CHAPTER 2  Strategic Planning for Competitive Advantage

This chapter begins with the learning outcome summaries, followed by a set of lesson plans for you to use to deliver the content in Chapter 2.

- **Lecture** (for large sections) on page 4.
- **Company Clips** (video) on page 5.
- **Biz Flix** (video) on page 7.
- **Group Work** (for smaller sections) on page 8.

Review and Assignments begin on page 9.

- Review questions
- Application questions
- Application exercise
- Ethics exercise
- Video assignment
- Case assignment

Great Ideas for Teaching Marketing from faculty around the country begin on page 20.
LEARNING OUTCOMES

1. Understand the importance of strategic marketing and know a basic outline for a marketing plan
Strategic marketing planning is the basis for all marketing strategies and decisions. The marketing plan is a written document that acts as a guidebook of marketing activities for the marketing manager. By specifying objectives and defining the actions required to attain them, a marketing plan provides the basis on which actual and expected performance can be compared.

Creating a complete marketing plan is not a simple or quick effort. And the plan is only as good as the information it contains and the effort, creativity, and thought that went into its creation. Many of the elements in the plan are decided upon simultaneously and in conjunction with one another. Every marketing plan is unique to the firm for which it was created.

Basic factors that should be covered include business mission, setting objectives, performing a situation analysis, selecting target markets, delineating a marketing mix, and establishing ways to implement, evaluate, and control the plan.

2. Develop an appropriate business mission statement
The mission statement is based on a careful analysis of benefits sought by present and potential customers and analysis of existing and anticipated environmental conditions. The firm’s long-term vision, embodied in the mission statement, establishes boundaries for all subsequent decisions, objectives, and strategies. A mission statement should focus on the market or markets the organization is attempting to serve rather than on the good or service offered.

3. Describe the criteria for stating good marketing objectives
Objectives should be realistic, measurable, and time specific. Objectives must also be consistent, and indicate the priorities of the organization.

4. Explain the components of a situation analysis
The situation analysis is sometimes called a SWOT analysis, because firms identify their strengths, weaknesses, opportunities, and threats. This analysis may help the firm discover a strategic window of opportunity, or a differential advantage. When examining external opportunities and threats, marketing managers must analyze aspects of the marketing environment in a process called environmental scanning. The six most often studied macroenvironmental forces are social, demographic, economic, technological, political and legal, and competitive forces.

5. Identify sources of competitive advantage
Competitive advantage is a set of unique features of a company and its products that are perceived by the target market as superior to the competition. The three types of competitive advantage are cost (being the low cost competitor in an industry), differentiation (providing something unique that is valuable to buyers), and niche (effectively serving a single segment of the market) strategies.

6. Identify strategic alternatives
Firms can use the strategic opportunity matrix to explore four options: market penetration, market development, product development, and diversification. Firms select the alternative that best helps them reach their overall strategic goal of either market share or profit. Corporate culture plays a large role in the selection process.

There are several major techniques for selecting alternatives. The portfolio matrix is a method of determining the profit potential and investment requirements of a firm's SBUs by classifying each as a star, cash cow, dog, or problem child and then determining appropriate resource allocations for each.

7. Discuss target market strategies
The target market strategy identifies which market segment or segments to focus on. The process begins with a market opportunity analysis, or MOA, which describes and estimates the size and sales potential of market segments that are of
interest to the firm. In addition, an assessment of key competitors in these market segments is performed. After the market segments are described, one or more may be targeted by the firm.

The three strategies for selecting target markets are appealing to the entire market with one marketing mix, concentrating on one segment, or appealing to multiple market segments using multiple marketing mixes.

8 Describe the elements of the marketing mix

The term marketing mix refers to a unique blend of product, distribution, promotion, and pricing strategies designed to produce mutually satisfying exchanges with a target market. Distribution is often referred to as place, thus giving the "four Ps" of marketing: product, place, promotion, and price. Products can be tangible goods, ideas, or services. Distribution strategies are concerned with making products available when and where customers want them. Promotion includes personal selling, advertising, sales promotion, and public relations. Price is what the buyer must give up to obtain a product.

9 Explain why implementation, evaluation, and control of the marketing plan are necessary

After selecting strategic alternatives, plans should be implemented, that is, put into action. The plan should be evaluated to see if it has achieved its objectives. The final step in the strategic planning process, control, is the alteration of plans, if necessary. A marketing control system ensures that marketing goals are achieved within guidelines.

10 Identify several techniques that help make strategic planning effective

Effective strategic planning should be treated as an ongoing process, not an annual exercise. Effective planning requires creativity and should challenge existing assumptions about the firm and the environment. Perhaps the most critical element is the support and participation of top management. Their involvement in planning must be sincere and ongoing.

TERMS

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<tr>
<th>cash cow</th>
<th>competitive advantage</th>
<th>control</th>
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<tr>
<td>market development</td>
<td>market opportunity analysis (MOA)</td>
<td>market penetration</td>
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<td>cost competitive advantage</td>
<td>marketing audit</td>
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<td>diversification</td>
<td>marketing myopia</td>
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<td>dog</td>
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<td>niche competitive advantage</td>
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<td>strategic business unit (SBU)</td>
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<td>sustainable competitive advantage</td>
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<td>SWOT analysis</td>
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### Lesson Plan for Lecture

#### Brief Outline and Suggested PowerPoint Slides:
An “H” appears next to slides with hyperlink Internet activities.
Slides are available without videos at 4ltrpress.cengage.com/mktg.

