

BEM 221: Principles of Marketing

School of Business, Wake Forest University
Fall 2018

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I am easy to reach!

Feel free to email to set-up a time to talk about any questions that you have about the material and beyond.

Office Hours:

Email for set-up a time to meet. I'm on-campus a lot.

COURSE DESCRIPTION

In today's increasingly complex global marketplace, each of the business disciplines – marketing, finance, accounting, human resources, information systems, production/operations and strategy – is vital to a firm's short- and long-term competitiveness. Core courses, of which BEM 221 is one, are designed to introduce students to these critical functional areas and the interrelationships among them.

This class will help you develop the perspective, capabilities and habits necessary for success, whether you work for a Global 100 corporation, pursue an entrepreneurial venture, or affiliate with a not-for-profit organization. Our context will be marketing, but the analytical and problem-solving skills you will acquire and/or hone will be transportable across a range of personal and professional situations. You will also learn about the discipline of marketing – about its role in an organization, and about the nomenclature and principles that are specific to the field.

All course content is chosen with one simple objective in mind: To help prepare you for future leadership in business and/or society.

This is a lofty goal that will require us to be collaborators in the learning process. You must come to class ready to think, to work, to consider, to evaluate and to reflect. If you do, you will be rewarded, in terms of both grades and growth.

GRADING CRITERIA

A total of 100 grade points will be allocated as follows.

<u>ASSIGNMENTS</u>	<u>POINTS</u>
Class Contribution	15
Test #1	30
Test #2	30
Final Project (team-based)	<u>25</u>
TOTAL	100

Your final grade will be based on your performance relative to that of your classmates, with the class average (i.e., B+), and standards in accordance with those set by Wake Forest University. My targets are: 93.5 points or more is an A, 90 to 93.4 points is an A-; 86.5 to 89.9 is a B+; 83.5 to 86.4 is a B; 80.0 to 83.4 is a B- and so on. Due to the presentations, effective teamwork is required. Students not contributing to their group will be penalized via grade reduction in proportion to the lack of performance.

SEMESTER SUMMARY

Session: Date	Topic
Session 1: Monday, August 27th	What is marketing?
Session 2: Wednesday, August 29th	Chapters 1 & 2 – Marketing’s Role & Monitoring the External
Session 3: Monday, September 3rd	Health Cruises & Situation Analysis
Session 4: Wednesday, September 5th	Financial Implications of Marketing Decisions
Session 5: Monday, September 10th	Hurricane Island
Session 6: Wednesday, September 12th	Hurricane Island & Balanced Scorecard
Session 7: Monday, September 17th	Biopure
Session 8: Wednesday, September 19th	Presentations – Tomorrow’s Market
Session 9: Monday, September 24th	Presentations – Tomorrow’s Market
Session 10: Wednesday, September 26th	Chapters 3 & 4 – Ethics & Consumer Behavior
Session 11: Monday, October 1st	Chapter 5 – Marketing Research
Session 12: Wednesday, October 3rd	Chapter 6 – STP
Session 13: Monday, October 8th	Rediscovering Market Segmentation
Session 14: Wednesday, October 10th	Test #1
Session 15: Monday, October 15th	Chapter 8 – Branding
Session 16: Wednesday, October 17th	Two articles on branding
Session 17: Monday, October 22nd	Chapter 7 – New Product Development & Nestle case
Session 18: Wednesday, October 24th	Chapter 9 – Price
Session 19: Monday, October 29th	Chapter 10 – Distribution & IKEA
Session 20: Wednesday, October 31st	New Product Concepts
Session 21: Monday, November 5th	Chapter 11 – Promotion
Session 22: Wednesday, November 7th	Unilever
Session 23: Monday, November 12th	Maersk
Session 24: Wednesday, November 14th	Profits at the Bottom of the Pyramid
Session 25: Monday, November 19th	Test #2
Session 26: Wednesday, November 26th	Project Workshop
Session 27: Monday, November 28th	Project Workshop
Session 28: Monday, December 3rd	New Product Launch Presentations
Session 29: Wednesday, December 5th	New Product Launch Presentations

Commented [SMD1]: This exercise emerged from discussions with peers at the Magnolia Project. This is an exercise that my students will do in pairs.

The task:

Identify one example that involves one or more elements of the marketing mix (4Ps: Product, Price, Promotion, Place) that exemplifies a brand’s connection to an issue from the “Tomorrow’s Markets” document.

The example can be from any time period, any nation, any product/service, any brand.

Be prepared during class to:

Tell the story of the example.

