"At Chicago, we focus on the fundamental marketing questions. Our commitment to basic research pays off in the classroom and in the careers of our graduates.”

**PETER E. ROSSI, MBA '80, PHD '84**  
Joseph T. and Bernice S. Lewis Professor of Marketing and Statistics  
and Director of the James M. Kilts Center for Marketing

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Welcome to Marketing at Chicago 2009.

Chicago Booth is more than a business school, it is a business force. Nowhere is that more evident than in the marketing department. At Chicago we believe that marketing is not a functional “silo” but rather a driver of marketplace value that can integrate, align, and motivate an organization across different disciplines.

This Marketing at Chicago piece from the James M. Kilts Center for Marketing is designed to showcase our unique Chicago approach to marketing for our friends and prospective friends, keeping all informed of new developments, student and alumni achievements, faculty appointments and research, curriculum, and news and insights from recruiters who come here seeking top talent. Focusing on our prospective students, we announce winners of marketing scholarships and fellowships and share career advancements from our former scholars. Here are some highlights.

This year we are pleased to announce a major expansion to Chicago Booth’s Marketing Data Center. A.C. Nielsen is providing us with its household panel data, including product purchase information for more than 100,000 households. With this expansion, Chicago Booth will become the premier source of consumer marketing data for all of academia. We anticipate that by late 2009, these data sets will be available for academic use worldwide.

The marketing faculty grew and gained further recognition. Pradeep Chintagunta and Jean-Pierre Dubé were identified in an academic study published in the *Journal of Marketing* as two of the most prolific scholars in marketing from 1982 to 2006, with Pradeep at the top of the list. Ron Goettler joined us from Carnegie Mellon. Ron applies economic models and econometrics to study consumer and firm behavior, with a focus on dynamic issues related to learning, innovation, and product durability.

To complement our signature management lab course, we added two more experiential marketing courses. The marketing research and consumer behavior courses expanded their curricula to include “lab” projects from corporate sponsors. This year, more than 40 companies have sponsored marketing projects, enabling students to apply their classroom learning to real-world marketing problems.

Thanks to a generous gift from Karen Katen, AB ’70, MBA ’74, the Marketing Mentors Program was launched that pairs up marketing alumni and students. This program provides a unique, valuable benefit to Chicago Booth marketing students by enabling them to learn from alumni experiences, and it gives alumni a way to share their expertise and stay connected.

Our marketing fellowship steering committee continues to grow. We are pleased to welcome Karen Seitz, ’86, managing director of Goldman Sachs, and Gary I. Singer, ’78, CEO of Redline Results. This steering committee of 19 senior executives supports our marketing fellowship program, which recently graduated its first class of eight marketing fellows.

Finally, *BusinessWeek* recently ranked Chicago Booth the number-one business school overall, and the number-five school for marketing.

Our commitment to marketing is evident in the success of our alumni, students, and faculty. We invite you to browse this publication to share in the achievements of the past year.

Peter E. Rossi, MBA ’80, PhD ’84
Director, James M. Kilts Center for Marketing

Art Middlebrooks, ’88
Executive Director, James M. Kilts Center for Marketing
“What I got from Chicago Booth is a combination of intellectual tools and practice in collaboration, which helped me sort through the multitude of key priorities and figure out what’s going to make a product fly.”

DAVID APPEL, AB ’81, MBA ’82
CEO OF VISION, LLC
Innovation at Work: How Infomercials Created a Consumer Product Giant

In the 1980s, my parents started Orange Glo, a small company that created cleaning products. It was a traveling demonstration business, my sisters and brother and I were part of it. We went to state fairs, consumer shows, and home shows to sell the products in person. It created a culture of demonstration, of focusing on dirt versus conceptual ideals, and you really had to break through the customer's resistance. It's a very down-to-earth selling approach.

By the mid-1990s, we started to sell on the Home Shopping Network. Our first time, we sold 2,000 kits of Orange Glo, Orange Clean, and OxiClean in six minutes. We knew we had to advertise but we didn't have the resources to buy national advertising, so we decided infomercials would let us build awareness while still maintaining some sort of revenue. We were unknowns, so the big producers wouldn't even return our calls. My dad had met Billy Mays at the Pittsburgh Home Show. Billy helped us break through the clutter, and now he's a global celebrity.

With infomercials, you get great awareness, your costs are reasonable, and people use your product and talk about it. But there aren't great data services that track infomercial sales, so we were essentially invisible. By the time we hit our first retail shelf, we had a meaningful market share, but nobody knew it.

