SEMINAR IN MARKETING STRATEGY

Marketing 591   Professor Christine Moorman
Fall 2013   A308 Fuqua School of Business
Tuesdays, 1:00-4:00PM (see schedule)   660-7856, moorman@duke.edu
Fuqua, Seminar Room E   @chrismoorman

Objective

The purpose of this seminar is to give you an overview of behavioral foundations of marketing strategy research and to expose you to new methods used in marketing strategy research. My goal is that you will finish the course with a deep understanding of the literature as well as how you might contribute to it. I believe your most important skill as a scholar is the ability to create new ideas. We will focus on developing this skill throughout the term.

Pedagogical Approach

One commonly held assumption I hope to disprove is that marketing strategy is not theoretical. You will find that marketing strategy is inherently interdisciplinary and so we will examine theories emanating from economics, sociology, psychology, strategy, and organizational sciences, as well as marketing.

There are many interesting levels of analysis in marketing strategy research, including individual, dyadic, group, firm, interorganizational, and industry level. You will likely find yourself gravitating to a level you prefer throughout the course, but I hope you will remain open to numerous levels of analysis and how each might influence your thinking. More importantly, I hope you will consider how your work might span multiple levels of analysis, for example, how firm capabilities affect interorganizational alliance formation or performance.

I will introduce you to a variety of research designs and techniques for doing marketing strategy research. I am fairly agnostic regarding method and we will examine research involving experiments, quasi-experiments, surveys, qualitative data, and secondary data.

Each week we will cover literature on a specific topic. I will provide a number of articles for each topic. I will also be available for consultation on any course-related topic and can provide related articles on any topic for which you would like additional information

We will meet for three hours once a week. We will take a 20 minute break half way through the three hour period. Feel free to bring food and snacks to class.

Seminar Preparation

As with all seminars, your responsibility is to come to class prepared to discuss each assigned article in depth and to present ideas about the contributions, limitations, and extensions of each paper. Extensions can include straight-line extensions of the work or more innovative linkages with others papers or literatures. I caution you against three tendencies.

- First, I caution against an overly negative approach to dealing with other scholars' research. In my experience, it is easier to criticize others than to actually do good research. It is important and worthwhile to try to understand what the research is trying to accomplish and whether it is interesting and important as opposed to whether it is perfect in every regard. No research is.

- Second, I caution you against only extending others' points made in class and not initiating your own ideas. The former is a safe strategy, but it is not particularly interesting in the long-run. Take a risk—put your ideas out there.

- Third, make sure you *read* and *think*. Reading is the easy part—it takes time, but it is not very hard. Thinking is the critical part of the quest you are on. Think hard about the validity of the ideas and results as well how you could improve the paper. Finally, think about what a paper might mean for your current research.

I will typically assign approximately 60-70 pages of reading each week. This level of reading will give you the breadth of exposure important to a survey course. I will also sometimes provide background readings if I think some of you need to get up to speed on a topic. You can always ask me for additional readings on any topic. I will bring the readings for each week to the prior class, if not sooner. I am enclosing only the first two weeks of readings on the syllabus. I will complete this as we go and as I sense your needs and your interests.

Research Ideas

I hope you will leave this course with several ideas you can explore in your own research. To that end, you should read as if on a scouting expedition. Pay attention to what you find interesting. Notice when you experience a sense of disbelief or a sense that something is missing. Jot down alternative explanations for what the research suggests is happening. Map out the researcher's view of the world and question it. Establish what the underlying assumptions are in the research and question them.

Use these activities for your research idea assignments. For these assignments, you will be responsible for writing up a one-page note (double spaced) focusing on one research idea that emanates from the week's readings. These assignments are required to encourage you to think generatively while reading. You should always be on the look out for great ideas as they occur within and across readings. This write-up will be due at the beginning of each class.
While in class, you will get a chance to share your idea. Hence, you should come prepared to share a five minute version of your idea. In these few minutes, describe the problem in the literature or in practice (or both) and the key points of your idea and how it contributes to solving these problem(s). You should feel free to draw your idea on the board if you like.