Explain the implications for the (a) company, (b) customers, and (c) the company’s suppliers.

Describe the potential impact (positive or negative) on these parties in both the short-run and long-run.

What are the costs and benefits involved?

Commented [SMD2]: New case involving marketing and sustainability that I added after the Magnolia Project.

Commented [SMD3]: Recrafted the final project after brainstorming with others at the Magnolia Project. See description of the Final Project starting on page 10 of this document.

READINGS

Available for Purchase at WFU Bookstore:

1. **Book:** Sheri Bridges, *Marketing in a Nutshell*₃, (2017).
2. **Case & Note Packet:** Contains 6 case studies and 2 notes.
3. **Articles:** Contains 4 articles from Harvard Business Review

DETAILED CALENDAR OF TOPICS & ASSIGNMENTS

Session 1: Monday, August 27th

COURSE INTRODUCTION & ASSIGNMENTS

Today: Discuss the course, and What is Marketing

To do for our next class:

- Read Preface & Chapters 1 & 2

Session 2: Wednesday, August 29th

SITUATION ANALYSIS: ANALYZING MARKET TRENDS

Today: Discuss Chapters 1 & 2

To do for our next class:

- Read: Thomas Steenburgh and Jill Avery, "Marketing Analysis Toolkit: Situation Analysis," *Harvard Business School Note*, #9-510-079, (February 4, 2010).
- Read, Analyze, and Prepare *Health Cruises* (To be distributed Session 1)

Session 3: Monday, September 3rd

SITUATION ANALYSIS: DEMAND AND PROFITABILITY FORECASTING

Today: Discuss *Health Cruises*, and Harvard Note

To do for our next class:

- Read Appendix
- Complete Marketing Math Exercise (To be distributed Session 1)

Session 4: Wednesday, September 5th

FINANCIAL IMPLICATIONS OF MARKETING DECISIONS

Today: Go thru Marketing Math Exercise

To do for our next class:

- Read, Analyze, and Prepare *Hurricane Island Outward Bound Case Study*

Session 5: Monday, September 10th

METRICS-DRIVEN MARKETING AND SITUATION ANALYSIS

Today: Discuss Hurricane Island case

To do for our next class:

- Read: Robert S. Kaplan and David P. Norton, "The Balanced Scorecard: Measures That Drive Performance," *Harvard Business Review*, (July-August 2005): 173-180.

Session 6: Wednesday, September 12th

METRICS-DRIVEN MARKETING AND SITUATION ANALYSIS

Today: Continue discussion of Hurricane Island, and discuss HBR article

To do for our next class:

- Read, Analyze, and Prepare *Biopure*

Session 7: Monday, September 17th
MARKET SELECTION

Today: Discuss Biopure case

To do for our next class:

- Prepare for partner presentation

Session 8: Wednesday, September 19th
TOMORROW'S MARKET

Today: Part 1 of 2 of presentations

To do for our next class:

- Prepare for partner presentation

Session 9: Monday, September 24th
TOMORROW'S MARKET

Today: Part 2 of 2 of presentations

To do for our next class:

- Read Chapters 3 and 4

Session 10: Wednesday, September 26th
ETHICS AND CONSUMER BEHAVIOR

Today: Chapters 3 and 4

To do for our next class:

- Read Chapter 5

Session 11: Monday, October 1st
MARKETING RESEARCH

Today: Chapter 5

To do for our next class:

- Read Chapter 6

Session 12: Wednesday, October 3rd
SEGMENTATION, TARGETING, & POSITIONING (STP)

Today: Chapter 6

To do for our next class:

- Read Daniel Yankolovich and David Meer, "Rediscovering Market Segmentation," *Harvard Business Review*, (February 2006): 122-131.

Session 13: Monday, October 8th
SEGMENTATION, TARGETING, & POSITIONING (STP)

Today: HBR "Rediscovering Market Segmentation"

Session 14: Wednesday, October 10th
TEST #1

To do for our next class:

- Read Chapter 8

Commented [SMD4]: This exercise emerged from discussions with peers at the Magnolia Project. This is an exercise that my students will do in pairs.

The task:

Identify one example that involves one or more elements of the marketing mix (4Ps: Product, Price, Promotion, Place) that exemplifies a brand's connection to an issue from the "Tomorrow's Markets" document.

The example can be from any time period, any nation, any product/service, any brand.

Be prepared during class to:

Tell the story of the example.

Explain the implications for the (a) company, (b) customers, and (c) the company's suppliers.

