DRE 2010 Seminar in Marketing Strategy

Program

Responsible for the course
Fred Selnes

Department
Department of Marketing

Term
According to study plan

ECTS Credits
6

Language of instruction
English

The course schedule:
April 16th and 17th from 08:00-16:00 in meetingsroom C4-161
May 7th and 8th from 08:00 to 16:00 in A2-005
May 25th, May 26th 8:00 to 16:00 in A2-015

Objective

Seminar Objectives:

This seminar is designed to provide an introduction to the area of marketing strategy.

As such, it will identify, review, evaluate and critique a variety of topics in the field of marketing strategy. The major objectives are to help you (1) understand the theoretical rationales within the field, (2) understand the methods employed in empirical research within the area, and (3) identify areas for future research activity.

Learning Outcomes
The learning outcome is to acquire advanced knowledge in the area of marketing strategy. This includes the development of skills in conducting advanced theoretical and empirical research in the field of marketing in general and in marketing strategy in particular. The students should be able to develop an original and important research idea that extends the theoretical knowledge in the field, and further how the research idea can be empirically tested. Finally the participant should be able to communicate theoretical and practical research to the academic community, to the business community, and to students in the area of marketing strategy.

Prerequisites
Admission to a PhD Programme is a general requirement for participation in PhD courses at BI Norwegian School of Management.

External candidates are kindly asked to attach confirmation of admission to a PhD programme when signing up for a course with the doctoral administration. Candidates can be allowed to sit in on courses by approval of the courseleader. Sitting in on courses does not permit registration for courses, handing in exams or gaining credits for the course. Course certificates or conformation letters will not be issued for sitting in on courses

Compulsory literature

Recommended literature

Course outline
Scope of Seminar

The area of marketing strategy is a broad field of study and covers many topics and several theoretical paradigms. The field also reflects changes in the economy and business issues such as the change in focus on distribution, products, brands, service and relationships. Considerable emphasis will also be placed on strategies for conducting empirical research on marketing strategy.

The seminar consists of six sessions. The first section is brief discussion of the meaning of marketing and strategy, and how these concepts have evolved over time. The second session is a deep analysis of market structures, and in particular we focus on market heterogeneity and market dynamics. How companies interpret market structure is a key input to developing their marketing strategy. The following three sessions focus on three of the central topics in marketing: products, brands and relationships. In the final session we will discuss market orientation and how companies in general work with marketing strategy.

Computer-based tools

Course structure
Format
For each seminar meeting a limited number of required readings have been assigned. Each participant is expected to read all the required readings prior to the meeting and to be able to comment upon them during the discussion. Additional articles may be added during the semester. Each participant will present in class at least one of the assigned readings during the seminar. In this context, the presenter is expected to formulate 3-5 topics for discussion in class and lead the discussion. I expect to have 2 presentations for each seminar meeting, hence the number of presentations conducted by each participant will depend upon the total number of seminar participants. To a large extent, the value of this seminar will depend on your level of preparation and participation in the discussion.
Course credit will be given based upon the quality of class participation and a term paper.

Seminar Calendar
1. session: Introduction to Marketing Strategy
What is a market, what is marketing and what is strategy?

2. session: Market heterogeneity, market dynamics and competitive positioning

3rd. session Product and innovation strategy

4th session: Brand strategy

5th session: Customer strategy

6th session: Market orientation and Presentation of paper ideas

Final Paper Due 1 month after session 6

Evaluation
Assignments
You will be required to write a term paper for the seminar. The paper should be original work, and be written specifically for this seminar. An overview of the paper idea/abstract (max 3 pages) is due on the date for the fifth meeting. The abstract should focus on what you are proposing to do in relation to the existing literature. The paper topic must be related to marketing strategy. Each participant will present their paper idea in the last seminar meeting and receive comments from the other participants. To ensure an active discussion the abstracts will be distributed to all the other participants on the same day they are handed in and each participant will be asked to prepare written comments to the abstracts. The written comments will be given to the presenter as an aid in preparing the final paper.
The final paper should be maximum 25 pages and is due one month after the last seminar meeting. The specific format for this paper will be provided in class.
Exact dates will be distributed on the first seminar meeting.
The paper should be original work, and be written specifically for this course

Your seminar grade will be determined on the following basis:

Seminar participation, including written reviews: 40%
Presentation of paper idea: 20
Term paper: 40%

The grade is given in letter grade on the ECTS scale. Students cannot retake parts of the evaluations.

Evaluation code(s)
DRE 20101 for a 100% of the final grade

Aids at the examination

Makeup exam
Next time the course is offered

Honour Code
Academic honesty and trust are important to all of us as individuals, and represent values that are encouraged and promoted by the honour code system. This is a most significant university tradition. Students are responsible for familiarizing themselves with the ideals of the honour code system, to which the faculty are also deeply committed.