Intellectual Tools and Practice in Collaboration— the Chicago Approach

I think of myself as a marketer, but I didn't become one by going a traditional marketing route. To me, the best marketers understand how to run a brand or a product or a company. My training was finance, marketing, and accounting. What I got from Chicago Booth is a combination of intellectual tools and practice in collaboration, which helped me sort through the multitude of key priorities and figure out what's going to make a product fly.

The Fundamental Questions Still Apply

I had a great course in operations research that was about using analytical tools to solve problems that weren't obviously quantitative. Say we have a capacity constraint and are deciding what to make. We ask questions about margin contribution, but also, what are my strategic goals? What am I trying to achieve? What happens if I run out of a product that families may consider vital versus discretionary, even though I might lose margin? Quantitative tools help you make good marketing decisions. How do you decide what makes a company valuable? You try to create a brand that's worth something and repeatable and sustainable and has fairly limited competitive threats.

Prepared to Lead in a Global Economy

In addition to the analytical, multi-disciplinary approach, what's equally compelling is the school's international presence; it's really part of the global community. Also, Chicago Booth fosters entrepreneurship, continuing to innovate and focus on the most exciting opportunities. Figuring out how to grow in a global economy is something we all need to work on, don't we?
“The beauty of mentoring is seeing energetic young people posing new questions and interacting with real-world experience for new learning. We all learn. We all win.”

KAREN KATEN, AB ’70, MBA ’74
SENIOR ADVISOR
ESSEX WOODLANDS HEALTH VENTURES LLC

Marketing Mentors Program

Through a generous gift from Karen Katen, AB ’70, MBA ’74, the Marketing Mentors Program was launched in 2009. This program supports students interested in marketing careers by pairing them up with Chicago Booth alumni who work in marketing roles. The program is co-sponsored by the Kilts Center, the Office of Alumni Affairs and Development, and the marketing groups for the Full-Time MBA Program and Evening MBA and Weekend MBA programs.

Students receive career and professional guidance, functional and industry perspectives, and lessons from a Chicago Booth graduate with valuable experiences beyond their own. Alumni inspire marketing students, make an impact by sharing their professional insights, stay connected to Chicago Booth, and receive personal enrichment.

We are delighted to have more than 70 alumni and students participating in the first year of this program and look forward to expanding it next year.

**Alumni Mentors**

| Todd Applebaum, ’06 | Brooke Hardin, ’04 | Elizabeth Schnitzer, ’06 |
| Ashley Baxter, ’04 | Derek Herzog, ’04 | Kavitha Sekhar, ’07 |
| Deanna Bordenman, ’06 | Maya Hershen, ’07 | Marshall Sims, ’06 |
| Elizabeth Bowen, ’07 | Katherine Karim, ’05 | Saverio Spontella, ’07 |
| Renata Bregstone, ’02 | William Lucas, ’02 | Sujitha Shah, ’06 |
| Dequiana Brooks, ’07 | Revi Madigan, ’01 | Vinita Sebastian, ’07 |
| Jamie Coleman, ’07 | Anil Mansukhani, ’05 | AnnMaria Turano, ’96 |
| Katie Cosgrove, ’05 | Kenyata Martin, ’06 | Jeremy Vannatta, ’02 |
| Suzy Davekhanian, ’06 | Jim Maurer, ’06 | Teja Vora, ’06 |
| Brian Dominguez, ’03 | Elow Mensah, ’07 | Jennifer Weintraub, ’00 |
| Adrienne Eltink, ’08 | Renu Mewase, ’07 | Ted Wright, ’00 |
| Deborah Glasser, ’05 | Matt Pensinger, ’04 | |
| Jean Hahn, ’05 | Praveen Reddy, ’03 | |
In the past year, our alumni set new standards in the industry, from innovative in-store advertising tools to uniquely satisfying gourmet sweet treats. They were appointed to key positions in top firms and organizations ranging from Estée Lauder to the Chicago Transit Authority. Here is a selection of alumni accomplishments in 2008.

**Targeted consumer ads**
Dick Buell, ‘78, chairman and chief executive of Catalina Marketing, a global leader in behavior-based marketing solutions, was featured in a Wall Street Journal story about a new marketing tool developed by the firm. According to the article, ads printed at checkout that directly target the shopper’s own buying habits are becoming increasingly popular in supermarkets nationwide. Addressing the issue of privacy, Buell told the Journal that the firm doesn’t use or store any data that would identify shoppers. He also mentioned that the service tends to be most effective in driving the consumers to buy more of a product or try newly launched ones. Prior to his position at Catalina Marketing, Buell was COO of its gourmet sweet treats division. They were appointed to key positions from innovative in-store advertising tools to uniquely satisfying sweet treats.

