

A NEW PRINCIPLES OF MARKETING DELIVERY SYSTEM

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ABSTRACT

This is a descriptive report on the pilot offering of a new design for an introductory marketing course which attempts to address (1) the growth within the discipline which has expanded the content to be covered in such courses, (2) the increased risk and complexity of marketing decision making which is requiring a more experientially-based pedagogy, and (3) the increased demand for business options that has made it difficult to hold the line on class size.

BACKGROUND

In recent times, the dynamics in the field of marketing have become particularly significant. In addition to the information explosion occurring in all business disciplines, marketing educators must cope with the widening scope of marketing applications as well as the increasingly pivotal role marketing plays in the strategic planning process in organizations. The rapid growth in the use of marketing concepts in not-for-profit and service organizations is now accompanied by an increasing emphasis on international marketing issues. Also, deregulation of several key industries, an increasing focus on entrepreneurship, and a myriad of new technological applications have thrust marketing into the forefront of business activity.

If these changes were not enough to cause marketing educators problems, they are taking place at a time when there is pressure for the implementation of a more experientially based pedagogy. Simultaneously, schools of business are being challenged by rising enrollments and administrative pressures to keep within existing budgets. As a result, marketing educators are being asked to teach more material to more students using a more interactive pedagogy while staying within the confines of standard budget limits and the traditional three-semester-unit course in basic marketing.

In an attempt to address this complex problem, the marketing faculty at California State University, Fresno (CSUF), undertook the task of redesigning its Principles of Marketing course. This course was selected because it is the only marketing course in the CSUF business core required of all business students. The result was a four-semester-unit class which could be offered with large enrollments, could be team taught, and included a lab component to meet the need for more experiential learning.

The following paper identifies the needs which support the politically sensitive issue of increasing the number of required units in the

business core, outlines problems which led to the new course design, covers the educational concerns addressed by this design, and describes the pilot effort complete with feedback from students and faculty.

THE CHANGING ENVIRONMENT

All business disciplines can point to an information explosion which has expanded the material to be covered in the classroom. However, few face a problem of the magnitude that exists in the marketing discipline. For proof, one only has to look at the titles of texts available today compared to those available ten or more years ago. Older texts used operative words such as "principles", "fundamentals", or "concepts". More recent texts demonstrate the need to go beyond the teaching of concepts by adding words such as "applications", "strategies", "decisions", and "practices". An examination of these more current texts indicates that marketing educators are faced with an expansion of knowledge as well as an expansion of marketing applications.

Growth of the marketing discipline has been accompanied by a new prestige in many businesses and organizations. More and more traditional business firms are adopting a marketing orientation in the corporate planning efforts. As a result, the scope and jurisdiction for marketing decision making has been expanded from the narrow operational concerns of a functional department to the strategic planning issues affecting the entire firm. Marketing managers must cope not only with the effective operation of marketing activities, they must assist in the strategic planning of the entire organization as well as manage the integration of marketing activities into these strategies. Business Week, Fortune, and Harvard Business Review have all carried articles in the past year to inform their readers of the new role of marketing. This modern focus creates a need for a greater integration of business disciplines within the marketing classroom. Future marketing managers will be called on to understand how business disciplines are interrelated and will be expected to know how to deal with those interrelationships in a decision making and strategic planning arena.

In conjunction with the expanded role of marketing within the organization, new orientations have led to further applications of marketing. The most important of these orientations include:

1. International (Global) Orientation. More firms are dealing in international markets and facing increased competition from foreign companies in both domestic and international markets.

2. Not-for-Profit Orientation. Few areas have seen a greater growth of marketing in recent years. One value of this orientation is the appeal marketing has for students majoring in such non-business areas as recreation, fine arts, political science, and health sciences.

3. Service Orientation. As the economy becomes more service oriented, special attention must be paid to the unique nature of service marketing.

4. Entrepreneurial Orientation. The "rebirth" of entrepreneurship on university campuses requires schools of business to address one of the major problems facing the practicing entrepreneur; marketing.

