

**GSBA-599: Marketing Metrics For Business Decisions**

**Spring 2018**

**Classes: Mondays and Wednesdays 11 am.**

**Office Hours: Mondays 2 to 3 pm**

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| **Instructor:** | *Dinesh Puranam* |
| **Office:** | *615 Hoffman Hall* |
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| **COURSE DESCRIPTION**  |

At the heart of great business organizations, are great business decisions. Most modern business organizations use data to reliably make good decisions. In order to make a specific business decision, businesses typically rely on metrics generated from data. This course focuses on evaluating the performance of Marketing using metrics. Some of the questions we will address are:

1. What metrics should we focus on?
2. How should we interpret them?
3. How should we measure the success (or failure) of a particular Marketing tactic or strategy?
4. Are there other more insightful metrics we should be tracking?
5. How does the performance of the Marketing function link to other business functions (such as Sales and Finance)?

The course is a curated mix of case studies, data analysis and lectures (by faculty and industry experts) and will cover metrics for business to consumer (B2C) businesses and business to business (B2B) businesses. The course will consist of three (interlinked) parts:

1. Measuring Marketing:

Apply -

* 1. Metrics to measure the market /customers/ brand
	2. Metrics used for various Marketing instruments including advertising, promotions, distribution channels and pricing
	3. Metrics used for online and social media
	4. Resource allocation and spend optimization methodologies
1. Identify and develop metrics/key performance indicators/ dashboards for Marketing. This includes:
	1. Developing process maps and identifying critical process and outcome measures
	2. Translating metrics to management dashboards
2. Marketing Metrics and the Firm:
	1. Marketing performance and the Sales function
	2. Marketing performance and the value of the firm

*Who is this course for?*

* If you aspire to be a Marketing professional, this course will help you use metrics more effectively to arrive at Marketing decisions, identify other (more appropriate) metrics, and serve as an effective advocate for the Marketing budget.
* If you are likely to take on a financial role you will gain insight on the Marketing budget and the financial value of Marketing expenditures.
* Aspiring general managers and consultants will learn to assess the health of the organization – with a specific focus on the customers and the Marketing function.

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| **COURSE OBJECTIVES**  |

Upon successful completion of this course, students will be able to:

1. Apply commonly used Marketing metrics.
2. Identify marketing metrics that are the most appropriate for particular industries (e.g. consumer-packaged goods, services, on-line, etc.)
3. Distinguish between the measurement of Marketing outcomes and Marketing processes.
4. Define and develop metrics for Marketing outcomes and processes.
5. Design and Develop dashboards for mid and senior management.
6. Link Marketing metrics to the rest of the business – specifically Sales and Finance functions.

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| **COURSE MATERIALS** |

* Please check the course postings on the Blackboard regularly for class lectures, announcements, and instructions (http://blackboard.usc.edu). Please print out the lecture notes and bring them to class.
* Reading packet – required
* Neil T. Bendle, Paul W. Farris, Phillip E. Pfeifer and David J. Reibstein, Marketing Metrics (MM) – The Manager’s Guide to Measuring Marketing Performance, Pearson, 3. Edition, 2015 - required
* Students will be asked to use Excel and Power BI/ PowerBI.com (both are Microsoft products)

