

## LIVING CASES AND THE REAL WORLD EXPERIENCE

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### ABSTRACT

This paper's goal is to describe the use of living case projects in a one term undergraduate capstone marketing course or a graduate level marketing course. The case-project is used to supplement the text and lectures with the purpose of providing a vehicle for applying marketing concepts to contemporary/live situations. It can be applied to target consumer and industrial products and services to give the students a more complete experience in marketing. Information on case-project planning, case-project development, out-of-class activities and expectations, reporting requirements, and student benefits are presented in this manuscript.

For the past ten years, senior students enrolled in a capstone Marketing Management course at Oregon State University (OSU), OSU and University of Oregon MBA students, and Oregon Executive MBA (OEMBA) program participants enhanced their learning through the use of the case-project method. Recently, the students in a graduate level marketing course in Sydney, Australia also used the living case method. The courses have ranged in length from a seven week executive course to a thirteen week graduate class. The term-long project used in these courses requires the student to work with selected products to develop data for a situation analysis, marketing critique/audit, and a marketing proposal/plan for the assigned product. Texts are typically heavily laced with consumer product examples thus the case-project experience provides a vehicle for gaining insights to other marketing applications, especially those in the industrial product/service, consumer service, and not-for-profit areas. It has great potential for making marketing more relevant and "alive" for students.

This paper examines the preparation required for, the content of, the expectations for, and the student benefits realized in a major contemporary/live marketing case-project. The course objectives are reviewed in the paper's first section. Information on the development and organization of the living case-projects are presented in the second section of the paper. Student participation and case-project grades are explained in the third section. The last section summarizes the educational benefits and career

rewards a student may appreciate after participating in the case/project assignment.

### LIVING CASE PROJECT OBJECTIVES

Five objectives of a living case project are:

- To provide an environment for obtaining a more complete comprehension and possible use of the marketing tools introduced in the text;
- To provide an experience in gathering and analyzing both secondary and primary market data for conducting a marketing audit or analysis;
- To develop verbal and written communication skills and tailor them for use in making presentations to practitioner/professional audiences;
- To develop an appreciation of the complex relationships existing in a comprehensive marketing mix; and
- To encourage the student to develop, expand, or advance career interests.

### OVERVIEW OF A LIVING CASE PROJECT

#### Case-Project Selection

Case-project selection is a major determinant to success of the project. To conserve time and quickly move to the core of the project it is necessary to select candidate products/services or brands before the term starts. In my experience, it is best if products where there are abundant information sources are selected by the faculty member. The information does not have to pertain to a particular brand but, for comparison purposes, information on the industry, market and competition will be needed to develop a useful data base and an understanding of the product's market environment. Experience has shown that if this is not done, excessive time is spent at the beginning of the course bringing focus to the term-long efforts.

The case-project breakdown is usually half consumer goods or services, half industrial goods or services and an occasional not-for-profit service. From a list that includes over fifty companies who have been

used, example product topics include: Motorola (cellular phone), Starbucks, Tektronix (oscilloscopes), Harley Davidson, Boeing (commercial aircraft), Compaq (notebook PCs), US West (yellow pages), Federal Express, Time Magazine, First Interstate Bank (commercial loans), Freightliner (trucks), and the University's Athletic Department.

### **Class Organization**

The first class period is spent discussing the course syllabus and expectations for the term and organizing the project groups of 3 to 5 students. Students are assigned to projects that compliment their career interests. Exhibit 1 contains a modified version of the syllabus explaining many of the course details. This exhibit presupposes a 13 week term but the methodology has been used in seven and ten week terms. Time is spent with each of the 6 to 8 groups in the class providing them with background on the development of their specific project.

The products representing consumer products, heavy industry durables, consumer services, and business supplies/services are placed on the board and the instructor reviews each one showing the possible career related experiences a student could obtain from a particular selection. Eight products are usually listed and the students are asked to select their first and second choice. At times seven or nine students have a common interest in one particular case/project area, say United Airlines. This larger group is divided into two groups and the second group is assigned to another firm in the same industry such as American Airlines. Each group then meets to name their consulting practice and assign responsibilities for the informal assignments for the next two weeks and the first paper. While they are holding their group meetings the professor visits each group and gives them data/materials that were obtained by the instructor (ABI abstracts, advertisements, and news articles). This is intended to demonstrate that there is ample information available and that the instructor is committed to assisting each project group.

