

**UCLA Anderson School of Management**

**MGMT 269B - Research in Marketing Management**

**Dominique M. Hanssens**

**Winter 2010**

The seminar meets every Tuesday from 1 to 4 pm in B-413. Office hours: none, students are always welcome.

MGMT 269B is part of a four-course sequence of doctoral seminars in marketing. Unlike the other courses in the set, it is problem oriented, i.e. the emphasis is on research that has implications for solving managerial problems rather than research directed toward advancing behavioral or economic theories in marketing. With this orientation in mind, the discussions of past and current research will focus on :

- (1) the identification of managerial problems addressed by the research,
- (2) an examination of the theoretical and methodological framework used to examine the problem,
- (3) directions for future research.

Each three-hour session will be devoted to a major marketing managerial problem. The reading list for each week consists of two or three "classics" or review articles (\*) and some recent contributions. Everyone will read the \* articles in detail and prepare a discussion of the week's topic. In addition, the "expert of the week" (to be rotated among the participants) will make a 60-minute presentation about all the articles and offer his/her interpretation of the "state-of-the-art".

The final component of MGMT 269B is an individually prepared term paper. It consists of the following : (1) a concise problem statement, (2) a review of contributions to date, indicating where future work is needed, (3) an original effort in solving the problem, e.g. experimental design, mathematical formulation, empirical work. The paper should be of high quality, comparable to the Anderson PhD research paper requirement, and will be presented during the last seminar meeting.

## **All sessions**

Hanssens, Dominique M., Ed. *Empirical Generalizations about Marketing Impact*. Marketing Science Institute, Relevant Knowledge Series, 2009.

### **Session 1: Introduction to the seminar Theory of Marketing Resource Allocation**

\*Lambin, Naert, and Bultez (1975), "Optimal marketing behavior in oligopoly," *European Economic Review*, 6 (2), 105-128.

\*Mantrala, Sinha, and Zoltners (1992), "Impact of resource allocation rules on marketing investment-level decisions and profitability," *Journal of Marketing Research*, 29(2), 162-175.

\*Mantrala, Naik, Sridhar and Thorson (2007), "Uphill or Downhill? Locating the firm on a profit function," *Journal of Marketing*, April, 26-44.

### **Session 2: Forecasting and Marketing Planning**

Albers (1998), "A framework for analysis of sources of profit contribution variance between actual and plan," *International Journal of Research in Marketing*, 15(2), 109-22.

\*Urban (1993), "Chapter 7: Pretest Market Forecasting," 315-348, in "*Marketing*", Vol. 5 of *Handbooks in Operations Research and Management Science*, Eds. J. Eliashberg and G. Lilien, 1993.

Blattberg and Hoch (1990), "Database models and managerial intuition: 50% model + 50% manager," *Management Science*, 36(8), 887-899.

\*Little (1970), "Models and Managers: the concept of a decision calculus," *Management Science*, 16(8), B466-B485.

Hanssens (1998), "Order forecasts, retail sales and the marketing mix for consumer durables," *Journal of Forecasting*, 17(3/4), 327-46.

\*Glazer and Weiss (1993), "Marketing in turbulent environments: decision processes and the time-sensitivity of information," *Journal of Marketing Research*, 30(4), 509-21.

Ehrman and Shugan (1995), "The forecaster's dilemma," *Marketing Science*, 14(2), 123-47.

### **Session 3: Diffusion of Innovation**

\*Bass, Krishnan, and Jain (1994), "Why the Bass Model fits without decision variables," *Marketing Science*, 13(3), 203-23.

\*Libai, Muller and Peres (2009), "The Diffusion of Services," *Journal of Marketing Research*, April 2009.

Norton and Bass (1987), "A diffusion theory model of adoption and substitution for successive generations of high-technology products," *Management Science*, 33(9), 1069-86.

\*Hahn, Park, Krishnamurthi, and Zoltners (1994), "Analysis of new product diffusion using a four segment trial-repeat model," *Marketing Science*, 13(3), 224-47.