*Readings*

1. Fred Reichheld and Rob Markey, 2011, The Rules of Measurement, Harvard Business Review, 8582BC
2. Michael A. Stanko and Mathew Fleming, 2017, Marketing Metrics: Note for Marketing Managers, Ivey Publishing, W14327
3. Dennis Campbell, 2012, Choose the Right Measures, Drive the Right Strategy, Harvard Business School Publishing, B0605D
4. Kevin Lindsay, 2014, Why Your Marketing Metrics Don’t Add Up, Harvard Business Review, HOOZ6Q
5. Neil Bendle and Paul W.Farris, 2005, Pricing Metrics and Concepts, Darden Business Publishing, UV 2963
6. Jeff Tanner Jr., 2014, Of Metrics and Models (Chapter 8), Harvard Business Publishing, BEP242
7. Oded Netzer, Using Social Media Data to Track the Effectiveness of a Communications Campaign
8. Kristen Craft, 2015, Video Metrics Every Marketer Should Be Watching, Harvard Business Review, H020UF
9. Raymond Pirouz and Neil Bendle, 2015, Online Metrics: What Are You Measuring and Why?, Ivey Publishing, W11221
10. Phillip E. Pfeifer and Paul W.Farris, 2014, Customer Lifetime Value, Darden Business Publishing, UV 5761
11. Phillip E. Pfeifer and Paul W.Farris, 2014, Customer Profitability, Darden Business Publishing, UV 0407
12. Thomas Steeburgh and Jill Avery, 2017, Marketing Analysis Toolkit: Customer Lifetime Value Analysis, HBS 9-511-029
13. Neil Bendle and Charan K Bagga, 2016, The Metrics That Marketers Muddle, Sloan Management Review
14. Susan Fournier and Jill Avery, 2013, Putting the ‘Relationship’ Back Into CRM, Sloan Management Review, SMR385
15. Barry Berman, 2016, Referral Marketing: Harnessing the Power of your customers, Business Horizons 59, 19-28
16. Tim Halloran, 2015, A Simple Way to Measure How Much Customers Love Your Brand, Harvard Business Review, H01UYJ
17. Wes Nichols, 2014, How Big Data Brings Marketing and Finance Together, Harvard Business Review, HOOWLI
18. Leslie M Fine, 2009, The bottom line : Marketing and firm performance , Business Horizons 52, 209-214

*Cases*

1. Chekitan S. Dev and Laure Mougeot Stroock, 2007, Rosewood Hotels and Resorts, HBS 2087
2. John Dinsmore, 2016, Samsung Mobile: Market Share and Profitability in Smartphones, Ivey Publishing, W16620
3. Thales S. Teixeira and Alison Caverly, 2012, Pepsi-Lipton Brisk, HBS 9-512-011
4. Sunil Gupta and Joseph Davies-Gavin, 2012, BBVA Compass: Marketing Resource Allocation, HBS 9-511-096
5. Eli Ofek and Alison Bekley Wagonfeld, 2012, Sephora Direct: Investing in Social Media, Video, and Mobile, HBS 9-511-137
6. Allegra Young, 2007, MedNet.com Confronts “Click Through” Competition, HBS 2066
7. Eli Ofek and Jeffrey D. Shulman, 2016, AnswerDash, HBS 516106
8. Leandro Guissoni, Paul W. Farris and Olegario Araujo, 2016, Choosing the Right Metrics for Listerine Brand Management in Brazil, Darden Business Publishing, UV7205
9. Neeraj Bharadwaj; Phillip D. Delurgio , 2012, Giant Consumer Products: The Sales Promotion Resource Allocation Decision, HBS 4131
10. David B. Godes, 2008, Avaya (A), HBS 9-08-048

**Prerequisites and/or Recommended Preparation:**

Successful completion of GSBA 509 or GSBA 528 is a prerequisite. Familiarity with excel is expected.

**Course Notes:**

Please check the course postings on the Blackboard regularly for class lectures, announcements and instructions (http://blackboard.usc.edu). Please print out the lecture notes and bring them to class.

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| **GRADING**  |

* Assignments (5% x 6)

You will be asked to complete six assignments independently. You are NOT allowed to work with other students, and the completed assignments should reflect your own work only. Collaboration with other students on individual assignments will be treated as cheating. Individual assignments will be posted online ahead of time.

Assignments must be turned in on the due date via TurnItIn on Blackboard. Any assignment turned in late will receive a grade deduction at the rate of 2 points per day late.

* In Class Quizzes (5% x 6)

We will have 6 quizzes in class spread over the semester to test your understanding of the material. These will be short and will usually take less than 10 minutes to complete.

* Group Project (10% presentation, 20% write up)

Develop a Marketing dashboard for a client of your choice in groups of 3-4. An in depth understanding of the client will be necessary to understand the current strategy and potentially opportunities and challenges. The Dashboard should show the key performance measures and their drivers. Note you will be evaluated on both the metrics selected and on the actual dashboard presented.