Describe the potential impact (positive or negative) on these parties in both the short-run and long-run.

What are the costs and benefits involved?

Session 15: Monday, October 15th**BRANDING**

Today: Chapter 8

To do for our next class:

- Read: Gerry Yemen and Ronald T. Wilcox, “Brand Positioning Statements,” *Darden Business Publishing*, (January 2012) 1-9.
- Read: Kevin Lane Keller, Brian Sternthal, and Alice Tybout, “Three Questions You Need to Ask about Your Brand,” *Harvard Business Review*, (September 2002): 3-8.

Session 16: Wednesday, October 17th**BRANDING**

Today: Darden and HBR

To do for our next class:

- Read Chapter 7
- Read, Analyze, and Prepare *Nestlé Refrigerated Foods: Contadina Pasta & Pizza (A)*

Session 17: Monday, October 22nd**NEW PRODUCT DEVELOPMENT**

Today: Chapter 7 and Nestle

To do for our next class:

- Read Chapters 9

Session 18: Wednesday, October 24th**PRICE**

Today: Chapter 9

To do for our next class:

- Read Chapter 10
- Read, Analyze, and Prepare *IKEA Invades America*

Session 19: Monday, October 29th**DISTRIBUTION**

Today: Chapter 10 and IKEA

To do for our next class:

- Finalize Concepts

Session 20: Wednesday, October 31st**NEW PRODUCT CONCEPTS**

Today: Concepts Due

To do for our next class:

- Read Chapter 11

Session 21: Monday, November 5th**PROMOTION**

Today: Chapter 11

To do for our next class:

- Read, Analyze, and Prepare *Tea and Sustainability at Unilever*

Session 22: Wednesday, November 7th**BUSINESS OPPORTUNITIES****Today:** Tea and Sustainability at Unilever**To do for our next class:**

- Read, Analyze, and Prepare *Maersk Line: B2B Social Media – “It’s Communication, Not Marketing”*

Session 23: Monday, November 12th**DIGITAL MARKETING****Today:** Maersk case**To do for our next class:**

- Read: Erik Simanis and Duncan Duke, “Profits at the Bottom of the Pyramid”, *Harvard Business Review*, (October 2014): 3-9.

Session 24: Wednesday, November 14th**NEW MARKETS****Today:** Profits at the Bottom of the Pyramid, Course Summary**Session 25: Monday, November 19th****TEST #2*******Wednesday, November 21st– Thanksgiving Break*******Session 26: Wednesday, November 26th****PROJECT WORKSHOP 1****Session 27: Monday, November 28th****PROJECT WORKSHOP 2****Session 28: Monday, December 3rd****NEW PRODUCT LAUNCH TEAM PRESENTATIONS****Session 29: Wednesday, December 5th****NEW PRODUCT LAUNCH TEAM PRESENTATIONS****Commented [SMD5]:** New case involving marketing and sustainability that I added after the Magnolia Project.**Commented [SMD6]:** Recrafted the final project after brainstorming with others at the Magnolia Project. See description of the Final Project starting on page 10 of this document.**ASSIGNMENT DETAILS & DELIVERABLES****READING THE TEXTBOOK, ARTICLES, AND CASES**

I have decided to assign a concisely written book, *Marketing in a Nutshell*. Make sure you thoroughly read the chapters.

For those of you who would like to read a more traditional and detailed textbook, I recommend these two titles (purchasing and reading these two textbooks is strictly optional!).

- Philip Kotler and Gary Armstrong, *Principles of Marketing Management*, 15th Edition, (Upper Saddle River, NJ: Pearson Education, Inc., 2014), ISBN-13: 978-0-13-308404-7.
- William D. Perreault, Jr., Joseph P. Cannon, and E. Jerome McCarthy, *Essentials of Marketing*, 14th Edition, (New York: McGraw-Hill/Irwin., 2014), ISBN-13: 978-0-07-786104-9.

I have assigned *Harvard Business Review* articles and notes to complement the textbook. Read and prepare each article. Finally, you will need to read, analyze, and prepare a series of managerial case studies. Be sure to complete any required financial or marketing analyses related to the cases and be ready to discuss them during class. You will discuss your analyses and recommendations during class! **In our SAKAI folder, you will find a series of preparation questions for the cases that will assist you when reading them.**

CLASS CONTRIBUTION

We will analyze and discuss the articles, notes, and cases during the semester. The purpose of each is to provide a platform for you to explore marketing issues, use your analytical skills to resolve marketing problems, and a forum for you to present and justify your recommendations.

