



## 8167 – E- MARKETING

COURSE SCHEDULE A.Y. 2008-2009

### Class 31

Teachers: Proff. Margherita Pagani, Emanuela Prandelli

Date	Hours	Room
Monday	16:15-17:45	2
Wednesday	10:30-12:00	2

#### Course Description

The Internet and new digital media offer a fundamentally new way of conducting business, creating tremendous opportunities and risks for organizations. E-commerce and computer-mediated interaction have transformed business by providing large-scale, instantaneous and nearly free commercial communications. This has changed vendor management and the nature of the supply chain speeding production and allowing it to respond to fluctuations in demand. More significant changes can be observed in consumer and business marketing since rapid access to information provides opportunities for customizing products, services, and advertising and promotional initiatives. Firms are able to measure the impact of marketing programs and supply-chain decisions as never before. Electronic commerce for many organizations also represents a new and unique path to the marketplace, leading to complex and innovative opportunities for distribution and for pricing.

This course provides a series of strategic frameworks for managing marketing strategies in the digital marketplace. The emphasis throughout is on the development and application of conceptual models which clarify the interactions between competition, patterns of technological and market change, and the structure and development of internal firm capabilities.

The main focus is on the acquisition of a set of powerful analytical tools which are critical for the development of an e-marketing strategy as an integral part of business strategy. These tools can provide the framework for deciding which technologies to invest in, how to structure those investments and how to anticipate and respond to the behaviour of competitors, suppliers, and customers.

The course utilizes lectures, case analyses, and independent reading. The readings are drawn from marketing theory and research in technological change. The case studies provide an extensive opportunity to integrate and apply these abstract tools in a practical, business policy context.

## Course Objectives

1. Understanding the major forces shaping and differentiating e-marketing.
2. Acquiring conceptual frameworks and analytical tools needed for developing and changing business models in fast-paced technology markets.
3. Gaining practice in looking for and developing opportunities in rapidly changing markets (Web, digital TV, mobile).
4. Developing tools for specific functions (“horizontal”) necessary for marketing products and services, such as new product development processes, market measurement, customer retention, pricing, and more.
5. Developing habits of orderly, analytical thinking and skill in reporting conclusions and proposals effectively in written and oral form.
6. Practicing working in groups.

## Course Material:

### *Attending students*

8167 E-marketing - Course readings (2008), Egea, Milano

### *Not Attending students*

Strauss J., El-Ansary A., Frost R. *E-Marketing*, Fourth Ed., Pearson

## Detailed Description of Assessment Methods

### *Attending students*

Grades will be computed as follows:

1. Written Final examination : 50% of the final grade
2. Final group project - 30%
3. Class attendance and participation – 20%

### 1. Examination

The written final examination will be a 60 minute, closed-book, short answer and/or multiple-choice, in-class exam.

### 2. Final Group project

The project provides an opportunity to apply course concepts and to perform an in-depth analysis of operations strategy issues that are of interest to you. You may do this in a team (up to five people) according to the guidelines distributed in class.

In addition to the paper, each team/individual will make a 10-15 minute presentation (depending on how many teams we end up with) on the last days of class.

### 3. Class participation

- INDIVIDUAL CONTRIBUTION = Your contributions to create and enhance a *positive learning environment* for this course. This includes enhancing the atmosphere and quality of classroom discussions, as well as interactions outside the classroom. **To create this environment, please leave laptops, cell phones and PDA's turned OFF during class.** Grading will be based on the quality and impact of your contributions, not primarily on quantity (although a minimum amount of the latter is necessary to deliver on the former).

- CLASS DISCUSSION: In a typical class session, one or more students will be asked to begin the discussion by addressing specific questions. If you have thoroughly prepared the case or reading, you should have no difficulty in handling such a lead-off request. After the leadoff initial analysis and recommendations, the discussion will be opened to the rest of the class, sometimes with cold calling mixed in. Some of the criteria for judging effective class participation include

1. Relevance,
2. Insightfulness (in analysis, observation, or questions),
3. Constructiveness in the context of the class discussion flow,
4. Depth of analysis,
5. Clarity and brevity.

- ATTENDANCE AND CLASSROOM ETIQUETTE: Please plan to attend class on a regular basis and come to class prepared to participate fully.

