

A PRACTICAL AND EFFECTIVE MARKETING PLAN ASSIGNMENT FOR PRINCIPLES OF MARKETING STUDENTS

Douglas J. Lincoln, College of Business and Economics, Boise State University,
Boise, ID 83725; (208) 426-3246, dlincoln@boisestate.edu

ABSTRACT

A repeated challenge in teaching Principles of Marketing is to offer active or experiential learning settings that engage a variety of majors in a manner that helps students understand how marketing concepts and decisions should be integrated. While a number of pedagogical approaches might be used for this purpose, the student development, writing, and presentation of a marketing plan is one approach many instructors employ. This paper describes a unique marketing plan assignment using dollar store products to overcome the problems associated with alternative marketing plan assignment settings such as live clients and cases. And, it can overcome problems associated with an effective implementation in a course as short as three weeks in duration.

STUDENT BENEFITS OF THE DOLLAR STORE MARKETING PLAN ASSIGNMENT

Student and instructor benefits from using my assignment include: (1) the project is "doable" within a short length principles course, (2) it is inexpensive for students (e.g. they do not have to purchase special cases or simulation software), (2) it does not involve often troublesome live-case clients (i.e., saves instructor time), (3) it lends itself well to student team or group assignments, (4) it is easy to grade, (5) it stimulates considerable student creativity, (6) it delivers an integrative or holistic view of marketing, (7) it stresses the financial accountability of marketing, and (8) it is fun.

HOW THE ASSIGNMENT UNFOLDS

One week before the class starts (when I have a good idea about final enrollment) I visit one of our local "dollar" stores and purchase several products for which my students will develop marketing plans. In order to present a wide variety of product assignments, I usually buy at least four more products than there are teams. I also buy two or three of each product so more than one team member has the product.

On the first class day, I take care to show lots of enthusiasm for the project and use humor when "introducing" the products to the class. Each one is

hidden from their sight (in a bag) and as I pull each one out I take the time to get them thinking about the possibilities. It is important to get them off the predisposed notion that something from the dollar store can only be a low price product for a low income purchaser and perhaps provide little challenge for them. Another purpose of my staged introduction of the products and the marketing planning assignment is to also help them set aside a major fear many principles students have (especially non-marketing majors and those in summer school) on the first day of class. That being the fear of being unable to learn enough about marketing in such a short period of time in order to develop a meaningful plan. So, I take time during the first day to mention prior student/product assignments and those students went about repositioning their products. On this day I allow students to first choose who they want as teammates on the assignment and then allow each team (3-4 students in each) to express their first, second, and third product preference. I am usually able to finalize these decisions on the first day of class.

On the second day of class I distribute hardcopies of what I consider relatively "weak" and "strong" marketing plans that prior students developed. I run two or three previous student presentations (their PowerPoint® slides) and make some fairly "soft" critique-like comments. These slides are then placed at the Blackboard course site so students can review them at their convenience. My purpose for sharing previous work is to help students develop their self-confidence, provide structure for their assignment and, most importantly, begin to show them the holistic/integrative aspect of marketing. By seeing and learning about these former projects on the very first day students are quick to grab the concepts of market segmentation, product positioning, and the marketing mix. On this day I also present students with specific project background information that helps to make the projects manageable and consistent in terms of my expectations. (This background information is available upon request). The major aspects, constraints, or conditions faced by all teams include:

- A 24-month planning period
- The fact that the firm is now losing money on their product.

- Upper management's dissatisfaction with the current conditions and desire for profit.
- Access to unlimited capital for marketing expenditures with the constraint that it must be paid back by the end of the planning period.
- The lack of a need to find out who is the real manufacturer/distributor of their product (i.e. they do not need to study such a firm).
- Customers (end users) are only described as being located in the U.S.
- Information on current price (they assume it now retails for \$2.00 per unit and that they sell it to wholesalers for \$.96), variable costs, fixed costs, and current channel strategy (sold through 100 wholesalers who sell to independent specialty retailers) and minimum channel markups, promotion strategy (only a few phone calls to wholesalers each year). (Their product knowledge comes from studying the physical product they have been assigned.)

One advantage of this approach is that all students start at the same point in their planning process. No one team starts with an advantage and the expected outcomes of their plans (e.g. projected net income) are comparable. And, many assignment constraints limit the amount and type of information they need to gather in order to successfully develop their plan with the tight time constraint. For example, they do not have to spend time interviewing and collecting information from a live-client nor do they have to conduct research on a company who makes/distributes a known as it needed when students are given case students or other well-known, established products marketed by well-know manufacturers. The emphasis of my planning assignment is helping students get the "big picture" of marketing; to see how many marketing decisions are made and integrated but at the principles level.

On day two I describe and review the three marketing plan deliverables (Details on these deliverables is available upon request). But, my main focus is on the deliverable number one (the Situational Analysis) which is due on day one of week two or in six days. It is important in the summer school class to allow significant time in class for the teams to work and interact with the instructor. On average I allow 60 minutes for this (the class meets for 3 hours and 40 minutes per day). As with any student breakout or in-classroom work, it is important to keep students on track and to touch base with each team's planning progress every day if possible.

As deliverable number two (segmentation and positioning strategy) is the briefest deliverable, students are given three days to complete this assignment. Teams receive feedback on deliverable one two days before deliverable two is due. Time in class that day is devoted to one-on-one meetings with teams to make sure they understand any major deficiencies in their first deliverable I feel need addressing before they can develop deliverable two. Deliverable two is graded in class on the last day of the second week. I use a grading rubric (one pager) for this and give a completed rubric sheet to the teams students and answer any questions they have on my comments during class or immediately after class. Teams are working in class on deliverable three (marketing mix, budget, calendar, and proforma income statements) while I grade their deliverable two. I find this immediate feedback method critical as it leaves the teams with a long weekend (Friday through Sunday) to make significant progress on deliverable three.