Deliverables:

Each student will self-assign a *contribution grade* (subject to Professor's review) each class. Each class discussion will be worth a maximum of 1 point based on the following scale: **1 point** = student provided several useful insights, **.5 points** = student attended class but did not offer insightful comments, **0 points** = student was absent. **Please note: You can record your class contribution within your name card. I will collect the name cards at the end of the class.**

TESTS

You will have two tests.

Deliverables:

The two, in-class tests can cover anything in the book, the *HBR* articles and notes, course materials, and from our class discussion. The tests will be multiple choice, essay and problem-solving. Please be sure to note the test dates now. No make-up or early tests will be given except in cases in which there is documentation for medical or family emergencies. Please be aware that any missed tests will result in zero points.

NEW PRODUCT LAUNCH PRESENTATION

At the end of the semester, as part of a team, you will create a marketing plan for a new product launch. I will provide you with a detailed description of the marketing plan plus instructions.

Deliverables:

Each team will make a presentation (15 minutes) describing proposed marketing strategies and tactics for the product. Class members will have an opportunity to ask questions and make comments about your proposal while you are presenting. Presentations will be evaluated on content and delivery dimensions.

The contents of your marketing plan and presentation will include the following sections.

1. Situation Analysis and Concept Statement
2. Research Supporting Concept Statement Selection (including questionnaire)
3. Marketing Objectives
4. Marketing Mix (i.e., 4Ps)
5. Execution of New Product Package
6. Integrated Marketing Communications Programs
7. Integrated Marketing Communications Calendar & Budget
8. Pro Forma Income Statement for Years 1 & 2
9. Summary including a "Look Ahead" at Future Results

Team presentations will be given on December 3rd and 5th. Your team's plan, in PowerPoint form, will be presented to the professor (who will act as senior management of the company). I will evaluate your marketing plan proposal on the bases of **content (75%) and delivery (25%)**. A stapled, hardcopy of your PowerPoint slides, with one full frame per page, is the only deliverable you will submit. Exhibits/appendices should be included at the back of the stapled copy, but need not be in PowerPoint form.

CLASSROOM RULES & EXPECTATIONS

1. UNLESS THE INSTRUCTOR SPECIFIES OTHERWISE, THE USE OF LAPTOPS AND SMARTPHONES DURING CLASS IS NOT PERMITTED.
2. PLEASE BRING AND DISPLAY YOUR NAME CARD DURING EACH CLASS.
3. PLEASE MAKE SURE TO PUT EITHER YOUR NAME OR YOUR TEAM MEMBER NAMES ON ALL DELIVERABLES THAT YOU SUBMIT TO ME.
4. TURN IN ALL WORK ON TIME.
5. SUBMIT ALL WORK IN PAPER FORM.
6. STAPLE MULTIPLE PAGES.
7. ARRANGE FOR ANOTHER STUDENT TO BE RESPONSIBLE FOR PICKING UP HANDOUTS AND ASSIGNMENTS FOR YOU IF YOU ARE ABSENT.
8. REFRAIN FROM CALLING OR E-MAILING ME WITH QUESTIONS THAT CAN BE ANSWERED BY READING THE SYLLABUS, OR REFERRING TO A HANDOUT.
9. EXHIBIT INTEGRITY IN EVERYTHING YOU DO AND SAY. DO NOT DEVIATE FROM EITHER THE LETTER OR THE SPIRIT OF THE WFU OR THE BEM 221 HONOR CODE.
10. BE SURE THAT YOUR SPELLING AND GRAMMAR ARE CORRECT ON ALL ASSIGNMENTS. SUCH MISTAKES WILL BE PENALIZED.
11. TAKE RESPONSIBILITY – FOR YOURSELF, YOUR LEARNING, YOUR ACTIONS, AND YOUR PERFORMANCE.
12. COMPORT YOURSELF AT ALL TIMES AS A PROFESSIONAL – IN YOUR ATTITUDE, BEHAVIOR, EFFORT, AND OUTPUT.

CONTRIBUTION TO CLASS DISCUSSIONS AND EXERCISES IS REQUIRED!

Learning implies an increase in knowledge, insight, understanding or skill. Sharing thoughts, information, and opinions with others is a critical component of the learning process because it allows us – students and faculty alike – to test, question, refine, reconsider and update our beliefs. Therefore, I encourage you to speak up during class and to listen to those who do likewise.

Your final grade in the course will depend in part on your contribution to class discussions and to the creation and maintenance of a positive environment for learning. In general, class contribution is a reflection of an individual student's attitude, behavior, and effort level.

