

# Internet Marketing, Second Edition

## Lecture Format Course Syllabus

### 25 Class Sessions

### Course Overview

Much has been written about how the Internet will revolutionize the practice of marketing. While it is clear that this new technology will not replace offline marketing vehicles, including print, radio and television, the Internet can "turbo charge" a firm's marketing strategy. By this, we mean that the interactivity and individuality afforded by the Internet allow marketers to create synergy by supporting and enhancing offline levers. Additionally, online marketing levers can be leveraged, when appropriate, to decrease or replace the use of offline levers.

The goal of this course is to encourage current and future executives, managers and strategists to rethink their views on marketing strategy. The course presents a customer-centric view of marketing, one that focuses on how firms can create tangible customer relationships by using a practitioner-focused, seven-stage framework for the conception, design and implementation of marketing programs. These customer relationships are enhanced by a wide range of online and offline marketing levers, with an emphasis on the Internet. The key characteristics of successfully integrated online and offline marketing can be summarized as follows:

- The Internet significantly affects the firm's marketing strategy.
- The Internet allows the firm to actively engage customers by creating marketing levers that allow for interactivity and individualization.
- The Internet helps the firm build committed, customer-centric relationships with its clients.
- The firm leverages the Internet in its marketing strategy by integrating it with offline marketing levers.

### Learning Objectives

This course should provide students with the following information:

- An overview of how marketing fits into a firm's business strategy
- An understanding of how the Internet affects a firm's overall marketing strategy
- An understanding of how the Internet has created key marketing levers
- An understanding of how firms can design an optimal customer experience.
- An overview of key online and offline marketing levers (product, pricing, communication, community, distribution and branding)

- An understanding of how marketing levers develop customer relationships using the Marketspace Matrix
- An overview of the key components of a successful customer interface
- An overview of customer information systems, including marketing research, database marketing, customer relationship management and how technology plays a critical role in reducing the uncertainty associated with managerial decision making
- An overview of online and offline customer metrics

## **Required Textbook**

Rafi Mohammed, Robert Fisher, Bernard Jaworski and Gordon Paddison. *Internet Marketing: Building Advantage in a Networked Economy, Second Edition*. Burr Ridge, Illinois: McGraw-Hill/Irwin/marketspaceU, 2004, 2002.

## **Class 1: Course Overview**

*Session Overview:* This session provides an overall look at the course content, learning objectives, expected student participation and grading.

## **Class 2: Introduction to Internet Marketing**

*Session Overview:* This session introduces the core online and offline concepts discussed in this course.

*Class Preparation Questions:*

1. What is Internet marketing?
2. What is the narrow view versus the broad view of Internet marketing?
3. What are the seven stages of Internet marketing?
4. What are the four stages of customer relationships?
5. What are the six classes of variables in the Internet marketing mix?
6. What is the Marketspace Matrix?
7. How do interactivity and individualization come into play in the design of the marketing program?
8. What are the critical success factors for the Internet marketing professional?

*Required Textbook Reading:* Chapter 1.

### **Class 3: Framing the Market Opportunity**

*Session Overview:* This session introduces a six-step process to help firms decide in which markets they will compete. Special attention is given to how firms can identify attractive business opportunities.

*Class Preparation Questions:*

1. What is the framework for market opportunity analysis?
2. Is market opportunity analysis different in the networked economy?
3. What are the three basic value types?
4. How do marketing managers identify unmet or underserved needs?
5. What determines the specific customers the company is to pursue?
6. Who provides the resources to deliver the benefits of the offering?
7. How do marketing teams assess the attractiveness of the opportunity?
8. How does a firm prepare a go/no-go assessment?

*Required Textbook Reading:* Chapter 2.

### **Class 4: Marketing Strategy in Internet Marketing – Part 1**

*Session Overview:* This lecture connects business-unit strategy with marketing strategy and covers target market selection and positioning. It emphasizes the changes that the Internet has brought to marketing strategy and introduces various strategy processes and choices for pure-play and traditional firms.

*Class Preparation Questions:*

1. What is marketing strategy?
2. What is an effective segmentation? How does traditional segmentation change for bricks-and-mortar firms (BAMs) moving online?
3. What factors should be considered when evaluating segment attractiveness? How does traditional targeting change for BAMs moving online?
4. What are traditional positioning strategies? How does traditional positioning strategy change for BAMs moving online?
5. How does the Internet affect marketing strategy?

*Required Textbook Reading:* Chapter 3.

## **Class 5: Marketing Strategy in Internet Marketing – Part 2**

*Session Overview:* This lecture is a continuation of the concepts described in Class 4.