<table>
<thead>
<tr>
<th>Learning Outcomes and Topics</th>
<th>PowerPoint Slides</th>
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</table>
| 1  **Understand the importance of strategic marketing and know a basic outline for a marketing plan.** | 1: Strategic Planning for Competitive Advantage  
2: Learning Outcomes  
3: Learning Outcomes (continued)  
4: Learning Outcomes (continued)  
5: Learning Outcome 1  
6: Strategic Planning  
7: Strategic Marketing Management  
8: Strategic Planning  
9: Why Write a Marketing Plan?  
10: Marketing Plan Elements  
11: Review Learning Outcome 1 (H) |
| 1.1  The Nature of Strategic Planning |  |
| 1.2  What Is a Marketing Plan?  
1.3  Writing the Marketing Plan |  |
| 2  **Develop an appropriate business mission statement.** | 12: Learning Outcome 2  
13: Defining the Business Mission  
14: AMA’s Mission Statement  
15: Strategic Business Units (SBUs)  
16: Review Learning Outcome 2 |
| 2.1  Defining the Business Mission |  |
| 3  **Describe the criteria for stating good marketing objectives.** | 17: Learning Outcome 3  
18: Marketing Objective  
19: Marketing Objectives  
20: Review Learning Outcome 3 |
| 3.1  Setting Marketing Plan Objectives |  |
| 4  **Explain the components of a situation analysis.** | 21: Learning Outcome 4  
22: SWOT Analysis  
23: SWOT Analysis  
24: Biz Flix – U-571  
25: Environmental Scanning  
26: Review Learning Outcome 4 - Internal  
27: Review Learning Outcome 4 - External |
| 4.1  Conducting a Situation Analysis |  |
| 5  **Identify sources of competitive advantage.** | 28: Learning Outcome 5  
29: Competitive Advantage  
30: Competitive Advantage  
31: Cost Competitive Advantage  
32: Cost Competitive Advantage  
33: Sources of Cost Reduction  
34: Product/Service Differentiation  
35: Examples of Product/Service Differentiation  
36: Beyond the Book: Elements of Competitive Advantage  
37: Niche Competitive Advantage  
38: Niche Competitive Advantage  
39: Sources of Sustainable Competitive Advantage  
40: Review Learning Outcome 5 |
<p>| 5.1  Competitive Advantage |  |</p>
<table>
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<tr>
<th>Chapter 2 ♦ Strategic Planning for Competitive Advantage</th>
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</table>
| **6** Identify strategic alternatives.  
  6.1 Strategic Directions | 41: Learning Outcome 6  
  42: Strategic Alternatives  
  43: Strategic Opportunity Matrix (H)  
  44: Portfolio Matrix  
  45: Portfolio Matrix Strategies  
  46: Review Learning Outcome 6 |
| 7 Discuss target market strategies.  
  7.1 Describing the Target Market | 47: Learning Outcome 7  
  48: Marketing Strategy  
  49: Target Market Strategy  
  50: Target Market Strategy  
  51: Review Learning Outcome 7 |
| 8 Describe the elements of the marketing mix  
  8.1 The Marketing Mix | 52: Learning Outcome  
  53: The Marketing Mix  
  54: Marketing Mix: The “Four Ps”  
  55: Product Strategies  
  56: Distribution (Place) Strategies  
  57: Promotion Strategies (H)  
  58: Pricing Strategies  
  59: Review Learning Outcome 8  
  60: Beyond the Book: Anatomy of a Promotion Campaign |
| **9** Explain why implementation, evaluation, and control of the marketing plan are necessary.  
  9.1 Following Up the Marketing Plan | 61: Learning Outcome 9  
  62: Following Up the Marketing Plan  
  63: Review Learning Outcome 9 |
| **10** Identify several techniques that help make strategic planning effective.  
  10.1 Effective Strategic Planning | 64: Learning Outcome 10  
  65: Review Learning Outcome 10 |

**Suggested Homework:**

- The end of this chapter contains assignments on the *Method* video and the *Cirque du Soleil* case.
- The end of each chapter contains numerous questions that can be assigned or used as the basis for longer investigations into marketing.

**Lesson Plans for Video**

**Company Clips**

*Segment Summary: Method – Healthy Home*

Cash-strapped startup companies generally do not spend a great deal of time and money on planning. Founders are so busy with the rudiments of business – finding customers and creating, manufacturing, and delivering the product – that they may even forget important things, like invoicing. Eric Lowry reinforces this notion in the opening of the second method video segment. Nonetheless, strategic planning is an important part of successful marketing. Listen closely to the segment, which introduces method’s CEO, Alastair Dorward, and gauge for yourself how much planning you think this innovative startup did before launching its brand.

These teaching notes combine activities that you can assign students to prepare before class, that you can do in-class before watching the video, that you can do in-class while watching the video, and that you can assign students to complete as assignments after the video class.

During the viewing portion of the teaching notes, stop the tape periodically where appropriate to ask students the questions or perform the activities listed on the grid. You may even want to give the students the questions before starting the tape and have them think about the answer while viewing the segment. That way, students will be engaged in active viewing rather than passive viewing.
## Chapter 2  ♦  Strategic Planning for Competitive Advantage

### PRE-CLASS PREP FOR YOU:
- Preview the Company Clips video segment for Chapter 2. This exercise reviews concepts for LO1, LO2, LO5, LO7, and LO8.
- Review your lesson plan.
- Make sure you have all of the equipment needed to show the video to the class, including the DVD and a way to project the video.

### PRE-CLASS PREP FOR YOUR STUDENTS:
- Have students familiarize themselves with the following terms and concepts: competitive advantage, marketing mix, target market strategy, mission statement, product/service differentiation, strategic planning, and sustainable competitive advantage.
- Review Web site with those concepts in mind: http://www.methodhome.com

### VIDEO REVIEW EXERCISE

<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>PREP WORK FOR YOU</th>
<th>PREP WORK FOR YOUR STUDENTS</th>
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<tbody>
<tr>
<td><strong>Warm Up</strong></td>
<td>Begin by asking students: “What is the goal of strategic planning?” [on the board, write “long-term profitability and growth”]</td>
<td><strong>Segue into a discussion of the elements that make up a marketing plan. Copy Exhibit 2.1 onto the board. Briefly explain each of the elements as you write them if students have not become familiar with them from previous reading.</strong></td>
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<td><strong>In-class Preview</strong></td>
<td></td>
<td><strong>Remind students to keep the marketing plan elements in mind as they review the video.</strong></td>
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<td><strong>Compare the concepts of market strategy and market mix. Ask students to predict method’s target market strategy from what they learned in the first video.</strong></td>
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<td><strong>Viewing (solutions below)</strong></td>
<td>1. Based on what you heard in the video, does method have a marketing plan?</td>
<td>2. Explain the elements that make up method’s competitive advantage. Is it sustainable?</td>
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<td>3. What are the elements in method’s marketing mix?</td>
<td>4. What are method’s target market strategies and how does it use them in its operations?</td>
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<tr>
<td><strong>Follow-up</strong></td>
<td></td>
<td><strong>Send students back to method’s Web site at <a href="http://www.methodhome.com">http://www.methodhome.com</a>. Have students write a brief paragraph about how method’s Web site identifies its target market segment.</strong></td>
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<td><strong>Have students break into groups of up to four students and have each group write a mission statement for method. When students finish, discuss how the mission statement supports method’s marketing plan.</strong></td>
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<td><strong>Ask: “How can method sustain its competitive advantage?” The question can be discussed by the class as a whole, within the small groups with professor supervision, or assigned as an out-of-class exercise.</strong></td>
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### Solutions for Viewing Activities:

1. **Based on what you heard in the video, does method have a marketing plan?**

   Founder Eric Lowry and CEO Alastair Dorward describe in detail the plan they put in place for marketing the method brand:
   - spend half their start-up funding on advertisement, half on production
   - develop a core target market
   - build a master brand
   - conduct a situational analysis
   - incorporate strong design elements
   - consider the importance of household safety and environmental protection
   - plans for pricing and distribution, such as partnerships with retail partners in the mass/grocery/club/and drugstore markets.

