

MKT 526 Syllabus: Fall 2014

USC Marshall School of Business

Instructor: [Gerard J. Tellis](#), Professor of Marketing and Management & Organization
Neely Chair of American Enterprise, Director of Center for Global Innovation

Address: Office: 814 Hoffman Hall School Office: 213-740-5031
Email: tellis@usc.edu Home Office: 626-333-1981
Electronic Bulletin Board: Blackboard Website: <http://www.gtellis.net>

Office Hrs: Mondays and Wednesdays 5 to 6 PM or by appointment, except holidays.

Texts: *Readings for MKT 526 Tellis (Rdr)* USC Campus Stores
Effective Advertising (Txt), 2004, Sage or equivalent
Supplementary Selections, (Sup), Blackboard

References: *On Writing Well*, William Zinsser, Harper Perennial, any recent edition.

Scope

Promotion is the art and science of communicating to buyers the benefits of one's offer. It consists of advertising, sales promotion, publicity, and personal selling. This course focuses primarily on advertising and secondarily on sales promotion.

Rationale

Promotion involves the challenging task of communicating a firm's offer in a rapidly changing, highly competitive environment. Rapid changes in technology have created radically new products and markets, revolutionized the media landscape, and transformed the world of promotion. These changes have increased the need for communicating appropriately with buyers. Fortunately, recent research has greatly enhanced our understanding of promotion and provided us with new ideas, tools, and models to communicate effectively. Thus, a thorough study of these issues is vital for marketing today.

Objectives

Specifically, the course seeks to help students:

- Understand the phenomenon of advertising & sales promotion in contemporary markets
- Evaluate, develop, and choose creative ads
- Place ads in appropriate media, programs, and schedules
- Design advertising & sales promotion strategies
- Evaluate the profitability of advertising & sales promotion and develop budgets for the same

Teaching Method

The course uses several teaching methods including lectures, discussions, exercises, and student presentations. Similarly, it uses several teaching aids, besides the text, such as cases, articles, news clippings, and videos. In all these methods, student participation is an important component of learning. In addition, students should feel free to email the instructor any interesting news clips or ads they encounter. Students should strive to achieve the following goals from each session:

- Grasp the key issues or principles.
- Appreciate the pros and cons of each position.
- Contribute insights based on thorough prior preparation.

Participation

Participation covers contributions to the group project and class discussion. Participation in class discussion has several benefits. It promotes a better understanding of the theory, relates it to one's experience and knowledge, and sharpens communication skills. Students should come well prepared for class. We will try to establish an atmosphere of friendly, lively debate. However, the instructor has the right to make cold calls. For their part, students should feel free to question, think aloud, and propose new ideas. A well-prepared student is more relaxed and better able to do so. Students should strive to participate sincerely and productively rather than be disruptive or try to impress. Because the class experience is vital for learning the material, students must attend every class on time. They must inform the instructor *in advance* if they are going to be late or absent. The instructor will take a picture of the students in the class at the start of every class. Students are responsible for being on time with their name tent visible for this picture. The grade for participation depends on the following components:

- Contributions to class discussions, evaluated by:
 - Attendance
 - Insightful comments
 - Probing questions
 - Supporting a learning environment
 - Presenting on behalf of the group
 - Short presentations on relevant topics
 - Sharing news clips for the benefit of other participants
 - Contributions to the group project

Group Work

Working in groups is generally more productive and better reflective of the business environment. Assignments and a project are by groups. Students may form groups of their choosing, subject to everyone finding a group. Groups may change for the case analysis, the critique, and the rest of the project. Because advertising is a culturally bound activity, groups that are culturally diverse are preferable.

The evaluation of an individual's contribution to group work will depend on feedback from group members, so individuals should choose members whom they trust and with whom they can get along. Groups may contain 5 to 6 members. The project must be done in a group. Every written group report must contain an acknowledgement form properly completed by all group members.

Case Analysis for Submission

Students have to prepare and submit one case analysis (Corvette). The analysis will involve answering specific questions on the case. Students may prepare this analysis alone, in their project group, or in a smaller group.

Format for Reports

Students should submit their reports by email. Email submissions must be i) through an attached Microsoft Word file, ii) *under 5 MB in size*, and iii) free of viruses. All reports on the project (hard copy or electronic) are due on the scheduled date, by the time stated in the assignment. A late submission will result in *a loss of 10% of the grade immediately, plus 10% per day late*, for all members of the group, irrespective of the excuse. The case analysis is due before the start of class at 12:30 PM on the scheduled date. Case analyses that are sufficiently late so as to have benefited from class discussion *get no credit*.

