

Marketing of Innovations — MKTG 579

Course Syllabus, Summer 2020

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Email is typically the most reliable and fastest way to reach me, but please feel free to use either of the numbers above if you are having difficulty making contact; I answer whenever I can and grab voicemail when I cannot. SMS/text to the mobile number is also a great option.

Office Hours: Immediately following the end of Zoom class meetings and by appointment. Please email me with suggested meeting times. I enjoy a healthy exchange of ideas with students and welcome the chance to meet via Zoom or phone whenever our schedules align. I am open to whatever fits both of our schedules.

Coursepack: Available for purchase by visiting <https://hbsp.harvard.edu/import/733468>. The coursepack contains all readings listed on the syllabus, and are available from Harvard Business Publishing.

WHY IS THIS COURSE IMPORTANT TO MY CAREER AND TO THE WORLD?

Every year enterprises across the globe spend *billions* of dollars developing and marketing innovations, “new to the world” or “new to a group” solutions designed to improve the way we work, live, and play. Many of these solutions are technology-enabled. While a few of these innovations succeed, displacing entrenched products and services, many more fail, and the billions of dollars misallocated to them are a loss for the leaders that bring them to market, for their firms, and for the world. Understanding what distinguishes those innovative solutions that succeed from those that fail—as well as the evidence basis for increasing the odds that an innovation will thrive—enables us to make better decisions about whether and how to allocate scarce real resources in marketing them. There are, quite literally, billions of reasons that the course is important to firms and should be to you, as well.

WHAT WILL I GET OUT OF THIS COURSE?

This course considers the fundamental question of *why* innovations succeed or fail, providing you a set of evidence-based theories, tools, and frameworks that allow you to make better decisions about marketing (aka, value creation, communication, delivery, and capture) for innovative solutions that are critical drivers of both firm profitability and societal welfare. Newness brings both challenges and opportunities for the marketer, and traditional marketing frameworks often “break down” when applied in these environments, missing critical insights essential for marketing success. This course will provide you with frameworks to recognize the risks associated with marketing innovations, avoid them or

mitigate their impacts, and thereby capitalize upon opportunities. Key learnings of the course include a taxonomy outlining specific risks and opportunities associated with marketing innovative solutions as well as specific tools to mitigate that risk and take advantage of opportunity. Specific learning objectives that you will master are provided in Appendix A.

IS MARKETING OF INNOVATION THE SAME THING AS ENTREPRENEURIAL MARKETING?

In a word, no. Though pragmatically—and with the benefit of a few more words—the two are sometimes related in that many entrepreneurs choose to pursue opportunities that involve the marketing of innovative products or services.

Entrepreneurship is often regarded as the “relentless pursuit of opportunity without regard to resources,” and the products and/or services entailed by the opportunity may be innovative or traditional. Although many entrepreneurial efforts involve the marketing of highly innovative solutions, not all do; think Scott and Ally Svenson’s entrepreneurially-oriented MOD Pizza, perhaps the first made-on-demand pizza in the fast-casual dining segment. The launch of this enterprise was certainly entrepreneurial, but the “product” (a pizza made to order quickly) is not often viewed as a particularly innovative. Conversely, many highly innovative solutions are marketed by established organizations with *many* resources; think Echo and its many variants that house the virtual assistant Alexa, Amazon’s initial entry into the smart-home device market. Amazon can bring a ton of resources to bear on the marketing of Echo, so it may not be best to view this through the lens of entrepreneurship. But Echo/Alexa is typically perceived as a highly innovative solution.

Entrepreneurial marketing might best be thought of as “marketing on a budget.” Conversely, we will consider the evidence basis for the process of successfully marketing a product or service when the product or service is an innovation, i.e., something both new to the world/new to the group and that requires substantial behavioral change in purchase, ownership, use, and/or disposal.

HOW WILL I LEARN IN THIS COURSE? WHAT IS THE FORMAT FOR THE COURSE?

