ISS5095: Marketing Strategies
Customer management & multi-channel management
Syllabus (tentative)

COURSE DESCRIPTION

Marketing strategies aim to increase both customer and firm value. Examples of customer value are customer satisfaction, customer experience, and consumer well-being. Examples of firm value are revenues/sales and Tobin's q. However, the business environment is complicated and dynamic. Thus, developing proper and effective marketing strategies is challenging. The scope of marketing strategies is extensive, which could not be completely covered in one course. This course will focus on the B2C (business to consumer) market, particularly in customer management and multi-channel management. Customer management aims to understand/connect customers and create value to customers, which hopefully subsequently improves firm value. In addition, while firms nowadays use different channels (e.g., offline and digital) to reach customers, understanding effective multi-channel management is critical to increase firms' value.

COURSE GOALS

The goal of the course provides an overall understanding of marketing strategies in customer management and multi-channel management from a theoretical perspective and also an empirical perspective. From a theoretical perspective, the students will be able to apply learned theories/strategies to finding proper marketing solutions to specific marketing challenges/opportunities. From an empirical perspective, the students will be able to indicate what data and/or analytical methods managers should use to examine the effectiveness of marketing strategies. Examining effectiveness relies on good data and correct analytical methods, rather than own imaginations.

LEARNING MATERIALS

- Academic articles in marketing (see the weekly reading list below)
  Note: Academic articles are the main learning materials.
- Kotler, P., & Keller, K. (2012). *Marketing Management (14th edition)*. Pearson Education Limited.
  Note: You could also use the later editions (16th and 15th). The reason of using the 14th edition is that you have a free online access. The textbook aims to provide you a fundamental concept of marketing management. The discussion of the concept is similar among different editions. This is why using different editions does not matter for the course. The course will not cover every bit of this textbook in detail. However, I would encourage you to read through this textbook as self-learning, particularly if you are new to marketing.

COURSE EVALUATION

Class attendance: 10%
Engagement in class discussions: 10%
Midterm individual exam (open book): 40%
Final-term group presentation: 40%

TARGET STUDENTS

Open to graduate students. Prefer to have a requisite for knowledge of marketing basics, such as STP (segmentation, targeting, and positioning) and 4Ps.

COURSE PLANNING

Week	Date	Topic
1	Feb. 15	Introduction of the course
Case: Walmart, Nordstrom, TESCO, & The Ritz Carlton		
2	Feb. 22	• Relationship marketing • How to do marketing during a downturn
3	Mar. 1	• CSR (corporate social responsibility) • Loyalty programs
Case: NIKE		
4	Mar. 8	Celebrities and influencers
5	Mar. 15	Sponsorships
Case: Facebook		
6	Mar. 22	• Social media • (digital) WoM (word of mouth)
Case: Louis Vuitton		
7	Mar. 29	• Product strategies for luxury brands • How to deal with counterfeits • Briefing for the mid-term exam
8	Apr. 5	(no class): Prepare for the mid-term exam Please email me or arrange a meeting if you have any questions about the exam.
9	Apr. 12	Midterm individual exam
10	Apr. 19	Marketing is not only about profits: consumer well-being by nudges (1)
11	Apr. 26	Marketing is not only about profits: consumer well-being in healthy choices (2)
12	May 3	Marketing is not only about profits: consumer well-being in a better world (3)
13	May 10	Multi-channel management
14	May 17	Better understanding of paid, owned, and earned media
15	May 24	(no class): Prepare for group presentations The aim is having a draft of the preparation. When preparing, you may come up with questions, which will be answered in the group meetings in week 16. If you do not prepare, you may not know the issues/problems and I am less able to help in week 16.
16	May 31	Meeting in groups: Answer questions regarding group presentations
17	Jun. 7	Group presentations (3 groups)
18	Jun. 14	Group presentations (3 groups)

WEEKLY READING LIST

Week 2
Kotler & Keller (2012): Walmart in Ch3, Nordstrom and TESCO in Ch5, and The Ritz
Carlton in Ch13 (Please check the Marketing Excellence in these chapters).