**A sweet treat**
Katie Das, ‘03, and her handmade-caramel business were featured in the Chicago Reader. Das has “poured the pavement to get her caramels on shelves in places like Whole Foods, Intelligentsia, Sam’s, and Pastoral, and makes the deliveries herself,” the article said. Das tinkered with a recipe she discovered in France and came up with four flavors for her caramels: lavender, lemon and honey, orange and honey, and chocolate walnut. “She’s already planning to launch another line of sweets based on a recipe from a different part of the world. But she’s keeping the idea to herself for now,” the Reader said. A former marketing manager in new product development at Wrigley, Das said in the article: “I learned a lot about candy marketing and consumer behavior when it comes to indulgence.”

**Olympic start-up**
Mark Konjevod, ‘07 (XP-76), has a start-up that went for Olympic gold. The Wall Street Journal discussed how his company signed a deal with the U.S. Olympic Committee to make WIN High Performance Sport Detergent the official detergent of the U.S. Olympic team. Konjevod, chief executive of WIN, was a banker and media executive before plunging into the laundry business in 2002. WIN also has won another major endorsement—Nike, whose customer service reps will recommend you buy WIN to take care of sweaty workout clothes.

**Finding the right career**
Jude Rake, ‘87, CEO of Recycled Paper Greetings Inc., went to college to become an engineer, but a Myers-Briggs personality test led him into business management after showing him he’s “someone who likes to take a leadership role, better-suited to a business, not engineering, career,” he said in a Chicago Tribune profile. After four years as an engineer with Bechtel Corp., he came to Chicago Booth to study brand management. “I went to many company presentations and job interviews. With brand management, I liked the ownership and variety, touching every aspect of a business,” he told the Tribune. After earning his MBA, he joined Clorox, then moved to Pepsi International as the marketing and business development manager. He held positions at S.C. Johnson, Kodak, and Fellowes, Inc., before joining the greeting card firm in 2007.

**In the news and on the move in 2008.**

David Doerkesen, ‘97, has been appointed vice president, marketing strategy and administration, of Cameco. Headquartered in Saskatoon, Saskatchewan, Canada, Cameco is the world’s largest uranium producer.

Kevin Kiper, AB ’79, AM ’83, MBA ’87, has become director of circulation and database marketing of Excellence Learning Corporation. Headquartered in Monterey, California, the company develops educational products for child-care programs, preschools, elementary schools, and consumers.

Sylvie Biragnet, ’03 (EXP-8), has become executive director, global skin care marketing, of Estée Lauder Companies Inc. She is based in the cosmetic company’s New York headquarters.

Edward Mueller, ’84, has joined Bentley Systems, Incorporated, as chief marketing officer. The software company is headquartered in Exton, Pennsylvania.

Damien Duhamel, ’05 (AXP-4), has become managing director of KAE Asia, a strategic marketing consultancy that delivers evidence-based marketing advice to Fortune 500 companies. KAE has offices in London, Washington DC, Singapore, and Shanghai, and is listed on the London stock exchange.

Jim Von Bruchhaeuser, ’82, has been appointed executive vice president and chief marketing officer at Penn Treaty American Corporation, an insurance company that is headquartered in Allentown, Pennsylvania.

Kevin Shifrin, ’91, has been appointed senior vice president of global marketing and business development of Stereotaxis, Inc. He was vice president of global marketing for the firm’s C.R. Bard peripheral vascular division. Based in St. Louis, Missouri, the company makes instrument control equipment for cardiology surgical suites.

Brendan Sullivan, ’07 (XP-76), has been named chief marketing officer, group director, of Calumet Photography. Based in Chicago, the company retains high-end photographic and video equipment.

Karen Saad, ‘04, has been named vice president, marketing and business development, of Godon Devices, Inc. The biotechnology company is headquartered in Cambridge, Massachusetts.

Rick Carpenter, ’99 (XP-68), has been named chief marketing officer of Barnes & Thornburg LLP. One of the Midwest’s largest law firms, the company has seven offices in Chicago, Indiana, Michigan, and Washington DC.

Gustavo Minacci, ’05 (EXP-10), has joined as general manager sales and marketing of Ideal Standard International. The Brussels-based firm, a leading provider of innovative and design-driven bathroom solutions, was acquired by Bain Capital in November 2007. Minacci is based in Milan.