The last week of class is short with only three class days. The first day involves covering two important marketing topics (global and services marketing) that are not generally needed for their planning assignment. The second class day consists of a comprehensive final exam (two hours) with the rest of class time devoted to working on their marketing plans and plan presentations. Formal presentations (20-25 minutes apiece including Q&A) take place on the last class day. At the end of each presentation, audience member students are asked to evaluate the quality of the presentation they just witnessed using a rubric I provide. Once the results are analyzed, I post them to the course Blackboard site. I also complete my own rubric for each team and deliver to the teams via email. The rubric both students and I use consists of 20 evaluation items. (Available upon request)

EVIDENCE OF EFFICACY

In general, my students feel that their peers develop and present very solid marketing plans. While student scores are highly positive, students actually have an incentive to not score peers this high as these scores influence the final team presentation grade (student weight is one-third). I would like to think that the average scores I have given over the past two summers (the far right column) are a better indicator of presentation quality. Overall, the rubric scores reflect a "B-" average on the presentations. The average number of points (out of 75 maximum) I have given on presentations is 61.1 or an 81.5% average. The average number of points given for the three deliverables (out of 225 maximum) is 186.2 or about 82.8%. No team has delivered what I considered a failing project. I have also used this

product setting during our regular 15 week long semester for a total of eight different sections of the principles course. While I have not statistically compared team scores, my perusal of the average scores for each of these other sections suggests there are no differences in student performance.

Our college uses a 12 item student evaluation instrument with the highest score possible on any one item being "1" and the lowest being "5." My average scores on the items relevant to this assignment (e.g. not the question how much they liked the textbook) have been in the 1.3 to 1.5 range for all courses incorporating the dollar store assignment. My summer school scores (two summer sessions) have averaged slightly better (around 1.3). While student evaluations are influenced by many factors, I do conclude that if students did not like this assignment that these scores would be significantly lower. While certainly only anecdotal in nature, my summer school evaluations have generated a number of positive, open-ended comments by students. Such comments from the summer 2006 class follow.

- Great course
- Major strengths are the marketing report
- Great! Thanks.
- Excellent class. Lots of good info.
- Thank you.
- Finally, I feel I got my money's worth. I've learned so much.
- This class was really fun and exhilarating.
- Great class! I really like the way the class is designed. I learned a lot. Excellent professor.
- Instructor made marketing fun and meaningful. I wasn't excited about having to take this course but I enjoyed it and learned that marketing is more than trying to sell someone something they don't want.
- Enjoyed the class. Thanks!
- Very intense, but fun in the fact the course covers so many areas to learn about.

TIPS FOR SUCCESSFUL ADOPTION

My years of experience with this assignment lead me to suggest that future adopters consider the following ideas and actions I have found to enhance the student learning experience as well as minimize the time and effort I devote to managing these assignments.

- 1) While the dollar store product is an inexpensive option, care must still be taken to select products that will be of interest to students and allow them to be creative. For this reason, I avoid products with known brand names and go

with products that usually have no brand name. This allows the students to develop (and defend) their own brand name (unless they develop a private labeling/branding strategy).

- 2) When I first started using this planning assignment, I would make sure that two teams had the same product and then I challenged them to compete with each other. I even went so far to say that the team with the better plan would get more credit on the assignment. I no longer take the competitive approach as I find it stymies in-class discussion as competing teams do not want to "reveal" their marketing plan ideas or research.
- 3) I suggest ways for them to "break up" situational analysis components (e.g. have one member go to stores and evaluate competitive offerings) but also stress the need to write a cohesive and coherent paper that does not read like it had four separate authors.
- 4) Stressing the relevance of daily topics and readings to their plans is also a key to a successful student. As most Principles textbooks are laden with marketing terminology, one must help students identify concepts and tools they might use in their plans. While there are some mandatory aspects for all plans (e.g. segmentation, developing positioning approaches, etc.), students need to see the flexibility possible in marketing strategy (e.g. selling a private label product versus going with their own brand or using different channels). But, these issues are no different for those using a regular term or semester long project so I will not belabor them.
- 5) Outside of class (individual) written assignments tied to course and marketing plan components are very important. For example, I have them review Advertising Age's list of the 10 top brand icons and advertising slogans and write a paper on what they have in common. This helps students develop the same for their product.
- 6) The key to a successful summer school marketing plan is helping students not get overwhelmed with all the marketing terminology and strategy/tactic options but instead helping them narrow down to a manageable project. For this reason, I push them to think of only one target market to go after and not spread themselves too thin
- 7) One time consuming activity for teams may be trying to find advertising (media) costs for different options. While some of this information is easily accessible, I find it a good idea to

provide a general list that indicates such costs as 30/60 second television ads, national and regional newspaper/magazine costs, etc.

- 8) Some student teams will need help estimating how their fixed and/or variable costs might change as the result of their repositioning strategy. For example, you can count on all teams to change their product's package and labeling or even other attributes (e.g. adding a

battery to a product that came without such). In this case the instructor needs to point them to potential sources of information (a local advertising agency) or suggest how to approach it reasonably. The goal is to make sure they understand costs will change and account for that versus force them to find the exact answer.