In order to become a better decision maker in the marketing of innovations, you must practice. Thus, as much as possible the passive aspects of learning (lecture) happen asynchronously *outside* of the remote classroom so that active learning experiences can happen *inside* our Zoom sessions and in the Discussion Boards. My motivation in using this approach is simple... the evidence basis in higher education indicates that inclusive active learning experiences produce better learning outcomes for students while also shrinking traditional performance gaps between groups. Students learn more, and it stays with them longer. You are likely to get much more out of the course than you would under a traditional, lecture- and discussion-based approach to the same content, and it will stick with you longer. Please note that I have successfully deployed a similar model to the one that we will use in previous versions of this course as well in other Executive MBA, MBA, Hybrid MBA, and Technology Management MBA courses I lead at Foster. Though the public health context will prevent us from being in a physical classroom environment with one another, I will strive to make our Zoom session (short of any that may feature guest speakers) as interactive as possible inclusive of polls, breakout tasks, case discussions, and similar inclusively-delivered active learning experiences.

Pre-recorded lectures accessible from the Canvas site, paired with your exploration of assigned readings in the course pack, will introduce the basic content pieces of the course. I strive to keep these lectures informative and reasonably concise, and there will be several short lectures addressing various chunks of content that you should view prior to each class meeting. The PowerPoint shown in the pre-recorded lectures is available on Canvas along with each video, and you can download it for note taking if you like.

Prior to each Zoom session focused on new content I will invite you to contribute to an optional discussion board that lets you express what (if anything) you find confusing about the new topic you saw described in video and/or readings. This will allow us to focus our time in the Zoom session on (1) clearing up any common points of confusion, (2) case discussion, and 3) applying the new content during the Zoom session to a real-world marketing of innovations challenge via active learning. Though none of us are likely interested in a Zoom-based lecture, I find it prudent to spend a few minutes at the beginning of each session reviewing key content items and clearing up any confusion I unintentionally created with incomplete coverage in the asynchronous videos and/or readings.

In addition to Zoom sessions focused on applying new content, we will use a portion of Zoom-based sessions to discuss the cases that serve as the context for your and your team's work applying content in the course. These portions of our Zoom session, which will follow on case-focused discussion boards, and the active learning Zoom-based components of the course recognizes that marketing decision-making is a "contact sport." The Zoom-based environment is intended to be interactive, participative, and decision-focused, and discussion boards before each of our case-focused Zoom sessions will ask you to offer a perspective on key case issues from the perspective of leader(s) described in the case.

Our plan is to use cases, in-class exercises, and projects to give you hands-on experience in making better decisions about the marketing of innovative solutions. During these Zoom-based portions of class, I expect that you will engage in discussion, challenge one another, and be respectful of each other's ideas and insights—even in instances when you disagree. As always, you are the primary party responsible for your learning in the course, but your teammates, the class at large, and I are all there to help you.

WHAT IS OUR NORM FOR ZOOM ETIQUETTE?

Please keep your camera on and stay muted when not speaking whenever possible during main Zoom sessions. If you have to step away momentarily, experience bandwidth problems, or the like, feel free to stop video. In the smaller breakout rooms, video on and unmuted is generally a good idea.

I intend to use the Participant list in Zoom to help with inclusive random call, and that means I should be able to see anyone with a question or comment to offer using the hand raise function. If I miss you and appear to be guiding conversation toward another topic, please feel free to unmute and get my attention orally. It is unlikely that I will be able to consistently monitor Zoom chat in real time, but you are welcome to use the tool to communicate with one another; I may on occasion drop a link or idea into chat for the group.

We will feel our way through the experience together, and—if changing the way that we engage in Zoom seems like it will lead to better learning outcomes and/or a better experience for all—I'll let you know about modifications to our norms.

It is my intention to keep Zoom to under 3 hours inclusive of breakout activities as well as a short break (10-15 minutes) in the middle. I will strive to give you as similar a development experience as you would have in a face-to-face class meeting but also recognize that none of us were made to sit in front of screens for long periods of time, especially in passive fashion. Our final class meeting on July 20 will be dedicated to concise team project presentations, and I will ask your team to attend for one-half of the presentation set by assigning you to either Panel A or Panel B for that one class meeting.

WHAT ARE MY RESPONSIBILITIES WITH RESPECT TO LEARNING IN THIS COURSE?

As a student, you have the following responsibilities.