Relationship marketing
Gremler, D. D., Van Vaerenbergh, Y., Brüggen, E. C., & Gwinner, K. P. (2020).
    Understanding and managing customer relational benefits in services: a meta-
    analysis. *Journal of the Academy of Marketing Science*, *48*(3), 565-583.
Palmatier, R. W., Dant, R. P., Grewal, D., & Evans, K. R. (2006). Factors influencing the
    effectiveness of relationship marketing: A meta-analysis. *Journal of Marketing*, *70*(4),
    136-153.
Verma, V., Sharma, D., & Sheth, J. (2016). Does relationship marketing matter in online
    retailing? A meta-analytic approach. *Journal of the Academy of Marketing Science*, *44*(2),
    206-217.

Marketing during a downturn
Dekimpe, M. G., & Deleersnyder, B. (2018). Business cycle research in marketing: a review
    and research agenda. *Journal of the Academy of Marketing Science*, *46*(1), 31-58.
Ou, Y. C., de Vries, L., Wiesel, T., & Verhoef, P. C. (2014). The role of consumer
    confidence in creating customer loyalty. *Journal of Service Research*, *17*(3), 339-354.
Van Heerde, H. J., Gijsbrechts, E., & Pauwels, K. (2008). Winners and losers in a major price
    war. *Journal of Marketing Research*, *45*(5), 499-518.

Week 3
Kotler & Keller (2012): Walmart in Ch3, Nordstrom and TESCO in Ch5, and The Ritz
Carlton in Ch13 (Please check the Marketing Excellence in these chapters).

CSR
Luo, X., & Bhattacharya, C. B. (2006). Corporate social responsibility, customer satisfaction,
    and market value. *Journal of Marketing*, *70*(4), 1-18.
Mishra, S., & Modi, S. B. (2016). Corporate social responsibility and shareholder wealth: The
    role of marketing capability. *Journal of Marketing*, *80*(1), 26-46.
Van Doorn, J., Onrust, M., Verhoef, P. C., & Bügel, M. S. (2017). The impact of corporate
    social responsibility on customer attitudes and retention—the moderating role of brand
    success indicators. *Marketing Letters*, *28*(4), 607-619.
Vishwanathan, P., van Oosterhout, H., Heugens, P. P., Duran, P., & Van Essen, M. (2020).
    Strategic CSR: A concept building meta-analysis. *Journal of Management
    Studies*, *57*(2), 314-350.

Loyalty programs
Berman, B. (2006). Developing an effective customer loyalty program. *California
    Management Review*, *49*(1), 123-148.
Kim, J. J., Steinhoff, L., & Palmatier, R. W. (2021). An emerging theory of loyalty program
    dynamics. *Journal of the Academy of Marketing Science*, *49*(1), 71-95.
Nunes, J. C., & Drèze, X. (2006). Your loyalty program is betraying you. *Harvard Business
    Review*, *84*(4), 124-31.

Week 4

Kotler & Keller (2012): NIKE in Ch1 (Please check the Marketing Excellence in these chapters).

Selection of celebrities/ influencers for endorsement

Eisend, M., & Tarrahi, F. (2022). Persuasion knowledge in the marketplace: A meta-analysis. *Journal of Consumer Psychology*, *32*(1), 3-22.

Gerrath, M. H., & Usrey, B. (2021). The impact of influencer motives and commonness perceptions on follower reactions toward incentivized reviews. *International Journal of Research in Marketing*, *38*(3), 531-548.

*Knoll, J., & Matthes, J. (2017). The effectiveness of celebrity endorsements: a meta-analysis. *Journal of the Academy of Marketing Science*, *45*(1), 55-75.

*Schimmelpfennig, C., & Hunt, J. B. (2020). Fifty years of celebrity endorser research: Support for a comprehensive celebrity endorsement strategy framework. *Psychology & Marketing*, *37*(3), 488-505.

*Winterich, K. P., Gangwar, M., & Grewal, R. (2018). When celebrities count: Power distance beliefs and celebrity endorsements. *Journal of Marketing*, *82*(3), 70-86.

