Texas A&M University
Departmental Request for a New Course
Undergraduate • Graduate • Professional
• Submit original form and attach a course syllabus.

1. This request is submitted by the Department of Marketing

2. Course prefix, number and complete title of course: MKTG 635 Marketing Analytics and Pricing

3. Course description (not to exceed 50 words): Advanced quantitative techniques and analytical tools that provide insights into the nature of consumer demand and its response to changes in the marketing mix, with a focus on pricing.

4. Prerequisite(s): MKTG 625

5. Is this a variable credit course? □ Yes ☒ No If yes, from _______ to _______

6. Is this a repeatable course? □ Yes ☒ No If yes, this course may be taken _______ times.

Will this course be repeated within the same semester? □ Yes ☒ No

7. Has this course been taught as a 489/689? ☒ Yes □ No If yes, how many times? 2

Indicate the number of students enrolled for each academic period it was taught. Fall 2007 - 38; Fall 2008 - 62

8. This course will be:
   a. required for students enrolled in the following degree programs(s) (e.g., B.A. in history)
      Master of Science in Marketing
   b. an elective for students enrolled in the following degree program(s) (e.g., M.S., Ph.D. in geography)

9. If other departments are teaching or are responsible for related subject matter, the course must be coordinated with these departments. Attach approval letters.

10. Prefix  Course #  Title (excluding punctuation)  Lect.  Lab  SCH  CIP and Fund Code  Admin. Unit  Acad. Year  FICE Code
    MKTG 635 MKTG ANALYTICS PRICING
    0 3 0 0 0 3 5 2 1 4 0 2 0 0 1 6 1 8 3 0 9 - 1 0 0 0 3 6 3 2

Approval recommended by:

Head of Department  Date  11-5-08

Chair, College Review Committee  Date  11-6-08

Head of Department (if cross-listed course)  Date

Dean of College  Date

Submitted to Coordinating Board by:

Associate Director, Curricular Services  Date

Questions regarding this form should be directed to Sandra Williams at 845-8201 or sandra-williams@tamu.edu.
Curricular Services – 10/08
Texas A&M University

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<thead>
<tr>
<th>MKTG</th>
<th>6</th>
<th>3</th>
<th>5 MKTG ANALYTICS PRICING</th>
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<tbody>
<tr>
<td>Lect.</td>
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<td>CIP and Fund Code</td>
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<td>1</td>
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</tbody>
</table>

Approval recommended by: [Signature] 9-8-08

Head of Department Date

Head of Department (if cross-listed course) Date

Submitted to Coordinating Board by:

Associate Director, Curricular Services

Questions regarding this form should be directed to Sandra Williams at 845-8201.
Curricular Services – 11/07

2 of 10 C9
The mission of Mays Business School is to create knowledge and develop future ethical business leaders for a global society.

Course Syllabus and Schedule

Instructor: Professor Ramkumar Janakiraman, Ph.D.
Office: Wehner 220M
Phone: (979) 845-3028                Fax: (979) 862-2811
E-mail: ram@mays.tamu.edu

Course: MKTG 635: Marketing Analytics and Pricing

Office Hours: M 11:00 A.M. – 12:00 P.M./By appointment

Course Web Page: WebCT (http://elearning.tamu.edu/)

Class Time: M 2:30 – 5:30 P.M., WCBA 154.

COURSE DESCRIPTION AND OBJECTIVES

Reasons to Take This Course

This course is designed to introduce you to a number of advanced quantitative techniques and analytical tools that provide insights into the nature of consumer demand and its response to changes in the marketing mix, with a focus on pricing. The course will introduce you to a variety of datasets and teach you (hands on use of) statistical software to implement the different quantitative techniques. The use of these techniques can improve a manager’s forecasting ability, provide a better understanding of market behavior and, ultimately, form the basis for making more effective and efficient marketing and pricing decisions.

Learning Outcomes and Course Objectives

On completing the course, the students will:

1. Be familiar with several advanced, quantitatively oriented marketing tools and models that enhance marketing decision-making.

2. Garner extensive experience in using these tools through computer exercises (i.e., dirtying your hands with data).

3. Be familiar with the concepts, theory and latest thinking bearing on the key issues in pricing taking the perspective of the marketing manager.
4. Develop an ability to critically assess the strengths and weaknesses of these modeling approaches when applied to specific marketing and pricing problems (via case analysis and discussion).