During the first 8 weeks or 2/3s of the term, both the macro and micro marketing environments of the company are studied along with the basic marketing mix (Exhibit 1, page 1). On a weekly basis for the first three weeks, the six domains of the macro environment (economic, demographic, technological, social/cultural, political/legal, and natural environments) and micro environment are detailed informally and in report form. Initially the focus of the informal and formal periodic reports are to become acquainted with the environment of the firm, its customers, and its markets. This is followed by a review of the marketing variables of product, place

(channels and physical distribution), price, and promotion (4 Ps), with personal, physical facilities, and processing (7 Ps) are added to better reflect the characteristics of the service sector (Mcgrath 1986) in making marketing decisions. At the end of this section of the course students should be able to identify:

- The options available in regard to each "P" (4 or 7) relative to their case situation;
- The situational/environmental factors that might surround decision areas affecting their product;
- Uncomplicated models that may be used to present information or situations affecting decision considerations; and
- Targeting opportunities with decision options or alternative marketing programs for their product.

Using the collected information, students appraise the product's marketing program, identify new opportunities and possible threats, critique each feature in the program (strengths and weaknesses), and then develop an annual marketing plan to leverage the strengths and correct weaknesses in the face of current opportunities and threats (SWOT).

### **Weekly Preparation**

Five papers and seven presentations on current customers, potential customers, competition, marketing environments, existing products, distribution channels and or processing, prices and pricing, promotion and personnel are completed during the first eight weeks (2/3s of the term). Lectures on related text material are given in the first class period each week. The second class period is used for class presentations of the material collected and/or paper developed for the session and the discussion of future case/project assignments. Each group gives a eight to ten minute presentation on their data, data interpretations and case findings. They usually introduce exhibits/overheads (ie, listing direct and indirect competition and market shares) that condense their information to a decision supporting format. Beginning with the fourth week (1/3 of the term), the first paper is used to provide details of the findings (Exhibit 1, page 2). The students are told that they are not responsible for covering the entire text of any written assignment in their class presentations but to present a novel observation on the use of a marketing concept or something that would be of interest for the class members. When they are more familiar with the project expectations and after completing the product and channels audit papers during the sixth week (1/2 of the term), they are encouraged to begin critiquing the remaining variables, pricing and promotion. In other words they are beginning to interpret their findings in terms of a situation

analysis or SWOT. Support for this appraisal usually comes from the group's examination of practices elsewhere in the industry, competition, trade material, and/or market observations. Students generally have difficulty developing the first paper because they are just becoming acquainted with the product's market, the marketing environment, the product, their group members, and the instructor's expectations. It is necessary for the instructor work very closely with the students at this time as it will set the tone for future papers and assist the students to get off to the best possible start for the term's efforts. If needed the instructor meets individual groups and assist in their initial data gathering, answering questions concerning expectations, and brainstorming with the students on how and where to obtain information.

#### **Preparation for the Plan and Final Presentations**

After completing the review of the product's marketing environment and marketing program through the five descriptive papers the students prepare individual evaluations of the product's marketing program through an evaluation form (Exhibit 1, page 6). The evaluation must be supported with evidence coming from the market observations, trade publications, comparisons with competition, extensions of text materials, casual market surveys, and/or materials from literature review. Having each student in a group treat this individually provides a basis for getting four to six strong and weak features in the product's marketing program.

Upon completing the background material and to provide closure for the case-project, each group develops a set of recommendations incorporated in a marketing plan for their product. The recommendations are based on the SWOT established in the earlier papers and evaluations. The students are encouraged to use an established planning format included in many texts (see Exhibit 1, page 4). The plan should include a calendar, usually an exhibit, for implementing one proposed change along with select details for implementation. Proposals are presented to the entire class during the final class periods - or sometimes during the period reserved for the final examination. The fifteen minute presentation includes a description of the plan, rationale for the plan, and some details on select elements of the plan (see Exhibit 1, page 4). After the formal presentation, the class is invited to question the project group on their findings and suggestions. This informal part of the presentation gives the class an opportunity to obtain information on the material not necessarily included in the report. It also gives the case-project groups a chance to present and defend some of their more

incidental observations or extend the explanation of their proposal.