2. **Explain the elements that make up method’s competitive advantage. Is it sustainable?**
The elements that contribute to method’s competitive advantage include their speed to market, unique product, and “fast fashion”—not having to produce for the “average consumer” but to a precisely targeted, premium sector of the market.

3. **What are the elements in method’s marketing mix?**

The elements of method’s marketing mix include a unique and premium product, word-of-mouth of “influence users”, great PR, the opportunity to build a test store (something out of bounds to the competitors), strategic (premium) retail partnerships, and a price only about 30 cents more than the competitor’s.

4. **What are method’s target market strategies and how does it use them in its operations?**

Method’s target market strategy is to focus on the narrow demographic of young, environmentally aware Gen Xers, people with babies and young children, and perhaps baby boomers who are caring for an aging relative—a group of people who would be especially conscious of household safety and environmental concerns.

**Biz Flix: U-571**

Now that you have worked through the chapter, you may be ready to “think outside the box” about strategy. As an encore to your work, watch the film clip from *U-571*, starring Harvey Keitel and Matthew McConaughey. This action-packed World War II thriller shows a U.S. submarine crew’s efforts to retrieve an Enigma encryption device from a disabled German submarine. After the crew gets the device, a German vessel torpedoes and sinks their submarine. The survivors must now use the disabled German submarine to escape from the enemy with their prize.

How are the concepts of competitive advantage, situation analysis, and strategic objective illustrated in the clip?

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<td><strong>Warm Up</strong></td>
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| **In-class Preview** | • Brainstorm with students about situations when strategic planning is necessary. You may wish to start with the specific (business strategy) and move to the more general areas where strategic planning is used. The idea is for students to appreciate the wide range of organizations that use strategic planning and for what purposes. Encourage them to think beyond business, politics, and war as much as possible.  
  • Next, move into the movie theme by having students identify common movie plots (tropes) relating to strategic planning.  
  • Introduce the clip. Use the description above to let students know what they are about to watch. Providing the context is critical for student understanding. You may want to ask how many students have seen the movie previously. |
| **Viewing** | While watching, encourage students to have their books open to show Exhibit 2.1, the marketing plan process. As they watch, have them think about planning elements that relate (or not) to the clips. |
| **Follow-up** | • On the board, write a list of strategy issues that come out of the video.  
  • This lesson plan can help you reinforce the idea that there is no single formula for strategic planning, because every situation and every planner are different. You can show this with the kinds of planning that the students brainstormed at the beginning, and rethread this idea by comparing the strategic elements in the film to those in the book. |

**Lesson Plan for Group Work**

In most cases, group activities should be completed after some chapter content has been covered, probably in the second or third session of the chapter coverage. (See the “Lesson Plan for Lecture” above.) For the “Class Activity: Marketing
Strategy Analysis: “Divide the class into small groups of 4-5 people. Provide the information and the questions asked by the class activity, as described later in this chapter.

Class Activity – Marketing Strategy Analysis
In this exercise, students are asked to brainstorm with you, using an overhead projector or blackboard. Let the students select several high-profile goods and services. Then get the class to help analyze the marketing strategy by answering these questions.

1. What is the product?
2. Who is the target market?
3. On what criteria is this market segmented?
4. What demographic factors affected the choice of this target?
5. What is the price strategy? Promotion strategy? Distribution strategy?
6. How is the product packaged? Why?
7. Who is the direct competition? Indirect competition? Which firms would be appropriate benchmarks for this firm? What competitive advantage does this product have?
8. How are environmental factors affecting the marketing of this product? Consider social, demographic, legal, political, economic, technological, and competitive factors.
9. Is the purchase of this product affected by psychological or social needs? Situational factors?
11. Does this company appear to have a total quality management orientation? What is its reputation on overall quality when compared to the competition?
12. Is this firm known for being responsive to customers? Brainstorm a list of adjectives that describe this firm and its products. How does this list fit with the concept of value?
REVIEW QUESTIONS

1. Your cousin wants to start his own business, and he is in a hurry. He has decided not to write a marketing plan because he has thinks that preparing such a document would take too long. He says he doesn’t need a formal proposal because he has already received funding from your uncle. Explain why it is important for him to write a plan anyway.

Strategic marketing planning is the basis for all marketing strategies and decisions. The marketing plan is a written document that acts as a guidebook of marketing activities for the marketing manager. By specifying objectives and defining the actions required to attain them, a marketing plan provides the basis on which actual and expected performance can be compared. Even when in a hurry, one can construct a brief marketing plan to help guide thinking and serve as a framework for future activities.

2. After graduation, you decide to take a position as the marketing manager for a small snack-food manufacturer. The company, Shur Snak, is growing, and this is the first time that the company has ever employed a marketing manager. As such, there is no marketing plan in place for you to follow. Outline a basic marketing plan for your boss to give her an idea of the direction you want to take the company.

The marketing plan should contain the following sections:
   a. Business mission statement
   b. Objectives
   c. Situation analysis
   d. Internal strengths and weaknesses
   e. External environmental opportunities and threats
   f. Target market(s)
   g. Marketing mix
   h. Product/service strategies
   i. Place/Distribution strategies
   j. Promotion strategies
   k. Pricing strategies
   l. Implementation, evaluation, and control

3. You are given the task of deciding the marketing strategy for a transportation company. How do the marketing mix elements change when the target market is (a) low-income workers without personal transportation, (b) corporate international business travelers, or (c) companies with urgent documents or perishable materials to get to customers?

Target Market: Low-income workers without personal transportation
   Product: Bus or light rail service
   Price: Inexpensive or free
   Place: Inner city
   Promotion: Billboards

Target Market: Corporate international business travelers
   Product: High speed jet service with laptop and telephone hookups, conference tables
   Price: High
   Place: International airports in densely populated business centers around the world
   Promotion: Corporate print publications, direct mail

Target Market: Companies with urgent documents or perishable materials to get to customers
   Product: High speed motor carrier coupled with plane service, courier service, pickup/delivery
   Price: Medium to high
   Place: Downtown businesses around the country
4. What techniques can make your school enrollment marketing plan more effective?