Eric Rodi, ’81, has joined as executive vice president for sales and marketing of DivX, Inc. The San Diego-based company makes digital media technologies.

Joseph Paulsen, ’91, has been appointed general manager of integrated marketing services business at Experian. Headquartered in Dublin, Ireland, the company offers such services as credit, marketing, analytics, and internet shopping and credit reports.

Marilyn Dombrowski, ’99 (XP-68), has been appointed senior vice president and head of marketing of Southwest Securities. Based in Dallas, the securities clearing and brokerage services provider is the primary subsidiary of SWS Group.

Maureen Perou, ’89, has joined as chief marketing officer of Academic Approach. The company, which helps students prepare for standardized testing, has offices in Chicago, New York, and Boston.

Ken G Kabira, AB ’85, MBA ’92, has been named executive vice president and chief marketing officer of the Chicago Transit Authority, an independent government agency that is the nation’s second-largest public transportation system.
“We’re always cultivating our next generation of leaders within the organization, so we want people who are not only good marketers but also good managers—really strong leaders who can come into our organization and make an impact from day one.”

DAVE KNOEPFLE, ’03
MARKETING MANAGER
WM. WRIGLEY JR. COMPANY
Good Marketers, Strong Leaders
Wrigley recruits for brand managers, so we look for people who are passionate about building brands and brand management. But we’re always cultivating our next generation of leaders within the organization, so we want people who are not only good marketers but also good managers—really strong leaders who can come into our organization and make an impact from day one.

Recruiting Marketing Talent
Recruiting at Chicago Booth allows us to attract a certain type of marketer who has really strong capabilities both in strategic thinking and analytics. That helps diversify our overall talent pool within the organization. In the associates we hire from Chicago Booth, we see incredibly strong analytic and strategic thinking ability, which helps us build stronger brands and maintain our category leadership position.

Diverse Backgrounds with Global Market Savvy
We see more people with consulting backgrounds and career switchers with analytical skills. In fact, I was one of them. Chicago Booth’s approach to marketing built my strengths and allowed me to make the transition from finance to marketing. The students we interview also have a tremendous amount of international experience, which we see as one of the strengths at Booth. As a multinational organization with operations in over 100 countries, Wrigley is truly a global company, and we strive to mirror the diversity of our consumers and customers in our workforce as well.

Lasting Value in a Changing Marketplace
The marketplace is evolving, making Chicago Booth’s approach particularly relevant now. It goes back to ROI. With the economy this tough, having a strong understanding of the P&L for the program you’re putting into place and the return it will give you is key, and Chicago Booth students are trained in that approach. Having people who are well versed in analyzing the business and analyzing the decisions we make is a definite asset at any time, but particularly in a down economy.

Strategic, Analytical—and Creative
In addition to their superior quantitative skills, the students are terrific at creative thinking—something the senior management sees during campus visits. Handling strategies and analytics is part of the skill set. But that ability to think creatively and to problem solve is one of the things we often hear they’re pleasantly surprised about.
Chicago Booth was a top choice for marketing talent for recruiters in 2008.

Over 200 firms worked with us to source marketing talent this year. The list ranged from companies in the consumer packaged goods arena, such as Colgate-Palmolive, to financial services, like American Express, to the technology arena, like Apple, to the pharmaceutical industry, including Baxter Healthcare Corporation. Full-time positions were accepted by 38 graduating students and internships were accepted by 58 students. Among the companies recruiting for marketing positions at Chicago Booth:

Companies who recruit with Chicago Booth for marketing also include:

- Abercrombie & Fitch
- Adobe Systems, Inc.
- Amazon.com, Inc.
- Bayer Healthcare
- Base Corporation
- Boston Scientific Corp.
- BP America Inc.
- Burger King Corporation
- Cisco Systems, Inc.
- Coach Inc.
- ConAgra Foods
- Del Inc.
- DIRECTV, Inc.
- Discover Financial Services, LLC
- E. & J. Gallo Winery
- East Bay Community Foundation
- Eaton Corporation
- eBay, Inc.
- eHarmony.com
- Expedia.com
- Farmers Group, Inc.
- Fellows, Inc.
- Ford Motor Company
- Gallup Organization
- Garmin International
- Genentech, Inc.
- General Mills, Inc.
- Ghirardelli Chocolate Company
- Google, Inc.
- Harley-Davidson
- Financial Services, Inc.
- Institute at the Golden Gate
- Intel (China) Ltd.
- Kaplan Higher Education
- Las Vegas Sands Corporation
- LexisNexis Group
- LG Electronics
- L’Oréal Inc.
- Mayo Clinic
- Motorola, Inc.
- NAVTEG Corporation
- Nokia
- Oracle Corporation
- PayPal, Inc.
- an eBay Company
- Pfizer, Inc.
- Philips Electronics NA Corp.
- Progressive Companies
- Salesforce.com, Inc.
- SAP America, Inc.
- Sears Holdings Corporation
- Staples, Inc.
- Stax, Inc.
- Target Corporation
- Telefonica Chile
- The Associated Press
- The Coca-Cola Company
- The Walt Disney Company
- Time Warner Inc.
- United Airlines, Inc.
- Warner Bros.
- Wrigley Company
- Yahoo!