#### **CASE-PROJECT/STUDENT EVALUATION**

One half of the course grade is based on the project. This grade is divided between the five audit papers (5% each), the final plan (20%), and class participation (5%). Through the term the instructor frequently visits each group immediately before or at the end of the class to ask group representatives for an evaluation of each group member's participation. At the end of the term, as part of the final report, the students are required to evaluate each member's participation. Thus, to encourage equal participation on the part of all group members, each group completes and turns in an evaluation of their group members. This evaluation indicates the percentage of contribution of group members to the groups over-all performance on the project. This evaluation accompanies each written case-project presentation. This gives the instructor feedback concerning each individual's participation and is used in student evaluation.

#### **EXPECTED OUTCOMES OF THE LIVING-CASE METHOD**

A general or fundamental objective of most marketing courses is to provide an acquaintance with the material in a particular area of study. In more advanced courses, the project supplements this education by providing a hands-on experience with a real-life marketing situation and the tools for responding to this marketing challenge. The project requires the students to apply the text and lecture material by describing their project inputs (data) in weekly reports before constructing and presenting a marketing plan in their final report. As students transform their observations and data into a concise audit, critique and plan they gain a better understanding of the material and gain confidence in their "marketing" savvy. The students also have chance to test and apply core marketing concepts and tools to the situations they encounter during term and gain further appreciation of the course and their education.

The living case projects provide an opportunity for the student to gather, interpret and organize vast amounts of information on an industry, industry participants (including competition), and general industry marketing practices. Frequently they are exposed to internally generated data used by marketing personnel in their project area. Conversations with the marketing professionals in an industry broaden the student's understanding of the organization's position in an industry and internal

operations of the organization. The students should obtain a clearer view of the applicable macro and micro marketing environments affecting the organization's decision making process.

The living case project also allows the student to gain experience as communicators in the business world. For instance, in asking business professionals questions related to their data gathering the students learn to recognize and develop questions that can be answered by the business professional. Their written communication skills are developed through their five page preliminary reports; their oral communication skills through their weekly class presentations. Industry representatives associated with the projects have reported that, "the oral presentations were competent and the written reports were not only accurate but also very astute in observations and recommendations."

The living case-project helps the student understand the breadth of the marketing responsibility. It serves as a foundation for recall of the total number of variables in a marketing program, marketing's association with the market, and capabilities of the organization. Retention lasts well beyond the end of the course as evidenced by the fact that alumni frequently identify themselves by the name of their project group or product. Employers of students, in the MBA and OEMBA programs, have commented that their employees gained appreciation of their company's comprehensive marketing program through the project.

There are numerous advantages in using such a project. In some instances, the living case project method may be superior to the case method in that it requires the students to identify and fully articulate the environment surrounding the project area. To understand and fully interpret a problem's existence, students have to find and use data from sources not normally available to many practitioners, typically smaller practitioners, in the form of ABI Inform and/or other data bases through Mosaic and Internet. Traditional information sources such as industrial trade associations, trade publications, annual reports, government statistics, popular news magazines, and computerized news services are also used. Typically this exercise provides an opportunity to envision, with a hands on experience, the vast amounts of information that might be useful in making a marketing decision.

An obvious short run outcome from the student's standpoint is that the project requires each individual to be current with respect to the text readings as they will be applying the material in preparation for the next period's paper and presentation. The concept from the text are immediately verbalized and applied

to their project. The re-enforcement extends beyond the term with instructors in more advanced instructors indicating that the students are well prepared in the basic concepts.

A last benefit of the living case method is that the case-project can compliment career interests. For instance, an MBA student from the financial industry or an undergraduate with a computer science minor can be assigned to high-tech project. These students have had an opportunity to learn about marketing in their chosen industry and develop a portfolio material to use in their respective careers. This benefit has generally resulted in improved student evaluations of the course.

Below are samples of comments coming from students who have completed the class with a living case project:

- "Overall this is the best course I have done to date with relevance to my work and interest."
- "This class gave me confidence in presenting and using my marketing skills."
- "Great class. I learned more by studying one specific company throughout the term."
- "Excellent course. I learned more about marketing in this class than all others combined."
- "I learned more than any other class."
- "I was much more interested in the text because of the continuous application to the project."
- "The work was overwhelming but I highly recommend the course."
- "The project inspires the student to think on their own. It really provides incentive to do well."

#### REFERENCE

Mcgrath, A.J. (1986). When Marketing Services, 4 Ps Are Not Enough. Business Horizons. May/June: 44-50.

**EXHIBIT 1**  
**Sample Schedule of Living Case Assignments**  
**Advanced Marketing Management**

**Course Description:** This course provides an educational experience which will enable the student to understand and deal with the managerial problems of marketing at the strategic and policy-making level.

