

VALUE-BASED MARKETING

Course Syllabus

1. General Information

Course name: Value-based marketing

Course code: MAR

Number of credits: 3

Faculty: Marketing

Instructors:

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2. Objectives

The course aims to help students to understand principles of value creation and how to develop strategies that lead to value-creating growth, as well as how to implement these new high-value strategies

3. Abstract

Value-based marketing is founded on shareholder value analysis – a well-accepted body of financial theory and set of techniques. Shareholder value analysis states that the value of a business is increased when managers make decisions that increase the discounted value of all future cash flows. This course aims to show that shareholder value offers enormous opportunities to marketing. First, it enables the purpose of marketing in commercial firms to be clearly defined. Its purpose is to build intangible assets that increase shareholder returns. Second, it explains how marketing strategies need to be evaluated: they are worth pursuing if they increase the net present value of the firm's long-term cash flow. Third, rigorously exploring the effects on shareholder value makes it harder for boards to make arbitrary cuts in marketing budgets and similar measures to boost short-term earnings.

4. Teaching and learning methods

Lectures:	34h
In class discussion & practice:	10h
Individual reading:	1h

5. Prerequisites

Principles of marketing; Strategic marketing

6. Learning Outcomes

On successful completion of this unit a student will:

1. Understand principles of value creation
2. Understand how to develop strategies that lead to value-creating growth
3. Understand how to implement these new high-value strategies

4. Assessment Criteria

Learning outcomes <i>On successful completion of this unit a student will:</i>	Assessment criteria for pass <i>The student can:</i>
LO1 Understand principles of value creation	<ul style="list-style-type: none">- Be able to explain the current weaknesses of professional marketing and why its contribution to business performance is disappointing- Explain the theory of shareholder value and shows how these financial principles relate to marketing strategy- Explain with practical examples why marketing is the principal driver of financial value- Explain with practical examples how to develop strategies that lead to value-creating growth
LO2 Understand how to develop strategies that lead to value-creating growth	<ul style="list-style-type: none">- Explain how to assess the current position of the business and its prospects- Explain with practical examples how to develop value-based marketing strategies for current and new businesses.
LO3 Understand how to implement these new high-value strategies	<ul style="list-style-type: none">- Explain with practical examples the role of the brand in building shareholder value.- Explain with practical examples the role of pricing from a value perspective and how the current theory of pricing often leads to decisions that are too short-term in their orientation- Explain with practical examples the role of advertising and marketing investments in creating long-term value and how to decide on how much should be spent.- Explain with practical examples the implications of the digital age on value-based market

5. Outlines

Chapter 1. Principles of Value Creation

1.1. Marketing and Shareholder Value

- 1.1.1. Managing in the twenty-first century
- 1.1.2. Measuring success: shareholder value
- 1.1.3. Marketing's new opportunity

- 1.1.4. The shareholder value principle
- 1.1.5. Challenges to shareholder value
- 1.1.6. Accounting-based performance measures
- 1.1.7. The changing role of marketing
- 1.2. The Shareholder Value Approach
 - 1.2.1. Principles of valuation
 - 1.2.2. Shareholder value
 - 1.2.3. Economic value added
 - 1.2.4. Financial value drivers
 - 1.2.5. Marketing value drivers
 - 1.2.6. Organisational value drivers
 - 1.2.7. Marketing applications of shareholder value
- 1.3. The Marketing Value Driver
 - 1.3.1. Creating customer value
 - 1.3.2. Building the differential advantage
 - 1.3.3. Building relationships with customers
 - 1.3.4. Implementing relationship marketing
 - 1.3.5. Organisational requirements
 - 1.3.6. The customer-focused organisation
- 1.4. The Growth Imperative
 - 1.4.1. Marketing, growth and shareholder value
 - 1.4.2. Pathways to growth
 - 1.4.3. Developing a growth strategy

Chapter 2. Developing High-Value Strategies

- 2.1. Strategic Position Assessment
 - 2.1.1. An overview
 - 2.1.2. Assessing the current position
 - 2.1.3. Explaining the current position
 - 2.1.4. Projecting the future of the business
 - 2.1.5. Implications of the strategic position assessment
 - 2.1.6. The value-based plan
 - 2.1.7. Strategic objectives

2.2. Value-Based Marketing Strategy

- 2.2.1. Why strategic marketing plans?
- 2.2.2. Corporate level planning
- 2.2.3. Business unit planning
- 2.2.4. The planning process

Chapter 3. Implementing High-Value Strategies

3.1. Building Brands

- 3.1.1. The role of intangible assets
- 3.1.2. The role of the brand
- 3.1.3. Brands and shareholder value
- 3.1.4. How to build brands
- 3.1.5. Issues in branding
- 3.1.6. Organising the brand portfolio