- MillerCoors
- Alberto Culver
- Target
- Abbott
- Whirlpool
- 3M
- U.S. Cellular
- Diageo
- Nationwide
- Sam Lee
- Johnson & Johnson
- ExxonMobil
- Microsoft
- T-Mobile
- Kraft Foods
- PepsiCo
- real
- Baxter
- fake
- fake
- fake
- fake
- fake
“At Chicago Booth, students get access to the very top faculty in the field and learn the fundamentals of how to run a business, which do not change because of trends like the internet or because we’re in a recession. There’s no new set of principles.”

JEAN-PIERRE DUBÉ
SIGMUND E. EDELSTONE PROFESSOR OF MARKETING
Jean-Pierre Dubé joined the Chicago Booth faculty in 2000. His research interests include marketing decisions such as pricing, advertising and branding, and the role of competitive dynamics. His specific domains of interest include the retail industry and internet marketing.

Researching How Industries and Markets Evolve

My recent research focuses on dynamics. Recently, I looked at brand patterns for consumer packaged goods like ground coffee. Two brands, Folgers and Maxwell House, dominate the U.S. market with roughly equal shares of volume sold. However, in some regions, Folgers garners considerably more share than Maxwell House; in other regions, the situation is reversed. With two co-authors, I went through company archives and traced when these brands rolled out in different cities. We did this for several product categories and found that being the first to roll out in these markets, sometimes over a century ago, is a very good predictor of whether a brand has the highest market share in that market today. This incredible degree of persistence is surprising both for academics and for brand managers in these categories.

In a follow-up study, I’m working with Matt Gentzkow [associate professor of economics and Neubauer Family Faculty Fellow] and Bart Bronnenberg [professor of marketing at Tilburg University] on why history would persist in the current performance of a brand. We’ve obtained shopping data on 75,000 households across the country from A.C. Nielsen, then surveyed these households about the city where the primary shopper was born, educated, and currently resides. We’re studying whether people buy the brands that are popular where they currently live versus where they grew up; we’re testing whether shoppers take their brand preferences with them when they move to a region that has different brand-buying habits.

Bringing Research Into the Classroom

Chicago may have a reputation of being the sort of place where faculty do research and grudgingly teach because they have to, but that’s not true. The classroom here is taken unbelievably seriously. Faculty work hard to develop and maintain high-quality classes. The advantage to students of having access to very rigorous and top-quality research faculty is the depth of understanding. If you understand and study concepts deeply, it’s a lot easier for you to explain the concept in the classroom.

From students, I learn what’s actually happening in the field and how decisions get made, particularly in teaching executives. For instance, we work with an underlying model of how we think people behave. We’ve nailed consumer behavior, but firms don’t always behave the way we would predict with our theories. Our students tell us that in selling a product, for example, employees are rewarded for how much money they make in the next six months. Employees cannot then be expected to make decisions that pay off for the firm several years from today. The very long-term perspective that best serves the firm as a whole and seems natural to the researcher can’t happen in practice. You start realizing, “We missed this in our models.”

A Focus on Fundamentals and a Rigorous Approach

It’s very simple. We have people who are trained in the fundamentals, especially economics and psychology, and we build from those disciplines. A lot of marketing groups are data rich and work on empirical questions, but what makes Chicago Booth stand out is our rigorous approach. This connection to core discipline training holds you to a certain standard.

Also, we have a lot of exposure to disciplines outside of marketing. Everyone is working on marketing problems—advertising, pricing, customer segmentation, customer preferences. These are fundamentals, but we happen to use economics (or psychology) as the basis from which we start forming theories and constructing models. As a result, we publish research not just in marketing journals, but also in the very top economics, statistics, and psychology journals. Consequently, our research has a much broader audience and, hence, a much broader impact.

