goals for the team?
- e) Lessons learned: what worked, what didn't, and why.
- f) Strategic recommendations for how team performance could have been improved.

5. Presentation of Team Markstrat Lessons Learned due on Session #9 (20 minutes per team)

Each team is required to give a concise 20-minute presentation summarizing their team's post-mortem of the Markstrat simulation. Use effective communication means to convey your message. The goal of the presentation is to highlight lessons learned from the Markstrat simulation based on the Team's Rev 1 and Rev 2 Marketing plan and simulation results. Presentation will include a brief summary of performance to goals at the outset of the simulation, and the highlights and lowlights of key strategic decisions through the course of the simulation.

INDIVIDUAL GRADED ASSIGNMENTS

ALL WRITTEN ASSIGNMENTS MUST BE SUBMITTED IN-CLASS IN HARD COPY ON THE DUE DATE. NO E-MAIL SUBMISSIONS WILL BE ACCEPTED. ALL PAPERS MUST BE DOUBLE-SPACED WITH STANDARD PAGE MARGINS.

Attendance for the full class period is expected, one class meeting absence is acceptable. Additional absences will penalize your grade.

Full class participation and preparation. Assigned items should be studied. When cases are scheduled, be prepared to address all the issues and background.

1) Individual Written Case Analysis (4 cases required)

We will use a total of six case studies to enhance our learning this quarter. **Each student will be individually responsible for submitting FOUR (4) 1-2 page case briefs during the quarter.** This assignment is individual-based. Each student is required to prepare a two-page written analysis for four out of six cases studies. **Individual write-ups are not required or accepted for the case prepared by your team for in-class facilitation.**

Cases will be graded based on quality of key issues addressed and veracity of recommendations based on facts of the case. Students must take a stand and make recommendations. You may use the questions included with the case study as a guide, but your case brief analysis (2 page maximum) should contain the following:

1. Make a RECOMMENDATION or decision(s) SUPPORTED by the facts presented in the case(s)
2. Defend/support your recommendations with facts from the case or your own logic or knowledge
3. Complete any calculations or analysis required to support your recommendations.
4. Do NOT regurgitate of the facts of the case.

To provide additional flexibility to students who prefer to devote more time to the Markstrat simulation, there are two features which enable you to reduce your individual case study workload:

- ❖ **PASS OPTION.** Brief one-page write-up providing evidence you read the case. PLEASE INDICATE **PASS** ON SUBMITTED PAPER. Grade=42. You may elect to choose this option for any or all of your individual case study write-ups
- ❖ **MY GIFT TO YOU.** I will automatically replace the lowest grade you receive on an individual paper with the highest grade you received on an individual paper during the quarter. **FOUR PAPERS MUST BE SUBMITTED FOR THE GIFT TO APPLY**, e.g. 4 graded papers, 3 graded & 1 pass, 4 passes, etc.

2) Final Self-Report and Team Assessment

Each student is required to submit a self-report describing your specific accomplishments and efforts in building the marketing plan, cases and interviews, and your participation in the class discussion. The final self-report will also give a numerical assessment (0-low to 5-high) for each member of your team based on relative contribution.

MGB 293-1 COURSE GRADING

There are 1,000 total points possible for the quarter. Grades will be assigned based on the following point totals:

| | | | |
|----|--------------|----|------------|
| A | 950 or above | B | 825 to 875 |
| A- | 900 to 949 | B- | 800 to 824 |
| B+ | 875 to 899 | C+ | <800 |

The final course grade will be based on a combination of individual and team assignments. These assignments appear in the table below:

| Graded Assignments | Weight | Points | Comments |
|----------------------------------------------------------------------------------------------------|---------------|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Class Participation | 15% | 150 | Attendance & instructor evaluation of class involvement |
| Individual Case/Topic Write-ups (1-2 page, max write-up) Four (4) individual case write-ups | 20% | 200 | 4 individual papers x 50 points per case. To save time, you have the option of submitting a quick half-page case summary demonstrating you read the case study. You will receive 42 points. Also, at the end of the quarter, the highest score you receive on your four case write-ups will be doubled and the lowest score dropped. |
| Team Case Study Facilitation Email presentation deck to instructor | 10% | 100 | Team leads 30-45 minute in-class case/topic discussion and will provide necessary visual aids and class materials. Grading based on quality of key points/issues raised, structure and organization of content, and level of class engagement generated during the discussion. |
| Team Marketing Plan, Rev 1 (5-7 pages) | 10% | 100 | Rev 1 marketing plans will be graded based on the thoroughness of your quantitative business goals using tops-down planning for goal setting and bottoms-up planning for target segment selection. |
| Team Marketing Plan, Rev 2 (7-10 pages) | 15% | 150 | Rev 2 marketing plans will be an update of Rev 1 incorporating real time feedback from the simulation. Rev 2 requires an update of your quantitative goals as well as detailed strategies and tactics by product line for the last 4 periods of the simulation |
| Team Markstrat Post-Mortem paper (10-pages) | 20% | 200 | |
| Team Markstrat Post-mortem Presentation | 10% | 100 | |
| Total Possible Score | 100% | 1,000 | |