As a learning partner, there are many ways in which you can help make the course more enjoyable and educational for yourself and others. Among them:

- Come to class . . . on time . . . and well-prepared.
- Stay alert and attentive.
- Participate meaningfully in class discussions. *Aim to create light, not heat.*
- Refrain from disrupting others with side conversations.
- Bring in articles about and/or examples of current marketing-related issues or practices that you find interesting or about which you have questions or opinions. Doing so can enhance not only your and the class' marketing understanding, but also your contribution grade.

TEAMWORK IS REQUIRED

The group presentations will require that you work together with your teammates. I expect that each student will contribute to all of these assignments to the best of his/her abilities. If anyone encounters any problems with his/her team, I expect you to notify me as soon as possible so that they may be resolved. Peer evaluations will be used at the end of the semester.

Students receiving low ratings from their peers will have their scores on the assignments lowered in proportion to their lack of performance.

Dr. Michelle Steward
Brief Bio

Dr. Michelle Steward (Ph.D., Arizona State University) is an Associate Professor at the School of Business at Wake Forest University in Winston-Salem, North Carolina. Dr. Steward started teaching marketing at Wake Forest in 2004, after completing her PhD at Arizona State University.

Dr. Steward's research interests center on issues involving business-to-business decision-making. Her research has been published in journals such as the Journal of the Academy of Marketing Science, Journal of Business Research, Journal of International Marketing, Journal of Business-to-Business Marketing, Omega: The International Journal of Management Science, Journal of Marketing Education, Journal of Marketing Theory & Practice, Business Horizons and Marketing Management Journal.

Dr. Steward has received both the Faculty Scholarship Award and the T.B. Rose Fellowship in Business for Instructional Innovation at Wake Forest University's School of Business, and has been internationally recognized with her co-authors as the winners of the S. Tamer Cavusgil Award for the "most significant contribution to the advancement of the practice of international marketing management." This past year, the School of Business awarded Dr. Steward and her colleague Dr. Narus the High Impact Scholarship Award which "recognizes a faculty member for his/her significant influence on business practice." In addition to teaching in the United States, Dr. Steward has lived abroad and worked for the Ministry of Education in the Republic of South Korea. Dr. Steward is an Associate Editor of the Journal of Marketing Education.

Personally, Dr. Steward enjoys new challenges that come in a variety of forms. For example, years ago she ran the Marine Corp Marathon in DC (ask her who passed her at mile 16), and a few months later she did a sprint distance triathlon in the Gulf Coast (yes, the swim component was in the Gulf of Mexico, and she only had a single speed bike on loan). In the past, Dr. Steward had a SUP experience and enjoyed an indoor rock climbing experience in Chicago. This year she will go on a three-day hike along part of the Appalachian Trail.

Dr. Steward is dedicated to helping you acquire the tools that you need to maximize your success. Please feel free to talk with her about your goals, dreams and aspirations at any time.

FINAL PROJECT HANDOUT

(next pages)

Final Project—Marketing Plan Fall 2018

Commented [SMD7]: Recrafted the final project after brainstorming with others at the Magnolia Project.

Imagine that you work for an established company. The company has decided to launch a product to help address a big problem in the world. Working as a member of a team, you will develop a proposal for a marketing plan to support this launch of a product in the type of your choosing.

First, review the “Tomorrow’s Markets: Global Trends and Their Implications for Business.” Select one of the problem areas for which you and your team will brainstorm about the new product launch.

The plan will be completed in two main parts:

1.) Concept development. You and your team will submit two potential product concepts to the VP of marketing on *Wednesday, October 31st*. With each should be included four to eight (maximum) bullet points supporting the concept, i.e., providing evidence that it represents an attractive market opportunity. The bullet points should delineate specific findings – *facts, factors, issues, pieces of data* – from your secondary research that led your team to believe the concept will be a winner.

2.) Marketing plan. Your team’s complete marketing campaign proposal, including your final product concept and highlights of the research that led to the concept, will be presented to the marketing department on *Monday December 3rd and Wednesday December 5th*.

Regardless of your presentation date, a stapled, paper copy of your team’s PowerPoint slides containing your full marketing plan will be due at the start of class on Monday, December 3rd.

- The package, execution of your most important tangible component of your brand communication campaign, advertisements, point-of-sale displays and/or other similar materials are not due until the actual day of your presentation.