*Required Textbook Reading:* Chapter 3.

## **Class 6: Customer Experience – Part 1**

*Session Overview:* This lecture introduces and defines the concept of customer experience. It presents seven dimensions of the customer experience and sets forth a three-stage customer-experience hierarchy.

*Class Preparation Questions:*

1. What is customer experience?
2. What are the seven elements of customer experience?
3. What are the three stages of the customer-experience hierarchy?
4. What steps must a firm take when designing a desirable customer experience?

*Required Textbook Reading:* Chapter 4.

## **Class 7: Customer Experience – Part 2**

*Session Overview:* This lecture is a continuation of the concepts described in Class 6.

*Required Textbook Reading:* Chapter 4.

## **Class 8: Customer Interface – Part 1**

*Session Overview:* This lecture introduces the concept of a technology-mediated customer interface. It also describes the 7Cs, a framework to help firms design the look-and-feel, or context, of a site.

*Class Preparation Questions:*

1. What are the seven design elements of the customer interface?
2. What determines the look-and-feel of the website?
3. What are the dimensions of content?
4. Why be concerned with community?
5. What are the levers used to customize a website?
6. What types of communication can a firm maintain with its customer base?
7. How does a firm connect with other businesses?
8. What are the main features of commerce that support the various aspects of trading transactions?

*Required Textbook Reading:* Chapter 5

## **Class 9: Customer Interface – Part 2**

*Session Overview:* This class is a continuation of the customer interface lecture described in Class 8.

*Required Textbook Reading:* Chapter 5

## **Class 10: Customer Relationships**

*Session Overview:* This is a key lecture because it examines in detail the Marketspace Matrix, which provides the framework for this course. This customer-centric framework helps firms build committed, profitable relationships with customers.

*Class Preparation Questions:*

1. What is a relationship, and why is developing a buyer-seller relationship important?
2. What are the various types of relationships?
3. What is the relationship model?
4. How do the 2Is of the Internet contribute to the development of buyer-seller relationships?
5. When are customers likely to want a relationship with a firm or brand?

*Required Textbook Reading:* Chapter 6

## **Class 11: Product**

*Session Overview:* This lecture focuses on product as a marketing lever, especially how the Internet has impacted product development by leveraging the 2Is (individuality and interactivity).

*Class Preparation Questions:*

1. How is product defined?
2. What are the characteristics of Internet-based products and services?
3. What Internet product levers can marketers use?
4. How do interactivity and individualization (the 2Is) contribute to product offerings?
5. What factors do companies consider when managing their product portfolios?
6. In what ways has the product development process been affected by the Internet?

*Required Textbook Reading:* Chapter 7

## **Class 12: Pricing**

*Session Overview:* This lecture focuses on online and offline pricing levers and shows how pricing fits into the Marketspace Matrix.

*Class Preparation Questions:*

1. What is the relationship between price and demand? Why is it important for a firm to price at the point at which marginal revenue is equal to marginal cost?
2. Why should a firm consider fairness when pricing its goods?
3. How has the Internet enhanced opportunities for dynamic pricing strategies?
4. Why would a firm want to implement a price-discrimination strategy?
5. What is the difference between static and dynamic markets? Why must a firm consider its pricing strategies within the context of a dynamic market?

*Required Textbook Reading:* Chapter 8

## **Class 13: Communication – Part 1**

*Session Overview:* This lecture focuses on both offline and online communication. Special emphasis is given to how the 2Is affect communication levers. The lecture concludes by showing how these levers fit into the MarketSpace Matrix.

*Class Preparation Questions:*

1. Why is marketing communication important?
2. What is the role of the Internet in a marketing communication campaign?
3. What are the main categories of communication types? Within each category, what are the tools, or marketing levers, that marketers use to communicate with consumers?
4. What are the six steps in the communication process?
5. How do the 2Is of the Internet affect marketing communications?
6. What levers are used in each of the four customer relationship stages?

*Required Textbook Reading:* Chapter 9

## **Class 14: Communication – Part 2**

*Session Overview:* This is a continuation of the communication lecture described in Class 13.

*Required Textbook Reading:* Chapter 9

## **Class 15: Midterm Exam**

## **Class 16: Community – Part 1**

*Session Overview:* This lecture explores the meaning and evolution of community, explaining when and how community should be used, as well as the specific ways in which it creates value.

*Class Preparation Questions:*

1. What is community?
2. What criteria define true communities?
3. What types of interests form the foundation of community?
4. What are the different ways in which communities function?