The report's format should be as follows:

- Text not to exceed 1200 words.
- Double-spaced, Times Roman, 11 pitch or larger, with a 1" margin on all sides.
- A title page bearing the report title and name(s) of the author(s).
- Exhibits preferably embedded in the text; about 7 for demand analysis and final report and about 3 for all other reports. Exhibits should be predominantly supporting tables or figures, not discussion or text.
- Acknowledgement form.

Writing Well by Zinsser and a note by the instructor provide tips on writing.

Group Project: Creative Design of Ad/Ad Campaign

Each group must carry out a creative ad project that applies and expands the learning from the course. The goal of the project is to *design an ad or advertising campaign* for a client of the group's choosing. Work on the project should start well in advance of the due date. It involves the following five submissions, four of which are for grade:

- (0) Project topic (no grade)
- (1) Critique of ad
- (2) Proposal for demand analysis
- (3) Demand analysis plus proposal for ad test
- (4) Final report

Here are guidelines for these submissions. Additional details will be available close to the due date.

0. Project Topic

Groups should choose small, well-defined projects that emphasize insight rather than busy-work. They must email their project topic, the ad campaign, and the names of group members for the instructor's approval by the due date. No explanations are necessary on the email.

1. Critique

The critique should be of a print or video ad or an ad-campaign. For this task, students should choose samples that stand out for creativity, scope, or errors. Students may conduct secondary research on the situation faced by the advertiser. All critiques must be submitted as reports. *One exhibit of the report should be a copy of the ad.*

2. Proposal for Demand Analysis

This report proposes the primary research to be done to estimate the demand for the product. (In real markets, it would be the agency pitch to the client). It should contain the following components:

Background	1-2 paras
Problem definition:	1 para
Research objectives:	1 para
Information needed by agency	1 para (this is an elaboration of the objectives)
Design of primary research	1 - 2 paras (explain how information will be obtained from experiment, survey, focus groups etc.)
Questionnaire	1 - 3 pages included in the appendix
Sample design	1 para (indicate the size, frame, type of the sample)

3 (a). Demand Analysis

This report presents the analysis of the primary research proposed above. The goal of the analysis is to arrive at a market niche for the product, a unique image, and a unique selling proposition (or message platform) on which to build the creative. The report should strive to provide insight into the demand for the product rather than merely list descriptive statistics.

3 (b). Proposal for Ad Test

The proposal should indicate clearly how the researchers plan to test the ads they have created. They should develop *at least two new* ads. They need to test these ads against one the client or a leading competitor currently uses. The ad test should use an experiment and may involve day-after-recall, mall-intercept survey, or theater test. Each of these tools will become clearer as the course proceeds. The proposal should contain the following components:

Ads being tested	(about 1 sentence, do not include creatives).
Method	description of experiment (one to two paras).
Design of test	dependent variables and independent variables being manipulated (one para or table).
Hypotheses	key results expected (about one para).
Sample design	sample size, selection, and assignment (about one para).

4. Final Report

The final report should present the ads tested, results of the ad test, and the recommended strategy. It should contain the following components:

Highlights of demand analysis:	about half page
Design of ad test and summary of hypotheses:	1- 2 paras
Results of ad test versus hypotheses:	1-2 pages
Recommended strategy:	one para

Each group will present their project in class. Presentations will be for about 10 minutes with about 3 minutes for questions. Students receive credit for their own presentations, for good answers to questions, and for posing intelligent questions while others present.

Throughout the project students need to keep in mind that the goal of the project is not critique or research for itself but the creative design of an ad or ad campaign.

Final Exam

The final exam will be closed-book. Questions will be on major theoretical issues, numerical problems, and a mini-case. Each of these three components will carry about a third of the weight. Students will receive specific guidelines to prepare for the exam. However, regular attendance and study for each session is the best preparation.

Consultations

While common difficulties with the material or course should preferably be discussed in class, students should meet with the instructor promptly to discuss personal difficulties with the course, instructor, or colleagues. Timely and frank discussion with the instructor ensures quick resolution with minimal costs.

Evaluation

Grades depend on the instructor's independent assessment of a student's learning and **are not negotiable**. Students should strive to assimilate the course material and do their best on discussions and reports, rather than influence grades by post-test discussions. In particular, students should present their positions on the cases in class prior to the evaluation. When grading, the instructor will try to be as objective as he can, free from student pressure. Subjective misjudgments, if any, should cancel out over the many components of the evaluation.

In general, group grades will apply to individuals of the group. However, every individual *must carry his or her fair share* of the group burden and contribute creatively and fully to group work. Group members are generally generous in evaluating an individual. Thus *any negative feedback from members of a group about an individual will negatively affect his or her grade*. So individuals must choose their group wisely and impress their colleagues in the group.