Gupta, Jain, and Sawhney (1999), "Modeling the evolution of markets with indirect network externalities: an application to digital television," *Marketing Science*, 18(3), 396-416.

Putsis, Balasubramanian, Kaplan, and Sen (1997), "Mixing behavior in cross-country diffusion," *Marketing Science*, 16(4), 354-69.

\*Van den Bulte and Stremersch (2004), "Social Contagion and Income Heterogeneity in New Product Diffusion: A Meta-Analytic Test," *Marketing Science*, Fall, 530-44.

Golder & Tellis (1997), "Will it ever fly? Modeling the takeoff of really new consumer durables," *Marketing Science*, 16(3), 256-70.

### **Session 4: Advertising Decisions**

\*Little (1979), "Aggregate advertising models: the state of the art," *Operations Research*, 27(4), 629-67.

Doyle and Saunders (1990), "Multiproduct advertising budgeting," *Marketing Science*, 9(2), 97-113.

\*Lodish, Abraham et.al., (1995), "A summary of fifty-five in-market experimental estimates of the long-term effect on TV-advertising," *Marketing Science Special Issue on Empirical Generalizations in Marketing*, Vol. 14, 3 (part 2), 1995, 133-40.

\*Dekimpe and Hanssens (1995), "The persistence of marketing effects on sales," *Marketing Science*, 14(1), 1-21.

Naik, Mantrala, and Sawyer (1998), "Planning media schedules in the presence of dynamic advertising quality," *Marketing Science*, 17(3), 214-235.

\*Vakratsas, Demetrios and Tim Ambler (1999). "How Advertising Works: What Do We Really Know?" *Journal of Marketing* 63, January: 26-43.

### **Session 5: Pricing and Promotion Decisions**

Abraham and Lodish (1987), "PROMOTER: an automated promotion evaluation system," *Marketing Science*, 6(2), 101-23.

Srinivasan, S., K. Pauwels, D.Hanssens & M. Dekimpe, "Do Promotions Benefit Manufacturers, Retailers, or Both?," *Management Science*, May 2004.

\*Bijmolt, van Heerde and Pieters (2005), "New empirical generalizations on the determinants of price elasticity," *Journal of Marketing Research*, May, 141-56.

Kaul and Wittink (1995), "Empirical generalizations about the impact of advertising on price sensitivity and price," *Marketing Science Special Issue on Empirical Generalizations in Marketing*, Vol. 14, 3 (part 2), 1995, 151-60.

\*Kalyanaram and Winer (1995), "Empirical generalizations from reference price research," *Marketing Science Special Issue on Empirical Generalizations in Marketing*, Vol. 14, 3 (part 2), 1995, 161-69.

\*Blattberg, Briesch and Fox (1995), "How promotions work," *Marketing Science Special Issue on Empirical Generalizations in Marketing*, Vol. 14, 3 (part 2), 1995, 122-32.

Nijs, Dekimpe, Steenkamp, and Hanssens (2001), "The category-demand effects of price promotions," *Marketing Science*, 20(1), 1-22.

\*Pauwels, Hanssens, and Siddarth (2002), "The Long-term Effects of Price Promotions on Category Incidence, Brand Choice and Purchase Quantity," *Journal of Marketing Research*, 39(4), 421-39.

## **Session 6: Salesforce and distribution management**

\*Albers, Mantrala and Sridhar (2008), "A Meta-Analysis of Personal Selling Elasticities," MSI Working paper.

Coughlan (1993), "Chapter 13: Salesforce compensation: a review of MS/OR advances," in "Marketing", Vol. 5 of Handbooks in Operations Research and Management Science, Eds. J. Eliashberg and G. Lilien, 1993, 611-51.

\*Vandenbosch and Weinberg (1993), "Salesforce operations," in "Marketing", Vol. 5 of Handbooks in Operations Research and Management Science, Eds. J. Eliashberg and G. Lilien, 1993, 653-94.