Zhang, W., Chintagunta, P. K., & Kalwani, M. U. (2021). Social media, influencers, and adoption of an eco-friendly product: field experiment evidence from rural China. *Journal of Marketing*, *85*(3), 10-27.

Manage celebrities'/ influencers' negative publicity

Hock, S. J., & Raithel, S. (2020). Managing negative celebrity endorser publicity: How announcements of firm (non) responses affect stock returns. *Management Science*, *66*(3), 1473-1495.

Bartz, S., Molchanov, A., & Stork, P. A. (2013). When a celebrity endorser is disgraced: A twenty-five-year event study. *Marketing Letters*, *24*(2), 131-141.

Week 5

Kotler & Keller (2012): NIKE in Ch1 (Please check the Marketing Excellence in these chapters).

Henderson, C. M., Mazodier, M., & Sundar, A. (2019). The color of support: The effect of sponsor–team visual congruence on sponsorship performance. *Journal of Marketing*, *83*(3), 50-71.

Mazodier, M., Henderson, C. M., & Beck, J. T. (2018). The long reach of sponsorship: How fan isolation and identification jointly shape sponsorship performance. *Journal of Marketing*, *82*(6), 28-48.

Wakefield, L., Wakefield, K., & Lane Keller, K. (2020). Understanding sponsorship: A consumer-centric model of sponsorship effects. *Journal of Advertising*, *49*(3), 320-343.

Woisetschläger, D. M., Backhaus, C., & Cornwell, T. B. (2017). Inferring corporate motives: How deal characteristics shape sponsorship perceptions. *Journal of Marketing*, *81*(5), 121-141.

Week 6

Kotler & Keller (2012): Facebook in Ch19 (Please check the Marketing Excellence in these chapters).

Social media

de Oliveira Santini, F., Ladeira, W. J., Pinto, D. C., Herter, M. M., Sampaio, C. H., & Babin, B. J. (2020). Customer engagement in social media: A framework and meta-analysis. *Journal of the Academy of Marketing Science*, *48*(6), 1211-1228.

Golmohammadi, A., Havakhor, T., Gauri, D. K., & Comprix, J. (2021). Complaint Publicization in Social Media. *Journal of Marketing*, *85*(6), 1-23.

(digital WoM)

De Matos, C. A., & Rossi, C. A. V. (2008). Word-of-mouth communications in marketing: a meta-analytic review of the antecedents and moderators. *Journal of the Academy of Marketing Science*, *36*(4), 578-596.

You, Y., Vadakkepatt, G. G., & Joshi, A. M. (2015). A meta-analysis of electronic word-of-mouth elasticity. *Journal of Marketing*, *79*(2), 19-39.

Week 7

Kotler & Keller (2012): Louis Vuitton in Ch10 (Please check the Marketing Excellence in these chapters).

Amaral, N. B., & Loken, B. (2016). Viewing usage of counterfeit luxury goods: Social identity and social hierarchy effects on dilution and enhancement of genuine luxury brands. *Journal of Consumer Psychology*, *26*(4), 483-495.

Han, Y. J., Nunes, J. C., & Drèze, X. (2010). Signaling status with luxury goods: The role of brand prominence. *Journal of Marketing*, *74*(4), 15-30.

Nunes, J. C., Drèze, X., & Han, Y. J. (2011). Conspicuous consumption in a recession: Toning it down or turning it up? *Journal of Consumer Psychology*, *21*(2), 199-205.

Sun, J. J., Bellezza, S., & Paharia, N. (2021). Buy less, buy luxury: Understanding and overcoming product durability neglect for sustainable consumption. *Journal of Marketing*, *85*(3), 28-43.

Wilcox, K., Kim, H. M., & Sen, S. (2009). Why do consumers buy counterfeit luxury brands? *Journal of Marketing Research*, *46*(2), 247-259.

Weeks 10 & 11

Biswas, D., & Szocs, C. (2019). The smell of healthy choices: Cross-modal sensory compensation effects of ambient scent on food purchases. *Journal of Marketing Research*, *56*(1), 123-141.

Biswas, D., Szocs, C., Chacko, R., & Wansink, B. (2017). Shining light on atmospherics: how ambient light influences food choices. *Journal of Marketing Research*, *54*(1), 111-123.

