Year and Semester: Semester 1, 2009

Unit Convenor: Leanne Carter

Prerequisites: Entry into BBA or BCom-Mktg OR B Int.Bus; BBA101 or MKTG101.

Students should read the Unit Outline carefully at the beginning of the semester. It contains important information about the unit. If anything is unclear, please consult the unit convenor.

ABOUT THIS UNIT

BBA203 is a 3 credit point subject. This unit extends the material learnt in MKTG101 - Fundamentals of Marketing in reference to product and pricing decisions. Product strategy will encompass product classification, product management, brand management, new product development and portfolio management. Pricing decisions will look at alternate methods of pricing.

TEACHING STAFF

Convenor- Leanne Carter
Building E4A Room 631
Tel: 9850 6467
Email: lcarterp@efs.mq.edu.au

Consultation Times: Fridays, 1.00pm to 2.00pm and other times by appointment.

CLASSES

Lecture Time: Friday, 10.00am to 1.00 pm
Location: E7B T4

Friday, 2.00pm to 5.00pm
Location: E7B T2

The timetable for classes can be found on the University web site at: http://www.timetables.mq.edu.au/
LEARNING OBJECTIVES AND OUTCOMES

This unit is designed to give an in-depth understanding of the job of the “typical” product manager in marketing consumer and business to business goods/services. While the specific duties of a product manager vary considerably across industries and companies, the course focuses on the four major activities common to the position: (1) analysis of market information, (2) developing product strategy, (3) programming the strategy, and (4) implementation. The course attempts to simulate the product manager’s job through the development of a marketing plan for a particular product or service through a computer simulation. In addition, a range of cases will be analysed. These cases will allow students to develop their problem solving skills as well as communication skills: both oral and written.

RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES

Knowledge and understanding of the product and pricing decisions that make up part of the marketing mix are assessed by a mixture of examinations, assignment, presentation and computer simulation. Marks in this unit will be allocated on the following basis:

- Assignment 1 - Music 2 Go Single Player 5%
- Assignment 2 - Multi Player M2Go
  - Strategic Marketing Plan 25%
- Assignment 3 - Individual Essay 20%
- Final examination 50%

All students are required to perform satisfactorily in the final examination to obtain a passing grade for the unit. No other assessment marks will be considered until a pass has been obtained in the final examination.

Students will have to cope with the usual range of issues that arise in the context of group work. There are to be no more than 6 students and no less than 4 students per group.

You are expected to have read nominated chapters, readings and/or cases prior to the appropriate lecture/tutorial, so you are prepared to discuss them in class.

In the case of missing lectures and/or tutorials, it is your responsibility to arrange for the submission of completed assignments and to obtain any notes, readings and assignment details.

Whilst there is a three hour lecture/tutorial session scheduled each week, it is expected that part of this time will be allocated to The Music 2 Go simulation for weekly decision meetings and group assignment. The assessment items are all described below.
Assignment 1. MUSIC 2 GO Simulation – SINGLE PLAYER

Objective: To experience managing a marketing campaign while trying to achieve key financial targets.

Your goal in this assignment is to take over as Vice President Marketing for your single-player music2go firm. Your instructions are clear: you must try to achieve the highest cumulative net marketing contribution that you can by the end of 2017. To do this you must use a combination of your marketing skills that you have learnt from your degree so far, combined with keeping a watchful eye on profitability.

Net marketing contribution is the amount of profit remaining after manufacturing (cost of goods sold) and marketing expenditures have been deducted. The only costs still to be deducted are other functional overhead costs for your firm, e.g. finance, administration etc.

Net marketing contribution is a measure of how profitable your firm is because of your strategic marketing plan. There are two ways that you can increase your net marketing contribution:

• Reduce Marketing Expenditure without reducing your Gross Margin
• Increase Gross Margin without increasing your marketing expenditure

How you achieve that, is the challenge of M2G.