5. Free Enterprise Orientation. Deregulation of transportation, financial services, and communications has thrust previously non-marketing oriented firms into a highly competitive environment.

All of the above translates into the first of three major trends to confront the marketing educator. The content that must be taught in the marketing classroom has grown exponentially.

In addition to these expanded applications, a second trend marketing educators face is the fragmentation of consumer markets. Together, these two trends make the marketing decision process itself more difficult and subject to greater risk. To function in this more demanding environment, graduates will be called on to show their oral and written communication skills, their analytical and problem-solving skills, plus their interpersonal skills.

The current perception is that many business graduates do not possess these needed skills. For example, recent diagnostic tests of students in Quantitative Analysis I courses in the CSU and UC systems showed a mean score of 20.4 out of 45 at the intermediate algebra level. In addition, due to a perceived lack of writing ability, CSU, Fresno adopted a policy requiring writing competency as part of the evaluation for every upper division business course.

Therefore, the issue facing marketing educators is how to adopt a more experientially-based pedagogy in order to produce graduates capable of demonstrating application as well as possession of knowledge. Exposure to more experiential techniques is encouraged by Standard V of the American Assembly of Collegiate Schools of Business (AACSB). The Assembly also encourages the introduction of computer technology, which is becoming increasingly available to marketing educators.

A third trend in recent years has been an increased demand for most business options. Many schools find it is becoming more difficult to hold the line on class size, given the constraints on resources. A frequently mentioned solution is to fill a lecture hall. While this makes economic sense, it also results in less student-faculty contact. Although that environment may suit presentation of concepts, principles, and terminology; it simply is not conducive to development of individual decision making and problem solving skills.

The basic marketing course, at most universities, is required of all business students. Thus, the course serves as a source of recruitment for majors and as the sole exposure other students may have to the field of marketing. This highlights an important concern for marketing educators; how to meet budgetary constraints and still have a comprehensive course that develops enthusiasm for the discipline of marketing.

It is evident, when one combines the environmental changes outlined above, the net result is a troublesome set of circumstances for marketing educators. Figure 1 summarizes the problems the marketing faculty at California State University, Fresno saw evolving from this set of circumstances. The new course design was based upon these identified problems. Figure 1 also previews the design solutions that were adopted.

Figure 1

REDESIGNING THE PRINCIPLES OF MARKETING COURSE	
Design Problems	Design Solutions
Cover more material in a basic marketing course	Covert traditional three (3) unit lecture course into a four (4) unit course
Expose students to more experiential teaching techniques	Include an applications laboratory for cases, simulations, and problem-solving activities
Integrate concepts from other business courses	Require the use of interdisciplinary concepts in the lab assignments
Expose students to the use of technology	Incorporate the use of technology in the lab activities
Retain good student/faculty interactions	Insist on faculty conducting the limited enrollment (20) labs
Work within confines of budget restrictions	Use large-class format (120) for lecture sessions. Use team teaching to make best use of faculty time/talent

THE DESIGN

The first design issue was to find a means to expand the content of the basic or introductory marketing course. The choice selected was to expand the traditional three-credit-unit course into a four-credit-unit course; one component of which would be an experiential lab. Students would attend three weekly lecture sessions, each of which are fifty minutes long. In addition, they would attend a two-period lab for a total of five class periods each week. This format made it possible for an instructor to cover more material per week.

The school's traditional, three-credit-unit course had typical enrollments of about 40 students. To increase the number of students served, lecture sessions were scheduled into a classroom which would accommodate as many as 120. However, to maintain student-faculty contact, labs were limited to a maximum enrollment of 20. The net result was greater student-faculty contact since labs were the personal responsibility of the faculty. Graduate assistant coverage, so common for quantitative or computer labs, was specifically rejected as inappropriate. Since each class of 120 students called for six labs, further efficiencies were achieved by employing a team-teaching approach. With two faculty, each person was responsible for half the lectures and three labs. The work load for each assignment, at CSUF, is 3 work load units for the lecture and 3.9 work load units for three labs.