Research Paper

Each student will be expected to do a research paper on a market-strategy related topic. If you decide to work on a paper that is more modeling in orientation, you should present the model and solve it. If you decide to work on a paper that is more behavioral, you could do one of two things. First you could write an integrative conceptual paper that offers a new framework for marketing strategy. This paper would be more in the tradition of conceptual papers published in journals like *Journal of Marketing* (e.g., see Rindfleisch and Heide 1997[1]). Second, your paper could offer predictions and design a marketing strategy study. This could involve an experiment, quasi-experiment, a survey, a content analysis, a meta-analysis, a field study, or an empirical analysis of secondary brand and/or firm data. The paper is due by April 15. No late papers will be accepted.

In order to facilitate the writing of your paper, please adhere to the following guidelines:

- February 11: Email me 2-3 topics you find interesting and worthy of pursuing and a paragraph or two summarizing your ideas. I will provide feedback.

- February 25: Come to class prepared to present 5-7 slides about your selected topic to the class. Bring your talk on a memory stick and bring copies of the presentations for everyone in the class. We will use this entire class period for these presentations, so the amount of time you have will depend on the number of students that enroll in the class. Note that this class will also allow you to practice your skills at sharing feedback with other scholars. You should be prepared to offer keen insights to your colleagues during this session.

- April 15: Email me a final version of your paper in Word so I can track in comments to you.

Course Grading

33% quality of your seminar paper
33% quality of your participation
33% quality of your weekly one page idea quests

Session Structure

Each session is outlined in the remaining pages of the syllabus. For each session, I will list the "primary readings" which you are responsible for reading and thinking about before class. Occasionally I will offer "background readings" for those of you that are new to an area or "method readings" if I think you might need more information. Neither of these is required for the course but recommended if you want to learn more about a technique. I will typically have five or so concepts and/or theory points that I will want to make at some point in the class. Sometimes I will do this at the beginning of class and other times sporadically as we cover topics in which the concepts fit.

I reserve the right to change topics and readings at will during the semester. This is usually not necessary but I would like to have the option if I find a better paper during the term. I have linked

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[1] Aric Rindfleisch actually wrote this paper as a Ph.D. student and it won the Maynard Award (now the MSI/Root Award) at the *Journal of Marketing*.

all of the papers to the syllabus at the start of the class. If I change any topics or papers, I will email the syllabus to you again with new links.

Course Calendar and Topics

Class	Date	Time	Topic/Requirements
Class 1	October 15	12-3	Marketing Resources
Class 2	October 22	11-2	Brands
Class 3	November 5	12-3	Marketing Capabilities
Class 4	November 19	12-3	Marketing Innovation
Class 5	December 3	12-3	Market Entry and New Products
Class 6	December 10	12:30-3:30	Marketing Alliances and Channel Relationships
		Holiday break	
Class 7	January 7	1-4	Networks in Marketing
Class 8	January 14	1-4	Financial Returns to Marketing
Class 9	January 21	1-4	Learning and Knowledge in Marketing
Class 10	January 28	1-4	Marketing Leadership
Class 11	February 4	1-4	Salesforce Management
Class 12	February 11	1-4	Marketing Strategy in Non-Profit Settings
	February 13		Email me 2-3 paper topics (1-2 paragraphs each) and I will provide feedback.
Class 13	February 18	1-4	In-class discussion of paper topics
Class 14	February 25	1-4	Present selected paper idea to class in 5-10 PowerPoint slides to get feedback
	April 15		Paper Due: Email me a final version of your paper in Word

Session Topics and Readings

Class 1: October 15
Topic: **Marketing Resources**
Readings:
- Srivastava, Rajendra K., Tasadduq A. Shervani, and Liam Fahey (1998), "Market-Based Assets and Shareholder Value: A Framework for Analysis," *Journal of Marketing*, 62 (January), 2-18.
- Morgan, Neil (2012), "Marketing and Business Performance," *Journal of the Academy of Marketing Science*, 40 (1), 102-119.
- Fang, Eric, Robert Palmatier, and Rajdeep Grewal (2011), "Effects of Customer and Innovation Asset Configuration Strategies on Firm Performance," *Journal of Marketing Research*, XLVIII (June), 587-602.
- Rust, Roland T., Christine Moorman, and Peter R. Dickson (2002), "Return on Quality: Revenue Expansion, Cost Reduction, or Both?" *Journal of Marketing*, 66 (October), 7-24.