**Text:** The text assignments can come from the instructor's preferred book in the field of Marketing Management, Marketing Strategy, or Strategic Marketing.

**Case-Project Assignments:**

Week 1	Case-Project	Living case - Group assignment
Week 2	Case-Project	Informal discussion on project expectations Demonstration of literature and field research
Week 3	Case-Project	Informal class report on competition and market environment
Week 4	Case-Project	Class reports & memo on customer, competition and market environment
Week 5	Case-Project	Class reports memo on product
Week 6	Case-Project	Class reports & memo on channels, intermediaries, and physical distribution
Week 7	Case-Project	Class reports & memo on price practices and price strategies
Week 8	Case-Project	Class reports & memo on promotion mix
Week 9	<b>First Exam</b>	
Week 10	Case-Project	Informal class SWOT and critique presentations
Week 11	Case-Project	Final plan submission
Week 12	Case-Project	Final class report (15 minutes each)
Week 13	Case-Project	Final class report (15 minutes each)
Week 14	<b>Second Exam</b>	

**LIVING CASE-PROJECT: Question Guide**

The five preliminary memos (each 5% of grade) are used to describe the marketing practices currently used by your company. These preliminary memos should be limited to one page

of text with attachments that have been referenced in the memo's text. It is to be assumed that your group is evaluating the entire question listed below unless you have indicated otherwise in the title or leading sentences of your memo. The last memo (20% of grade) should present recommended changes in the marketing program that you described in the previous memos. Text of the final memo should not exceed four pages (double spaced). Meaningful attachments (referenced in the text) can add a lot of depth to a memo's text.

1. "Who" memo. Prepare a one page memo in accordance with the "Guidelines" describing the market for your product. The market should be stratified into major market segments such as different categories of manufacturers, retailers, contractors, professional offices, consumers group I, consumer group II, etc. In an exhibit identify unique purchasing considerations for each segment. Differences in buying considerations/habits of each segment may be caused by the economic size of the purchase, the structure and policies of the buyer's organization, differences in education and/or available information used by each segment, the use of the product, the nature of the industry (sometimes regulated by the government or professional organization), brand or source loyalty. At the end, you should begin to understand why different marketing programs are used for each segment.

List the major direct, substitute and indirect competitors and approximate market share for each of the direct competitors (including your organization).

Select exhibit(s) will be useful in listing the direct, substitute, and indirect competitors and market shares for the direct competitors. Exhibits will also be useful in listing the market segments and the characteristics of each segment.

Someone in the project group should be prepared to make a brief presentation during class. The goal of the presentation is to quickly introduce your product and organization before explaining important and interesting findings.

2. "What" memo. Prepare a one page memo describing your selected product. Include detailed information on the core benefits, actual product, and augmented product.

Product line information should be included demonstrating alternative variations of the product that are available. Is the product modified for different market targets or segments? If so, this should be recognized in your memo and/or attachments. Use an exhibit to compare your offering with the competition's product offering.

3. "Channels and Physical Distribution" memo. Prepare a one page memo describing the marketing channels used to sell and deliver your product. Describe the changes (repackaging, assembling, etc.) in the product/service that take place in each channel level. What means of physical distribution are used? Where is inventory maintained? The modes of transportation between your organization and the final customer, and example inventory locations (warehousing) should be identified. The different intermediaries (i.e.: referrals, wholesalers, distributors, agents, brokers, etc.) involved in the sale of the product should be described in terms of their intermediary services (locations inventory, services, etc.). Any attachments that provide clarification will help. A diagram displaying the marketing channel members may be helpful to identify the different intermediaries involved in the ultimate sale to the consumer. You may also want to develop a diagram of the product's physical movement to the market, identifying all of the steps in the process.
4. "Price" memo. Prepare a memo describing various prices of your product. A price list that includes the suggested list price, different consumer prices (if any), and the various discounts (volume or quantity, trade, seasonal, periodic close-out) used to market the product. Prices for extra features, accessories, and intangibles that add to the basic price should be listed separately. There may be different prices (with reason) for each of the market segments. Another exhibit comparing the competition's product and accessory prices should be part of the memo.
5. "Communication" memo. Prepare a memo describing the promotional program used to support the marketing of your product. How are the sales of your selected product/service facilitated by the promotional program? What promotional tools are used in each stage of the adoption process (awareness, knowledge, liking, trial, purchase, and post-purchase cognitive dissonance)? Show how the promotion program (personal sales, advertising, sales

promotion, and publicity) is used to move the customer through stages of your suggested purchase process. Provide one example of an advertising and a non-advertising (personal sales, publicity, or sales promotion) type of promotion.