Goldstein, D. G., Johnson, E. J., Herrmann, A., & Heitmann, M. (2008). Nudge your customers toward better choices. *Harvard Business Review*, *86*(12), 99-105.

Haws, K. L., & Winterich, K. P. (2013). When value trumps health in a supersized world. *Journal of Marketing*, *77*(3), 48-64.

Huang, X., & Labroo, A. A. (2020). Cueing morality: The effect of high-pitched music on healthy choice. *Journal of Marketing*, *84*(6), 130-143.

Mrkva, K., Posner, N. A., Reeck, C., & Johnson, E. J. (2021). Do nudges reduce disparities? Choice architecture compensates for low consumer knowledge. *Journal of Marketing*, *85*(4), 67-84.

Raghunathan, R., Naylor, R. W., & Hoyer, W. D. (2006). The unhealthy= tasty intuition and its effects on taste inferences, enjoyment, and choice of food products. *Journal of Marketing*, *70*(4), 170-184.

Talukdar, D., & Lindsey, C. (2013). To buy or not to buy: Consumers' demand response patterns for healthy versus unhealthy food. *Journal of Marketing*, *77*(2), 124-138.

Weihrauch, A., & Huang, S. C. (2021). Portraying humans as machines to promote health: Unintended risks, mechanisms, and solutions. *Journal of Marketing*, *85*(3), 184-203.

Week 12

Garbinsky, E. N., Mead, N. L., & Gregg, D. (2021). Popping the positive illusion of financial responsibility can increase personal savings: Applications in emerging and western markets. *Journal of Marketing*, *85*(3), 97-112.

Gonzalez-Arcos, C., Joubert, A. M., Scaraboto, D., Guesalaga, R., & Sandberg, J. (2021). "How do I carry all this now?" Understanding consumer resistance to sustainability interventions. *Journal of Marketing*, *85*(3), 44-61.

Mookerjee, S., Cornil, Y., & Hoegg, J. (2021). From waste to taste: How "ugly" labels can increase purchase of unattractive produce. *Journal of Marketing*, *85*(3), 62-77.

Rifkin, J. R., Du, K. M., & Berger, J. (2021). Penny for your preferences: leveraging self-expression to encourage small prosocial gifts. *Journal of Marketing*, *85*(3), 204-219.

Robitaille, N., Mazar, N., Tsai, C. I., Haviv, A. M., & Hardy, E. (2021). Increasing organ donor registrations with behavioral interventions: A field experiment. *Journal of Marketing*, *85*(3), 168-183.

Zhang, K., Cai, F., & Shi, Z. (2021). Do promotions make consumers more generous? The impact of price promotions on consumers' donation behavior. *Journal of Marketing*, *85*(3), 240-255.

Weeks 13

Avery, J., Steenburgh, T. J., Deighton, J., & Caravella, M. (2012). Adding bricks to clicks: Predicting the patterns of cross-channel elasticities over time. *Journal of Marketing*, *76*(3), 96-111.

Breugelmans, E., & Campo, K. (2016). Cross-channel effects of price promotions: an empirical analysis of the multi-channel grocery retail sector. *Journal of Retailing*, *92*(3), 333-351.

Dinner, I. M., Heerde Van, H. J., & Neslin, S. A. (2014). Driving online and offline sales: The cross-channel effects of traditional, online display, and paid search advertising. *Journal of marketing research*, *51*(5), 527-545.

Herhausen, D., Kleinlercher, K., Verhoef, P. C., Emrich, O., & Rudolph, T. (2019). Loyalty formation for different customer journey segments. *Journal of Retailing*, *95*(3), 9-29.

Narang, U., & Shankar, V. (2016). The effects of mobile apps on shopper purchases and product returns. *Mays Business School Research Paper No*, *2878903*.

Neslin, S. A. (2022). The omnichannel continuum: Integrating online and offline channels along the customer journey. *Journal of Retailing*, *98*(1), 111-132.