Background (not required):
- Wernerfelt, Birger (1984), "A Resource-based View of the Firm," *Strategic Management Journal*, 5 (April-June), 171-180.
- Peteraf, Marjorie (1993), "The Cornerstones of Competitive Advantage," *Strategic Management Journal*, 14 (3), 179-192.

Class 2: October 22
Topic: **Brands**
Readings:
- Keller, Kevin Lane (1993), "Conceptualizing, Measuring, and Managing Customer-Based Brand Equity," *Journal of Marketing*, 57 (January), 1-22.
- Wiles, Michael A., Neil A. Morgan, and Lopo L. Rego (2012), "The Effect of Brand Acquisition and Disposal on Stock Returns," *Journal of Marketing*, 76 (January), 38-58.
- Cao, Zixia and Alina Sorescu, "Wedded Bliss or Tainted Bliss: Stock Market Reactions to the Introduction of Cobranded Products," *Marketing Science*, forthcoming.
- Tavassoli, Nader, Alina Sorescu, and Rajesh Chandy, "Employee-based Brand Equity," *Working paper,* London Business School.

Professional Development (not required):
- Weick, Karl (1979), "Cultivate Interest," from Chapter 2, *The Social Psychology of Organizing*, New York: McGraw Hill, 51-60. [2]

Class 3: November 5
Topic: **Marketing Capabilities**
Readings:
- Krica, Ahmet H., Satish Jayachandran, and William O. Bearden (2005), "Market Orientation: A Meta-Analytic Review and Assessment of Its Antecedents and Impact on Performance," *Journal of Marketing* , 69 (April), 24-41.

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[2] The original paper that Weick draws on that is worth reading is Murray Davis (1971), "That's Interesting! Towards a Phenomenology of Sociology and a Sociology of Phenomenology," *Philosophy of the Social Sciences*, 1, 309-44.

- Moorman, Christine and Rebecca J. Slotegraaf (1999), "The Contingency Value of Complementary Capabilities in Product Development," *Journal of Marketing Research*, 36 (May), 239-257.
- Rosa, José Antonio, Joseph F. Porac, Jelena Runser-Spanjol and Michael S. Saxon (1999), "Sociocognitive Dynamics in a Product Market," *Journal of Marketing*, 63 (Special Issue), 64-77.
- Dutta, Shantanu, Om Narasimhan, and Rajiv Surendra (1999), **"Success in High-Technology Markets: Is Marketing Capability Critical?"** *Marketing Science*, 18 (4), 547-568.

Background (not required):
- Kohli, Ajay K. and Bernard J. Jaworski (1990), "Market Orientation: The Construct, Research Propositions, and Managerial Implications," *Journal of Marketing*, 54 (April), 1-18.
- Day, George S. (1994), "The Capabilities of Market-Driven Organizations," *Journal of Marketing*, 58 (October), 37-52.
- Dutta, Shantanu, Wagner Kamakura, and Brian T. Ratchford (2004), "Deterministic and Stochastic Approaches for Assessing Marketing Strategy," in *Assessing Marketing Strategy Performance*, eds. Christine Moorman and Donald R. Lehmann, Cambridge, MA: Marketing Science Institute, 47-68.
- Farley, John, Scott Hoenig, Donald R. Lehmann, and David Szymanski (2004), "Assessing the Impact of Marketing Strategy Using Meta-Analysis," in *Assessing Marketing Strategy Performance*, eds. Christine Moorman and Donald R. Lehmann, Cambridge, MA: Marketing Science Institute, 145-164.