Developing Market Leaders

When it comes to the teaching environment, the dean’s office is really one of the school’s strengths. No one has ever questioned the content of my class or tried to push me to teach specific topics. In fact, faculty hear it’s OK to dial it up. I teach pricing, and every year I try to add something new related to my work experience. While the class content is getting richer each year, it is also getting slightly harder. The students always rise to the challenge.

At Chicago Booth, students get access to the very top faculty in the field and learn the fundamentals of how to run a business, which don’t change because of trends like the internet or because we’re in a recession. There’s no new set of principles.
Teaching Fundamentals First, Tools Later

When some students hear “marketing strategy,” they think you have a product and you’re trying to push it onto consumers. But marketing strategy starts even before you have a product. Who are you going to serve with what? Ideally, the customer prefers your product over others, and serving this customer base is the most profitable proposition for you.

I teach students to think strategically about any business problem by asking critical questions like, “If I do this, how will the market respond? I want to serve these consumers, but will I get them?” The question is, how do you create value and capture it too? That’s where marketing strategy comes in. I teach fundamentals that come from economics and psychology and how they apply to marketing.

After you have a strategy, you talk about tools, like prices, advertising, promotions, distribution. They are all subordinate to the overarching strategy of who you are going to serve, with what value proposition. The tools take the strategy to market.

This type of thinking helps students later on in any problem they face. I think Chicago Booth is unique in that we don’t teach them the latest fashion in management. We teach them fundamentals. My course is very much in that vein.

The Classroom Exchange

We also push our students in thinking about the dilemmas we face as researchers. I bring to class a number of open-ended questions and ask, “What do you think? Let’s debate.” I learn a lot too, such as industry norms. Depending on where students worked, they approach these questions differently, which is a good learning experience for me.

For example, with respect to price differentiation, some students said, “What if consumers find out? How will they react?” A strong sense of violation of fairness norms came up in class and we debated it. This issue, in fact, is being debated in the literature today.

In my research, I have to make some assumptions. Talking to students makes me think about which assumptions are more valid.

Doing Research that Digs Deeper

I’m interested in the psychology behind choice—how people make comparisons between different products, or between themselves and other people. Where do these comparisons come from, and how do they affect the decisions people make? Also, how can we make use of this information as managers?

I also research how firms compete in product lines or assortments. Prices aren’t the only thing that consumers care about; they also care about product assortment or quality. We know so much about price competition, but it only comes after you have products on the market. Prices depend on competition and positioning in the product space, and we need to understand the competition in that space better.

For example, if supermarkets want to trim a product line in a category, they may think about dropping the lowest-revenue products. This is something that managers do. But that might not be optimal; there may be niche consumers who shop there only for these products, but who cross-shop in other categories for very profitable products.

Cross-Discipline Environment Supports Novel Research

Chicago Booth is a place where I feel extremely confident in pursuing novel and risky projects, exploring ideas that put different literatures together. My work combines economic theory and psychology, and I feel very much at home doing that here. At seminars in a range of areas, the faculty are able to relate to my work, and they’re excited about this cross-field interaction.

Chicago Booth has the best faculty in many areas, including marketing. It is a great place to do cutting-edge research.
Research highlights in 2008 reflect the diverse interests and strengths of our faculty. The papers take on a wide range of important current topics in marketing.

“You See the Big Picture”
Aparna Iabro, associate professor of marketing; and Vanessa Patrick, assistant professor of marketing, University of Georgia
The authors propose that a positive mood, by signaling that a situation is benign, might allow people to step back and take in the big picture. As a consequence, a positive mood might increase abstract construal and the adoption of abstract, future goals. In contrast, a negative mood, by signaling not only danger but also its imminence, might focus attention on immediate and proximal concerns and reduce the adoption of abstract, future goals. The authors conducted five experiments. First they demonstrate the basic effect—that positive cues and positive mood evoke abstract construal. Then, in accordance with a construal-level account, they demonstrate that participants in a positive (vs. negative) mood view abstract goals as more important and concrete goals as less important and prefer products with abstract, future-oriented benefits. Finally, they demonstrate that by increasing abstract construal, a positive mood results in an increased adoption of whichever abstract goal is accessible. They argue that these findings are not only compatible with but also offer a new lens through which to view the mood-as-information perspective.