Target Cumulative Net Marketing Contribution Levels

<table>
<thead>
<tr>
<th>Cumulative Contribution</th>
<th>Result</th>
<th>Comment/Feedback</th>
</tr>
</thead>
<tbody>
<tr>
<td>$50m or less</td>
<td>Fail</td>
<td>Try repeating the exercise without making any decisions, it will improve your result</td>
</tr>
<tr>
<td>&gt;$50m</td>
<td>Poor</td>
<td>You have not fully understood the basic concepts of m2g, try doing a cost reduction project or launching a new product</td>
</tr>
<tr>
<td>&gt;$100m</td>
<td>Good</td>
<td>You have a sound understanding of the basic concepts of m2g. Try a more aggressive strategy to make it to the next level.</td>
</tr>
<tr>
<td>&gt;$150m</td>
<td>Very Good</td>
<td>m2g single-player is no longer a challenge for you</td>
</tr>
<tr>
<td>&gt;$200m</td>
<td>Excellent</td>
<td>You are an m2g guru, email your save game to <a href="mailto:help@smartsims.com">help@smartsims.com</a></td>
</tr>
</tbody>
</table>

Please note that you are required to submit a printed copy of your Single-Firm Cumulative Net Marketing Contribution line chart showing the cumulative contribution of your firm at 2017. See the Assignment and Marketing Guide at the end of the outline for extra details. You should use this form for the assignment submission.

Assignment 2. MUSIC 2 GO Simulation – MULTI PLAYER

Strategic Marketing Plan for Decision 5

(based on data from Decisions 1 to 4) 25 marks

Due: 4.00pm, 1st May.

This assignment is based upon the m2g Scenario. You can access a full set of the m2g reports for your firm when you login to the m2g software. When preparing the plan outlined below, note that it is not necessary to refer to all of the m2g information available to you - present only that information which you see as critical to helping a well informed manager to understand your decisions and reasoning.
You should assume that this plan would be the basis of what you intend your firm to achieve over the next 5 years in m2g (i.e for Years 3 to 5). It should be marketing focused. For more guidance on Strategic Marketing Planning refer to Chapter 2 (Planning) in your m2g Player's manual.

For this assignment you are required to:

1. **Conduct a situation analysis.**
   Your situation analysis should cover both external environmental forces and internal non-marketing resources. It should also consider the groups of consumers served by your firm, the strategies used to satisfy them, and key measures of marketing performance. Due attention should be given to identifying and assessing competitors that are serving the same markets.
   Your situation analysis should also include a SWOT assessment. This involves identifying and evaluating your most significant strengths, weaknesses, opportunities, and threats. Information for the analyses is available in the reports/market research available in m2g and in the player’s manual.

2. **Develop marketing objectives.**
   Your Marketing objectives should be closely related to your m2g firm’s company-wide objectives and strategies.
   Remember that strategic planning involves matching an organization’s resources with its market opportunities. With this in mind, you need to assign a priority to each marketing objective based on its urgency, cost and its potential impact on your market opportunities.

3. **Determine positioning and differential advantage.**
   You need to state how you intend to position your product(s) in the marketplace and how to distinguish it (them) from competitors.
   After describing your product positioning you need to describe what each product’s differential advantage is. Note that differential advantage refers to any feature of an organization or brand perceived by customers to be desirable and different from those of the competition.

4. **Select target markets and measure market demand.**
   The m2g market has already been roughly divided into large general segments. You must now choose which of those segments you wish to target and what subsets when those segments. E.g. will you be targeting the whole segment or budget constrained consumers that shop in discount stores.
   Once you have chosen one or more potential target markets; then you must forecast demand (that is, sales) in those markets. The results of demand forecasting will represent valuable information in deciding whether a specific segment is worth pursuing, or whether alternative segments need to be considered.

5. **Design a strategic marketing mix.**
   For each target market you have selected, you must design and describe a marketing mix, which is the combination of multiple aspects of the following four elements: a product, how it is distributed and promoted, and its price.

This assignment should be concise and no longer than 10 pages long.
See the Assignment and Marking Guide at the end of the outline for extra details. You should use this form for the assignment submission.
Assignment 3: Individual Assignment

This assignment is to be completed on an individual basis. It is designed to test your understanding of a major conceptual issue that underlies product and pricing marketing theory. The assignment should be concise, clearly argued, and typed single-sided, on A4 paper, using 12pt font, 1.5 line spacing, with your student name and identification number in the footer of each page. The length is to be no longer than 2000 words (excluding introduction, conclusion, any tables and references).

**TOPIC**

EXPLAIN THE IMPORTANCE OF THE EMPLOYEE AND INTERNAL MARKETING ON THE SUCCESS OR FAILURE OF PRODUCT STRATEGY. INTEGRATE RECENT RESEARCH AND PRACTICAL EXAMPLES TO SUPPORT YOUR ANSWER IN RELATION TO THE PRODUCT CONCEPT, NEW PRODUCT DEVELOPMENT, PRODUCT ADOPTION, PRODUCT LIFE CYCLE AND BRANDING STRATEGIES.