Any violation of the honour code will be dealt with in accordance with BI's procedures for cheating. These issues are a serious matter to everyone associated with the programs at BI and are at the heart of the honor code and academic integrity. If you have any questions about your responsibilities under the honour code, please ask.

Required readings

What is a market, what is marketing and what is strategy?

Pindyck, Robert S. and Rubinfeld, Daniel L., Microeconomics, 6.th edition, Pearson, Prentice Hall, Chapter 1,2 7
Levitt, Theodore (1960)*, Marketing Myopia, Harvard Business Review* , July-August, 45-56.
Coase, R. H. (1937), "The Nature of the Firm," in *Readings in Price Theory* , George J. Stigler and Kenneth E. Boulding (eds.), Chicago, IL: Irwin, 331-351.
Porter, Michael, Competitive Strategy, Chapters 1-3
Rumelt, Richard (1991), "How Much Does Industry Matter?" Strategic Management Journal, Vol.12, 167-185
Michael Porter (1996), "What is Strategy, *Harvard Business Review* , November-December, 59-79
J.B.Barney, Firm resources and sustained competitive advantage, J. of Management, 1991, vol 17(1),99-120.
M.A.Peteraf,The cornerstone of competitive advantage: A resource-baced view, Stategic Management Journal, 1993, Vol 14, 171-191.
B.Wernerfelt, A resouce-based view of the firm, Strategic management journal, 1984, vol5, 171-181,
Hoskisson, Robert, Hitt, Michael, Wan, William and Yiu, Daphne (1999), "Theory and research in strategic management: Swings of a pendulum," Journal of Management, Vol 25, no 3, 417-456
Wernerfelt, Birger (1984), "A Resource-Based View of the Firm," Strategic Managment Journal, vol. 5, 171-180
Peteraf, Margaret (1993), "The Cornerstone of Competitive Advantage: A Resource Based View," Strategic Managment Journal, Vol 14, 179-191

Market heterogeneity, market dynamics and competitive positioning

Smith, Wendell (1956), "Product differentiation and market segmentation as alternative marketing strategies," The Journal of Marketing, 3-8
Claycamp, Henry J and William F. Massy (1968), "A Theory of Market Segmentation," Journal of Marketing Research, Vol. V, November 1968, 388-394.
Wind, Yoram (1978), "Issues and Advances in Segmentation Research," Journal of Marketing Research, Vol. XV, 313-17
P.R.Dickson &J.L.Ginter, Market segmentation, product differentiation, and Marketing strategy, JM,Vol. 51April 1987),1-10
Dickson, Peter R. (1992), "Toward a General Theory of Competitive Rationality," *Journal of Marketing* , 56 (January), 69-83.
Johnson, Michael and Fred Selnes (2004), "Toward a Dynamic Theory of Exchange Relationships: Customer Portfolio Management," *Journal of Marketing* , April 2004.
Day, George and Robin Wensley (1988), "Assessing Advantage: A Framework for Diagnosing Competitive Superiority," *Journal of Marketing* , 52 (April), 1-20.
Srivastava, Rajendra, T. Shervani and Liam Fahey (1998), "Market-Based Assets and Shareholder Value: A Framework for Analysis," *Journal of Marketing* , January.
Buzzell, Robert (1981), Are there "Natural Market Structures," JM, Winter, 42-51
Waterschoot, Walter van and Christopher Van den Bulte, (1992), "The 4P classification of the marketing Mix Revisited," JM 56, October, 83-93

Product strategy

Hotelling, Harold (1929), "Stability in Competition," Economic Journal, 39, 41-57

Lancaster, Kelvin (1990), "The Economics of Product Variety: A Survey," *Marketing Science* , No. 3, Summer, 189-205

Im, Subin and P. Workman Jr (2004), “Market Orientation, Creativity, and New Product Performance in High-Technology Firms,” *Journal of Marketing,* Volume 68, (April), 114-132**.**

Lovelock, Christopher H. (1983), Classifying Services to Gain Strategic Marketing Insigths,” Journal of Marketing, 47, Summer 9-20

Day, George (1977), “Diagnosing the Product Portfolio,” JM, 41, April 29-38

Moon, Youngme (2005), “Break Free from the Product Life Cycle,” *Harvard Business Review* , May, 86-94.