1. Come prepared to every Zoom session by reviewing online mini-lectures, completing the Course Pack readings, posting to the required discussion boards as well as optional ones as needed and in a timely manner, and doing assignments before each class session. Mini-lectures will typically run less than fifteen minutes each, and you must be focused upon them while you view them if you want to learn. I apologize in advance for my face... and voice.
2. Participate fully during the active learning experiences in Zoom sessions by staying focused. We will make extensive use of Zoom breakout rooms in which randomly drawn student groups will work on application of course content. While I will float between breakout rooms to provide guidance, you will have to keep yourself on task and help your classmates do the same. Participating fully also means speaking your mind, listening critically to others, and following-up for yourself by summarizing your own learning at the end of class meetings.
3. Make comments during class that advance the learning experience and fit with the flow of the course, asking polite questions when you don't understand.
4. Complete all work on time and with proper reflection.
5. Review feedback on submitted material, asking yourself what you might do differently next time.
6. Treat your classmates and the learning experience in the course with respect.
7. Remember to be patient, flexible, and understanding with both yourself and other members of the cohort during a very challenging period for all. Our public health context has costs for all of us, and I want to make sure that we are focused on learning & growth as a group but only after ensuring that we are all safe and both mentally and physical healthy. I will do my best to keep the class structured in the way described on this syllabus, but I ask for your flexibility if we decide to make changes in the interests of student learning and growth.

WHAT ARE THE INSTRUCTOR'S RESPONSIBILITIES WITH RESPECT TO MY LEARNING?

As your instructor, I have the following responsibilities:

1. Prepare accessible lecture content in advance of class meetings so that you may view it at your convenience.
2. Come prepared to every Zoom meeting with a well thought-out class session and engaging, meaningful application of content.
3. Consider that it is not necessarily your fault if you do not understand the material or its application.
4. Strive for a mutually respectful classroom environment that is inclusive of all.
5. Recognize that sometimes I may grade a question incorrectly or make an error in content delivery and thus not get defensive when you politely question the grading or my statements.
6. Mirror the same patience, flexibility, and understanding with all students that I ask from you.

HOW ARE THE TOPICS COVERED IN THE COURSE ORGANIZED?

The course is organized in five modules.

1. The first module introduces the specific **risks and opportunities** associated with marketing innovations with an emphasis on the factors that make successful marketing of innovative solutions so challenging. Key learnings include a taxonomy for identifying risks associated with the marketing of innovative solutions as well as identification of the specific factors known to predict successful adoption by customers.
2. The second module focuses on issues related to **value creation** for innovative solutions. As we will discover, consumers and enterprise customers are not wholly rational in their evaluations of innovative market offers, and we will consider both why this is the case and what well-managed firms can do in response.
3. The third module addresses specific challenges in the areas of **value communication** and **value delivery** associated with innovative solutions, emphasizing tools for designing and delivering the customer experience over the customer lifecycle in a way that facilitates adoption. The research evidence on consumer learning demonstrates that careful choreography of media and message is critical to the success of an innovation in the marketplace.
4. The fourth module focuses upon the **value capture** opportunity implied by innovative solutions. The newness of innovations presents a fresh chance to rethink not only what price we charge but also how we charge it, and we will thus consider decisions around both price structure (how to capture value) and price level (how much to capture).
5. The fifth and final module of the course focuses upon **integration** of the various unique value creation, communication, delivery, and capture opportunities challenges, employing an applied context—a high-level summary marketing plan for an innovative solution—as a deliverable that facilitates learning.

WHAT IS THE PURPOSE OF THE ASSIGNMENTS?

Written deliverables in the course are designed to allow you to challenge your own (and sometimes your team's) understanding of course content in an applied setting through engaged, meaningful debate. The Harvard case library is filled with many cases but few focused on innovation, and I have tried to select those that best facilitate mastery of course learning objectives while also providing a mix of B2B, B2C, global, and contemporary cases. Unfortunately and following a multi-day search, I was unable to locate suitable cases in the Harvard library that reflect the diversity of case protagonists that I think we would all prefer; it is something that I consider important, that I am committed to working on in the future, and that I believe Harvard Business School is attempting to address, as well.

The exercises we do in Zoom session will be based on more contemporary events and will round out your understanding. In both cases, the primary purpose of the deliverable is to facilitate learning, and evaluation is an important, but secondary, component. Conversely, the end-of-course project provides a mechanism to personalize your team's learning experience in the course. While I find the cases and in-class examples we consider fascinating and hope that you will, too, the project allows your team the freedom to choose an area of study that makes this certain. The case-based, open notes final exam is designed to assess your personal mastery of key learning objectives of the course.