**SUGGESTED REFERENCES TO GET YOU STARTED:**


The essay must do these things:
1) be organized around and related directly to the topic
2) synthesize results into a summary of what is and is not known, and
3) identify areas of controversy in the literature.

It is expected that you would have a minimum of 6 quality journal article references from academic journals, and at most 5 references from textbooks. As you will be reviewing many published works it is important that you correctly reference and acknowledge all sources, both in-text and in your reference list.

See marking guide at end of this unit outline.

**Final Examination**

A three hour written examination will be held in the examination period. The examination will include questions relating to The Lectures, Textbooks, Music 2 Go Simulation, Case Studies, and any materials discussed in lectures or distributed on WEB CT. You will be expected to be able to apply your knowledge. To simply feedback lecture notes (or any other materials) will not guarantee a pass. Further details will be given in lectures.

**Note:** To obtain a passing grade in this unit you must pass the final examination. No other marks will be considered unless a pass is obtained in the final examination.
**REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS**

**Prescribed Texts:**

Music 2 Go Simulation (can be accessed and purchased on-line)

**Additional/Recommended Reading** (held in Special Reserve):


In addition to these there may be a number of journal articles added to Web CT during the semester. Material from any (or all) of these may be used for examination purposes.

PLUS additional information on this subject can be found in the following business periodical publications. These publications are available in the library either in hard copy or in electronic format:

<table>
<thead>
<tr>
<th>Journal of Marketing</th>
<th>European Journal of Marketing</th>
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<tbody>
<tr>
<td>Journal of Product and Brand Management</td>
<td>Harvard Business Review</td>
</tr>
</tbody>
</table>

**UNIT WEB PAGE**

This unit is supported by a web Page. You can log into this using the following address:

http://learn.mq.edu.au/
### Teaching and Learning Strategy

(Note that this Schedule of Topics is not formalised and some topics may not be covered)  
Critical dates and issues are in **BOLD**

<table>
<thead>
<tr>
<th>Week</th>
<th>Date</th>
<th>Topic</th>
<th>Activities</th>
</tr>
</thead>
</table>
| 1    | 27 February| Course Introduction  
Music 2 Go- an introduction to the Simulation and Assignments |                                                                           |
| 2    | 6 March    | Introduction to Product Management and Marketing Planning  
L&W Chapters 1 & 2.  
Music 2 Go:  
• Getting started  
• Allocation of Firms (groups)  
• FAQ |                                                                           |
| 3    | 13 March   | Assessing the Situation: Defining the Competitive Set  
Category Attractiveness  
L&W Chapters 3, & 4.  
Perspectives on the Australian Macromarketing Environment  
Clemes & Brush Case: Magnetic Attraction  
Assignment 1 DUE Music 2 Go SinglePlayer at 2.00pm in BESS |                                                                           |
| 4    | 20 March   | Competitor Analysis  
L&W Chapter 5  
1st Trial Decision M2Go at 11.00pm |                                                                           |
| 5    | 27 March   | Customer Analysis  
Market Potential and Sales Forecasting  
L&W Chapter 6 & 7  
2nd Trial Decision M2Go at 11.00pm |                                                                           |
| 6    | 3 April    | Developing Product Strategies  
Brand Strategy and Product Management  
L&W Chapter 8  
IN CLASS TEST OF MUSIC 2 GO KNOWLEDGE  
1st Real Decision M2Go at 11.00pm |                                                                           |
<table>
<thead>
<tr>
<th>Week</th>
<th>Date</th>
<th>Event Description</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>9th April</td>
<td>Assignment 3 ESSAY DUE THURSDAY 9th APRIL At 4.00pm in BESS</td>
<td></td>
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<tr>
<td>7</td>
<td>10 April</td>
<td>GOOD FRIDAY</td>
<td>2nd Real Decision M2Go at 11.00pm</td>
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<tr>
<td></td>
<td>GOOD FRIDAY</td>
<td></td>
<td></td>
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<tr>
<td>mid</td>
<td>17 April</td>
<td>Mid Semester Break</td>
<td>3rd Real Decision M2Go at 11.00pm</td>
</tr>
<tr>
<td>Mid</td>
<td>24 April</td>
<td>Mid Semester Break</td>
<td>4th Real Decision M2Go at 11.00pm</td>
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<tr>
<td>8</td>
<td>1 May</td>
<td>Branding Strategies Cases including Club Med, 3M and AMEX.</td>
<td>5th Real Decision M2Go at 11.00pm</td>
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<td></td>
<td></td>
<td>Keller Chapter 12</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Assignment 2 DUE Music 2 Go Strategic Marketing Plan (relevant to decisions 1 to 4) at 4.00pm in BESS</td>
</tr>
<tr>
<td>9</td>
<td>8 May</td>
<td>New Product Development L&amp;W Chapter 9</td>
<td>6th Real Decision M2Go at 11.00pm</td>
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<tr>
<td>10</td>
<td>15 May</td>
<td>Pricing Decisions and Financial Analysis for Product Management L &amp; W Chapters 10 &amp; 15</td>
<td>Customers and Pricing: Understanding and Influencing the Purchase Decision Nagle &amp; Holden Chapter 4</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>7th Real Decision</td>
</tr>
<tr>
<td>11</td>
<td>22 May</td>
<td>Pricing Case: American Airlines Pricing</td>
<td>8th Real Decision</td>
</tr>
<tr>
<td>12</td>
<td>29 May</td>
<td>Debrief of Simulation</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>5 June</td>
<td>Review of Unit Questions for Final Exam</td>
<td></td>
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</table>
EXAMINATIONS