“Quantifying the Economic Value of Warranties in the U.S. Server Market”
Sanjay Dhar, James H. Lorie Professor of Marketing; Jean-Pierre Dubé, Sigmund E. Edelstone Professor of Marketing; and Bart Bronnenberg, professor of marketing, UCLA Anderson School of Management
The authors study persistence in the geographic rank-order of market shares and perceived quality across the top 3% of consumer packaged goods industries across the 50 largest U.S. city–markets. Current market shares are higher in markets closest to a brand’s historic city-of-origin than in markets farthest from its city-of-origin. For six industries, they can determine the order of entry among the top brands in each of the 50 largest U.S. markets. The authors find an “early entry” effect on a brand’s current relative market share and perceived quality across U.S. cities. In most cases, the magnitude of this effect drives the rank-order of market shares and perceived quality levels across cities. The findings suggest that early entry generates a persistent advantage for a firm and therefore plays a role in the formation of the long-run industrial market structure of the CPG industries studied.

“The Effect of Sales Promotions on Size and Composition of the Shopping Basket: Regulatory Compatibility from Framing and Temporal Restrictions”
Suresh Ramanathan, associate professor of marketing; and Sanjay Dhar, James H. Lorie Professor of Marketing
Most of the literature on sales promotions focuses on responses to only the promoted brand. Across two experimental studies and one field study, the authors examine how sales promotions may affect the size and composition of the overall shopping basket including non-promoted brands. They show that the framing of the sales promotions (e.g., “Save $x” vs. “Get $x Off”), the nature of the temporal restrictions (immediate expiration date versus future expiration date), and familiarity of hands (well-known versus less familiar) are independent primes for regulatory focus. Further, the authors show that promotional cues, when compatible with either or with prior regulatory focus, lead to more unrelated purchases in a store. More generally, their research highlights the importance of consistency between positioning strategies retailers use to differentiate themselves and the price promotional strategies that they use.

“Online Word-of-Mouth Effects on the Offline Sales of Sequentially Released New Products—an Application to the Movie Market”
Pradeep Chintagunta, Robert Lane Professor of Marketing; Suyun Gopinath, doctoral student, Kellogg School of Management at Northwestern University; and Sriman Venkataraman, assistant professor of marketing, Goizueta Business School at Emory University
The growth of online word-of-mouth (WOM) via user ratings, blogs, etc., has prompted an area of research into the effects of such factors on offline product performance. Measuring the actual effects of such factors on offline sales remains a challenge due to the presence of unobserved factors that can be correlated with the online WOM measure and the offline sales measure. In this study, the authors measure the effects of online WOM, specifically online user ratings, on offline sales for new products that are sequentially released across geographic markets while accounting for the possible endogeneity of these ratings. They achieve this by exploiting the sequential rollout of products across geographic markets, in conjunction with local market-level information, and by constructing plausible instruments with these data for the user ratings (that are typically available only at the national level). The empirical application

“The Prominence Effect in Shanghai Apartment Prices”
Christopher Hsee, Theodore O. Yntema Professor of Behavioral Science and Marketing; Jean-Pierre Dubé, Sigmund E. Edelstone Professor of Marketing; and Yan Zhang, doctoral candidate
A field study conducted in Shanghai identified a robust inconsistency between real estate developers’ desired real estate price setters. The research relates this inconsistency using Tversky, Sattath, and Slovic’s (1988) prominence principle, according to which buyers, who were in a matching mode when setting prices, judged the desirability of floors more heavily than developers, who were in a matching mode when setting prices. This explanation is corroborated by controlled experimental involving potential homebuyers and professional real estate price setters. The research relates an intriguing anomaly originally found in paper-and-pencil surveys to a real-world issue in one of the world’s most active markets. These findings also have implications for issues beyond real estate markets.
Faculty News

Faculty Awards
Günter Hitsch, associate professor of marketing, won the 2007 Frank M. Bass Award from the Institute of Operations Research and the Management Sciences. The honor goes to the best marketing research derived from a PhD thesis published in one of two highly regarded journals, Marketing Science or Management Science. Hitsch’s research interests include consumer choice and competition, quantitative marketing and industrial organization, and the economics and marketing of new products.

Sanjay Dhar, James H. Lorie Professor of Marketing, received the Hillel J. Einhorn Excellence in Teaching Award from students at Chicago Booth’s Asia campus. The award pays tribute to faculty teaching in the Executive MBA Program. Dhar’s diverse research focuses on issues ranging from marketing management, strategy, and new product development to pricing and purchase incidence.