Class 4: November 19
Topic: Marketing Innovation
Readings:
- Hauser, John Gerard Tellis, and Abbie Griffin (2005), "Research on Innovation: A Review and Agenda for Marketing Science," *Marketing Science*, 25 (November-December), 687-717.
- Chandy Rajesh, Brigitte Hopstaken, Om Narasimhan, and Jaideep Prabhu (2006), "From Invention to Innovation: Conversion Ability in Product Development," *Journal of Marketing Research*, 43 (August), 494-508.
- Goldenberg, Jacob, David Mazursky, and Sorin Solomon (1999), "Toward Identifying the Inventive Templates of New Products: A Channeled Ideation Approach," *Journal of Marketing Research*, 36 (May), 200-210.
- Sood, Ashish and Gerard J. Tellis (2009), "Do Innovations Really Pay Off? Total Stock Market Returns to Innovation," *Marketing Science*, 28 (May-June), 442-456.

Background (not required):
- Henard, David. H. and David M. Szymanski (2001), "Why Some New Products are More Successful than Others," *Journal of Marketing Research*, 38 (3), 362-375.

Class 5: December 3
Topic: Market Entry and New Products
Readings:
- Carpenter, Gregory S. and Kent Nakamoto (1989), "Consumer Preference Formation and Pioneering Advantage," *Journal of Marketing Research*, 26 (August), 285-298.

- Carpenter, Gregory S. and Kent Nakamoto (1989), "Reflections on 'Consumer Preference Formation and Pioneering Advantage,'" *Journal of Marketing Research*, 31 (November), 570-573.
- Golder, Peter N. and Gerard J. Tellis (1993), "Pioneer Advantage: Marketing Logic or Marketing Legend?" *Journal of Marketing Research*, 30 (May), 158-170.
- Chandy, Rajesh K. and Gerard J. Tellis (2000), "The Incumbent's Curse? Incumbency, Size, and Radical Product Innovation," *Journal of Marketing*, 64 (July), 1-17.

Background (not required):
- Chandy, Rajesh K., Peter N. Golder, and Gerard J. Tellis, "Historical Research in Marketing Strategy: Method, Myths, and Promise," in *Assessing Marketing Strategy Performance*, eds. Christine Moorman and Donald R. Lehmann, Cambridge, MA: Marketing Science Institute, 165-184.

Class 6: December 10
Topic: Marketing Alliances and Channel Relationships
Readings:
- Anderson, Erin and Anne T. Couglin (2002), "Channel Management: Structure, Governance, and Relationship Management," in *Handbook of Marketing*, eds. B. Weitz and R. Wensley, London: Sage, 224-247.
- Palmatier, Robert W., Srinath Gopalakrishna, and Mark B. Houston (2006), "Returns on Business-to-Business Relationship Marketing Investments: Strategies for Leveraging Profits," *Marketing Science*, 25 (5), 477-493.
- Rindfleisch, Aric and Christine Moorman (2001), "The Acquisition and Utilization of Information in New Product Alliances: A Strength-of-Ties Perspective," *Journal of Marketing*, 65 (April), 1-18.
- Manjit S. Yadav and Paul A. Pavlou, "Marketing in Computer-Mediated Environments: Research Synthesis and New Directions," *Journal of Marketing*, forthcoming.

Background readings (not required):
- Rindfleisch, Aric, Alan J. Malter, Shankar Ganesan, and Christine Moorman (2008), "Cross-Sectional Versus Longitudinal Survey Research: Concepts, Findings, and Guidelines, *Journal of Marketing Research*, XLV (June), 261-279.
- Rindfleisch, Aric and Jan B. Heide (1997), "Transaction Cost Analysis: Past, Present, and Future Applications," *Journal of Marketing*, 61 (October), 30-54.