* Class Contribution (10%)

Students are required to be well prepared with assigned reading for that day. Constructive participation in the lectures and insightful critique is most welcome. Case studies and reading are critical for your understanding. Consequently, you will be called on to demonstrate your understanding in class.

**Sample GRADING DETAIL**

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| --- | --- | --- |
|  | **Points** | **% of Grade** |
|  |  |  |
| **QUIZZES**  | 30 | 30.0% |
|  |  |  |
|  |  |   |
| **ASSIGNMENTS** |  30 |  30.0% |
|  |  |  |
| **CLASS Contribution** |  |  10 |  10.0% |
|  |  |  |
| **GROUP PROJECT**  | 30 |  30.0% |
|  |  |  |
|  **TOTAL** | 100 |  100.0% |

Grades for individual student contributions to team projects are assigned by me, based on my observations of the team’s working dynamics, my assessment of the team’s project quality, and thoughtful consideration of the information provided through your peer evaluations.

**Assignment Submission Policy:**

*Example:* Assignments must be turned in on the due date/time electronically via Blackboard. Any assignment turned in late, even if by only a few minutes, will receive a grade deduction (for example, if your work is a B+ grade, you will be given a C+ grade). If your internet breaks down on the due date, you must deliver a hard copy at the beginning of class on that day. If you are unable to attend class on that day, make arrangements for it to be delivered to the classroom or to my box by the start of class. Late or not, however, you must complete all required assignments to pass this course.

**Evaluation of Your Work:**

You may regard each of your submissions as an “exam” in which you apply what you’ve learned according to the assignment. I will do my best to make my expectations for the various assignments clear and to evaluate them as fairly and objectively as I can. If you feel that an error has occurred in the grading of any assignment, you may, within one week of the date the assignment is returned to you, write me a memo in which you request that I re-evaluate the assignment. Attach the original assignment to the memo and explain fully and carefully why you think the assignment should be re-graded. Be aware that the re-evaluation process can result in three types of grade adjustments: positive, none, or negative.

**The Importance of Course Evaluations**

The student course evaluations are valuable. This course is continuously improved, based on feedback from students and instructor observations.

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| **STATEMENT OF ACADEMIC CONDUCT AND SUPPORT SYSTEMS** |

USC seeks to maintain an optimal learning environment. Students are expected to submit original work. They have an obligation both to protect their own work from misuse and to avoid using another’s work as their own. All students are expected to understand and abide by the principles of academic honesty outlined in the University Student Conduct Code (see University Governance, Section 11.00) of SCampus ([www.usc.edu/scampus](http://www.usc.edu/scampus) or <http://scampus.usc.edu)>. The recommended sanctions for academic integrity violations can be found in Appendix A of the Student Conduct Code.

**Students with Disabilities:**

USC is committed to making reasonable accommodations to assist individuals with disabilities in reaching their academic potential. If you have a disability which may impact your performance, attendance, or grades in this course and require accommodations, you must first register with the Office of Disability Services and Programs ([www.usc.edu/disability](http://www.usc.edu/disability)). DSP provides certification for students with disabilities and helps arrange the relevant accommodations.  Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to me (or to your TA) as early in the semester as possible. DSP is located in GFS (Grace Ford Salvatori Hall) 120 and is open 8:30 a.m.–5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776. Email: ability@usc.edu.

**Support Systems:**

*Student Counseling Services (SCS) - (213) 740-7711 – 24/7 on call*

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention. <https://engemannshc.usc.edu/counseling/>

*National Suicide Prevention Lifeline - 1-800-273-8255*

Provides free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week. <http://www.suicidepreventionlifeline.org>

*Relationship & Sexual Violence Prevention Services (RSVP) - (213) 740-4900 - 24/7 on call*

Free and confidential therapy services, workshops, and training for situations related to gender-based harm. <https://engemannshc.usc.edu/rsvp/>

*Sexual Assault Resource Center*

For more information about how to get help or help a survivor, rights, reporting options, and additional resources, visit the website: <http://sarc.usc.edu/>

*Office of Equity and Diversity (OED)/Title IX compliance – (213) 740-5086*

Works with faculty, staff, visitors, applicants, and students around issues of protected class. https://equity.usc.edu/