The effectiveness of the plan depends on many factors: 1) how realistic the plan is (objectives, scope, and timing of the events); 2) the resources available to implement the plan; 3) how thorough the situation analysis is; 4) how broad the mission statement is; 5) how detailed and thorough the marketing mix variables are; and 6) the soundness of the strategies. (For instance, does the plan provide an opportunity to use competitive advantage?)

APPLICATION QUESTIONS


Answers will vary.

2. How can a new company best define its business mission statement? Can you find examples of good and bad mission statements on the Internet? How might you improve the bad ones?

The mission statement is based on a careful analysis of benefits sought by present and potential customers and analysis of existing and anticipated environmental conditions. The firm’s long-term vision, embodied in the mission statement, establishes boundaries for all subsequent decisions, objectives, and strategies. A mission statement should focus on the market or markets the organization is attempting to serve rather than on the good or service offered. Students should be able to evaluate mission statements from company Web pages according to their marketing orientation and focus.

3. Thinking back to review question 2, write a business mission statement for Shur Snak. What elements should you include? Evaluate the mission you wrote against some of the missions you found online in question 2.

The mission statement should focus on the market or markets that the organization is trying to serve rather than the one good or service that it offers. Elements that could be included in a mission statement are: 1) market(s) served; 2) benefits; 3) long-term vision; 4) special competitive advantages, such as technology; or 5) goals, such as market leadership.

4. Building on our Shur Snak example, imagine that your boss has stated that the marketing objective of the company is to do the best job of satisfying the needs and wants of the customer. Explain that although this objective is admirable, it does not meet the criteria for good objectives. What are these criteria? What is a specific example of a better objective for Shur Snak?

Good criteria for objectives are: 1) they are realistic, measurable, and time specific; and 2) they are consistent and indicate the priorities of the organization. The objectives that students write should meet those criteria.

5. Competition in the private courier sector is fierce. Companies like UPS and FedEx dominate, but others, like Airborne, Emery, and even the United States Postal Service, still have a decent chunk of the express package delivery market. Perform a mini situation analysis on one of the companies listed by stating one strength, one weakness, one opportunity, and one threat. You may want to consult the following Web sites as you build your grid:


The situation analysis (SWOT analysis) should include the following:

Internal analysis:
   Strengths and Weaknesses
External analysis:
Opportunities and Threats

6. **Break into small groups and discuss examples (at least two per person)** of the last few products you have purchased. What specific strategies were used to achieve competitive advantage? Is that competitive advantage sustainable against the competitors?

To have a successful marketing plan, one must seek a differential advantage over the competition when examining internal strengths and external marketplace opportunities. A differential advantage is one or more unique aspects of an organization that cause target consumers to patronize that firm rather than competitors. A differential advantage may exist solely in the firm's image. Differential advantages may also occur in any element of the marketing mix. The two basic sources of differential advantage are superior skills and superior resources. The key to having a differential advantage is the ability to sustain that advantage. A sustainable competitive advantage is one that cannot be copied by the competition.

7. **Based on your SWOT analysis, decide what the strategic growth options are for the company you chose in question 4.**

Strategic growth options should be chosen from the following: 1) market penetration strategy; 2) market development strategy; 3) product development strategy; or 4) diversification.

8. **Choose three or four other students and make up a team. Create a marketing plan to increase enrollment in your school. Describe the four marketing mix elements that make up the plan.**

Students should provide detail for the following elements of the marketing plan:
- Business mission statement
- Objectives
- Situation analysis
  - Internal strengths and weaknesses
  - External environmental opportunities and threats
- Target market(s)
- Marketing mix
  - Product/service strategies
  - Place/Distribution strategies
  - Promotion strategies
  - Pricing strategies
- Implementation, evaluation, and control

9. **Have your school enrollment marketing plan team (from question 8.1) develop a plan to implement, evaluate, and control the marketing strategy.**

This section can use a number of formats, but a suggested format for the implementation plan is a Gantt chart or other scheduling chart that shows the “big picture” of when important events should take place in order to put the strategies and tactics into action. If students don’t know how to do a Gantt chart, they can put together a simple timeline showing these events.

For the evaluation and control section, a simple grid containing the following elements should suffice: 1) the marketing objectives (both financial and strategic objectives); 2) how to measure the objectives; and 3) when to evaluate the accomplishment of each objective.

10. **Using The Wall Street Journal**’s archive at http://wsj.com, trace the history of Kimberly-Clark’s marketing plan and strategy for Cottonelle Fresh Rollwipes (pre-moistened toilet paper). Once you have a basic understanding of the product development and launch history, evaluate the plan set in motion by Kimberly-
Clark. Does the company consider the product (and hence the plan) a success? Is the product well received in the market? Are competitors moving in to take away market share with their own versions? Write a brief report giving a two-sentence synopsis of the product history and then describing what went right with the plan and what went wrong (if anything). If you identify flaws in the plan, say what the company could have done to avoid those problems.

Students’ answers should consider the following elements in their evaluation of the product launch and plan: 1) What were the company’s marketing objectives for the product? 2) Did the brand meet the objectives? If so, which ones? 3) What was the market penetration and/or market share in the first year of the launch? 4) What were the financial results (revenues and profit) of the launch? Students should use every element they can find of the product’s marketing plan and evaluate each section.

APPLICATION EXERCISE
As you now know from reading the chapter, an important part of the strategy-making process involves scanning the environment for changes that affect your marketing efforts. This exercise is designed to introduce you to the business press and to help you make the connection between the concepts you learn in the classroom and real world marketing activities.

Activities
1. Find a current article of substance in the business press (The Wall Street Journal, the Financial Times, Fortune, BusinessWeek, Inc., etc.) that discusses topics you have covered in this course. Although this is only Chapter 2, you will be surprised by the amount of terminology you have already learned. If you are having trouble finding an article, read through the table of contents at the beginning of the book to familiarize yourself with the names of concepts that will be presented later in the course. Read your article carefully, making notes about relevant content.

2. Write a one-paragraph summary of the key points in your article; then write a list of the terms or concepts critical to understanding the article. Provide definitions of those terms. If you are unfamiliar with a term or concept that is central to the article, do some research in your textbook or see your professor during office hours. Relate these key points to the concepts in your text by citing page numbers.

3. Explain the environments that are relevant to the situation presented in the article. (Chapter 3 contains a full list of environmental factors.)

4. How are the strategic elements of target market and marketing mix relevant to the article?

(You may find this exercise useful throughout the term, as reading material from outside the text will reinforce the concepts you are learning in your course. The business press is also the place to find fully contextual examples that can aid in understanding difficult material.)

Purpose: The purpose of this application is to demonstrate the importance and the energy it takes for good environmental scanning. This exercise will introduce students to the business press and so help make the connection from the classroom to the real world.