Attachments are helpful (i.e., example advertisements, a chart of the adoption process along with descriptions of the promotional methods(s) used at each stage of the process) and can be used to consolidate a lot of material.

6. **Final Memo** - What changes would your group recommend in the marketing program? Support your arguments with evidence from previous memos which should be summarized to form the background for the critique and recommendations. The critique and recommendations should follow the summary and may reference the summary and meaningful exhibits attached to the report. The note at the end contains some ideas that may be used in preparing the final memo.

The text of the memo is limited to 4 pages with standard one inch margins. A standard font size should be used. The reader will not tolerate exceptions. Attachments are recommended but should be referenced in the text. If exhibits are not referenced there is no reason to look at them. There may be a number of major sections of the memo separated by major headings. You should be careful to keep the content of the section clear and concise pertaining to the heading of the section. Use your creativity.

#### **EXAMPLE OUTLINE OF FINAL MEMO**

Memo heading

Executive summary - basic and brief description of your marketing proposal.

Evaluation - identify the strengths, weaknesses, opportunities and threats of the current marketing mix and strategies. Be specific.

Recommendations - how you would take advantage of the strengths, correct the weaknesses, respond to observed opportunities and threats?

Example plan - specifically list various activities needed to implement at least one major recommendation. Be sure to include a time table (schedule) of appropriate actions.

Endnotes - Sources of information used in the development. This will include references to library material, formal interviews, and any other marketing research data (primary or secondary) gathered for the memo.

Attachments - Tables, exhibits, graphs, etc. used to support and/or extend concepts or ideas presented in the memo.

### FINAL CLASS PRESENTATIONS

Each group will be responsible for a fifteen minute presentation briefly describing the highlights of their living case project, their major criticisms of the current marketing program, their recommendations and a plan for one of the recommendations. Do not read your memo, but provide the highlights. The goal is to have the listener want to read the memo. It is also a chance to extend beyond the memo's content in select areas. VCRs, overhead projectors, slide projectors, and computer equipment may be available, but have to be scheduled for the room.

Let the professor know well in advance to schedule any special equipment.

### GUIDELINE FOR MEMO WRITING

Each memo should be presented in a standard format with referenced attachments. Groups should name their consulting enterprise and develop a letterhead with their logo or organization name along the top or side.

Single copies of the first five memos are to be handed in at the end of the class period of the in-class report. Two clean copies of the final four page memo are to be handed in. Only one will be returned.

Consider the following in preparing and editing each memo:

1. Good exhibits, as extra pages, are encouraged. A picture is worth 1000 words. A good exhibit should be titled so the reader understands the presentation's content. Appropriate legends are a must. Exhibits must be referenced in the text to bring it to the reader's attention. Data sources used to develop the exhibit should be referenced at the bottom of the exhibit or included as part of the endnotes.
2. Document statement of fact contained in the text via endnotes. The endnotes should give reference to the sources of material which

might range from interviews, personal observation, to written material (i.e., annual reports, sales literature, news articles). These endnotes should be included as an extra page(s). Be sure to document the data sources used to form any exhibits. The bibliography and displays (exhibits, charts and figures) can be included as extra pages. These additions can become very important extensions of the text.

3. All memos must be precise and to the point. Careful selection of the wording can be helpful in condensing many ideas. It may be helpful to use some of the terms introduced in the text to keep the memo's content precise and accurate.
4. Reread the question guide and your total memo before final preparation to make sure that you have responded to the entire assignment. Possibly have someone else critique the memo and attachments before final preparation. Then proofread the final draft.
5. Late assignments will be penalized. (Normally the highest possible grade on a late assignment is the lowest grade received by those handing it in on time).

### EVALUATING YOUR MARKETING PROGRAM

For your evaluation you may want to develop and use a spread sheet listing all of the components of the marketing program and then your assessment of each component. In the text or as an extended part of the evaluation exhibit you should describe any information that you have obtained that would support your evaluation score for a particular component.

Have each group member independently rate the marketing mix for your program before meeting to develop and discuss supporting data for the group evaluation. The final evaluation should be a consensus.