*Bias Assessment Response and Support*

Incidents of bias, hate crimes and microaggressions need to be reported allowing for appropriate investigation and response. https://studentaffairs.usc.edu/bias-assessment-response-support/

*Student Support & Advocacy – (213) 821-4710*

Assists students and families in resolving complex issues adversely affecting their success as a student EX: personal, financial, and academic. https://studentaffairs.usc.edu/ssa/

*Diversity at USC – https://diversity.usc.edu/*

Tabs for Events, Programs and Training, Task Force (including representatives for each school), Chronology, Participate, Resources for Students

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| **COURSE OUTLINE AND ASSIGNMENTS** |

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| **Class** | **Day** | **Topic** | **Readings**  | **Deliverables** |
| 1 | 1/8/2018 | Lecture: Overview of Course/Marketing Metrics  | * The Rules of Measurement
 |  |
| 2 | 1/10/2018 | Case: Rosewood Hotels |  |  |
| 3 | 1/15/2018 | Lecture: Market Management  | * Marketing Metrics
* Text: Chapter 2
 |  |
| 4 | 1/17/2018 | Lecture: Market Share Performance Metrics and Share Growth | * Choose the Right Measures
* Why Your Marketing Metrics Don’t Add Up
 |  |
| 5 | 1/22/2018 | Case : Samsung  |  | Assignment 1 Due |
| 6 | 1/24/2018 | Lecture: Advertising & Promotions Management 1 | * Text: Chapters 8 and 9
 |  |
| 7 | 1/29/2018 | Lecture: Advertising & Promotions Management 2: Data Analysis | * Text: Chapters 8 and 9
 |  |
| 8 | 1/31/2018 | Lecture: Pricing Metrics | * Pricing Metrics and Concepts
* Text : Chapter 7
 |  |
| 9 | 2/5/2018 | Case: Pepsi Lipton Brisk  |  | Assignment 2 Due |
| 10 | 2/7/2018 | Lecture: Resource Allocation And ROMI | * Of Metrics and Models
 |  |
| 11 | 2/12/2018 | Case: BBVA Compass |  |  |
| 12 | 2/14/2018 | Lecture: Social Media  | * Using Social Media Data
* Video Metrics
 |  |
| 13 | 2/19/2018 | Case: Sephora |  |  |
| 14 | 2/21/2018 | Lecture: Online | * Online Metrics
* Text – Chapter 10
 |  |
| 15 | 2/26/2018 | Case: MedNet.com  |  | Assignment 3 Due |
| 16 | 2/28/2018 | Customer Profitability | * Customer Lifetime Value
* Customer Profitability
* Marketing Analysis Toolkit
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| 17 | 3/5/2018 | Case AnswerDash |  |  |
| 18 | 3/7/2018 | Lecture :Process Maps and KPIs and Defining Metrics 1 | * The Metrics That Marketers Muddle
 |  |
|   |   | SPRING BREAK |  |  |
| 19 | 3/19/2018 | Lecture :Process Maps and KPIs and Defining Metrics 2 : Data Analysis |  | Group Project Proposal Due |
| 20 | 3/21/2018 | Case: Listerine  |  | Assignment 4 Due |

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| **Class** | **Day** | **Topic** | **Readings**  | **Deliverables** |
| 21 | 3/26/2018 | Lecture: Designing Dashboards 1 |  |  |
| 22 | 3/28/2018 | Lecture: Designing Dashboards 2 |  |  |
| 23 | 4/2/2018 | Case : Giant  |  | Assignment 5 Due |
| 24 | 4/4/2018 | Marketing And Sales 1 | * Putting the ‘Relationship’ Back Into CRM
* Referral Marketing

Text: Chapter 6 |  |
| 25 | 4/9/2018 | Marketing and Sales 2 | * A Simple Way to Measure How Much Customers Love Your Brand
* Text: Chapter 6
 |  |
| 26 | 4/11/2018 | Case: Avaya  |  | Assignment 6 Due |
| 27 | 4/16/2018 | Marketing and the Value of the Firm | * How Big Data Brings Marketing and Finance Together
* The bottom line: Marketing and firm performance
* Text: the ironically numbered Chapter 11
 |  |
| 28 | 4/18/2018 | Student Group Presentations |  |  |
| 29 | 4/23/2018 | Student Group Presentations |  |  |
| 30 | 4/25/2018 | Student Group Presentations |  | Project Write up Submission |
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| 31 | 5/7/2018 | Summative Experience |  |  |