Setting it up: The exercise is best used as an assignment. It could also be worked as an in-class group activity by asking students to each bring a business article of interest to class, dividing the class into groups, and having each group select one of its member’s articles as the basis for the activity. Groups would do the scan together and report their findings to the class.

This exercise was inspired by the following Great Idea in Teaching Marketing:

Robert D. O’Keefe, DePaul University
Philip R. Kemp, DePaul University
J. Steven Kelly, DePaul University

PRINCIPLES OF MARKETING: USING ENVIRONMENTAL SCAN REPORTS AS A MEANS OF ASSESSING STUDENT LEARNING

Two of the several objectives we’ve set for our Principles of Marketing (Mkt 301) course are common to all principles courses. We want students to (1) Develop an understanding of the fundamental concepts involved in marketing
and (2) Develop skills in analyzing marketing strategies. In other words, we want students to leave the class understanding both the definition and application of marketing terminology and theoretical concepts.

We’ve found that we can assess a student’s knowledge of terminology and even very basic applications of these terms via objective tests. Assessing our expectation that students, even at the introductory level, will develop a deeper and more sophisticated understanding of terminology and strategy requires an alternative method of assessment. Case study and case reports both written and oral are widely agreed to be an optimal method for assessing student performance. Our teaching environment, however, presented problems, which are not uncommon to business programs. For a number of reasons our class sizes have increased often to between 80 and 100 students and we have had to conduct classes in an auditorium setting with row upon row of fixed graduated seats. Aside from the physical conditions, recent curriculum revisions required that we add significant content to the principles course over the 10 week long quarter. These are not optimal conditions for the traditional case study approach to learning.

In addition to the individual courses objective we are bound to meet college wide program objectives. As with many other schools of business DePaul’s College of Commerce has made “the development of both oral and written communication skills” a primary educational outcome and instituted a program of “writing across the curriculum” as a means of achieving enhanced communication skills. What we needed was a means of assessing our college course objectives, which converged with the program objective of the college. The adoption of what we have called environmental scan reports provided us with a method for satisfying both our course and program objectives.

As can be seen in the instructions that follow, the environmental scan reports serve to reinforce students’ understanding of terminology and strategy. The reports provide a bridge between the text and contemporary events. To paraphrase our instructions we want students to see that text concepts are dynamic and contemporary in their application.

Our experience with using the environmental scan reports over the past several years has been positive in a number of ways. We’ve found that the reports allow us to determine whether or not students are developing a working knowledge of marketing principles and are able to communicate this knowledge effectively. We’ve also found that the skills enhanced by the preparation of the environmental scan reports transfer quite well to the traditional case studies encountered in advanced classes. In addition, the written comments on the students’ course evaluation forms quite frequently cite the environmental scan reports as one of the aspects of the course they found most beneficial.

What follows are the instructions for preparing environmental scan reports. These instructions are included in the course syllabus. We invite our teaching colleagues to experiment with environmental scan reports using the instructions provided or modifying them to meet their own course and program objectives.

Handout
ENVIRONMENTAL SCAN ASSIGNMENT

Each student will do this assignment three times per term. It will be worth 90 points (3 @ 30).

The assignment involves finding a current article of substance in the business press (WSJ, BW, Fortune, etc.) Find something about a company or industry, which discusses topics in your marketing text (text name).

The objectives of these reports are (1) To guide you in discovering that Marketing is not simply a collection of static terms and dated theories. Rather, as you’ll find in reading the articles and preparing your reports both corporate and social organizations are living the principles you are learning. (2) to assure that you effectively communicate the important points of the articles on which you’ve chosen to report.

You will be assigned, with other students, a group number. Check the list that’ll be distributed to see when the class dates with your number comes due. We will discuss these articles during the week. Expect to be called upon to discuss your report; I will call on some of the students in the group throughout the week. You must be prepared to hand in your assignment when requested. Late assignments will receive only half credit.

Format

Reports are to be typed, double spaced on 2 (MAXIMUM) sheets of 8 ½” x 11” paper, stapled together, with no plastic bindings. I expect that these reports will represent your best presentation quality.

Please follow this format: type the headings, I. Introduction, II. Environment, III. Marketing Mix Variables, IV. Questions.

Top of page 1.

Your name, group number

Mkt. 301

Use the following citation format:
ETHICS EXERCISE

Abercrombie & Fitch, a retail clothing chain based in New Albany, Ohio, launched a line of thong underwear for preteen girls. Words like “eye candy” and “wink wink” were printed on the front of the skimpy underwear that some argued would fit girls aged 5 to 10. Abercrombie is known for its provocative ads and sexually oriented catalogs. Supporters of the strategy claim that producing thong-style underwear for 10- to 16-year-olds is a good move; critics think that the line is tasteless and that marketing it to young girls is contemptuous.

1. **Is marketing adult-styled undergarments to a younger audience unethical?**

   Abercrombie, a company known for using sex as a primary advertising tool, has attracted younger ages to its lines designed for the college crowd. In this case, Abercrombie was promoting and actively marketing adult-styled underwear to young girls; it was a case of promotion rather than attraction. For this reason, Abercrombie's actions could be considered unethical. Marketers targeting products at children must vigilantly monitor their marketing efforts to make sure they are not promoting or otherwise advocating products that are not appropriate for that age group.

2. **Would Abercrombie have been in the spotlight had the sexy words been omitted from the product?**

   The parental backlash may not have been so strong if the sexy words had been omitted. Without the phrases, the more subtly sexual underwear may have passed under the radar of many parents adopting a “kids will be kids” attitude. The phrases, however, called attention to the sexual nature of the design, causing the parents of many pre-teen girls to react.

3. **What does the AMA Statement of Ethics have to say about using sex to market products to adult consumers? To younger consumers? Read the statement at [http://www.marketingpower.com](http://www.marketingpower.com) and then write a brief paragraph on how the statement relates to this situation.**

   The AMA Statement of Ethics does not specifically set guidelines for marketing to children, or about using sex as a marketing tool. Despite these omissions in the code, marketers generally regard using sex as a marketing tool as the least creative way to convince consumers of the benefits of a product. Marketing to children is a very hot topic, but at the point of publication, the AMA does not have set rules about what is and is not acceptable.
VIDEO ASSIGNMENT: Method

Cash-strapped startup companies generally do not spend a great deal of time and money on planning. Founders are so busy with the rudiments of business—finding customers and creating, manufacturing, and delivering the product—that they may even forget important things, like invoicing. Eric Lowry reinforces this notion in the opening of the second method video segment. Nonetheless, strategic planning is an important part of successful marketing. Listen closely to the segment, which introduces method’s CEO, Alastair Dorward, and gauge for yourself how much planning you think this innovative startup did before launching its brand.