*Not attending students*

Written exam based on the textbook - 100%



#	Date/hour		Topic	Readings	Assignment
<b>Module I: E-MARKETING ENVIRONMENT</b>					
1	Monday 15/09 16:15 – 17:45	MP	Introduction: Defining “E-Marketing Strategy”	“The Way of Warrior” The Economist, 2004	<ul style="list-style-type: none"> <li>- Is the strategy outlined for Motorola useful? Why or why not?</li> <li>- In your view, how should one define a strategy for a technology driven company?</li> <li>- How should such a strategy differ from a technology strategy?</li> <li>- What should be the relationship between them?</li> <li>- When is a technology strategy useful? What should be its role?</li> </ul>
2	Wednesday 17/09 10:30– 12:00	MP	Adoption in the network economy: Crossing the Chasm and TiVo	<p>Case “Tivo in 2002: Consumer Behavior”, HBS Case, June 30, 2002, pp. 1-14 [N9-502-062]</p> <p>Moore, Geoffrey Crossing the Chasm “- and Beyond” <i>Inside the Tornado</i>. pp 13-26.</p> <p>Norman, Donald A. “Growing Up: ‘Moving from Technology-Centered to Human-Centered Products’.” The Invisible Computer. pp. 22-49 <a href="http://mitpress.mit.edu/books/NORVH/cha-pter2.html">http://mitpress.mit.edu/books/NORVH/cha-pter2.html</a></p>	<p>Prepare the following study questions for class discussion:</p> <ol style="list-style-type: none"> <li>1. Formulate a hypothesis about the limited success and adoption of TiVo.</li> <li>2. What are the underlying assumptions and/or hypotheses of TiVo’s management regarding the diffusion of TiVo? How does this reflect on the research they conduct?</li> <li>3. Analyze the situation from the consumer’s standpoint. What is TiVo? What factors facilitate its adoption? What factors make adoption difficult? Who is TiVo best suited for?</li> <li>4. What “crossing the chasm” strategy would you recommend for TiVo? How should TiVo position itself and whom should they target first?</li> </ol>

3	Monday 22/09 16:15– 17:45	MP	ICT properties and evolution	<p>Case “Apple 2006”</p> <p>Moore, G. <i>Crossing the Chasm</i>. Rev. Ed., (NY: Harper Collins, 1999) Chapter 1 “High-Tech Marketing Illusion”&amp; Chapter 2 “High-Tech Marketing Enlightenment”</p> <p>Christensen, Clayton "How can great firms fail? Insights from the hard disk industry" Chapter 1 in <i>The Innovator's Dilemma</i>, Harvard Business School Press, 1997, pp 3-28.</p>	<ul style="list-style-type: none"> <li>- What are the critical technological trajectories in the personal computer industry over the last 20 years?</li> <li>- Who are the relevant customers and how have their preferences evolved over the last 20 years?</li> <li>- How has Apple’s PC strategy evolved? What technology trajectories do they emphasize? What customers do they target? What capabilities have they built over time? How do these capabilities differentiate their offering?</li> <li>- How has Apple’s iPod and iTunes strategy evolved? What technology trajectories are emphasized? What customers do they target? What capabilities have they built over time? How do these capabilities differentiate their offering?</li> <li>- How does the iPhone fit into the iPod/iTunes strategy? How do technologies and customers differ for this product?</li> <li>- What is your recommended next step for the iPod/iTunes business?</li> </ul>
<b>Module II: E-MARKETING STRATEGY</b>					
4	Wednesday 24/09 10:30– 12:00	MP	E-marketing strategy: briefing group projects	Guest speaker: Digital Magics	
5	Monday 29/09 16:15– 17:45	MP	The E-Marketing Plan	Chapter 3 Strauss “E-Marketing”	
6	Wednesday 01/10 10:30– 12:00	MP	E-Marketing Strategic Planning	<p>Evans, Wurster (HBR, 1999)“Getting Real about virtual commerce”</p> <p>De Figuereido (Sloan Management Review, 2000) “Finding Sustainable Profitability in Electronic Commerce)</p>	

7	Monday 06/10 16:15 – 17:45	MP	The role of market research	<p>Case: “Zenith: Marketing Research for HDTV” <i>HBS</i>. July 24, 1991. pp. 1-22. [9-591-025]</p>	<p><b>CASE WRITE UP DUE TODAY FROM EACH TEAM AT THE BEGINNING OF THE CLASS</b>  <b>Assignment:</b> Write up the case and turn in answers to the following questions (one per team).</p> <ul style="list-style-type: none"> <li>- Explain the differences between three forecasting methods: diffusion, econometric, and customer choice modeling?</li> <li>- What market research should Huber recommend for HDTV <i>now</i> and <i>later</i>?</li> <li>- Will HDTV be an uphill battle or a boost for Zenith? For the industry?</li> <li>- What are the pros and cons of adopting HDTV? Who will be early adopters?</li> <li>- Should Zenith undertake the aspect ratio study? If so, <i>when</i> and what should be the research design (i.e. any modifications to the proposal)? What are the pros and cons of the existing proposal?</li> <li>- What is the market potential for HDTV based on the diffusion history of similar innovations? How can customer behavior for color TV help assess the market for HDTV? Please forecast sales numbers for ten years.</li> <li>- How should one define scenarios for an optimistic, a most likely, and a pessimistic scenario for the demand for HDTV in 1992-2000?</li> <li>- What are the demand numbers under these scenarios?</li> <li>- What is the role of market research for high-tech consumer durables?</li> <li>- What are the pros and cons of the other proposals for HDTV research</li> </ul>
<b>Module III: ONLINE CONSUMER BEHAVIOR</b>					
8	Wednesday 08/10 10:30 – 12:00	EP	Redefining the marketing mix on line	<p>G. Verona, E. Prandelli (2002), A dynamic model of customer loyalty to sustain competitive advantage on the Web, <i>European Management Journal</i>, 20 (3): 299-309</p>	