MGB 293-1 CLASS SCHEDULE

Lowe, FALL 2014

| Ssn | Date | Topics | Reading | Assignment | Markstrat |
|-----|---------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|------------------------|---------------------------------------------------------------------------------------------------------------------------|--------------------|
| 1 | Sat 10/11 | Course Introduction Role of Product Management Markstrat Overview 1 | Participant's Handbook | Read in advance of first class meeting | Period 1 decisions |
| 2 | Sat 10/11 | Marketing Planning Tips: Setting Goals & Objectives Marketing Plan 1.0 Assignment Markstrat Overview 2 | Participant's Handbook | | |
| | Wed 10/15 | | | | Period 2 decisions |
| | Mon 10/20 | | | | Period 3 decisions |
| 3 | Sat 10/25 | Finance for Product Managers Product Life Cycle & Strategies TJ Kelly SVP, Edelman Digital | | Case prep #1: Gillette (Marketing Planning & Control) TEAM A case facilitation; individual case write-up | |
| 4 | Sat 10/25 | Pricing Decisions | | Case prep #2: American Airlines (pricing) TEAM E case facilitation; individual case write-up | |
| | MON 10/27 9:00PM | | | GROUP (ALL) 5-7 page Markstrat Marketing Plan 1 Submit by email | Period 4 decisions |
| | Mon 11/3 | | | | Period 5 decisions |
| 5 | Sat 11/8 | Pricing Decisions 2 Channel Considerations Managing Mature Products Sophia Perl Director, Product Management Yahoo! | | Case prep #3: Goodyear Aquatred (channel selection) TEAM I case facilitation; individual case write-up | |
| 6 | Sat 11/8 | Product Definition & Planning The Product Launch Marketing Plan 2.0 Assignment | | Case prep #4: Colgate Precision (new product intro) TEAM O case facilitation; individual case write-up | |

| Ssn | Date | Topics | Reading | Assignment | Markstrat |
|-----------|----------------------------------------|----------------------------------------------------------------------------------------------|---------|---------------------------------------------------------------------------------------------------------------------|---------------------|
| | Mon 11/10 | | | | Period 6 decisions |
| | Mon 11/17 | | | | Period 7 decisions |
| 7 | Sat 11/22 | Branding Guest Speaker: Elizabeth Ronn x-VP, Marketing, Proctor & Gamble | | Case prep #5: Land Rover (branding) TEAM U case facilitation; individual case write-up | |
| 8 | Sat 11/22 | Blue Ocean Strategy Organizational Considerations Product Management Careers | | Case prep #6: CIALIS (launch planning) TEAM Y case facilitation; individual case write-up | |
| | MON 11/24 9:00 P.M. | | | GROUP (ALL) 7-10 page Markstrat Marketing Plan 2 Submit by email | Period 8 decisions |
| | Mon 12/1 | | | | Period 9 decisions |
| | Mon 12/8 | | | | Period 10 decisions |
| 9 | Sat 12/13 | BLUE Team Presentations Final Markstrat Results | | ALL TEAMS - 20-minute Markstrat post-mortem & learnings presentation | |
| 10 | Sat 12/13 | GOLD Team Presentations Final Markstrat Results | | | |
| | MON 12/15 9:00 P.M. | | | ALL TEAMS - 10-15 page final paper: Lessons Learned Individual & Team Assessments | Submit by email |

MGB 293 Markstrat Decision Due Dates

MARKSTRAT DECISION DUE DATES & RESULTS AVAILABILITY

| Markstrat Period | Decision Due Date | Results Available |
|------------------|------------------------|-----------------------------|
| 1 | 1PM, SAT, OCT 11 | In Class - End of Session 2 |
| 2 | 9PM, WED, OCT 15 | 11PM SAME NIGHT |
| 3 | 9PM, MON, OCT 20 | 11PM SAME NIGHT |
| 4 | 9PM, MON, OCT 27 | 11PM SAME NIGHT |
| 5 | 9PM, MON, NOV 3 | 11PM SAME NIGHT |
| 6 | 9PM, MON, NOV 10 | 11PM SAME NIGHT |
| 7 | 9PM, MON, NOV 17 | 11PM SAME NIGHT |
| 8 | 9PM, MON, NOV 24 | 11PM SAME NIGHT |
| 9 | 9PM, MON, DEC 1 | 11PM SAME NIGHT |
| 10* | 9PM, MON, DEC 8 | In-Class, Sat. Dec 13 |

Team Assignment Due Dates

| Team | Team Case Study | Team Case Facilitation | Mktg Plan 1.0 | Mktg Plan 2.0 | Final Team Presentation | Final Paper |
|----------|-------------------|------------------------|-----------------------|-----------------------|-------------------------|----------------------|
| A | Gillette | Ssn #3 | MON, 10/27, 9PM email | MON, 11/24, 9PM email | Ssn #9/#10 | MON, 12/15 9PM email |
| E | American Airline | Ssn #4 | MON, 10/27, 9PM email | MON, 11/24, 9PM email | Ssn #9/#10 | MON, 12/15 9PM email |
| I | Goodyear Aquatred | Ssn #5 | MON, 10/27, 9PM email | MON, 11/24, 9PM email | Ssn #9/#10 | MON, 12/15 9PM email |
| O | Colgate | Ssn #6 | MON, 10/27, 9PM email | MON, 11/24, 9PM email | Ssn #9/#10 | MON, 12/15 9PM email |
| U | Land Rover | Ssn #7 | MON, 10/27, 9PM email | MON, 11/24, 9PM email | Ssn #9/#10 | MON, 12/15 9PM email |
| Y | Citibank | Ssn #8 | MON, 10/27, 9PM email | MON, 11/24, 9PM email | Ssn #9/#10 | MON, 12/15 9PM email |

Markstrat Firm Assignments by Industry

| FIRM | BLUE INDUSTRY | GOLD INDUSTRY |
|------|---------------|---------------|
| A | | |
| E | | |
| I | | |
| O | | |
| U | | |
| Y | | |