

NATIONAL UNIVERSITY OF SINGAPORE
NUS Business School
Department of Marketing

MKT4411 Marketing Strategy

Lecturer : **Assoc Prof Lee Khai Sheang**

Session : **Semester I, 2015/2016**

Course Objectives

This is an advanced course in marketing strategy that focuses on competitive strategy analysis and formulation. Students are introduced to both the Art and the Science of “Strategic Thinking” in devising competitive strategies. This course aims to:

- Enhance student’s ability to think and to act strategically in marketing and in business.
- Introduce students to Principles of Strategy from Sun Zi’s “Art of War” to assist them in making business strategy decisions.
- Introduce students to fundamental Game Theoretic tools and models for analysing and understanding problems involving strategic interactions.
- Provide students with some advanced strategy concepts and theories to gain a deeper understanding of competitive strategy formulation.

Students are expected to apply both the Art and Science of strategy discussed in class to solve marketing and business problems, through case analyses, critiques, and presentations. There will be a case research project requirement, which requires students to identify and analyse an actual problem or case faced by a firm, and to make recommendations as to how the problem can be resolved, based on concepts taught in class.

Readings

Readings consist mainly of journal articles. In addition, students are encouraged to read the following to supplement the journal readings.

Key Reference Books

1. “Thinking Strategically” (1991) - Avinash Dixit and Barry Nalebuff, W.W.Norton & Co.
2. “Sun Zi’s Art of War” (Forthcoming) – Lee KS & SL Sim
3. “Competing for Markets: Strategies for SMEs”, (2002), Lee KS, GH Lim, & Tan SJ, McGraw Hill.

Supplementary Book

4. “Games and Information” (1989) - Eric Rasmusen, Basil Blackwell.

Assessment Method

• Case – Presentation (Group)	:	20%
• Critique of Case Presentation (Individual)	:	10%
• Participation (Individual)	:	10%
• Strategy Essay (Individual)	:	30%
• Case Test (Individual)	:	30%
Total	:	100%

Academic Honesty & Plagiarism

Academic integrity and honesty is essential for the pursuit and acquisition of knowledge. The University and School expect every student to uphold academic integrity & honesty at all times. Academic dishonesty is any misrepresentation with the intent to deceive, or failure to acknowledge the source, or falsification of information, or inaccuracy of statements, or cheating at examinations/tests, or inappropriate use of resources.

Plagiarism is 'the practice of taking someone else's work or ideas and passing them off as one's own' (The New Oxford Dictionary of English). The University and School will not condone plagiarism. Students should adopt this rule - You have the obligation to make clear to the assessor which is your own work, and which is the work of others. Otherwise, your assessor is entitled to assume that everything being presented for assessment is being presented as entirely your own work. This is a minimum standard. **In case of any doubts, you should consult your instructor.**

Additional guidance is available at:

<http://www.nus.edu.sg/registrar/adminpolicy/acceptance.html#NUSCodeofStudentConduct>

Online Module on Plagiarism:

<http://emodule.nus.edu.sg/ac/>

Course Outline

Week

Topic

**1 (i) Introduction: Course Overview
Assessments & Expectations, Project and Essay Requirements**

(ii) Thinking Strategically: Sun Zi's Art of War & Game Theory

- Intro in Dixit & Nalebuff, and Sect. 4.3 in Wee, Lee, & Hidajat.
- Lee, Chng, & Wee (1994), *The Art and Science of Strategic Marketing*, Journal of Strategic Marketing.
- Lee, Lim, and Tan (1999), *Conventional Strategy Frameworks and Their Applicability to SMEs: Lessons from a Case Study*, Journal of Small Business Strategy.
- Chapters 1 and 2 in "Competing for Markets: Strategies for SMEs" by Lee, Lim, & Tan (2002).
- Lee K.S. and S.L. Sim (forthcoming), Sun Zi's Art of War – Translation and Illustrations.

Case Discussion: Chun King (USA)

2. **Competing Under Resource Constraints: Generic Strategies For SMEs**
- Chapters 3, 4, 5 & 6, in “Competing for Markets: Strategies for SMEs” by Lee, Lim, & Tan (2002).

Case Discussion: Chun King (Continue from 1)

3. **Finalize group formation and case assignments**

Sun Zi’s Art of War and Competitive Strategy

- Lee K.S. and S.L. Sim (forthcoming), Sun Zi’s Art of War – Translation and Illustrations.
- Lee K.S., Hendrik Setiawan, and Abraham Anthony (2008), *Sun Zi – Principles of War and Strategizing Against Giants: Nintendo Overwhelms its Competitors*.
- Lee K.S. and Iskandar Gusti (2008), *Sun Zi – Strategic Responses to Situational Changes: The Comeback of Caterpillar*.

Case Discussions:

- *Nintendo*
- *Caterpillar*

4. **(i) Game Specification & Sun Zi’s Principle of Detailed Planning**

- Sect. 2 in Dixit & Nalebuff; Sect. 2 in Wee, Lee & Hidajat; and Part I (Chapters 1 & 2) in Rasmusen.

(ii) Understanding Competitors & Equilibrium Concepts

- Part I (Chapters 3 & 4) in Rasmusen.
- Day, G.S., and P. Nedungadi, (1994), *Managerial Representations of Competitive Advantage*, Journal of Marketing, Vol. 58 (Apr), pp31-44.

5. **Individual Strategy Essay approval and confirmation**

Market Preemption Strategy

- Lee K.S., and C.L Ng (2007), *An Integrative Framework of Preemption Strategies*, Journal of Strategic Marketing.

Case Discussion: De Beers International

6. **Strategic Bargaining & Bargaining Power**

- Sect. 9 in Dixit & Nalebuff, lecture; and Part III (Chapter 10) in Rasmusen.
- Chapter 7 in “Competing for Markets: Strategies for SMEs” by Lee, Lim, & Tan (2002).

Case Discussion: Computer Supplies Pte. Ltd. (Singapore)

7. Strategic Alliances: The Prisoners' Dilemma

- Sect. 4 in Dixit & Nalebuff, and Part I (Sect. 1.2) in Rasmusen.
- Chapter 8 in “Competing for Markets: Strategies for SMEs” by Lee, Lim, & Tan (2002).

Case Discussion: Industrial Supplies Corporation (Malaysia)

8. Transaction Cost Economics & Channel Strategy

- Williamson (1979), *Transaction Cost Economics: The Governance of Contractual Relationships*, Journal of Law and Economics, Vol. 22 (2), pp233-261.
- Lee and Lim (2001), *A Game Theoretic Perspective on Transaction Cost and the Decision to Make, Buy or Make-and-Buy*, NUS RPS #2001-034.
- Chapter 7 in “Competing for Markets: Strategies for SMEs” by Lee, Lim, & Tan (2002).

Case Discussion: San Fabian (Philippines)

9. Submission of Strategy Essay (Individual)

Competitive Strategy Frameworks

Case Discussion: Afton Industries (USA)

10. Case Discussion, Presentation & Critique: Cases 1 & 2

11. Case Discussion, Presentation & Critique: Cases 3 & 4

12. Case Discussion, Presentation & Critique: Cases 5 & 6

13. Case Discussion, Presentation & Critique: Cases 7 & 8

14. Case Test (Individual)