True/False
1. The partnership that Method formed with Target is an example of strategic planning.
ANS: T TOP: AACSB Reflective Thinking

KEY: TB&E Model Strategy| TB&E Model Marketing

Strategic planning is the process of creating and maintaining a fit between the organization’s objectives and resources and evolving market opportunities. Method recognized that it needed to market its premium products in a premium channel.

Multiple Choice
1. After watching the video clip on Method’s strategic planning, which strategy does the company use as part of its marketing mix?
   a. holding yearly press conferences
   b. brand-blocking its products together on retail shelves
   c. hiring ten new employees a year
   d. committing to give 10% of yearly profits to the Red Cross
   e. using biodegradable plastics in its packaging


The marketing mix is a unique blend of product, place, promotion and pricing strategies, all designed to produce mutually satisfying exchanges with a target market. Method is using the strength of its brand to help sell the products. Grouping them together enhances brand awareness.

2. The marketing strategy that Method initially used to target its consumers is appealing to:
   a. the entire market/one marketing mix
   b. one market segment
   c. multiple market segments/multiple marketing mixes
   d. retailers
   e. wholesalers


According to Alastair Dorward, Method’s President and CEO, method initially sought one specific demographic, Gen Xers, and has continued to keep its focus fairly tight. However, as the appeal of its products has grown, Method’s market has grown to include baby boomers and teenagers as well.

3. Method’s attractive packaging, placement in premium retail channels, and great PR have all helped the company compete against global retailers. Taken together, these elements constitute Method’s:
   a. competitive advantage
   b. marketing orientation
   c. new-product strategy
   d. product offering
   e. corporate vision

ANS: A TOP: AACSB Reflective Thinking

KEY: TB&E Model Strategy| TB&E Model Marketing Plan

A company’s competitive advantage is the set of unique features of a company and its products that are perceived by the target market as significant and superior to the competition. Method’s competitive advantage is a combination of all of the strategies it employs.
CASE ASSIGNMENT: Cirque du Soleil

The Fire Within

A 27-foot-long bronze clown shoe is the only indication that there is something otherworldly within the concrete walls of the large, rather nondescript building. Located in Montreal, the building is home to what many feel is the most successful entertainment company in the world—Cirque du Soleil. The company’s massive headquarters houses practice rooms the size of airplane hangars where cast members work on their routines. More than 300 seamstresses, engineers, and makeup artists sew, design, and build custom materials for exotic shows with stage lives of 10 to 12 years. In fact, the production staff often invents materials, such as the special waterproof makeup required for the production of O, a show performed mostly in a 1.5 million-gallon pool of water that was also specially designed and engineered by Cirque employees. Another key in-house resource is Cirque’s team of 32 talent scouts and casting staff that recruits and cultivates performers from all over the world. The department maintains a database of 20,000 names, any of whom could be called at any time to join the members of Cirque’s cast, who number 2,700 and speak 27 languages.

Shows with exotic names like Mystère, La Nouba, O, Dralion, Varekai, and Zumanity communicate through style and tone that they are intended to do more than just amuse. Cirque designs productions with distinct personalities that are meant to evoke awe, wonder, inspiration, and reflection. As one cast member put it, “The goal of a Cirque performer is not just to perform a quadruple somersault, but to treat it as some manifestation of a spiritual, inner life. Like in dance, the goal is . . . to have a language, a conversation, with the audience.

Audiences have responded. Even with ticket prices that start at $45 and can run as high as $360, the company sells about 97 percent of all its seats at every show. For Cirque, that translates to about $500,000 a week in sales and yearly profits of $100 million on gross revenues of $500 million. Incredibly, every one of the 15 shows that Cirque has produced over its 20-year history has returned a profit. In contrast, 90 percent of the high-budget Broadway shows that strive to reach the same target market fail to break even. Cirque’s statistics, however, are eye-popping. Mystère, which opened at the Treasure Island hotel and casino in Las Vegas in 1993 and still runs today, cost $45 million to produce and has returned over $430 million; O, which opened at the Bellagio hotel and casino in 1998, cost $92 million to produce and has already returned over $480 million. Though the company splits about half of its profits with its hotel and casino partners, those same partners sometimes absorb up to 75 percent of Cirque’s production costs.

At the helm of this incredible business machine is the dynamic duo of Franco Dragone and Daniel Lamarre. Dragone, a Belgian, is the creative force behind most of the company’s nine current productions, and Lamarre, a former television executive, presides over show and new venture development. Together, they have transformed a one-tour, one-residence circus company into an entertainment powerhouse with five simultaneous world tours; four permanent facilities in Las Vegas—Treasure Island, the Bellagio, New York–New York, and the MGM Grand—all of which are part of the Mirage family of casinos; another permanent theater at Disney World; and a series of shows on the cable television channel Bravo that has already won an Emmy.

Lamarre claims that his business is successful because he and his staff “let the creative people run it.” He guides the company with an invisible hand, making sure that business policies do not interfere with the creative process; it is Dragone and his team of creative and production personnel, not a predetermined budget, that defines the content, style, and material requirements for each project. Because of their sound planning, Cirque du Soleil can claim that it is one of the world’s elite businesses, as well as one of the world’s elite entertainment companies.

Open-ended questions

1. Based on what you have read in the case, outline a rudimentary SWOT analysis for Cirque du Soleil.

   **Strengths:**
   - Human resources—Cirque employs A-level talent in all of its many departments.
   - Upper management has had previous high-level experience in the industry.
   - The products serve a specific and unique niche in the entertainment market.
   - Cirque maintains ownership and control of the creative process.
   - Business partnerships reduce production costs and deliver the product in the right environment.
   - High profitability allows the company to reinvest heavily in product development.

   **Weaknesses:**
   - Ticket prices may be too high for many who would like to see one of the shows.
   - Limited distribution outlets may cost some sales.
   - Developing a new show takes a long time.

   **Opportunities:**
   - Expand the number of active shows to take advantage of Cirque’s popularity by looking for new resident show locations (Cirque wants to boost the number of its active shows to 15 and wants to penetrate markets such as London and Hong Kong).
   - Expand the Cirque brand to other entertainment areas, such as restaurants, hotels, clubs, and resorts (plans for all of the above are in active development).
   - Form a strategic partnership with other media outlets to increase exposure to its product (Cirque has had a relationship with cable channel Bravo since 2000 that does just that).

