

**National University of Singapore**  
**School of Business**  
**Department of Marketing**

**MKT3413 SME Marketing Strategy**

**Lecturer** : Assoc. Prof. Lee Khai Sheang

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

**Course Objectives**

Compared to major corporations, start-up firms and small and medium enterprises (SMEs) often face resource limitations in competing for markets. As such, strategies for major corporations, which often assume implicitly that sufficient resources are available for strategy implementation, may not be applicable for start-up firms and SMEs.

This course focuses on formulating competitive strategy for start-up firms and SMEs, taking into explicit consideration of the limitations of such firms compared to major corporations. This course aims to:

- Provide students an appreciation of the limitations that start-up firms and SMEs face in competing for markets, and the implications of such limitations in formulating competitive strategies for start-up firms and SMEs.
- Introduce students to some competitive strategy frameworks, concepts and theories that relevant and/or unique for start-up firms and SMEs.
- Enhance students' skills in applying general marketing concepts and theories to formulate strategies for start-ups and SMEs in competing for markets.
- Enhance students' ability to develop more effective business and marketing plans that take into consideration the particular difficulties faced by start-up firms, and SMEs.

Students are expected to apply theories and concepts introduced in the course to solving business and strategy problems, through:

- Evaluation of business start-up proposals,
- Project work, in which students are required to do the following.
  - Formulate a competitive strategy for a start-up or SME.
  - Prepare a comprehensive "Business Plan" for a start-up or SME.
  - Present their competitive strategy and business plan, and critique their peers' presentations and proposals.

**Readings**

1. Hand-outs: Journal articles and notes.
2. Lee K.S., G.H. Lim, and S.J. Tan (2002), Competing for Markets: Strategies for SMEs, McGraw Hill.

**Software**

1. BizViability Software – Assessing the Commercial Viability of a Start-up
2. BizPlan Software – Preparing a Business Plan for a Business Start-up
3. BizPitch Software – Making a 2-Minute Elevator Pitch

## Assessment Method

### **50% - Group (Max 3 Members) with Peer Review Adjustment**

- BizViability Report : 5%
- BizViability Presentation : 5%
- BizPlan Report : 15%
- BizPlan Presentation : 15%
- BizPitch Report : 5%
- BizPitch Presentation : 5%

### **50% - Individual**

- Critique (Oral) of BizViability Presentation : 10%
- Critique (Oral) of BizPlan Presentation : 15%
- Critique (Oral) of BizPitch Presentation : 10%
- Participation : 15%

**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

<u>Week</u>	<u>Topic</u>
1	<p><b>(a) Introduction: Course Overview, Assessments, &amp; Expectations</b></p> <p><b>(b) Business Plan for Start-ups and SMEs</b> Software:</p> <ul style="list-style-type: none"><li>• BizViability Software – Assessing the Commercial Viability of a Start-up</li><li>• BizPlan Software – Preparing a Business Plan for a Business Start-up</li><li>• BizPitch Software – Making a 2-Minute Elevator Pitch</li></ul>
2	<p><b>(a) Conventional Strategy Frameworks: Limitations for Start-ups and SMEs in Competing for Markets</b> Readings:</p> <ul style="list-style-type: none"><li>• Lee, Lim, and Tan (1999), <i>Conventional Strategy Frameworks and Their Applicability to SMEs: Lessons from a Case Study</i>, <u>Journal of Small Business Strategy</u>.</li><li>• Chapters 1 and 2 in <u>Competing for Markets: Strategies for SMEs</u>, Lee, Lim, &amp; Tan (2002).</li></ul> <p><b>(b) Competing Under Resource Constraints: Competitive Strategy Framework for Start-ups &amp; SMEs</b> Readings:</p> <ul style="list-style-type: none"><li>• Lee, Tan, and Lim (1999), <i>Dealing with Resource Disadvantage: Generic Strategies for SMEs</i>, <u>Small Business Economics</u>, Vol. 12 (4), pp299-311.</li><li>• Chapters 3 &amp; 9 in <u>Competing for Markets: Strategies for SMEs</u>, Lee, Lim, &amp; Tan (2002).</li></ul> <p><b>Case Discussion: Coffee Products (Malaysia)</b></p>
3	<p><b>(a) Finalize Group Formation</b></p> <p><b>(b) New Product Launch by Start-Ups: Differentiation, Substitution, &amp; Niching Strategies</b> Readings:</p> <ul style="list-style-type: none"><li>• Chapter 4 &amp; 5 in <u>Competing for Markets: Strategies for SMEs</u>, Lee, Lim, &amp; Tan (2002).</li><li>• Williamson (1979), <i>Transaction Cost Economics: The Governance of Contractual Relationships</i>, <u>Journal of Law and Economics</u>, Vol. 22 (2), pp233-261.</li></ul> <p><b>Case Discussion: Optical Distortion (USA)</b></p>
4	<p><b>(a) All Groups: Business Start-up Project</b></p> <ul style="list-style-type: none"><li>• <b>Presentation of Business Idea</b></li><li>• <b>Approval &amp; Confirmation of Business Start-up Proposal</b></li></ul>

**5 Free-Riding as a Competitive Strategy for Start-ups and SMEs: Parallel Imports**  
Readings:

- Lim, Lee, and Tan (2001), *Gray Marketing as an Alternative Market Penetration Strategy for Entrepreneurs: Conceptual Model and Case Evidence*, Journal of Business Venturing, Vol. 16 (4), pp405-427.
- Lee K.S. and Irene C.L. Ng (2007), *An Integrative Framework of Pre-emption Strategies*, Journal of Strategic Marketing.
- Chapter 6 in Competing for Markets: Strategies for SMEs, Lee, Lim, & Tan (2002).

**Case Discussion: Cycle & Carriage vs. the Parallel Importers (Singapore)**

**6 Competing Against a Giant: Market Penetration Strategy**

Reading:

- Competing for Markets: Strategies for SMEs, Lee, Lim, & Tan (2002).

**Case Discussion: Industrial Equipment Malaysia**

**7 All Groups:**

- **Presentation of BizViability**
- **Submission of BizViability Report**

**All Individuals:**

- **Critique (Oral) of BizViability Presentation**

**8 New Product Market Entry and Development Strategies**

Reading:

- Day, G.S., and P. Nedungadi, (1994), *Managerial Representations of Competitive Advantage*, Journal of Marketing, Vol. 58 (Apr), p31-44.

**Case Discussion: Agricultural Machinery Malaysia**

**9 Growth & Strategy Evolution: From Private Label to Own Brand Strategy**

Readings:

- Chapters 3 to 8 in Competing for Markets: Strategies for SMEs, Lee, Lim, & Tan (2002).

**Case Discussion: Zheng Zhang Textiles Factory (China)**

**10 Presentation Groups Scheduled:**

- **Presentation of BizPlan**
- **Submission of BizPlan Report**

**Critique Groups Scheduled:**

- **Critique (Oral) of BizPlan Presentation**

**11 Presentation Groups Scheduled:**

- **Presentation of BizPlan**
- **Submission of BizPlan Report**

**Critique Groups Scheduled:**

- **Critique (Oral) of BizPlan Presentation**

**12 Presentation Groups Scheduled:**

- **Presentation of BizPlan**
- **Submission of BizPlan Report**

**Critique Groups Scheduled:**

- **BizPitch Presentation**

**13 All Groups:**

- **Presentation of BizPitch to Potential Investors**

**All Individuals:**

- **Critique (Oral) of BizPitch Presentation**
- **Peer Review Submission**