HOW WILL MY WORK IN THE COURSE BE GRADED?

My goal in evaluating your work is not merely to judge but also to provide feedback that is comprehensible and actionable. It is also worth noting that while I have no stake in your individual grade

in the course, *I care a great deal about your learning as well as the reliability & validity of the grading system.* If, in the interest of learning, you would like additional feedback regarding your written submissions or your overall performance, please ask. I am happy to spend, as much time as you feel is needed to improve this aspect of your learning in the course.

Your work within the class will be evaluated on several dimensions. Details about each submitted deliverable, including instructor expectations regarding content, format, length, etc., will be provided via assignment guides available in Canvas prior to due dates. If submission requirements are unclear after viewing the assignment guide that is posted on Canvas for each deliverable, please contact me for further guidance; I'd like you to debate for, say, up to 10 minutes with yourselves and/or teammates what a question is asking you to consider, but please feel free to reach out if you do not reach resolution at that point. Please feel free to explore Appendix B of this syllabus ("Compelling Written Work Product") if you would like general guidelines used in evaluating your written work in the course.

Your work in the experiential components of the course (in case discussions, in-class exercises, and project presentations) will be reflected in the Class Contribution measure noted below. Please see me in advance if you have any concerns about your ability to contribute to team and class discussions in real time; I can work with you to improve your participation if we discuss it early enough in the quarter.

The weighting of the various grade components is as follows.

<i>Biopure Corporation</i> Discussion Board Post (Individual submission)	2%
<i>Biopure Corporation</i> Case Exercise (Team submission)	10%
<i>Delta Plastics of the South</i> Discussion Board Post (Individual submission)	2%
<i>Delta Plastics of the South</i> Case Exercise (Team submission)	10%
<i>TOTO: The Bottom Line</i> Discussion Board Post (Individual submission)	2%
<i>TOTO: The Bottom Line</i> Case Exercise (Team submission)	10%
<i>Singapore Metals</i> Discussion Board Post (Individual submission)	2%
<i>Singapore Metals</i> Case Exercise (Team submission)	5%
Innovative Product Plan & Presentations (Team submission)	23.5%
Final Exam based upon <i>Health City Cayman Islands</i> case (Individual Submission)	23.5%
Class Contribution in Zoom sessions (Participation – Individual submission judged by instructor)	10%

All deliverables are numerically graded on a 1,000 point scale for the course, though the discussion board posts are evaluated loosely for effort and insight, e.g., satisfactory → 18 points, exemplary → 20 points, no submission → 0 points.

End of quarter course grades will be assigned using the scale reflected below. My expectation is that you are all exceptionally bright, motivated to learn by doing the work, and will do well.

% Grade	Course grade
95% and above	4.0
94-95%	3.9
93-94%	3.8
92-93%	3.7
91-92%	3.6
90-91%	3.5

% Grade	Course grade
89-90%	3.4
88-89%	3.3
87-88%	3.2
86-87%	3.1
85-86%	3.0
84-85%	2.9
83-84%	2.8
82-83%	2.7
Below 82%	Ouch

HOW DOES THE HONOR CODE APPLY TO MY WORK IN THIS COURSE?

In order to maximize the student learning experience, the work you submit should be your own. Other than working with fellow team members in accord within the boundaries outlined below, please do not seek or consider outside sources of information in preparing deliverables for the course. This includes students currently or formerly enrolled in the course as well as others outside Foster.

The *Biopure Corporation*, *Delta Plastics of the South*, *TOTO: The Bottom Line*, and *Singapore Metals* case exercises should be viewed as team efforts, as should the Innovative Product Plan project. Please work with your team and not with other members of the cohort or with students from other years or programs.

Your discussion board posts (both optional and required) should be your own, but the posts required for cases will obviously be informed by the conversations you have had about the case and required team-based case exercise. You may end up having a very similar perspective to that of your teammates regarding the questions posted on the discussion boards, and you might feel very differently; in either case, please answer honestly and from your own perspective. Similarly, your final exam submission should be entirely your own, though you are welcome to discuss the exam case with others prior to viewing any of the questions on the final exam that pertain to the case. The exam will be take home, untimed, and “open notes,” i.e., you will have access to any personal learning materials you have from the course (notes, print or electronic copies of your own readings, Canvas resources, etc.).

WHAT SHOULD I DO IF I HAVE TO MISS A ZOOM CLASS MEETING?