Part 1: Situation analysis + development of concepts (due Wednesday, October 31st)

In the first part of the assignment, your team will analyze the competitive marketplace and, based on your findings, will develop two potential product concept/positioning statements for your new product. Thus, the aim of Part 1 is to identify open positions in the marketplace: product benefits that are not being offered by the competition and that can be matched with a group of consumers – the target market – who would value those benefits. Be sure to specifically identify the problem area from the “Tomorrow’s Markets” document that your product helps to address. Identifying “holes” in the offering currently being offered by competitors (or unavailable by any company) will require you to conduct:

- An analysis of potential demand: What is the size of the overall market? What are the segments and their sizes? What is driving growth in the market and/or the category? *This will help you find holes.*
- An analysis of consumers using secondary research: Who buys related products? Why do they buy? Where do they buy? What key attributes/features/benefits do they desire? Are their preferences changing? What consumer-related trends are occurring in the category? *This will help you find psychographic (i.e., lifestyle-based) target markets and desired benefits.*
- An analysis of the competition: Who are the major players in the marketplace and in the various segments? What are their market shares? What are their positioning and marketing strategies?

What are their marketing budgets? *This will help you determine what it will take – in terms of marketing strategy and spending – to enter the market successfully.*

- An analysis of the retail channel system: Where are related products sold? What is the volume share in each of the channels? How do the channels market the products? *This will help you figure out how to gain distribution strength.*
- An analysis of the general environment: What political, legal, social, demographic or other trends, if any, might affect demand for such products in the short- or long-term? *This will help you identify external factors that will help or hinder your market entry.*

Your situation analysis will culminate in the development of two separate product concept/positioning statements for the new product idea. *Separate means that the target market stays the same but the benefits offered change, or that the target market changes but the benefits offered stay the same, or that both change* (see #4 in “Tips for developing a marketing plan” below). **The in-house statements should each conform to the following format:**

(Brand name: Name of your choosing) is the (product category/segment) for psychographic target market) that offers (primary consumer benefits) because it has (product features that support/provide evidence of the benefits).

The bullet points for each concept should provide specific facts/information supporting your choice of a.) the psychographic target market, b.) each product benefit, and c.) the product ingredients/flavors. In general, the evidence should demonstrate that your choices represent large and/or growing segments/preferences/trends.

Part 2: Primary consumer research and marketing plan

In the second part of the assignment, you will test your two product concepts with a minimum of 20 consumers in your target market(s), talk to at least one channel member (e.g., a manager in the type of store that might sell this product) to help you gain marketing insights, and develop a one-year marketing plan for the concept that receives the highest top-two-box score (explained later).

Your presentation and slide deck describing your plan must include:

- Your chosen concept *statement*. Do not present either the losing concept or information about it.
- Research findings that motivate and support your chosen concept, i.e., that explain why the product concept is sure to be a winner in the marketplace.
 - Four to eight findings – max – from secondary research that led to concept *development* (above)
 - Top-two-box score and adjusted trial rate from primary research that led to concept selection
- A delineation of marketing objectives regarding the **specific levels** of awareness, trial, sales and market share you expect to achieve during Year 1. *This information comes from your forecasts. I will provide you with a model to forecast in a few weeks.*
- A description of strategies/tactics for each of the four Ps that you will use to achieve your objectives.
- An integrated marketing communications (IMC) program that focuses on publicity/buzz, with traditional advertising (TV, print, radio) limited to supporting roles. *Explicitly identify what you will do to stimulate and maintain buzz.* Be sure to include slotting fees, sampling and trade and consumer promos.

- Before developing your IMC plan, you should decide what your primary message will be. What simple, memorable, compelling “take-away” – such as a slogan or tagline – do you want consumers to know/hear about your brand? Then put together an integrated/coordinated media plan for delivering the message.
 - *Explicitly identify your brand message in your plan.*
- An execution of the actual product package. This means you will prepare and turn in a three-dimensional box/tub/canister/tube imprinted with information consumers would want or need to know.
 - Include a photo of the front of your package in your slide deck.
- An integrated marketing communications budget for Year 1 and Year 2, showing how much money will be allocated to a.) slotting fees, b.) sampling, and c.) overall buzz and awareness building.
- A media flowchart for the first-year launch campaign, showing *what* you will do *when* with respect to your integrated marketing communications program. (In other words, showing when you will launch your product and when your individual campaign elements – trade promotions, sampling program, publicity events, consumer promotions, TV ads, print ads, Internet ads, sponsorships, buzz tactics, website launch . . . *whatever* . . . – will start and stop in the calendar year.) You should include specific budget amounts for slotting fees and sampling. However, only the total costs of buzz and awareness-building should be reported (see flowchart, which will be given to you).
- A Year 1 and Year 2 pro forma income statement, showing break-even by the end of Year 2. Include sales revenue, cost of goods sold, marketing spending and profit/loss. Ignore other fixed expenses.
- A brief “look ahead” at the next couple of years after introduction: Where do you expect the brand to go/where will you take it? In other words, what is your *vision* for the brand? Management will not put money behind a new brand that does not offer long-term growth potential.
- A completed volume model and a copy of your questionnaire, with results, should appear in an *appendix*.