   **Threats:**
   - Competing circuses could revamp their platforms to include Cirque-type entertainment.
   - Other shows could undercut Cirque’s prices to make their shows more accessible and steal market share from Cirque.
   - The rigorous nature of their program—its intensity and frequency—could cause Cirque members to quit and join rival productions.
   - Overproduction of new shows and overextension of the brand into noncore areas could cause market saturation and weaken the brand.

2. List and describe three keys to Cirque du Soleil’s competitive advantage.

   Here are several elements that contribute to Cirque’s competitive advantage:
   - Superior brand management achieved through product integrity, exclusivity, and prestige makes Cirque one of the most sought-after entertainment tickets in the world.
   - Cirque has superior breadth and depth of human resources in all key areas.
   - Strategic partnerships cut costs and provide powerful support; they have a vested interest in Cirque’s future successes.
   - Cash flow—Cirque’s incredible profitability allows it to reinvest its money into product development for what is already a market leader in terms of quality and value.
   - General business management and the preservation of the company’s original culture keep priorities aligned and unify movement toward Cirque’s objectives.
   - Its highly developed headquarters facility gives Cirque flexibility and enables it to have superior control over its productions.

3. Explain how Cirque du Soleil implements, evaluates, and controls the elements of its marketing plan?

   Cirque places product at the epicenter of its marketing plan. To create optimal product, the company strives to honor the integrity of the art form and creativity above all else, and its facilities and hiring practices are executed in such a way as to ensure the achievement of that objective. Ownership of the product development and planning process enables Cirque to control the frequency of its output and the style and content of its shows. With a clear understanding of its costs and cost structures, the company realized that forming exclusive strategic partnerships...
could help it reduce its production overhead while maintaining product integrity and selective distribution. All of the above provide Cirque and its business partners with clear objectives, direction, and the ability to sustain a successful brand.

Close-ended comprehension questions

True/False
1. Cirque du Soleil has created a sustainable competitive advantage.
   ANS: T   OBJ: 5   TOP: AACSB Reflective Thinking
   KEY: TB&E Model Strategy; TB&E Model Marketing Plan

Multiple Choice
1. In conducting a SWOT analysis of Cirque du Soleil, the fact that ticket prices may be too high for many who would like to see one of its shows is an example of a(n):
   a. opportunity
   b. threat
   c. strength
   d. weaknesses
   e. Ticket prices are not a part of a SWOT analysis.
   ANS: D   OBJ: 4   TOP: AACSB Reflective Thinking
   KEY: TB&E Strategy

2. Competing circuses that revamp their productions to include Cirque-type entertainment constitute a(n)_____ to Cirque du Soleil.
   a. strength
   b. weakness
   c. opportunity
   d. threat
   e. control
   ANS: D   OBJ: 4   TOP: AACSB Reflective Thinking
   KEY: TB&E Model Strategy; TB&E Model Product

3. Expanding Cirque du Soleil into other markets, like ready-to-wear fashion, hotels, or resorts represents a(n)_____ for Cirque du Soleil.
   a. strength
   b. weakness
   c. opportunity
   d. threat
   e. control
   ANS: C   OBJ: 4   TOP: AACSB Reflective Thinking
   KEY: TB&E Model Strategy; TB&E Model Product; TB&E Model Creativity

4. Even though tickets start at $45 and can run as high as $360, the company sells about 97 percent of all its seats at every one of its distinctive shows. What kind of competitive advantage best describes the one built by Cirque du Soleil?
   a. cost
   b. product/service differentiation
   c. niche
   d. retrievable
   e. assailable
   ANS: B   OBJ: 5   TOP: AACSB Analytic
   KEY: TB&E Model Pricing; TB&E Model Strategy; TB&E Model Marketing Plan
   A product/service differentiation advantage exists when a firm provides something unique that is valuable to buyers beyond simply offering a low price. Because Cirque’s ticket prices can be high, it does not have a cost competitive advantage.
5. If Cirque defined its business mission as “Performing circuses without animals,” company managers would be suffering from:
   a. marketing blockades
   b. mission stigmatism
   c. marketing myopia
   d. experience curves
   e. a niche mission
ANS: C  OBJ: 2  TOP: AACSB Reflective Thinking
KEY: TB&E Model Strategy

6. If Cirque expands into ready-to-wear fashion, hotels, or nightclubs, it would be an example of:
   a. market penetration
   b. market development
   c. product development
   d. diversification
   e. None of these describe Cirque’s expansion into other areas.
ANS: D  OBJ: 6  TOP: AACSB Reflective Thinking
KEY: TB&E Model Strategy; TB&E Model Creativity; TB&E Model Product

7. When Cirque du Soleil opened permanent venues in Las Vegas, it was practicing:
   a. market penetration
   b. market development
   c. product development
   d. diversification
   e. None of these describe Cirque’s opening of permanent venues in Las Vegas.
ANS: B  OBJ: 6  TOP: AACSB Reflective Thinking
KEY: TB&E Model Strategy; TB&E Model Distribution; TB&E Model Marketing Plan

8. When Cirque du Soleil opened permanent venues in Las Vegas, the company was altering which element in its marketing mix?
   a. Cirque’s new venues are unrelated to the marketing mix.
   b. product
   c. place
   d. promotion
   e. price
ANS: C  OBJ: 8  TOP: AACSB Reflective Thinking
KEY: TB&E Model Distribution; TB&E Model Strategy; TB&E Model Marketing Plan

9. Extreme costumes, specialized makeup, and custom sets are all part of which element in Cirque’s marketing mix?
   a. product
   b. place
   c. promotion
   d. price
   e. None of these are related to Cirque’s marketing mix.
ANS: A  OBJ: 8  TOP: AACSB Reflective Thinking
KEY: TB&E Model Strategy; TB&E Model Product; TB&E Model Marketing Plan
DISCUSSION BOARD TOPICS TO ENCOURAGE PARTICIPATION

Discussion board questions provided to students to encourage them to engage in thinking and writing about the content of the Principles of Marketing course usually take the form of a provocative statement to which students are asked to respond. An example of this would be: All PR is good PR.

Discussion topics such as this one are abstract and often require that the instructor provide an initial reply to show students what is expected of them in their own replies. For students with limited work experience, this approach may be quite appropriate. For adult students with extensive experience as employees and consumers, however, the abstract nature of such topics can be frustrating.

I have developed, therefore, a series of discussion board questions to use with experienced, adult students. These questions are designed to encourage them to use their experiences as employees and consumers as doorways to better understand the course material, and to make their own responses more interesting to themselves and to the other students in the class who will read and comment on them.

Each question has three parts:

1. First, there is a sentence or two from the students’ textbook introducing the topic. By using the text author’s own words, students are enabled to locate relevant material in the text more easily, the text content is reinforced, and confusion resulting from use of variant terms or expressions is minimized.