The non-teaching team member took care of administrative details leaving the lecturing team member free to concentrate on the presentation of content. This division of labor also permits each person to capitalize on the academic strengths each has. Students are given a variety of presentation styles. And, the collaboration and synergism between two colleagues tends to result in a higher quality performance. Of course, this is also a function of the fact that more time can be devoted to preparation since there are fewer lectures for each to present.

THE LABS

The nature of the lab component in this introductory marketing course was different than most of the labs offered in the CSUF business school. Many of the labs found in statistics, finance, and accounting are adjuncts. In other words, professors teaching the course need not be present in a lab where students are using equipment to solve problems assigned as homework. They commonly have "open" attendance policies and are a way of insuring that students complete their application assignments. These labs are commonly staffed with student or graduate assistants who simply aid students who have problems completing their assigned homework.

In contrast, the marketing applications labs being discussed here were designed as an integral part of the course to address the following educational needs:

1. To involve students more directly in their own learning process.
2. To integrate the business concepts learned in other classes.
3. To promote an appreciation of the importance and relevance of the lecture material by demonstrating the relationship between classroom theory and business practice.
4. To develop skills which can be used in the more advanced business courses.
5. To provide greater opportunity for the development of both written and oral communication skills.
6. To develop the students' analytical and problem solving skills.

In order to address these needs, specific learning objectives were identified and specific learning experiences were selected as outlined in Figure 2. The learning activities selected were lecture, business simulation, case, individual and small-group presentation, written report, outside reading assignment, weekly quiz, and the use of team assignments. It was the design of the course, as shown in Figure 1, which permitted the application of the pedagogy summarized in Figure 2. Traditional lecture-discussion or straight lecture could not be used to attain the educational objectives described in Figure 2.

Lectures were used in the traditional manner to reinforce the students' reading and to enhance their learning by providing current examples illustrating the application of marketing principles. Because the large lecture, which lacks extensive interaction, tends to lull students into a false sense of security, a series of weekly quizzes were

given to encourage students to keep up with their reading.

Figure 2

LEARNING OBJECTIVES, ACTIVITIES, AND REACTIONS		
LEARNING OBJECTIVES	LEARNING ACTIVITIES	STUDENTS' SCORES
Learn to identify problems and establish a process for determining possible solutions	Cases (primary) Simulation (secondary)	8.1
Learn to integrate finance and accounting data into marketing decision making	Simulation (primary) Cases (secondary)	7.1
Reinforce text readings	Quizzes (primary) Outside readings (secondary)	8.1
Expose students to marketing literature and library resources	Outside readings (primary) Library lab (secondary)	7.0
Improve oral communication skills	Oral presentations	7.4
Improve written communication skills	Case reports (primary) Readings reports (secondary)	7.4
Develop an appreciation for the importance of cooperation	Team assignments (primary)	7.4
Develop a spirit of competition	Simulation (primary) Teams (secondary)	7.7

*Indicates student assigned score based on extent to which they felt the activity contributed to the accomplishment of the stated objective on a scale of 1-10 (10=High to 1=Low)

A semester-long, computer simulation was selected as a team assignment aimed at teaching the use of cost, financial, and marketing research data in making marketing decisions in a dynamic environment. Teams were required to develop a strategic plan for the simulation and produce financial statements and ratios from the decision results they received. This emphasis on integrating the knowledge gained in other courses was one of the key values of this experience. In addition to improving analytical skills and decision making techniques, the team concept represented an attempt to develop a spirit of competition as well as an appreciation for having to work toward a common goal with people who may have little else in common. To stress the importance of this cooperation, a portion of each student's grade was based on a peer evaluation of their contribution to the team effort. The simulation culminated in an "activity log" which contained all the firm's decisions, rationales, predictions, justifications, records, and a report to the next management team indicating what the relaying team had learned.

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introductory courses is often limited. Students in these marketing application labs were required to complete an analysis of six cases, some of which were individual while others were team efforts. Video cases were also included to provide extensive background into marketing problems faced by "real world" firms. These cases provided students with an opportunity to develop their problem solving and opportunity analysis skills, practice oral and written communication, and experience group involvement and interaction.