5. Have an opportunity, through the course project, to make an independent assessment of the pricing strategy or tactics used by a company or industry of your own choosing.

Course Materials

2. Required/Recommended Texts:

Prerequisites

MKTG 625

COURSE ORGANIZATION AND FORMAT

The sections below discuss the mechanics of the course.

Study Groups

Students will need to form study groups early in the semester. Groups should be of four or five members. No group may have more than five members; three-person groups will be allowed only by special permission of the instructor. Study Group composition is due on September 3rd. The members of a group will work together on group assignments and the class project.

Class Format

Class activity is divided among lectures and case discussions.

Lecture/Discussions. Approximately half of the class time will follow a lecture format. These sessions are devoted to the presentation and discussion of theories, concepts, modeling and data handling techniques, and empirical findings useful for pricing strategy and tactics.

The lecture/discussion sessions are often accompanied by assigned readings from the course packet. Lectures are not designed to summarize the readings, although many important concepts will be consolidated and extended. The readings are considered an integral part of the course and students will be held responsible for their content during discussion and in their case analyses.
Case Discussions. The assigned case studies have been selected to fit the objectives of the course and to cover a cross section of interesting industries. All students are expected to come to class ready to discuss each case, regardless of whether or not a written assignment has been prepared. Students may be called upon at any time (a.k.a. cold called) to provide specific recommendations and analysis. At a minimum, you should be able to (i) state clearly what management should do and (ii) provide a specific, logically consistent rationale for your recommendations, backed by your analysis. Even if you do not contribute to a specific case discussion by speaking, make sure that you are comfortable with what you would have done in the management situation described in the case and why.

**BASIS FOR GRADING**

I believe in allowing many evaluation moments during the semester of different types. Though the course might become very intensive and demanding, the high number and diversity of evaluation tools also avoids each evaluation moment to impact more than 25% of the final grade (which in turn reduces the risk for students). Each student's overall course grade will be based upon the following:

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Exam 1</td>
<td>15%</td>
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<tr>
<td>Final Exam</td>
<td>25%</td>
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<tr>
<td>Course Project (Group)</td>
<td>25%</td>
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<tr>
<td>Individual Assignment</td>
<td>10%</td>
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<tr>
<td>Case Exercises</td>
<td>10%</td>
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<tr>
<td>Group Assignments</td>
<td>10%</td>
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<tr>
<td>Class Participation</td>
<td>5%</td>
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</table>

The overall grade is 65% individual performance (exams, class participation, individual assignment, and individual case analyses) and 35% group performance (two group case write-ups and the course project). Final grades are curved following school regulations.

**Exams**

There will be two in-class (closed-book) exams (one on Oct 8 and a second one during the finals week). The two exams will cover lectures, case discussions, and selected readings. The format of the exams will be discussed in class (there will be two exam review sessions, one before each exam).

**Course Project**

The project for this course is a "pricing audit" or an in-depth study of a specific pricing practice.

Pricing audit alternative Each study group should select a firm, or, where appropriate, a business unit within a firm, and intensively study either its pricing policy or a specific pricing decision (either made in the recent past or under current consideration). Students need not obtain "inside access" to a company, although that is highly encouraged where possible. Use of publicly
available information and your own research is acceptable. Data analysis is encouraged but not a requirement.

**In-depth study of a pricing practice** As an alternative to the “pricing audit,” groups may elect to pursue an in-depth study of a specific pricing practice (e.g., price promotion, quantity discounts, etc.) across firms or industries. This report will necessarily be more academic in nature than the “pricing audit” project. Again, data analysis is encouraged but not a requirement.

The output of the research will include an in-class presentation and a project report, both due on November 26. Groups will be required to submit a written report (not to exceed 3000 words) at the conclusion of the semester. A two-page progress report (stating your group members, describing the topic, and providing a brief outline) is due at the beginning of class on Oct 1. A second progress report is due on November 5 (Project Consultation Day). More details will be made available in a separate hand-out. A hard copy of the presentation slides is due before the project presentation, and the final written report of the project is due at the beginning of class on November 26.

Each group member will be asked to evaluate his/hers peers with respect to their performance in the group. A special form will be handed out. Each group member should turn in the form by November 26 at the end of class. If a group member fails to turn in the form he/she will receive a group project grade of zero.