Given the active learning experience focus of our class meetings and the short duration of the course, missing a class meeting is not a great idea. But I recognize that personal emergencies, illness, professional commitments, and the like may interfere with your ability to attend class meetings. If you have to miss a class meeting, please let me know via email in advance. You will still be responsible for the learning experience delivered in the missed class meeting, and I plan to post recordings of our Zoom sessions following each class meeting for your review. More importantly, I may be able to provide you with (1) helpful information such as an overview of the active learning experience you will miss and (2) optional work that facilitates that learning experience and allows you to earn back a portion of the Class Contribution grade for the session that you have missed.

You should also check Canvas for the PowerPoint-based electronic handouts that I will make available immediately prior to class meetings on the appropriate page of the Canvas site; this is also useful when you do attend class in the event that you want to take notes electronically). Given the nature of the

active learning experience in the course, these handouts are much more guideposts than surrogates for Zoom attendance. If you must miss a class meeting, I would urge you to download a copy of the handouts, discuss them within your team, follow-up with me at your earliest convenience regarding any lingering questions or concerns you might have regarding session content, and complete the active learning experience exercise that I will provide upon request.

WHAT ARE THE CHARACTERISTICS OF HISTORICALLY STRONG CONTRIBUTORS TO CLASS DISCUSSION?

I make extensive use of inclusive random call during class sessions, so students are often responding to when called upon as much as volunteering comments. Strong contributors to group discussions—whether in Zoom or on discussion boards—balance quality and quantity, striving to get a few key points across. They also listen actively to their peers, and they provide critical yet positively-focused feedback that builds upon their peers' contributions. A few more specific characteristics of historically strong contributors to class discussion are listed below.

- They are well prepared, and their comments reflect it. They come to class with an informed opinion about the challenges & opportunities associated with marketing innovations and have tentative ideas about the application of this content.
- They listen effectively. Their comments are linked to both the suggested readings and previous discussions in the class.
- They are succinct.
- They have a sense of process in the course. That is, they understand where the class has been and where the discussion is going; their comments facilitate that process.
- They can tie their comments to concepts or analytic tools developed earlier in the course, in other courses, or in the reading materials.
- They are enjoying the process, and their tone and language indicates it.

IS THERE ANYTHING ELSE I SHOULD KNOW?

Lots, actually. Here are a few of the more important guidelines.

1. It would be great if you could confirm that you have recorded the correct pronunciation of your name in NameCoach in Canvas. I will do my best to get it right, but please politely correct me if I do not.
2. Please submit your deliverables on time. We discuss cases in Zoom the same day that homework assignments are due. It is not fair to your peers if your submission benefits from having heard the case discussion, and it is impossible to “unhear” elements of the discussion. Nor is it fair to you to complete a make-up assignment that cannot be made precisely equivalent to the original.
3. While I recognize that specific team members may take the lead in any given team assignment, every team member should participate in completing the case assignments and innovative product plan project. That is the only way to ensure that you have mastered course material.
4. Graded submissions will be returned to you/your team via Canvas and with comments via rubric (cases) or handwritten (the exam). If you believe that your submission should receive additional credit following the evaluation of your work product, please provide a written explanation in support of your position along with your original submission for me to review. This will allow us the opportunity to give your request the serious time it deserves. You may submit your written

request to me in person or via Canvas; please do so within 1 week of the return of your work product.

5. Most importantly, help me help you. My deepest motivation in the course is to create an environment that helps you learn, and my goal is to maximize the aggregate learning of the group while maintaining a reasonable level of student satisfaction. When there are trade-offs between the two goals, I have chosen the former as my primary focus. On the whole, I have created the learning experience after careful consideration of my knowledge of the field and the literature on learning, the opinions of experts, and feedback from prior to students.

What I don't know is you... your unique strengths, your unique challenges, and what makes your learning special and different. If there is something about the course that is not facilitating your learning, please let me know ASAP. Given the diverse student body, I cannot arrange everything about the course in a way that pleases everyone; but I promise to listen and—where I can—act to improve the learning experience for you.