3.2. Pricing for Value

- 3.2.1. Price and shareholder value
- 3.2.2. Pricing principles
- 3.2.3. Setting the price
- 3.2.4. Adapting prices to customers and products
- 3.2.5. Changing the price
- 3.2.6. Price management

3.3. Value-Based Communications

- 3.3.1. Communications and shareholder value
- 3.3.2. Communications and customers
- 3.3.3. Developing a communications strategy
- 3.3.4. Allocating across communications channels
- 3.3.5. Valuing communications strategies

3.4. Value-Based Marketing in the Digital Age

- 3.4.1. The growth and development of the Internet
- 3.4.2. Drivers of change in the new economy
- 3.4.3. Creating value through the web
- 3.4.4. Implications for marketing strategy
- 3.4.5. Building the brand on the Internet

3.4.6. Future perspectives

6. Required Textbook

Doyle, P., (2008), *Value-Based Marketing: Marketing Strategies for Corporate Growth and Shareholder Value*, 2nd Edition. John Wiley and Sons, Ltd., Publication

7. Suggested Textbook

8. Schedule

Slot	Main contents	Specific contents and activities	Student's tasks
1	Chapter 1.	<ul style="list-style-type: none"> • <i>Course Introduction</i>: outline and schedule, assessment overview, course materials and guide on assignments, assessment criteria • Marketing and Shareholder Value • <u>Activity</u> <ul style="list-style-type: none"> • Answer students' questions about the course's overview 	Before class: <ul style="list-style-type: none"> • Reading the course's syllabus • Reading <i>the required textbook</i>, pp. 3-35
2	Chapter 1. (cont.)	Marketing and Shareholder Value (cont.) <u>Activity</u> <ul style="list-style-type: none"> • Discuss challenges to shareholder value 	Before class: <ul style="list-style-type: none"> • Reading <i>the required textbook</i>, pp. 3-35
3	Chapter 1. (cont.) Group Assignment Coaching	<ul style="list-style-type: none"> • The Shareholder Value Approach • Group assignment coaching • Answer students' questions on group assignment 	Before class: <ul style="list-style-type: none"> • Reading <i>the required textbook</i>, pp. 36-72
4	Chapter 1. (cont.)	<ul style="list-style-type: none"> • The Shareholder Value Approach (cont.) • <u>Activity</u> <ul style="list-style-type: none"> • Discussing shareholder value approaches and practical examples in Vietnam 	Before class: <ul style="list-style-type: none"> • Reading <i>the required textbook</i>, pp. 36-72 After class: <ul style="list-style-type: none"> • Do the group assignment
5	Chapter 1. (cont.)	<ul style="list-style-type: none"> • The Marketing Value Driver • <u>Activity</u> <ul style="list-style-type: none"> • Discussing how to create customer value and practical examples in Vietnam 	Before class: <ul style="list-style-type: none"> • Reading <i>the required textbook</i>, pp. 73-104 After class: <ul style="list-style-type: none"> • Do the group assignment

Slot	Main contents	Specific contents and activities	Student's tasks
6	Chapter 1. (cont)	<ul style="list-style-type: none"> The Marketing Value Driver <u>Activity</u> - Discussing how to create customer value and practical examples in Vietnam (cont.) 	Before class: <ul style="list-style-type: none"> Reading <i>the required textbook</i>, pp. 73-104 After class: <ul style="list-style-type: none"> Do the group assignment
7	Chapter 1. (cont)	<ul style="list-style-type: none"> The Growth Imperative <u>Activity</u> • Discussing different pathways to grow in the context of Vietnamese enterprises 	Before class: <ul style="list-style-type: none"> Reading <i>the required textbook</i>, pp. 105-150 After class: <ul style="list-style-type: none"> Do the group assignment
8	Chapter 2.	<ul style="list-style-type: none"> Strategic Position Assessment <u>Activity</u> • Discussing how to assess strategic position and practical implications 	Before class: <ul style="list-style-type: none"> Reading <i>the required textbook</i>, 151-188 After class: <ul style="list-style-type: none"> Do the group assignment
9	Chapter 2. (cont.)	<ul style="list-style-type: none"> Strategic Position Assessment (cont.) <u>Activity</u> • Discussing how to assess strategic position and practical implications 	Before class: <ul style="list-style-type: none"> Reading <i>the required textbook</i>, 151-188 After class: <ul style="list-style-type: none"> Do the group assignment
10	Chapter 2. (cont.)	<ul style="list-style-type: none"> Value-Based Marketing Strategy <u>Activity</u> • Discussing how to formulate value-based marketing strategy 	Before class: <ul style="list-style-type: none"> Reading <i>the required textbook</i>, pp.189-226 After class: <ul style="list-style-type: none"> Do the group assignment
11	Chapter 2. (cont.)	<ul style="list-style-type: none"> Value-Based Marketing Strategy (cont.) <u>Activity</u> - Discussing how to formulate value-based marketing strategy 	Before class: <ul style="list-style-type: none"> Reading <i>the required textbook</i>, pp.189-226 After class: <ul style="list-style-type: none"> Do the group assignment
12	Chapter 3. Middle exam	<ul style="list-style-type: none"> Building Brands <u>Activity</u> • Discussing how to build brands to bring value 	Before class: <ul style="list-style-type: none"> Reading <i>the required textbook</i>, pp. 227-261