**Written Case Analyses and Exercises**

One written group case analysis is assigned for the course. This is a group assignment to be done with the other members of your study team. Strict word limits on the length of the write-up will be imposed. Write-ups should be double spaced, on one side of the page only, submitted without report covers, and stapled once in the upper left hand corner. Please leave adequate top, bottom, and side margins to allow me to make comments. No late papers will be accepted. I will provide further details on the format of the case write-up in class.

Students must also turn in typed two individual case exercises. These exercises are required and will help students with their preparation for in-class case discussion.

Finally, there will also be one written pricing exercise that is group work. The exercise will provide you with an opportunity to demonstrate your mastery of the basic analytical tools required for pricing decision-making. Please do not wait to start on the exercise the day before – you will not be able to complete it on time!

Hard copy versions of all case analyses and exercises are due at the beginning of class on the day that either the case is discussed or the exercise is due.

**Attendance Policy and Class Participation**

Grading class participation is necessarily subjective. Some of my criteria for evaluating effective class participation include:
1. Is the participant prepared? Do comments show evidence of analysis of the case? Do comments add to our understanding of the situation? Does the participant go beyond simple repetition of case facts, adding analysis and conclusions? Do comments show an understanding of theories, concepts, and analytical tools presented in class lectures or reading materials?

2. Is the participant a good listener? Are the points made relevant to the discussion? Are they linked to the comments of others? Is the participant willing to interact with other class members?

3. Is the participant an effective communicator? Are concepts presented in a concise and convincing fashion?

Your grade for class participation is not a direct function of the amount of "air time" you take up. In general, I will evaluate you on how well you respond to my questions and on how effectively you take into account the comments and analyses of your classmates. In situations where multiple students have raised their hands to speak, I will try to call on the student with the least cumulative air time to that date. This procedure, carried out over the course of the semester, should help to ensure that everyone who is well prepared and wants to contribute will have the opportunity to do so.

A necessary, but not sufficient, condition for class participation is that you come to class. In order to obtain a grade for class participation you must attend the class sessions (please let me know in advance if you cannot attend a session). Attendance will be mandatory during the days of guest lecture and project presentation and questions/comments during presentations are highly valued.

CLASS COMMUNICATION TOOL

Lecture materials and other information relevant to the course will be posted on WebCT Vista: http://elearning.tamu.edu/ (NO www). Students are required to periodically check the course web page.

Note that the only email I will be using is ram@mavs.tamu.edu. Also note that I will contact students mainly by email at their TAMU Neo email account. If you do not have a Neo email account, please contact CIS at http://cis.tamu.edu/students/. I would not be sending emails to any other hosts such as Aol, Hotmail etc.

ACADEMIC ACCOMMODATIONS FOR STUDENTS WITH DISABILITIES

The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you believe you have a disability

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1 Missing more than 10% of the sessions will seriously affect your participation grade.
requiring an accommodation, please contact Disability Services, visit http://disability.tamu.edu/, call 979.845.1637, or go to Cain Hall, Room B118.

STUDENT FEEDBACK

I expect you to be involved with the class. You are strongly encouraged to contact me before, during or after the class, or during schedules office hours to raise or clarify any issue regarding the course, especially things that are not going well. If you hesitate to raise an issue publicly during class or if my office hours are inconvenient, please email me to share your concern or to schedule an appointment.

ACADEMIC INTEGRITY

It is the responsibility of students and instructors to help maintain scholastic integrity at the university by refusing to participate in or tolerate scholastic dishonesty. All policies concerning scholastic dishonesty found in the current Texas A&M University Relations apply, and if necessary, will be enforced.

Aggie Honor Code: “An Aggie does not lie, cheat, or steal or tolerate those who do.” Upon accepting admission to Texas A&M University, a student immediately assumes a commitment to uphold the Honor Code, to accept responsibility for learning, and to follow the philosophy and rules of the Honor System. Students will be required to state their commitment on examinations, research papers, and other academic work. Ignorance of the rules does not exclude any member of the Texas A&M University community from the requirements or the processes of the Honor system. On all course work, assignments, and examinations at Texas A&M University, the following Honor pledge shall be preprinted and signed by the student: “On my honor, as an Aggie, I have neither given nor received unauthorized aid on this academic work.” For additional information please visit: http://www.tamu.edu/aggiehonor/

If it is determined that scholastic dishonesty is taking place, I will follow the procedures specified in the student rules and take the appropriate disciplinary action (a minimum of which will be a zero on the work turned in). Individual assignments (quizzes, case analyses, examinations, and homework) are to be individual efforts unless otherwise instructed. Cheating, plagiarism, fabrication, and misrepresentation will not be allowed.