Students were also required to prepare two written reports on the application of marketing principles in today's business world. These applications were drawn from readings in current periodicals and professional journals. Oral presentations provided the entire class with additional examples and an opportunity for students to further develop their communication skills.

Other activities included one lab session devoted to an introduction to the use of library facilities, specifically for marketing research. A portion of another session was devoted to exploring career opportunities in marketing and some tips on effective career preparation. Finally, portions of several labs were used to review exams so that students could obtain maximum benefit from the examination process. It should be noted that an attempt to integrate computer technology ran into problems because of a lack of current computer facilities. The building of a new business school designed specifically to accommodate labs in the near future will alleviate this problem.

Individually, these activities have all been used in other classes. ABSEL has encouraged the use of and developed many experiential exercises for many years. However, it is the combined lecture/lab format, its faculty staffing, and its mix of learning involvements in an introductory class that make this a unique attempt to provide a truly basic integrative and experiential learning experience. It provides a more realistic coverage of the marketing discipline for all business students and a richer beginning experience for the marketing major.

THE REACTIONS

The pilot effort produced reactions from three groups; administrators, participating faculty members, and the students themselves. These reactions indicate the perceived value of this effort and provide some input for improving its design and delivery. A post survey was conducted to solicit the students' reactions to this experience. Specifically, they were asked to rate each class activity on a scale of 10 and comment on the extent to which they felt its stated objectives were accomplished. Summarized results from that survey are presented in Figure 2.

As the scores indicate, the overall reaction was positive. In fact, over 50% of the students gave each activity a score of eight or above. Written comments associated with these activities indicated that the usual problems were experienced with the team oriented tasks. However, there was definitely a feeling of competition and cooperation which resulted in a generally positive overall

experience. The activities which required extensive individual effort were not perceived as positively. These activities included individual presentations, reports, library research, and the preparation of financial information for the simulation. The two activities which appeared to best achieve their objectives were the quizzes and the cases. Students had a love-hate relationship with the quizzes but did realize that their ability to gain from the lectures was enhanced by this forced preparation. The cases generated substantial support with respect to teaching and illustrating problem solving and opportunity recognition. Students who began the semester in a daze, completed the course feeling confident they were now prepared for more advanced work.

Finally, the students were asked to rank the five major learning activities in terms of how well they contributed to the student's learning. The students ranked the lecture first, the cases second, the quizzes third, the simulation game fourth, and the outside readings last. Unfortunately, most students tend to view only the familiar methods as positive. They also tend to view what they have learned in terms of the short run. The principles of marketing were primarily learned in the lecture. However, the value of what they learned in terms of library research, cooperation, decision making, competition, and integration will not be realized until later on in their college and business careers.

There were three circumstantial factors which may have an impact on these student perceptions. First this pilot effort was implemented with very little lead time. As a result, most of the students were assigned to this class rather than choosing to participate. This was compounded by the fact that this was the only four-unit introduction to marketing class offered during the pilot semester. All other business students were able to satisfy their marketing requirement by enrolling in a three unit class. Second, the G.P.A.s for students in this class ranged from a high of 4.0 to a low of 1.0. The average was 2.5, which is below the mean for the school. The third factor was a large number of foreign students with language difficulties. They typically try to avoid classes such as this.

Reaction on the part of participating faculty was very positive. The gains from team teaching discussed previously were all realized. Increased student contact within the labs resulted in a better understanding of student needs and permitted more individualized attention. Lecture materials were expanded and sufficient time was available for more extensive treatment of new marketing applications. Such positive results, however, come at a price. It was obvious from the outset that substantial set up and lead time is required to prepare the course. While lecture time was reduced, it was more than offset by the additional contact hours required to handle three, two-hour labs per week. Also, lab exercises and activities require more time to design, implement, and evaluate than do lectures. Team teaching also requires some additional time for consultation and for coordination of effort. However, offsetting this additional time commitment was the feeling of being involved in something worthwhile and important.

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