\*Reibstein and Farris (1995), "Market share and distribution: a generalization, a speculation, and some implications," *Marketing Science Special Issue on Empirical Generalizations in Marketing*, Vol. 14, 3 (part 2), 1995, 190-202.

Gatignon and Hanssens (1987), "Modeling marketing interactions with application to salesforce effectiveness," *Journal of Marketing Research*, 24(3), 247-57.

\*Bronnenberg, Mahajan, and Vanhonacker (2000), "The emergence of market structure in new repeat-purchase categories: the interplay of market share and retailer distribution," *Journal of Marketing Research*, 37(1), 16-31.

## **Session 7: Marketing Strategy and Competition**

Wind and Lilien (1993), "Chapter 17: Marketing Strategy Models," in "Marketing", Vol. 5 of Handbooks in Operations Research and Management Science, Eds. J. Eliashberg and G. Lilien, 1993, 773-826.

\*Dekimpe and Hanssens (1999), "Sustained spending and persistent response: a new look at long-term marketing profitability," *Journal of Marketing Research*, 36(4), 397-412.

Carpenter, Cooper, Hanssens, and Midgley (1988), "Modeling asymmetric competition," *Marketing Science*, 7(4), 393-412.

Hauser and Shugan (1983), "Defensive marketing strategies," *Marketing Science*, 2(4), 319-60.

Rao, Arjunji, and Murthi (1995), "Game theory and empirical generalizations concerning competitive promotions," *Marketing Science Special Issue on Empirical Generalizations in Marketing*, Vol. 14, 3 (part 2), 1995, 89-100.

Lal and Padmanabhan (1995), "Competitive response and equilibria," *Marketing Science Special Issue on Empirical Generalizations in Marketing*, Vol. 14, 3 (part 2), 1995, 101-08.

\*Pauwels (2004), "How Dynamic Consumer Response, Competitor Response, Company Support, and Company Inertia Shape Long-Term Marketing Effectiveness," *Marketing Science*, Fall, 596-610.

Pauwels and Hanssens (2007), "Performance Regimes and Marketing Policy Shifts," *Marketing Science*, May-June.

\*Roberts, Nelson and Morrison (2005), "A prelaunch diffusion mode for evaluating market defense strategies," *Marketing Science*, Winter, 150-64.

### **Session 8: Customer Equity and Brand Equity**

\*Simon and Sullivan (1993), "The measurement and determinants of brand equity: a financial approach," *Marketing Science*, 12(1), 28-52.

\*Ailawadi, Lehmann & Neslin (2003), "Revenue Premium as an Outcome Measure of Brand Equity," *Journal of Marketing*, 67, 4 (October), 1-17.

\*Gupta, Lehmann & Stuart (2004), "Valuing Customers," *Journal of Marketing Research*, 41 (February), 7-18.

Yoo and Hanssens (2008), "Measuring Marketing Effects on Customer Equity for Frequently Purchased Brands," UCLA working paper, April.

Joshi and Hanssens (2010), "Advertising Spending, Competition and Stock Return," *Journal of Marketing*, January.

### **Session 9: Marketing Strategy and Firm Value**

\*Fornell, Mithas, Morgeson and Krishnan (2006), “Customer Satisfaction and Stock Prices: High Returns, Low Risk,” *Journal of Marketing*, 70 (January), 3–14.

\*Hanssens and Dekimpe (2008), "Models for the Financial Performance Effects of Marketing,” in *Handbook of Marketing Decision Models*, B. Wierenga (Ed.), Springer Science, 2008.

Rao & Bharadwaj (2008), “Marketing Initiatives, Expected Cash Flows and Shareholders’ Wealth,” *Journal of Marketing*, January.

\*Srinivasan and Hanssens (2009), “Marketing and Firm Value,” *Journal of Marketing Research*, June (with commentaries and rejoinder).

## **Session 10: Term paper presentations**