MARKETING OF INNOVATIONS—MKTG 579
SUMMER 2020 COURSE OUTLINE

Date	Topic	Pre-Meeting Lecture Review	Prepare/Consider	Submit
21-Jun (Canvas only; no class meeting)	Module I: Marketing of Innovations: Risks and Opportunities	1.1 Innovation Imperative & Risk Taxonomy		
22-Jun		2.1 Consumer and Product Factors in Adoption 2.2 Forecasting Adoption via the Bass Model	<i>Note on Innovation Diffusion: Rogers' Five Factors</i> <i>Forecasting the Adoption of a New Product</i>	OPTIONAL INDIVIDUAL ASSIGNMENT: Rogers Factors and Bass Model Confusion Discussion Board Posts
28-Jun (Canvas only; no class meeting)	Module II: Value Creation	4.1 The Psychology of Adoption 4.2 Design Thinking and New Product Development	<i>Biopure Corporation</i> <i>Marketing Analysis Toolkit: Market Size and Market Share Analysis</i> <i>Eager Sellers and Stony Buyers: Understanding the Psychology of New Product Adoption</i> <i>Design Thinking</i>	INDIVIDUAL ASSIGNMENT: <i>Biopure Corporation</i> Discussion Board Post OPTIONAL INDIVIDUAL ASSIGNMENT: Psychology of Adoption and Design Thinking Confusion Discussion Board Posts
29-Jun				TEAM ASSIGNMENT: <i>Biopure Corporation</i> case Exercise*

<p>05-Jul (Canvas only; no class meeting)</p>	<p>Module III: Value Communication and Delivery</p>	<p>6.1 Journey Mapping 6.2 Sticky Messaging</p>	<p><i>Delta Plastics of the South: Product Innovation in a Resistant Market Using Customer Journey Maps to Improve Experience How to Create a Realistic Customer Journey Map</i></p>	<p>INDIVIDUAL ASSIGNMENT: <i>Delta Plastics of the South</i> Discussion Board Post OPTIONAL INDIVIDUAL ASSIGNMENT: Journey Mapping & Sticky Messaging Confusion Discussion Board Posts</p>
<p>06-Jul</p>				<p>TEAM ASSIGNMENT: <i>Delta Plastics of the South</i> Case Exercise*</p>
<p>12-Jul (Canvas only; no class meeting)</p>	<p>Module IV: Value Capture</p>	<p>8.1 Pricing Overview 8.2 Introduction to Conjoint Analysis</p>	<p><i>TOTO: The Bottom Line A Practical Guide to Conjoint Analysis</i></p>	<p>INDIVIDUAL ASSIGNMENT: <i>TOTO</i> Discussion Board Post OPTIONAL INDIVIDUAL ASSIGNMENT: Pricing & Conjoint Confusion Discussion Board Posts</p>
<p>13-Jul</p>				<p>TEAM ASSIGNMENT: <i>TOTO</i> Case Exercise*</p>
<p>19-Jul (Canvas only; no class meeting)</p>	<p>Module V: Integration & Application</p>		<p><i>Singapore Metals Limited</i></p>	<p>INDIVIDUAL ASSIGNMENT: <i>Singapore Metals</i> Discussion Board Post</p>
<p>20-Jul</p>				<p>TEAM ASSIGNMENT: <i>Singapore Metals</i> Case Exercise* TEAM ASSIGNMENT: Innovative Product Plan & Presentation*</p>

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27-Jul Due 11:59pm		Final Exam	<i>Health City Cayman Islands</i>	INDIVIDUAL ASSIGNMENT: <i>Health City Cayman Islands</i> Take Home, Open Notes Final Exam
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Appendix A: Course Learning Objectives

Marketing of Innovation - Risks and Opportunities

- Describe the motivation for firms to pursue marketplace innovation
- Classify operating risks for innovative solutions into one of four broad categories
 - Technology risk, execution risk, market risk, platform risk
- Enumerate the product characteristics in Everett Rogers “5 Factor Model” of diffusion
 - Use the model to predict likely diffusion of an innovation
- Reason by analogy to obtain estimates of the Bass model parameters for the coefficient of innovation (p) and the coefficient of imitation (q)
 - Impose estimates of these 2 coefficients and your own estimate of market potential (m) to produce a sales forecast over time

Value Creation with Innovative Solutions

- Draw a customer value function consistent with Prospect Theory
 - Reflect the ideas of concavity for gains and convexity for losses relative to some reference point
 - Reflect steeper slope for losses than gains
- Use the value function of Prospect Theory to explain why innovations are “punished” relative to the “true” value they create
- Explain why traditional marketing research techniques may be inappropriate for discovering what a customer values
- Use key design thinking mindset processes of observation and rapid prototyping to improve design performance