**Appendix I. MARSHALL GRADUATE PROGRAMS LEARNING GOALS**

**How GSBA 599 Contributes to Marshall Graduate Program Learning Goals**

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| **Marshall Graduate Program Learning Goals** | **GSBA 599 Objectives that support this goal** | **Assessment Method\*** |
|  |  |  |
| ***Learning Goal #1: Develop Personal Strengths.*****Our graduates will develop a global and entrepreneurial mindset, lead with integrity, purpose and ethical perspective, and draw value from diversity and inclusion.** |  |  |
| 1.1 Possess personal integrity and a commitment to an organization’s purpose and core values. | 5 |  |
| 1.2 Expand awareness with a global and entrepreneurial mindset, drawing value from diversity and inclusion.  | 2 |  |
| 1.3 Exhibit awareness of ethical dimensions and professional standards in decision making.  | 5,6 | Project, Assignments |
|  |  |  |
| ***Learning Goal #2: Gain Knowledge and Skills.*****Our graduates will develop a deep understanding of the key functions of business enterprises and will be able to identify and take advantage of opportunities in a complex, uncertain and dynamic business environment using critical and analytical thinking skills.** |  |  |
| 2.1 Gain knowledge of the key functions of business enterprises. | 1,6 | Quizzes, Assignments |
| 2.2 Acquire advanced skills to understand and analyze significant business opportunities, which can be complex, uncertain and dynamic. | 1,2,3,4,5 | Quizzes, Assignments |
| 2.3 Use critical and analytical thinking to identify viable options that can create short-term and long-term value for organizations and their stakeholders. | 1,6 | Quizzes, Assignments |
|  |  |  |
| ***Learning Goal #3: Motivate and Build High Performing Teams.*****Our graduates will achieve results by fostering collaboration, communication and adaptability on individual, team, and organization levels.** |  |  |
| 3.1 Motivate and work with colleagues, partners, and other stakeholders to achieve organizational purposes. | 5,6 | Project |
| 3.2 Help build and sustain high-performing teams by infusing teams with a variety of perspectives, talents, and skills and aligning individual success with team success and with overall organizational success. |  5,6 | Project, Quizzes |
| 3.3 Foster collaboration, communication and adaptability in helping organizations excel in a changing business landscape. | 5,6 | Project, Quizzes |

**Appendix II Peer Input Forms**

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| Grades for individual student contributions to team projects are assigned by me, based on my observations of the team’s working dynamics, my assessment of the team’s project quality, and thoughtful consideration of the information provided through your peer evaluations.**Peer Input/Evaluation Form** |
| *Complete one form for each of your teammates/group members, including yourself.* |
| **Name of group member:** |   |   |   |   |   |
| *Assess your teammate's contributions on a scale of 1-5 (5 is excellent)* | **5** | **4** | **3** | **2** | **1** |
| Attended and was engaged in team meetings from beginning to end |   |   |   |   |   |
| Asked important questions |   |   |   |   |   |
| Listened to and acknowledged suggestions from every team mate |   |   |   |   |   |
| Made valuable suggestions |   |   |   |   |   |
| Took initiative to lead discussions, organize and complete tasks |   |   |   |   |   |
| Contributed to organizing the assignment |   |   |   |   |   |
| Contributed to writing the assignment |   |   |   |   |   |
| Reliably completed tasks on time in a quality manner |   |   |   |   |   |
| Demonstrated commitment to the team by quality of effort |   |   |   |   |   |
| Was cooperative and worked well with others |   |   |   |   |   |
| I would want to work with this team member again. |   |   |   |   |   |
| Describe your teammate's (or your) contributions to the assignment: |
| How might your teammate (or you) have made **more effective** contributions to the assignment? |
|  |  |  |  |  |  |
| Your name:  | Date:  |

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