Class 7: January 7
Topic: Networks in Marketing
Readings:
- Van Den Bulte, Christophe and Stefan Wuyts (2007), "Chapter 6: Inter-Organizational Networks," in *Social Networks and Marketing*, Cambridge, MA: Marketing Science Institute.
- Rivera, Mark, Sara Soderstrom, and Brian Uzzi (2010), "Dynamics of Dyads in Social Networks: Assortative, Relational, and Proximity Mechanisms," *Annual Review of Sociology*, 91-115.
- Swaminathan, Vanitha and Christine Moorman (2009), "Marketing Alliances, Firm Networks, and Firm Value Creation," *Journal of Marketing*, 73 (September) 52-69

- Ahearne Michael, Son Lam, Babak Hayati, and Florian Kraus (2013), "Intrafunctional Competitive Intelligence and Sales Performance: A Social Network Perspective," *Journal of Marketing*, 75 (5), 37-56.

Background method reading (not required):
- Houston, Mark, Mike Hutt, Christine Moorman, Peter Reingen, Aric Rindfleisch, Vanitha Swaminathan, and Beth Walker (2004), "Marketing Networks and Firm Performance," in *Assessing Marketing Strategy Performance*, eds. Christine Moorman and Donald R. Lehmann, Cambridge, MA: Marketing Science Institute, 247-268.

Class 8: January 14
Topic: Financial Returns to Marketing
Readings:
- Mizik, Natalie (2010), "The Theory and Practice of Myopic Management," *Journal of Marketing Research*, 47 (August), 594-611.
- Morgan, Neil A. and Lopo L. Rego (2009), "Brand Portfolio Strategy and Firm Performance," *Journal of* Marketing, 73 (January), 59-74.
- Fornell, Claes, Sunil Mithas, Forrest V. Morgeson III and M. S. Krishnan (2006), "Customer Satisfaction and Stock Prices: High Returns, Low Risk," *Journal of Marketing* , 70 (January), 3-14
- Mizik, Natalie and Robert F. Jacobson (2009)**, "**Valuing Branded Businesses," *Journal of Marketing*, 73 (November), 137-153.

Background (not required):
- Srinivasan, Shuba and Dominique M. Hanssens (2009), "Marketing and Firm Value: Metrics, Methods, Findings, and Future Directions," *Journal of Marketing Research*, 46 (June), 293-312.

Class 9: January 21
Topic: Learning and Knowledge in Marketing
Readings:
- Menon, Tanya and Jeffrey Pfeffer (2003), "Valuing Internal and External Knowledge: Explaining the Preference for Outsiders," *Management Science*, 49 (April), 497-513.
- Pisano, Gary P., Richard M.J. Bohmer, and Amy Edmondson (2001), "Organizational Differences in Rates of Learning: Evidence from the Adoption of Minimally Invasive Cardiac Surgery," *Management Science*, 47 (June), 752-768.
- Argote, Linda (1999), "Chapter 5: Knowledge Transfer in Organizations," in *Organizational Learning: Creating, Retaining, and Transferring Knowledge*.
- Kalaignanam, Kartik, Tarun Kushwaha, and Meike Eilert (2013), "The Impact of Product Recalls on Future Product Reliability and Future Accidents: Evidence from Automobile Industry," *Journal of Marketing*, 77(2), 41-57.

Class 10: January 28
Topic: Marketing Leadership
Readings:
- Bertrand, Marianne and Antoinette Schoar (2003), "Managing with Style: The Effect of Mangers on Firm Policies," *Quarterly Journal of Economics*, CXVII (November), 1169-1208
- Boyd, D. Eric, Rajesh Chandy, and Marcus Cunha Jr. (2010), "When Do Chief Marketing

Officers Impact Firm Value? A Customer Power Explanation," *Journal of Marketing Research*, 47 (4), 1162-1176.

- Lam, Son K., Florian Kraus, and Michael Ahearne (2010), "The Diffusion of Market Orientation Throughout the Organization: A Social Learning Theory Perspective," *Journal of Marketing,* 74 (September), 61-79.
- Gebhardt, Gary F., Greg S. Carpenter, and John F. Sherry Jr. (2006), "Creating a Market Orientation: A Longitudinal, Multifirm, Grounded Analysis of Cultural Transformation," *Journal of Marketing*, 70 (October), 37-55.