Your plan, in PowerPoint form, will be presented to management, who will evaluate your proposal on the bases of **content (75%) and delivery (25%)**. A stapled copy of your PowerPoint slides, with one full frame per page, is the only deliverable you will submit. Exhibits/appendices should be included at the back of the stapled copy, but need not be in PowerPoint form.

Your “deck” or “leave-behind,” as it is called, will be due at the start of class on *Monday, December 3rd* regardless of when your team presents.

BE SURE TO INCLUDE ALL IMPORTANT INFORMATION ON YOUR SLIDES. During the **15-minute** presentation (with questions asked by students throughout), I will evaluate you **ONLY** on your delivery. I will evaluate your content after all presentations are done.

The **SOLE BASIS** for the assessment of content quality will be the paper copy of your slides. Consequently, your slides must include every single piece of information management would need in order to evaluate the merits of your concept and your marketing plan.

Team members will evaluate one another in terms of both the level and the quality of their contributions to the project. Individuals who are rated lower than other team members will receive lower grades.

Tips on developing a marketing plan

1. Start by finding secondary research about, or related to, the product category that will allow you to gain insight into: likely target market(s), competitors, advertising/promotional spending in the category, brand positioning opportunities, price points, and distribution channels. Your goal is to find opportunities in the market that represent unmet/unserved consumer needs/wants.

A great place to begin is with Mediamark data, which contains comprehensive demographic, lifestyle and product usage information for a variety of consumer goods. Mediamark can be accessed – using Internet Explorer only – from the library homepage <http://www.wfu.edu/Library/>. Click on Find a Database, then on Business & Economics, then Marketing, then Mediamark MRI+. The first time you use Mediamark you will be required to register as a new user. When doing so, you must use your WFU e-mail address, because this identifies you as a member of a subscribing institution. You may assign yourself any password that fits their parameters; you need not use your WFU password. Once you have completed the registration form, Mediamark will send an e-mail to your WFU account. You must open the e-mail and click through the verification step to activate your account. This registration process is necessary only once, but you will need to sign into the database with your WFU e-mail address and password each time you wish to use it. Once you have signed into the database, you will see a Getting Started screen. At the top right will be an arrow inside a small gold circle labeled, "Mediamark Reporter". Click this button to access the consumer information database. Click on the most recent Product report, then on Household Products – Food products.

2. Check out other research resources available through Z. Smith, such as ProQuest, EBSCO Host, Emerald, and other online databases. Mintel Reports, which you can access through the Electronic Databases/Marketing link, are an extremely valuable source of information regarding consumer markets, products and trends.
3. Another useful site is CEOExpress, <http://ceoexpress.com>, which contains an entire section of Business Research links. Of course, you can also use a search engine you prefer.
4. Draft **two** product concepts using the format shown above. If your concepts have different targets, you will need to talk to **two** groups of at least 20 consumers (see next page regarding required primary research). Consequently, it would be easier if each of your concepts targets the same group, but offers a different brand name (perhaps), different benefits and different supporting evidence.

Example of one product concept for Sutter! a spiced butter product

The concept is based on a few basic findings from the situation analysis:

- 1.) Butter is used as a a.) recipe ingredient (baking, sautéing, frying, etc.), b.) spread (bread, muffins, etc.), and c.) topping (potatoes and other vegetables, popcorn, etc.);
- 2.) Popcorn sales in grocery stores have increased 9.5% per year for the last five years.
- 3.) Sales growth of popcorn as a gift item has averaged 17% over the last 10 years due to its growing popularity as a relatively low-calorie snack.
- 4.) 37% of consumers use butter on their popcorn.

These facts indicate that a spiced butter targeted at popcorn lovers would be a viable and valuable new product. Putting butter and popcorn together results in the following:

“Sputter! is the liquid spiced butter for popcorn lovers that offers a convenient way to add hot, mouthwatering flavor to every bag or bowl of popcorn because it comes in three zesty varieties (garlic parmesan, sour cream and onion, and cinnamon sugar) packaged in microwavable, easy-pour pouches.”