Value Communication & Deliver of Innovative Solutions

- Apply promotion effectiveness models to describe challenges and opportunities in exchange processes
- Use customer experience maps to identify inconsistencies in organizational messaging for an innovative solution
- Apply the Heath S-U-C-C-E-S-s model to predict message effectiveness

Value Capture with Innovative Solutions

- Describe the 2 basic decisions in pricing an innovative solution
- List 2 common as well as 4 (or more) creative price structures
- Use the pricing thermometer (value created, value communicated, and relevant costs) to make informed decisions about price levels
- Interpret conjoint analysis output to estimate value perceived by the customer

Integrative Value Management for Innovative Solutions

- Develop an integrative plan for value creation, communication, delivery, and capture in the context of the marketing of an innovative solution

Appendix B: Compelling Written Work Product

One of the fundamental tasks of marketing is to present information to target customers that changes the way they think, feel, and behave. That is, ultimately marketing is a *persuasive* process aimed at changing cognitions, attitude, and action. While much of the in-class work is about *developing a compelling, persuasive logic* for marketing challenges & opportunities, your ability to *convey* that logic to others will be a key determinant of your professional success.

Consequently, the teaching team will consider both types of criteria in evaluating your submissions in the class. Your deliverables should be not only logically sound but also conveyed in a way that is ultimately persuasive. While there are many paths to effective persuasion, student deliverables that earn high scores tend to have the following properties in common.

- *They are logically structured*: Persuasive arguments typically use a consistent organizing principle to make their points. They are not simply randomly arranged collections of compelling thoughts. Instead, arguments are arranged like stories, e.g., by semantic meaning, chronology, spatially, etc. If you are having difficulty structuring a logical argument that is compelling, consider a ‘Minto-esque’¹ presentation of your material. While not the most flexible let alone most compelling approach for all decision makers, the “Minto Pyramid Principle” tends to generate a logical structure that *is* understandable and approachable by all managers.
- *They rely solely upon clear sentences*²: A reader or viewer cannot evaluate the *quality* of your argument if he or she does not understand what it is.
- *They appropriately attribute source material*²: Persuasive communicators rely on the intellectual property of others to bolster their arguments, and they cite these sources within their communications. Please choose one accepted citation style (Chicago Manual of Style, APA, MLA, etc.) and apply it consistently throughout your deliverable for any material offered in a case or case-based exam submission that is not offered within that case.
- *They employ visual elements when appropriate*²: Figures, charts, and graphics can be compact ways of persuasively presenting information. Never use them in the course to simply improve your deliverable’s aesthetic, but do include them if they are the most effective, efficient way of making a point. For example, a line graph that shows a continuous upward trend is a poor use of management bandwidth; instead, providing a simple correlation between the X & Y quantities would be a better choice. Conversely, a chart that shows a highly non-linear relationship between two quantities of interest or that greatly dramatizes the way the relationship has changed over time would be a good candidate for inclusion as a supporting figure.
- *They are free of spelling, grammar, and basic syntax errors*: It is impossible to completely eliminate all errors, but you should minimize them as they detract from your overall argument. In particular, team-based submissions should be virtually error-free. Toward that end, here are a few pointers.
 - Use your word processing program’s features, but please do not forget to proof read. Additionally, should you choose to track the changes while developing your document, please remember to accept all these changes before submitting your deliverable.

¹ See Minto, Barbara. *The Minto Pyramid Principle*. London: Minto International, Inc., 2003.

² See, for example, Netzley, Michael and Craig Snow. “How to Design a Readable Report.” In *Guide to Report Writing*, 60-71. Upper Saddle River, NJ: Prentice Hall, 2002.

- Include the name of the submitting team and/or student(s) prominently on the first page.
- Number all pages sequentially.
- Label all supporting exhibits and arrange them in the order in which they are referenced in the text.
- Format any electronic documents for printing. This is especially critical with excel based submissions posted to Canvas. Any workbook should be formatted to include distinct titles for each worksheet, defined print areas and page layouts for each worksheet, and consistent page numbering across worksheets (i.e., if the first printed page in the workbook is p. x, the second printed page should be p. x+1, the third x+2, etc.).