2. Second, there is a reference to text pages the student should review before proceeding. Since the goal of the exercise is for students to apply the course content to their own experiences, reviewing the content first is important.

3. Third, there is a request for the student to think about or remember some specific situation in their experience to which they can apply the text material, and a question or questions for them to address in their reply.

The following example is for Chapter 2 of MKTG. The three parts have been separated here so they are more readily visible.

1. The term marketing mix refers to a unique blend of product, distribution, promotion, and pricing strategies designed to produce mutually satisfying exchanges with a target market.

2. Review the four parts of the marketing mix on pages 25-26 of your text.

3. Then choose an idea, good, or service with which you are familiar and describe its marketing mix and how it resulted (or did not result) in a satisfying exchange for you.

BUYING AN EDUCATION: THE 4P’S ON DAY ONE

Students enrolled in my 2-credit Introduction to Marketing course may be freshmen exploring a business major, sophomores fulfilling a requirement for the accounting degree, or even senior English majors taking the “something!” their parents urged to help them get a job. From the first day I must get students to recognize the experiential base of marketing, and I must create class norms of participation.

I begin the first class by asking students to break into small buzz groups. I then pass out a sheet with the question. “Why are you buying your education at The College of St. Catherine?” Students typically look surprised – they have not regarded their college choice as a consumer purchase. I mention that there are well over a dozen other options for taking an Introduction to Marketing course for college credit within this term within this metropolitan area. Students are instructed to spend at least 20 minutes recalling absolutely every influence that caused them to come to this college. Another question on the same sheet asks them “What do you have in common with the other students in your group?” They spend about five minutes discussing this.

Typical answers for the first question might be “Small class size,” “Financial aid package,” etc. As I collect their responses on the board, I discuss items as choices made by them or by the institution. They gradually notice that I
am listing their comments deliberately in one of four columns. They note as well that I am keeping a separate list of other colleges they mention that they had also considered. Inevitably, the discussion produces the 4 P’s of the marketing mix and gives the foundation of our course. Typical inputs are:
- Product: specific major, class size, academic reputation . . .
- Price: actual costs, financial aid, scholarships . . .
- Place: near/far from home, in an urban area where jobs are plentiful, the beauty of the campus . . .
- Promotion: campus recruiting officers, relatives or friends who have attended, high school counselors . . .

The list of other colleges generates the Competition.

The profile of the Customer, “What you have in common,” is much less obvious to them. At this private women’s college, gender and religion are sometimes mentioned; more often students think about academic major, or hometown. They rarely generate other demographics like income and almost never get near psychographics (which, at our particular campus, is the most significant variable besides gender!). Yet when competitor colleges are mentioned, they are all able to paint an instant portrait of the student at each of these institutions.

Within the first class, then, we have generated the fundamental concepts of the course. Students begin to differentiate the 4 P’s and to recognize the influence of competition on managing the marketing mix. They begin to explore the complexities of market segmentation and their significance of knowing your target market fully. They know as well that their contribution to the class is necessary and valuable. Throughout the term I refer to this day’s discussion at the introduction of any new concept. Student feedback has been that this beginning adds significant coherence to a brief yet broad-ranging course.

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**Paul LeMay Burr, University of Incarnate Word**

**Richard M. Burr, Trinity University**

**ANALYZING COMPANY STRATEGY VIA MULTIPLE RESOURCES**

Beyond basic marketing courses, students can be expected to analyze marketing strategy of companies by building a “data base” using widely available sources.

1. Encourage students to choose for a class project a publicly traded company. Owners of privately held firms can never be expected to divulge confidential data for a class project, even to a friend of a close family member.
2. Students should immediately request via the firm’s 800 shareholder relations number annual and quarterly reports, 10-K and 10-Q reports, and a student press kit. Some companies need repeated requests and follow-up. Call 1-800-555-1212 (the 800 information operator), or try an “800” web site database to get the shareholder relations 800 number. Students can then follow steps described in 3-9 below:
3. Search the company’s web site for annual and quarterly reports, plus press releases of strategic decisions. Be aware of key-word search opportunities at the company web site.
4. Search Compact Disclosure, on CD Rom, for annual and quarterly reports and elements of 10K and 10Q reports of over 12,000 corporations.
5. Utilize the EDGAR web site, the Security and Exchange Commission’s database of filings by public companies to analyze 10K and 10Q reports. The reports are voluminous. Use the “print page” options for printing ONLY the page needed.
6. Analyze Value Line’s one-page profile of highly useful data about the company, an industry overview, and comparisons of the company to its competitors.
7. Study page B-2 of the M-F Wall Street Journal for daily alphabetical lists of all companies mentioned n that day’s newspaper. A student individual subscription is useful for cutting and filing daily.
8. Search ABI/Inform, a database of over 1000 publications that allows key word subjects, and is updated monthly. The web site is updated daily.
9. Analyze Hoover’s Handbook of American Business, which profiles publicly traded companies, listing information, which might be found elsewhere.
10. Finally, give students specific heading areas to look for in their analysis of firm’s strategy: pricing and margin, concept differentiation and clarity, positioning and repositioning, branding, trade dress, customer profile, location strategy, distribution, turnover, strategic alliances. Presentation of findings, along with graph support, will spur class discussion.
MARKETING MIX REPORTS

One of the most helpful projects I’ve ever assigned in Principles of Marketing, are Marketing Mix Reports. The students pick a good or a service at the beginning of class and throughout the semester use that good or service as a reference and an example for each topic we cover. In addition they prepare a report on the Marketing Mix actually used for that product.

At the beginning of the semester the students are required to choose a product by brand name. Many popular brands such as Tommy Hilfiger, Nike, and Coke are chosen, but also some lesser-known Brands such as Louisville Slugger, Peavey, or Furby. Some students choose familiar products such as soft drinks, automobiles, backpacks, sports equipment and computers; others choose a special interest item that is less familiar to most of us such as deer stands, paint ball equipment, or a musical group. I must approve the choice, and my criterion is if there is enough marketing information readily available on the good or service. I put the brand name of the product they have chosen on the seating chart next to their name, which allows me to use their products as examples during lectures.

In the past I’ve had them hand in a single report after we had covered Product, Place, Promotion, and Price, but at present I break it down into four separate reports. These one or two page reports are easy to prepare, but it forces the student to apply and properly use marketing terms and concepts. As we cover each of the 4 P’s the student has to prepare a report, which is handled in or presented the last class meeting before the exam on that topic. Every semester I get numerous comments on my teaching evaluation from students about how much doing the report helped in preparing for the exam, and in learning the course material.