Class 11: February 4
Topic: Salesforce Management
Readings:
- Ahearne, Michael, Adam Rapp, Douglas E. Hughes, and Rupinder Jindal (2010), "Managing Sales Force Product Perceptions and Control Systems in the Success of New Product Introductions," *Journal of Marketing Research*, 47 (4), 764-776.
- Hughes, Douglas and Michael Ahearne (2010), "Energizing the Reseller's Sales Force: The Power of Brand Identification," *Journal of Marketing*, 74 (July), 81-96.
- Murtha, Brian R., Goutam Challagalla, and Ajay K. Kohli (2011), "The Threat from Within: Account Managers' Concern About Opportunism by Their Own Team Members," *Management Science*, 57 (September), 1580-1593.
- Tuli, Kapil R, Sundar G Bharadwaj, and Ajay K Kohli. (2010), "Ties That Bind: The Impact of Multiple Types of Ties with a Customer on Sales Growth and Sales Volatility," *Journal of Marketing Research*, 47 (1), 36-50.

Background method reading (not required):
- Jap, Sandy D. and Erin Anderson (2004), "Challenges and Advances in Marketing Strategy Field Research," in *Assessing Marketing Strategy Performance*, Christine Moorman and Donald R. Lehmann, eds. Cambridge, MA: Marketing Science Institute, 269-292.

Class 12: February 11
Topic: Marketing Strategy in Non-Profit Settings and CSR
Readings:
- Brown, Tom J. and Peter A. Dacin (1997), "The Company and the Product: Corporate Associations and Consumer Product Responses," *Journal of Marketing*, 61 (January), 68-84.
- Sen, Sankar and C.B. Bhattacharya (2001), "Does Doing Good Always Lead to Doing Better? Consumer Reactions to Corporate Social Responsibility," *Journal of Marketing Research*, 38 (May), 225-243.
- Homburg Christian, Marcel Stierl, and Torsten Bornemann (2013), "Corporate Social Responsibility in Business-to-Business Markets: How Organizational Customers Account for Supplier Corporate Social Responsibility Engagement," *Journal of Marketing*, 77 (November), 54-72.
- Lev, Baruch, Christine Petrovits, and Suresh Radhakrishnan (2010), "Is Doing Good Good for You? How Corporate Charitable Contributions Enhance Revenue Growth," *Strategic Management Journal*, 31, 182-200.

Other reading (not required):

- Godfrey, Paul C. (2005), "The Relationship between Corporate Philanthropy and Shareholder Wealth: A Risk Management Perspective," *The Academy of Management Review*, 30 (October), 777-798.
- Menon, Ajay and Anil Menon (1997), "Enviropreneurial Marketing Strategy: The Emergence of Corporate Environmentalism as Marketing Strategy," *Journal of Marketing*, 61 (January), 51-67.
- Luo, Xueming and C.B. Bhattacharya (2006), "Corporate Social Responsibility, Customer Satisfaction, and Market Value," *Journal of Marketing*, 70 (October), 1-18.
- Luo, Xueming and C.B. Bhattacharya (2009), "The Debate over Doing Good: Corporate Social Performance, Strategic Marketing Levers, and Firm-Idiosyncratic Risk," *Journal of Marketing*, 73 (November), 198-213.
- Arnett, Dennis B., Steve D. German, and Shelby Hunt (2003), "The Identity Salience Model of Relationship Marketing Success: The Case of Nonprofit Marketing," *Journal of Marketing*, 67 (April), 89-105.

February 13: Email me up to 2-3 paper topics (1-2 paragraphs) and I will provide feedback about direction I think is most fruitful for your course paper.

Class 13: February 18
Topic: Initial topic brainstorming with class
Readings: No assigned readings
Come to class prepared to lead a 5 minute conversation about your paper topic. Class members will share ideas in the remaining 10 minutes.

Class 14: February 25
Topic: Present selected paper idea to class in 5-10 PowerPoint slides
Readings: No assigned readings

April 15: Final course paper due