The University examination period in the first half of the year 2005 is from 15 June to 29 June. You are expected to present yourself for examination at the time and place designated in the University Examination Timetable. The timetable will be available in Draft form approximately eight weeks before the commencement of the examinations and in Final form approximately four weeks before the commencement of the examinations.

http://www.timetables.mq.edu.au/exam

The only exception to not sitting an examination at the designated time is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Special Consideration. Information about unavoidable disruption and the special consideration process is available at http://www.reg.mq.edu.au/Forms/APSCon.pdf

If a Supplementary Examination is granted as a result of the Special Consideration process the examination will be scheduled after the conclusion of the official examination period.

You are advised that it is Macquarie University policy not to set early examinations for individuals or groups of students. All students are expected to ensure that they are available until the end of the teaching semester, that is the final day of the official examination period.

PLAGIARISM

The University defines plagiarism in its rules: "Plagiarism involves using the work of another person and presenting it as one's own." Plagiarism is a serious breach of the University's rules and carries significant penalties. You must read the University's practices and procedures on plagiarism. These can be found in the Handbook of Undergraduate Studies or on the web at: http://www.student.mq.edu.au/plagiarism/

The policies and procedures explain what plagiarism is, how to avoid it, the procedures that will be taken in cases of suspected plagiarism, and the penalties if you are found guilty. Penalties may include a deduction of marks, failure in the unit, and/or referral to the University Discipline Committee.

UNIVERSITY POLICY ON GRADING

Academic Senate has a set of guidelines on the distribution of grades across the range from fail to high distinction. Your final result will include one of these grades plus a standardised numerical grade (SNG). On occasion your raw mark for a unit (i.e., the total of your marks for each assessment item) may not be the same as the SNG which you receive. Under the Senate guidelines, results may be scaled to ensure that there is a degree of comparability across the university, so that units with the same past performances of their students should achieve similar results. It is important that you realise that the policy does not require that a minimum number of students are to be failed in any unit. In fact it does something like the opposite, in requiring examiners to explain their actions if more than 20% of students fail in a unit. The process of scaling does not change the order of marks among students. A student who receives a higher raw mark than another will also receive a higher final scaled mark. For an explanation of the policy see http://www.mq.edu.au/senate/MQUonly/Issues/Guidelines2003.doc or http://www.mq.edu.au/senate/MQUonly/Issues/detailedguidelines.doc.

STUDENT SUPPORT SERVICES

Macquarie University provides a range of Academic Student Support Services. Details of these services can be accessed at http://www.student.mq.edu.au.
Assignment 1: Music 2 Go Simulation – Single Player  
Due at 1.00pm, 20th March

Your goal in this assignment is to take over as Vice President Marketing for your single-player music2go firm. Your instructions are clear: you must try to achieve the highest cumulative net marketing contribution that you can by the end of 2017.

