

OVERVIEW OF MKT 543: MARKET DEMAND AND SALES FORECASTING

INSTRUCTOR: PROFESSOR S. SIDDARTH

Reasons to Take This Course

This course is designed to introduce you to a number of quantitative techniques and analytical tools that provide insight into the nature of consumer demand and its response to changes in the marketing mix. The use of these techniques can improve a manager's forecasting ability, provide a better understanding of market behavior and, ultimately, form the basis for making more effective and efficient marketing decisions.

Course Goals

The specific objectives of the course are:

1. To familiarize you with several advanced, quantitatively oriented marketing tools that enhance demand forecasting ability and marketing decision-making.
2. Provide extensive experience in using these tools through computer exercises (i.e., dirtying your hands with the data). Most of the analysis will be done via Excel.
3. Develop an ability to critically assess the strengths and weaknesses of these modeling approaches when applied to specific marketing problems (via case analysis and discussion).

Topics

1. Sales Forecasting for Durable Goods: Bass Model
2. Sales Forecasting for Non-durables: Pre-test market techniques (Assessor)
3. Understanding Consumer Preferences and Implications for Segmentation, Targeting and Positioning using Conjoint Analysis.
4. Assessing Consumer price and promotion response: Regression and logit models using aggregate and household-level scanner data
5. Measuring the profitability of Promotions: Baseline and Incremental Sales
6. Models for Resource Allocation: Decision Calculus or "how to incorporate managerial judgement into forecasts"
7. Models to assess sales response to advertising
8. Customer Lifetime Value and its implications for Marketing

Assessment

This is a quantitative course with extensive use of regression and quantitative models in Marketing. While the basic Statistics and Marketing core class will suffice as pre-requisites, you should be prepared to put in sufficient effort both inside and outside the classroom. Your final grade in the course will be based on a combination of class participation, two group assignments, two individual assignments, a group project and a challenging final exam.