The final grade will be based on the instructor's subjective judgment of a student's performance, guided by the weighted mean of the grades on course components. These components will have the following weights:

Case Analysis	10 %	Critique	10 %
Class Participation	15 %	Proposal for Primary Research	10 %
Final Exam	30 %	Demand Analysis & Proposed Test	10 %
		Final: Creatives & Test	15 %

In controlling grade distribution across students in the class, the instructor will follow the Marshall School's guidelines of a mean grade of B⁺ / A⁻ (3.5). Students should email the instructor if they want a breakdown of their final grade.

To properly evaluate class participation, the instructor will make every effort to learn the names of the students, early in the semester. The students share responsibility for this task by using name tents in class.

Ethics

Students should adhere to the following code of ethics:

- Not get *specific solutions, help, or tips* on cases and problems from former students, students of other sections or schools, publishers, instructors, or authors, whether in the form of conversation, notes, emails, or Internet sites. Obtaining *generic information* from books, published reports, or practitioners, whether in print, video, or the Internet is fine. Generic information is that which is not prepared specifically for the assigned case or problem.
- Not submit for credit any case analysis that has benefited from the class discussion on that case.
- Not submit for credit any material that also received credit from another course.
- Inform the instructor of overlap in projects submitted. Research done in another project for another class may be submitted in a current project as background or support for a particular position, with a reference, but not for credit.
- Inform the instructor of the precise work done on any project by outside professionals or the client.
- Not use notes in closed book exams.
- Not include a student on a project or report who has not worked for that project or report.
- Honestly and fairly complete the acknowledgement form and any peer evaluation requested.
- Appropriately reference sources of information or insights that are included in written reports.
Include in quotation marks the exact words of another author, with appropriate reference.

MKT 526 Schedule: Fall 2014 Rev 7/11/2014

Ss.	Dt.	Topic	Reading/Case	Video	Submissions
Part I: Advertising & Promotion Strategy					
1	8/25	Introduction	Txt 1		
2	8/27	Segmentation & Position.		Selections	
3	9/3	Ad & Pos. Strategy	Inside Intel Inside (Rdr)		
Part II: Communication					
4	9/8	Attention		Selections	Project Topics due
5	9/10	Persuasion; Argument	Txt 8; Txt Chap 9	Selections	
6	9/15	Ad Strategy	Absolut Success! (Rdr)	Selections	
7	9/17	Emotion	Txt 10;	Selections	
8	9/22	Persuasion Strategy	Short is Sweet (Rdr); Corvette: Making of an Icon (Rdr)		Case Analysis 1 due by 12:30 PM
9	9/24	Endorsements	Txt 11; Ad Your Ad Could Smell (Sup)	Selections	
10	9/29	Creativity w Social Media	Dove - Evolution of a Brand (Rdr)	Dove creatives	
10	10/1	Ad Critique	Txt 3; Presentations in class		Project 1: Critique due by 11:59 PM
Part III: Ad Testing					
12	10/6	Ad Testing Introduction	Txt 4	Testing Commercials	
13	10/8	Experimentation	Txt 5; Exercises in Experiment. (Rdr)		
14	10/13	Perceptual Mapping	Exercises in Perceptual Mapping (Rdr)		
15	10/15	Experiment vs Field Test	StainZapper (A) (Rdr)		
16	10/20	Review perceptual mapping & survey design	No class: Work on project		Project 2: Demand Survey Proposal due by 11:59 PM
17	10/22	Ad Effectiveness	Txt 2, 3, 6, 7		
Part IV: Media Planning					
17	10/27	New Media	Obama vs Clinton: YouTube...(Rdr)	Selections	
18	10/29	Media Choice			
19	11/3	Vehicle choice	Exercises in Media (Rdr)	Exercises	
20	11/5	Budgeting	StainZapper (B)		Project 3: Demand Analysis & Proposed Ad Test by 11:59 PM
21	11/10	Ad Scheduling; Search Ad	AdWords (Rdr); AdSense (Rdr); Online Advtg (Sup)		
22	11/12	Social Media Marketing	Ford Fiesta Movement	Selections	
Part V: Sales Promotion Planning					
23	11/17	Principles of Promotion	Exercises in Promotion (Rdr);		
25	11/19	Promotion Evaluation	Do exercises in promotion		
Part VI: Integrated Planning					
26	11/24	Regulation	Sup Chap 2 (Blackboard)		
27	12/1	Final Presentation	First 4 groups		
28	12/3	Final Presentation	Next 3 groups		Project 4: Final Report due by 11:59 PM
29	12/15	2 PM to 4:30 PM	Final Exam		