9	Monday 13/10 16:15 – 17:45	EP	The role of customers in virtual settings	C. K. Prahalad, Venkat Ramaswamy, (2004). Co-Creation Experiences: the Next Practice in Value Creation. Journal of Interactive Marketing, summer, vol. 18, no.3	
10	Wednesday 15/10 10:30 – 12:00	EP	Qualitative and quantitative demand analysis on the web	Rangaswamy A., Van Bruggen G. (2005), "Opportunities and Challenges in MultiChannel Marketing: An Introduction to the Special Issue." Vol. 19, No. 2 (Spring), p. 5-11, Journal of Interactive Marketing.	
11	Monday 20/10 16:15 – 17:45	EP	On line consumer behaviour	Guest speaker: eBay	
12	Wednesday 22/10 10:30– 12:00	EP	Web-enabled market research	S. Sen et al. (1998), The Identification and Satisfaction of Consumer Analysis-Driven Information Needs of Marketers on the WWW, European Journal of Marketing, 32 (7/8): 688-702.	
13	Monday 27/10 16:15 – 17:45	EP	The role of virtual communities for enhancing market knowledge and customer cooperation	M. Sawhney, E. Prandelli (2000), Communities of Creation: Managing Distributed Innovation in Turbulent Markets, California Management Review, 42 (4), Summer: 24-54	
<b>Module III: E-MARKETING MANAGEMENT: PRODUCT, PRICING, PROMOTION,</b>					
14	Monday 10/11 16:15 – 17:45	EP	Innovation management in virtual environments	E. Prandelli, G. Verona, D. Raccagni (2006) Web-based Product Development, California Management Review, Summer 48 (4), pp. 109-135	<b>Submit no later than November 10, a 1-2 page report describing the progress your team has made on the course project (one per team). Submit BOTH an email version (to <a href="mailto:margherita.pagani@unibocconi.it">margherita.pagani@unibocconi.it</a>) and a hardcopy version.</b>

15	Wednesday 12/11 10:30 – 12:00	EP	The role of virtual knowledge brokers	M. Sawhney, E. Prandelli, G. Verona (2003), The Power of Innomediation, MIT Sloan Management Review, Winter, 44 (2): 77-82	
16	Monday 17/11 16:15 – 17:45	EP	Integrating different innovation tools into a unique platform	Ducati case study	<ul style="list-style-type: none"> <li>- Which are the Drivers of Willingness to Pay (WTP) for Ducati Fans?</li> <li>- How Ducati positioning changed on time?</li> <li>- How they could innovatively use the Web in order to support the turnaround strategy?</li> <li>- What are the specific implications for the NPD strategy?</li> </ul>
17	Wednesday 19/11 10:30 – 12:00	MP	How online distribution affects pricing, product, promotion strategies	Case: "Matching Dell." 31p. HBS. June 6, 1999. pp. 1-31. [9-799-158]	<ul style="list-style-type: none"> <li>- How has the PC industry evolved? How did Dell get started in this business?</li> <li>- Who are Dell's customers? Why do they buy from Dell?</li> <li>- What are the key elements of Dell's strategy?</li> <li>- How does direct distribution affect Dell's pricing? Products? Promotion?</li> <li>- What are the advantages and disadvantages of this form of distribution?</li> <li>- What did Dell learn from its mistakes?</li> <li>- Can the direct model be extended to non-PC products?</li> </ul>
18	Monday 24/11 16:15 – 17:45	EP	Pursuing continuous innovation in virtual settings	Guest speaker: Google	
19	Wednesday 26/11 10:30 – 12:00	MP	Pricing strategy	Shapiro Carl and Hal Varian " Versioning: the smart ways to sell information" HBR November December 1998, pp. 106-114 [98610]	
<b>Module IV: MULTICHANNEL MANAGEMENT STRATEGIES</b>					
20	Monday 01/12 16:15 – 17:45	MP	Channel management in virtual environments: digital Tv, web and mobile	QVC case study	

21	Wednesday 03/12 10:30 – 12:00	MP	Channel management in virtual environments	Guest speaker: Mediashopping	
22	Wednesday 10/12 10:30 – 12:00	MP	Making use of the e-marketing strategy in the web 4.0	Case study: QOOB Tv	
23	Monday 15/12 16:15 – 17:45	MP	Team Summary presentation		
24	Wednesday 17/12 10:30 – 12:00	MP	Team Summary presentation and course conclusion		

**Office hours**

Office hours are available at (<http://www.uni-bocconi.it> > [Didattica](#) > [Orari Aule Calendari](#) > [Orario di Ricevimento Docenti](#)).

Office hours could vary: please check on the website.

**Marketing Secretary**

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