- *Brand name:* Sputter!
- *Product/category segment:* liquid spiced butter
- *Target market:* popcorn lovers, a **psychographic target** that cuts across demographic descriptors such as age, gender, income, education, geography
- *Benefit(s):* convenience; hot, mouthwatering flavor
- *Supporting product features:* microwavable, easy-pour pouches (evidence to support convenience); microwavable (evidence to support hot); three zesty varieties (evidence to support mouthwatering flavor)

5. Once you have received feedback from me on both of your concepts, conduct primary research with at least 20 consumers in your target market(s). Be sure that if you are approached by an individual in charge (at the mall, grocery store, church, bowling alley, home improvement store, etc.), you let him/her know what you are doing and why – Wake Forest marketing class project. Most will be very cooperative and helpful. Others will forbid you from questioning customers. In either case, remember who you are and what you represent and act accordingly (i.e., the manager has the final say about what goes on inside or outside his/her establishment!).
- a. *Ask a screening question* to determine whether individuals you approach are in your target market and are potential users of the new product (based on insights you gained from secondary research).
 - b. If the answer is “yes”, show the two concepts, which should be typed in large, easy-to-read font on separate pieces of paper. After the individual reads each concept, ask him/her:
 - How would you describe your willingness to try brand name, if it were available?

Use the following categories:

- Definitely will try
- Probably will try
- Might or might not try
- Probably won't try
- Definitely won't try

**Top Two
Box Score
(unadjusted)**

- The percentage of respondents who fall into the first two categories, “Definitely will try” and “Probably will try,” make up what is known as your **top-two-box score**. Many companies will not introduce a new product unless the top-two-box score is above a certain hurdle, such as 75%.

- c. Select the concept the individual indicated s/he is most likely to try and ask a series of questions, the purpose of which is to determine how often the product would be bought and to give you even more insight into the four Ps (product, price, place and promotion), which are the cornerstones of your marketing plan.

DO NOT waste the consumer's time by asking questions about the lower-rated concept.

NOTE: For your forecasts, you'll use an adjusted top two box score. Let's say, 45 percent of your respondents said "Definitely will try" and 25 percent of your respondents said "Probably will try." = Trial rate of 70 percent

Now, for the adjusted trial rate. The adjustment for the new project is 80% of the top box and 40% of the 2nd box.

$$(.80)(.45) + (.40)(.25) = .36 + .10 = .46$$

= Adjusted trial rate of 46 percent

Why are these adjustments made? Decades of research find that in simulated settings (not the real product like it will be on the real shelf among real competitors) the top two box score requires adjustment.

Back to your survey....

Please be sure not to waste consumers' time asking questions that can be answered through secondary research. Use primary consumer research to gain INSIGHT, not information! It is not helpful to know their age, income, education level, etc. MRI provides this data.

Include in your survey questions that will help you nail down the very best concept and a superb plan for marketing it.

- N.B.** It will be easier to gain participation if you do not hand people a questionnaire. Instead, ask them questions orally and complete the survey for them - checking the appropriate box or writing down responses as they answer.

So, after determining the consumer's willingness to try the concept, ask questions that give you insight and direction regarding marketing strategy (product, package, brand name, price, place, promotion). For example:

- Suggested changes/modifications they would like to see made to the product concept (including brand name).

- How often they would buy it (per week or per month, depending on the typical purchase cycle). You need this information to forecast annual sales.
- Desired product flavors/varieties, if they do not like those you included.
- Preferred packaging type, sizes and quantities.
- Appropriate pricing.

Ask "How much would you expect to pay for this product?" **THEN....**

ALWAYS provide a relevant reference point. Otherwise, consumers will not have a basis for responding. For the Sputter! example, you might ask:

- How much would you expect to pay for this product?
 - About as much as a shaker of popcorn salt?
 - About as much as a jar of cinnamon sugar?
 - About as much as a pound of butter?
 - About as much as a container of sour cream?
- What could be said about the product that would motivate them to try it (this will help you develop your brand message).
- Any other questions you think would help you fine-tune your concept and develop superior strategies for marketing it.
- You *should not report your findings* (except your box scores and trial rates) in your presentation. Rather, you should simply use consumer input to a.) complete the volume model and b.) inform your planning and decision making.

This project will give you an opportunity to integrate all the concepts from our class to build a marketing plan!