Note: Plagiarism consists of passing off as one's own the ideas, words, writings, etc., which belong to another. In accordance with this definition, you are committing plagiarism if you copy the work of another person and turn it in as your own, even if you have permission from that person. Of particular relevance in this course, it is important to note that fabrication includes falsifying research data.

COPYRIGHTED MATERIALS

The handouts and lecture materials used in this course are copyrighted. Handouts include all materials generated for this class, which include but are not limited to syllabi, exams, and all in-class materials. Because these materials are copyrighted, you do NOT have the right to copy or reproduce these materials unless permission is expressly granted.
MAYS FOOD & BEVERAGE POLICY

We are fortunate to have beautiful and state-of-the-art classrooms in the Wehner Building. All of us want to maintain the high quality condition of these classrooms for current and future students. Thus, please do NOT bring BEVERAGES, FOOD, TOBACCO PRODUCTS, OR ANIMALS (unless approved) into our classroom. Your understanding of the necessity for this policy and cooperation will be greatly appreciated.
# COURSE OUTLINE

<table>
<thead>
<tr>
<th>Week</th>
<th>Topic</th>
<th>Readings</th>
<th>Assignments/Tasks Due</th>
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<tbody>
<tr>
<td>27-Aug</td>
<td>Course Introduction &amp; Review of Regression Analysis and Optimization</td>
<td>Lehmann, Gupta &amp; Steckel, Chapter 13: “Regression Analysis”; NH: 1</td>
<td></td>
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<tr>
<td>3-Sep</td>
<td>Key Principles in Pricing</td>
<td>Smith and Nagle, “A Question of Value”; Dean, “Pricing Policies for New Products”; NH: 2, 3 and 4</td>
<td>Group Composition Due</td>
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<tr>
<td>17-Sep</td>
<td>Guest Lecture Pricing Tactics &amp; Promotion</td>
<td>Rao, Bergen, and Davis, “How to Fight a Price War; NH: 6, 10.</td>
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<td>24-Sep</td>
<td>Promotion Profitability Analysis</td>
<td>Case Discussion: Southwest Airlines; Blattberg &amp; Neslin, “Methods for Analyzing Sales Promotion”, pg 250-54.</td>
<td>Individual: Kodak: Funtime Film</td>
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<tr>
<td>1-Oct</td>
<td>Price Psychology, Price Promotion; Review for Exam 1</td>
<td>Schindler, “Consumer Recognition of Increase in Odd and Even Prices; Case Discussion: Coca-Cola; NH: 5</td>
<td>Individual Assignment 1; Project Description 1</td>
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<tr>
<td>8-Oct</td>
<td>Exam 1</td>
<td></td>
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<tr>
<td>22-Oct</td>
<td>Sales Forecasting for new products</td>
<td>Case Discussion: Zenith</td>
<td>Group: Zenith</td>
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<tr>
<td>5-Nov</td>
<td>Project Consultation Day</td>
<td></td>
<td>Project Description 2</td>
</tr>
<tr>
<td>12-Nov</td>
<td>Special Topics</td>
<td>In-class computer exercises; Pfeifer and Farris, “Customer Profitability”; Blattberg and Deighton, “Manage Marketing by the Customer Equity Test”</td>
<td>Decide order of Project Presentations</td>
</tr>
<tr>
<td>19-Nov</td>
<td>Pricing and the Internet &amp; Legal Issues</td>
<td>Case Discussion: Free Markets Online; Baker et al, “Getting Prices Right on the Web”; NH: 14</td>
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<td>26-Nov</td>
<td>Project Presentations</td>
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<td>Project Reports Due; Peer Evaluations Due</td>
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<tr>
<td>3-Dec</td>
<td>Students attend Friday classes (redefined day)</td>
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Final exam will be administered during the finals week. Check for official exam schedule.

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2 The schedule is subject to change according to the instructor’s discretion.