Slot	Main contents	Specific contents and activities	Student's tasks
		to stakeholders	After class: <ul style="list-style-type: none"> Do the group assignment
13	Chapter 3. (cont.)	<ul style="list-style-type: none"> Building Brands (cont.) <u>Activity</u> <ul style="list-style-type: none"> Discussing how to build brands to bring value to stakeholders 	Before class: <ul style="list-style-type: none"> Reading <i>the required textbook</i>, pp. 227-261 After class: <ul style="list-style-type: none"> Do the group assignment
14	Chapter 3. (cont.)	<ul style="list-style-type: none"> Pricing for Value <u>Activity</u> <ul style="list-style-type: none"> - Discussing the importance of price in bringing value to stakeholders 	Before class: <ul style="list-style-type: none"> Reading <i>the required textbook</i>, pp. 262-299 After class: <ul style="list-style-type: none"> Do the group assignment
15	Chapter 3. (cont.)	<ul style="list-style-type: none"> Pricing for Value (cont.) <u>Activity</u> <ul style="list-style-type: none"> - Discussing the importance of price and how to pricing to bring value to stakeholders 	Before class: <ul style="list-style-type: none"> Reading <i>the required textbook</i>, pp. 262-299 After class: <ul style="list-style-type: none"> Do the group assignment
16	Chapter 3. (cont.)	Value-Based Communications <u>Activity</u> <ul style="list-style-type: none"> - Discussing the importance of communications and how to develop communication strategy to bring value to stakeholders 	Before class: <ul style="list-style-type: none"> Reading <i>the required textbook</i>, pp. 300-225 After class: <ul style="list-style-type: none"> Do the group assignment
17	Chapter 3. (cont.)	Value-Based Communications (cont.) <u>Activity</u> <ul style="list-style-type: none"> - Discussing the importance of communications and how to develop communication strategy to bring value to stakeholders 	Before class: <ul style="list-style-type: none"> Reading <i>the required textbook</i>, pp. 300-225 After class: <ul style="list-style-type: none"> Do the group assignment
18	Chapter 3. (cont.)	Value-Based Marketing in the Digital Age <u>Activity</u> Discussing Value-Based Marketing in the Digital Age and practical implication in the Vietnamese context	Before class: <ul style="list-style-type: none"> Reading <i>the required textbook</i>, pp. 326-350 After class: <ul style="list-style-type: none"> Do the group assignment

Slot	Main contents	Specific contents and activities	Student's tasks
19	Oral presentations of group assignment	<ul style="list-style-type: none"> Oral presentation of group research project by groups of students Q&A on each research project Each oral presentation must not be longer than 15 minutes 	Before class: <ul style="list-style-type: none"> Submitting research project report Preparing and submitting slides for oral presentation
20	Oral presentations of group assignment	<ul style="list-style-type: none"> Oral presentation of group research project by groups of students Q&A on each research project Each oral presentation must not be longer than 15 minutes 	Before class: <ul style="list-style-type: none"> Submitting research project report Preparing and submitting slides for oral presentation
21	Feedback on the group Assignment	<ul style="list-style-type: none"> Give comments on the group assignment 	
22	General review and discussion	<ul style="list-style-type: none"> Give a general review of the course's contents and discussion 	

9. Grading Policy

	Assignment	Importance
1	Class participation/In class activities	10%
2	Midterm exam (individual)	10%
3	Group assignment	30%
4	Final exam (individual)	50%

Class participation

Note: Punctual and regular attendance is a minimum expectation for this course. The students must not be absent more than 20% of total scheduled learning slots.

Midterm exam

In the 12th slot, students will be given a case study/a scenario with some relevance to topics being discussed in the course, and be asked to discuss or explain their point of view in a limited amount of class time

Group Assignment

This group assignment encourages students to apply knowledge and develop skills in value-driven marketing. It requires student to work with other members in an assigned group (4-5 members). The student groups are invited to choose a real firm and analyze how value-based marketing is recognized, planned and implemented. The project is to assess students' competence level to apply knowledge on value-based marketing to a real situation. As a result of the group project, each group must deliver a report and present it. The oral presentation of

each group must be no longer than 15 minutes.

Final exam

The final exam consists of from two to three essay questions that might be related to any topic discussed in the course.