Pauwels, K., & Neslin, S. A. (2015). Building with bricks and mortar: The revenue impact of opening physical stores in a multichannel environment. *Journal of Retailing*, *91*(2), 182-197.

Valentini, S., Neslin, S. A., & Montaguti, E. (2020). Identifying omnichannel deal prone segments, their antecedents, and their consequences. *Journal of Retailing*, *96*(3), 310-327.

Verhoef, P. C., Neslin, S. A., & Vroomen, B. (2007). Multichannel customer management: Understanding the research-shopper phenomenon. *International Journal of Research in Marketing*, *24*(2), 129-148.

Wang, K., & Goldfarb, A. (2017). Can offline stores drive online sales? *Journal of Marketing Research*, *54*(5), 706-719.

Xu, K., Chan, J., Ghose, A., & Han, S. P. (2017). Battle of the channels: The impact of tablets on digital commerce. *Management Science*, *63*(5), 1469-1492.

Zhang, J. Z., Chang, C. W., & Neslin, S. A. (2021). How Physical Stores Enhance Customer Value: The Importance of Product Inspection Depth. *Journal of Marketing*, *86*(2), 166-185.

Week 14

Colicev, A., Malshe, A., Pauwels, K., & O'Connor, P. (2018). Improving consumer mindset metrics and shareholder value through social media: The different roles of owned and earned media. *Journal of Marketing*, *82*(1), 37-56.

de Vries, L., Gensler, S., & Leeflang, P. S. (2017). Effects of traditional advertising and social messages on brand-building metrics and customer acquisition. *Journal of Marketing*, *81*(5), 1-15.

Kumar, A., Bezawada, R., Rishika, R., Janakiraman, R., & Kannan, P. K. (2016). From social to sale: The effects of firm-generated content in social media on customer behavior. *Journal of Marketing*, *80*(1), 7-25.

Wiles, M. A., & Danielova, A. (2009). The worth of product placement in successful films: An event study analysis. *Journal of Marketing*, *73*(4), 44-63.

MIDTERM INDIVIDUAL EXAM

The exam will be held in the classroom (if the Covid measures allow). The students will bring their laptop to do the exam. If someone does not have a laptop, please let me know as soon as possible. When the exam starts, the students will receive the exam questions, as an attachment, in their email box. The students will write down the answers in the attachment. The exam will be open book and take three hours.

In the exam you will read a case and apply what you learned to this case's marketing challenges/opportunities. The topics include relationship marketing, do marketing during a downturn, CSR, loyalty programs, celebrities/influencers, sponsorships, social media, (digital) WoM, luxury brands' product strategies, and/or dealing with counterfeits. Answers should be based on evidence/research findings, rather than own imaginations. Because this is an open book exam, I would encourage you to add references to your answers. That is, to well justify your answers, please extensively use knowledges/theories learned from the academic articles.

FINAL-TERM GROUP PRESENTATION

Each group will deliver a presentation. The course covers three main topics in marketing strategies, including customer management, multi-channel management, and consumer well-being (e.g., creating nudges/manipulations to improve consumer well-being or/and to create a better world). Your presentation tasks are as follows.

- Select a company.
  Example: Peloton, https://www.onepeloton.com/.
- Look up the company's activities in customer management and multi-channel management.
  Example: https://www.nytimes.com/wirecutter/reviews/peloton-review-what-to-know-before-you-buy/; https://www.indigo9digital.com/blog/jpelotonmarketingstrategy; https://nogood.io/2022/01/14/peloton-marketing-strategy/
  ✓ Relationship marketing & loyalty program: monthly membership
  ✓ Product placement in "And Just Like That"
  ✓ Influencers: review Peloton products
  ✓ Social media: interactions with instructors
  ✓ WoM: create fans and use the fans to stimulate WoM
  ✓ Luxury brands: Peloton is a luxury brand in the indoor spinning bike market
  ✓ Multi-channel management: offline and online sales channels
  ✓ Media: use paid (e.g., paid search engine), owned (e.g., own website/social media channels, product placement), and earned media (e.g., organic search engine)
  Note: Do not discuss each activity mentioned above, as you could not cover all the activities in 30 minutes. Quality is more important than quantity. Select only two or three activities, which you find the most important. Describe the two or three activities in detail, that is, providing some real-life examples.
- Based on what you learned from the course, discuss whether the company has done well in these marketing activities. Please justify your arguments based on theories (i.e., academic articles or the textbook), rather than "what you think".
  Example: Note, below is a very brief discussion. In the presentation, you need to elaborate the discussion. You will also discuss the other selected activities.