Johnson, Richard (1971), “Market Segmentation: A Strategic Marketing Tool,” JMR, 8, February, 58-62

Brand strategy

Keller, Kevin L.; Brian Sternthal; Alice Tybout (2002), “Three Questions You Need to Ask About Your Brand,” *Harvard Business Review* , September.
Sujan, Mita and James Bettman (1989), “The Effects of Brand Positioning Strategies on Consumers’ Brand and Category Perceptions: Some Insight from Schema Research,” *Journal of Marketing Research* , Vol XXVI (November), 454-67.
Keller, Kevin Lane and Sanjay Sud (2003), “Brand Equity Dilution,” *MIT Sloan Management Review, Volume 45* , Issue 2 (Fall), 12-15.
Berthon, Pierre (2003), “Understanding and Managing the Brand Space,” *MIT Sloan Management Review, Volume 44* , Issue 2 (Winter), 49-55.
Kumar, Nirmalya (2003), “Kill a Brand,” *Harvard Business Review* , December, 86-95
Randall, Taylor, Karl Ulrich, David Riebstein (1998), “Brand Equity and Vertical Product Line Extent,” Marketing Science, Vol 17, No 4, 356-379
Roedder John, Deborah, Barbara Loken, and Christopher Joiner (1998), The Negative Impact of Extensions: Can Flagship Products be Dilluted?” JM, vol 62, 19-32
Völckner, Franziska; Sattler, Henrik (2006), “Drivers of Brand Extension Success, “ .*Journal of Marketing,* Vol. 70, Issue 2, p18-34.

Customer strategy

Dyer, Jeffrey H and Singh, Habrir (1998), “A Relational View: Cooperative Strategy and sources of interorganizational competitive advantage,” Academy of Management Review, vol. 23, No 4, 660-679
Håkansson, Håkan and Snehota, Ivan (1989), “No business is and island: The network concept of business strategy,” Scandinavian Journal of Management, vol 5, no 3, 187-200
Johnson, Michael and Fred Selnes (2004), “Customer Portfolio Management: Toward a Dynamic Theory of Exchange Relationships,” *Journal of Marketing* , Volume 68, (number 2)
Heide, Jan B. (1994), “Interorganizational Governance in Marketing Channels,” *Journal of Marketing,* 58 (1), 71-85.
Johanson, Jan, Lars Hallén and Nazeem Seyed-Mohamed (1991), "Interfirm Adaptation in Business Relationships," *Journal of Marketing* , 55 (2), 29-37.
Anderson, Erin and Sandy Jap (2005), “The Dark Side of Close Relationships,” *MIT Sloan Management Review* , Vol. 46 (Spring), Issue 3, 75-..
Spreng, Richard, Scott Mackenzie and Richard Olshavsky (1996), A Reexamination of the Determinants of Consumer Satisfaction, *Journal of Marketing* , 60 (July), 15-32
Anderson, Eugene, Claes Fornell and Donald Lehman (1994), Customer Satisfaction, Market Share, and Profitability: Findings from Sweden,” *Journal of Marketing* , 58 (July), 53-66.
Palmatier, Robert W.; Dant, Rajiv P.; Grewal, Dhruv; Evans, Kenneth R. (2006), “Factors Influencing the Effectiveness of Relationship Marketing: A Meta-Analysis,” *Journal of Marketing,* Oct2006, Vol. 70 Issue 4, p136-153
Tuli, Kapil R., Ajay Kohli, and Sundar Bharadwaj, (2007), ”Rethinking customer solutions: From Product bundles to relational processes,” JM, 71, July, 1-17

Market orientation

Kohli, Ajay K. and Bernard J. Jaworski (1990), “Market Orientation: The Construct, Research Propositions, and Managerial Implications," *Journal of Marketing* , 54 (April), 1-18.
Kirca, Ahmet H., Satish Jayachandran, and William O. Bearden (2005), “Market-Orientation: A Meta-Analytic Review and assessment of its Antecedents and Impact on Performance,” *Journal of Marketing* , 69 (April), 24-41.
Kennedy, Karen Norman, Jerry R. Goolsby and Eric J. Arnould (2003), “Implementing a Customer Orientation: Extension of Theory and Apllication,” *Journal of Marketing* , Volume 67, (October), 67-81.

Additional Readings
A list of recommended readings has been provided for each seminar meeting. In addition, the following textbooks may be useful for future reference:
Cravens, David M. and Nigel F. Piercy (2005), Strategic Marketing, McGraw-Hill, New York

Cook, Karen S. (1987), *Social Exchange Theory* . Newbury Park, CA: Sage Publications Inc.

Thompson, James D. (1967), *Organizations in Action* . New York, NY: McGraw-Hill Book Co.

Arrow, Kenneth J. (1974), *The Limits of Organization* . New York, NY: Norton.

Pfeffer, Jeffrey and Gerald R. Salancik (1978), *The external Control of Organizations: A Resource Dependence Perspective* . New York, NY: Harper & Row Publishers.

Blau, Peter M. and Richard W. Scott (1962), *Formal Organizations: A Comparative Approach* . San Francisco, CA: Chandler Publishing Company.

Håkansson, Håkan and Ivan Snehota (1995), *Developing Relationships in Business Networks* . London: Routledge.