5. What are the three primary ways in which value is created within a community?
6. What benefits can community generate for a parent firm?
7. What are the stages of community?
8. When is community development appropriate?
9. What are the different levels of community?

*Required Textbook Reading:* Chapter 10

## **Class 17: Community – Part 2**

*Session Overview:* This lecture is a continuation of the community lecture described in Class 16.

*Required Textbook Reading:* Chapter 10

## **Class 18: Distribution**

*Session Overview:* This lecture focuses on how the 2Is and the Internet have influenced distribution. The lecture concludes by showing how various distribution levers fit into the Marketspace Matrix.

*Class Preparation Questions:*

1. Is the Internet a distribution channel?
2. What are the objectives of distribution channels and their intermediaries?
3. What is disintermediation and what are its implications for channel intermediaries and customers?
4. What are the distribution levers and how do they affect relationships between intermediaries and buyers and sellers?

*Required Textbook Reading:* Chapter 11

## **Class 19: Branding**

*Session Overview:* This lecture focuses on the role of the branding in the networked economy. One key takeaway of this lecture is that brand is a part of every marketing strategy and can be used to enhance the effectiveness of all of the firm's marketing activities.

*Class Preparation Questions:*

1. What is a brand? What is brand equity?
2. What are the consumer responses that make up brand equity?
3. What are some of the most significant ways to measure brand equity?
4. How are marketing programs used to create brand equity?
5. What is the seven-step branding process?
6. How do brands interact with other marketing levers to affect buyer-seller relationships?

*Required Textbook Reading:* Chapter 12

## **Class 20: Designing the Marketspace Matrix – Part 1**

*Session Overview:* This is one of the “crescendo” lectures of this course. It ties all of the marketing levers (product, pricing, communication, community and distribution) into the Marketspace Matrix, and shows how students can use the Marketspace Matrix to design a marketing plan.

*Class Preparation Questions:*

1. What is a buyer-seller relationship? How can these relationships vary?
2. Why is integrated lever selection important in a marketing plan?
3. How did eBay's application of the Marketspace Matrix change over time?
4. What are the four categories of principles for lever selection?
5. What are the key principles for lever selection within the Marketspace Matrix?

*Required Textbook Reading:* Chapter 13

## **Class 21: Designing the Marketspace Matrix – Part 2**

*Session Overview:* This lecture is a continuation of the lecture described in Class 20.

*Required Textbook Reading:* Chapter 13

## **Class 22: *The Lord of the Rings***

*Session Overview:* This fun lecture describes how the Marketspace Matrix applies to the marketing strategy that New Line Cinema used for *The Lord of the Rings: The Fellowship of the Rings*.

*Class Preparation Questions:*

1. How should a firm define its goals for each of the relationship stages? How did New Line Cinema define these goals?
2. How did New Line Cinema tie its marketing plan to the *Lord of the Rings* brand?
3. What online levers did New Line Cinema use in the *Lord of the Rings* marketing plan?
4. What offline levers did New Line Cinema use for *The Lord of the Rings*?
5. How successful was the integration of offline and online levers?
6. Discuss how the 2Is affect the choice of marketing levers.
7. Is an online marketing campaign always appropriate?
8. Why was the *Lord of the Rings* campaign so effective?

*Required Textbook Reading:* Chapter 14

## **Class 23: Customer Information Systems: Leveraging Customer Information Through Internet Technology**

*Session Overview:* This session focuses on how customer information systems and technology play a critical role in reducing the uncertainty associated with managerial decision making. This session contains three important customer information processes: marketing research, database marketing, and customer relationship management.

*Class Preparation Questions:*

1. What is marketing research?
2. What is the framework of marketing research?
3. What are marketing research data-collection methods?
4. How do online methods compare to offline methods?
5. What research is best done through the Internet?
6. What are the implications of international Internet marketing research?
7. What is database marketing?
8. What is the purpose of customer relationship management?
9. Why should firms develop customer information systems?

*Required Textbook Reading:* Chapter 15

## **Class 24: Metrics**

*Session Overview:* This lecture provides an integrative approach to measuring customer metrics, business-performance metrics and marketing program implementation metrics. These metrics focus on both online and offline performance.

*Class Preparation Questions:*

1. Why should managers be concerned about metrics?
2. What are the characteristics of good metrics?
3. Why do marketing managers need financial, customer-based, and implementation metrics?
4. What are the strengths and weaknesses of the traditional hierarchy-of-effects model?
5. What are the stages of the integrated hierarchy-of-effects model? How do they relate to the four stages of a customer relationship?

*Required Textbook Reading:* Chapter 16

## **Class 25: Final Exam**