- ✓ Product placement: Peloton placed its products in a reboot of a successful and an iconic series, Sex and the City, which may backfire. For example, the series may create audience absorption, which may reduce viewers' attention to Peloton products.
- Briefly discuss what data you need to collect by evaluating these activities' effectiveness.
  Example:
  Product placement: To examine the effectiveness of product placement in "And Just Like That", there are multiple ways. First, observe the sales before, during, and after the series. An initial insight could tell us if Peloton sales would increase during and after the series, compared to before the series. Second, survey and ask viewers the extent to which they are aware of Peloton after watching the series and their attitude about Peloton. This could have a basic understanding of whether the series improve customers' preference to Peloton, for example. Third, we could collect data on social media channels regarding "And Just Like That". For example, examine viewers' opinions about Peloton. This way could provide more accurate and extensive information of customers' attitude about Peloton.
- Find opportunities for the company to create customer well-being, either topics in healthy choices or a better world. That is, you need to think of nudges. Justify why the nudges could work. I would prefer you to be creative. However, using the nudges learned from the academic articles is also acceptable.
  Example:
  Retaining beginners (i.e., worse fitness ability) is often challenge, as they are more likely to drop out than advanced bikers (i.e., better fitness ability). Evidence shows that increasing performance and happiness are a key to retain gym-goers, for example. To increase beginners' performance, Peloton could encourage beginner to attend a class which has advanced bikers. Such a class is called mixed-level. To increase beginners' happiness, Peloton could encourage beginners to attend a class which has only beginners. Such a class is called same-level.
  The potential theory for the nudge is social comparison theory. Beginners in the mixed-level classes notice that they perform worse than the advanced bikers, which may motivate them to catch up with the advanced bikers and increase performance. On the other hand, beginners in the same-level classes may feel happy, as they are less likely to feel inferior.
- Briefly discuss how you will implement the nudges.
  Example:
  We may work with Peloton to create different classes, including mixed-level and same-level. Before allocating participants to different classes, we examine participants' fitness level (using a questionnaire when participants start to join Peloton's loyalty program). Subsequently, to examine if beginners perform better in mixed-level classes and become happier in same-level classes, we could track these participants' performance and happiness over time (e.g., ten weeks). Tracking performance could use sport watch's data, including calories burned or heart rates. Finally, after collecting the relevant data, compare whether beginners in mixed-level classes perform better than beginners in same-level classes. Also, compare whether beginners in same-level classes are happier than beginners in mixed-level classes.

Please note the followings when preparing the presentations:

- Group presentations are 30 minutes. If a presentation takes more than 30 minutes, the presentation will be marked down. Following 30 minutes, there will be 15-20 minutes for Q&A. The groups who do not present are expected to ask questions.
- Each group member's presentation time has to be (approximately) equal. When a group has three people, we expect that each person should present approximately 10 minutes. If someone presents far less than 10 minutes, this is not acceptable.
- If someone does not present, he/she will not receive the presentation mark.

Assessment criteria in group presentations

Criteria	Detail
Content	1. Introduction is attention-getting, lays out the problem well, and establishes a framework for the rest of the presentation. 2. There is an obvious conclusion summarising the presentation. 3. Appropriate amount of material is prepared, and points made reflect well their relative importance. 4. Material included is relevant to the overall message/purpose and has a consistent style. 5. Information is presented in a logical sequence.
Presentation	1. Speakers use a clear, audible voice. 2. Delivery is poised, controlled, and smooth. 3. Good language skills and pronunciation are used. 4. Visual aids are well prepared, informative, creative, effective, and not distracting. 5. Length of presentation is within the assigned time limits. 6. Information is well communicated. 7. Speakers are professional in their delivery.