Name: ________________________________________________________

Student ID: ________________________________________________________

<table>
<thead>
<tr>
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<td>$50m or less decisions, it</td>
<td>Fail</td>
<td>FAIL</td>
<td>Try repeating the exercise without making any will improve your result</td>
</tr>
<tr>
<td>&gt;$50m concepts of m2g, try new product</td>
<td>Poor</td>
<td>PASS</td>
<td>You have not fully understood the basic doing a cost reduction project or launching a</td>
</tr>
<tr>
<td>&gt;$100m</td>
<td>Good</td>
<td>CREDIT</td>
<td>You have a sound understanding of the basic concepts of m2g. Try a more aggressive strategy to make it to the next level.</td>
</tr>
<tr>
<td>&gt;$150m</td>
<td>Very Good</td>
<td>DISTINCTION</td>
<td>M2G single-player is no longer a challenge for you</td>
</tr>
<tr>
<td>&gt;$200m</td>
<td>Excellent</td>
<td>HIGH DISTINCTION</td>
<td>You are an m2g guru, email your save game to</td>
</tr>
</tbody>
</table>

Please attach a printed copy of your Single-Firm Cumulative Net Marketing Contribution line chart showing the cumulative contribution of your firm at 2017.
Assignment 2: Strategic Marketing Planning
For your Music2Go Firm 25 MARKS

Names: ________________________________________________________
________________________________________________________
________________________________________________________
________________________________________________________
________________________________________________________
________________________________________________________

ASSESSMENT SCHEDULE

CONTENT (90%)

- Situational Analysis Poor 1 2 3 4 5 Excellent
- Marketing Objectives Poor 1 2 3 4 5 Excellent
e.g. brand equity, customer, new product.
- Customer Targets Poor 1 2 3 4 5 Excellent
- Segmentation and Positioning
- Product Strategy Poor 1 2 3 4 5 Excellent
- Core Strategy
  (Value Proposition; Product Positioning.)
- Price Poor 1 2 3 4 5 Excellent
- Place Poor 1 2 3 4 5 Excellent
- Integrated Marketing Communications Poor 1 2 3 4 5 Excellent
- Overall Program of 4 P’s Poor 1 2 3 4 5 Excellent
  (Realistic; Comprehensive; Consistent/integrated; Innovative.)
- Financial Data Poor 1 2 3 4 5 Excellent

PRESENTATION (10%)

- Organisation, Logic and Clarity of expression Poor 1 2 3 4 5 Excellent
- Grammar and Spelling Poor 1 2 3 4 5 Excellent
- Tables, charts and graphs with sources Poor 1 2 3 4 5 Excellent
- Professional Presentation including neatness, page numbers, etc.
  Poor 1 2 3 4 5 Excellent

COMMENTS:........................................................................................................
............................................................................................................................

FINAL GRADE □  Signature: ________________________ Lecturer
**Name:**  
**Student ID:**

---

**Introduction:**
1. Introduces the topic, details the purpose and structure of the assignment concisely  

   **Score:** 20

---

**Content & Analysis:**
2. Identification of seminal literature on the topic (minimum of 6 scholarly articles)  

   **Score:** 10

3. Comprehensive analysis and discussion of the literature relevant to the research topic; Arguments about the topic were outlined and justified with reference to the literature  

   **Score:** 20

4. Themes in the literature were identified, discussed and critically evaluated  

   **Score:** 10

5. CONCLUSION: Summarises the key findings of each section in a concise yet comprehensive manner  

   **Score:** 10

---

**Presentation and Referencing:**
6. Sentence & paragraph construction, clarity, readability, succinctness, spelling, grammar, punctuation  

   **Score:** 10

7. Appendices, tables and figures are appropriately presented,  

   **Score:** 5

8. List of references and in-text referencing is presented in accordance with an accepted referencing style  

   **Score:** 10

---

**Comments:**

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

---

**Final Mark**

**Initials:**

(Lecturer)
OVERVIEW OF INDUSTRY

- Summary of opportunities and threats of the general market including competitors
  Include Market Size, Growth, PLC and Profits.
  Consider competitors’ Objectives Marketing Mix, Differential Advantage

COMPANY REVIEW

- Detailed analysis of company performance against your Strategic Marketing Plan
- Departures from the Strategic Plan (FOR DECISIONS 1 TO 4) noted with the reasons
- Analysis of how the company affected the industry or how it had to react to strategies adopted by competitors
  Consider: Objectives and Strategies, Marketing Mix (4 P’s), Profits (BUDGETS AND ACTUALS WITH EXPLANATIONS OF VARIANCE), Value Chain, Differential Advantage/Resource Analysis

LEARNING

Key insights gained about marketing management
Team decision-making and conflict management processes
| NAME:……………………………………………………………………………………………………….. |
| STUDENT ID:……………………………………………………………………………………………… |
| EMAIL:…………………………………………………………………………………………………… |

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PLEASE NOMINATE THE GROUP LEADER BEFORE SUBMITTING TO THE LECTURER