Most Prolific Marketing Scholars
Pradeep Chintagunta, Robert Law Professor of Marketing, and Jean-Pierre Dubé, Sigmund E. Edelstone Professor of Marketing, were identified in an academic study published in the Journal of Marketing as two of the most prolific scholars in marketing. In “What Does It Take to Get Promoted in Marketing Academia? Understanding Exceptional Publication Productivity in the Leading Marketing Journals,” the authors examined two data sets: a census of publication activity in the leading marketing journals of 337 scholars in the top 70 institutions who were promoted between 1992 and 2006, and an examination of 2,672 scholars who published 3,492 articles in the four leading marketing journals over the 1982–2006 period. Chintagunta topped the list.

New Faculty
Ronald Goettler joined the Chicago Booth faculty in 2008 as an assistant professor of marketing. His varied research interests include industrial organization, microeconomics, consumer behavior and learning, applied econometrics, computational methods, and the entertainment industries. Prior to joining Chicago Booth, he was associate professor at the Tepper School of Business at Carnegie Mellon University, where he taught for nearly a decade and won an Excellence in Teaching Award. Goettler earned a BA summa cum laude in economics from Miami University and two master’s degrees and a PhD in economics from Yale University.

Visiting Faculty
Kathleen Vohs is an associate professor of marketing at the University of Minnesota, McKnight Land-Grant Professor, and McKnight Presidential Fellow. She has an extensive background in psychology and applies her understanding of psychological science to business issues to advance new areas of marketing research. Vohs’s research specialties include self-regulation, self-processes, the effects of making choices on self-regulatory ability, and heterosexual sexual relations as predicted by economic principles. During her visit to Chicago Booth, Vohs continued her research, met with faculty, and gave a workshop to faculty and PhD students on her current research.

Panle Jia, an assistant professor in economics at MIT, studies the effect of firm entry on market structure, the welfare consequences of patent regulation, and the application of new estimation techniques to empirical studies. At Chicago Booth, she has worked on examining the social inefficiencies of free entry in the real estate market and the impact of economic growth on health in China. Jia also has extended the current dynamic literature and designed a new algorithm that will expand the empirical application of rich and flexible dynamic models.

Faculty Named Editors
Ann McGill, Sears Roebuck Professor of General Management, Marketing, and Behavioral Science, was appointed editor of the Journal of Consumer Research.

Jean-Pierre Dubé was appointed as an Area Editor for Management Science and for the Journal of Marketing Research.

“Chicago Booth is a place where I feel extremely confident in pursuing novel and risky projects, exploring ideas that put different literatures together.”

A. YEŞİM ORHUN
ASSISTANT PROFESSOR OF MARKETING
Marketing faculty continued to be prolific publishers in 2008.

Chicago Booth faculty typically publish more articles per person in a given year than the faculty at any other business school. Following is a sampling of recent faculty papers. More information about the authors and, in some cases, copies of the papers, can be found at ChicagoBooth.edu/faculty.

2008 Marketing Publications


“Chicago Booth’s outstanding marketing faculty allows—and encourages—you to be creative in coming up with your own research ideas while providing constant guidance and support.”

RENNA JIANG
PHD STUDENT
In a large-scale field study of actual charitable giving, Koo found that framing information about the campaign's progress as amount of money donated to date is more effective at increasing contributions among potential donors who are not yet committed to the campaign.

Minjung Koo
PhD Candidate

Koo earned a bachelor’s degree in psychology and English literature from Yonsei University in South Korea. Her main research interest is consumer behavior with a special focus on goals, motivation, and processes of self-regulation.

In her dissertation, she examines how focusing on what one has accomplished versus what one has yet to accomplish to attain a goal affects goal pursuit. For example, in the context of reward programs, she finds that emphasizing accumulated purchases to date is more effective at increasing customers' participation than emphasizing future purchases to go is more effective when customers are already committed to the program when they are not yet committed to the program.

Kilts Doctoral Fellows: Where are they now?
Facility appointments and recent research of past recipients

Pankaj Aggarwal, MBA ’01, PhD ’02
Associate Professor of Marketing
University of Toronto

RECENT RESEARCH:


Simona Botti, MBA ’04, PhD ’04
Assistant Professor of Marketing
London Business School

RECENT RESEARCH:


Katherine Burson, MA ’98, MBA ’04, PhD ’04
Assistant Professor of Marketing
University of Michigan

RECENT RESEARCH:


“I liked the fact that recognition of Chicago Booth’s approach to marketing is on the rise.”

JESSICA LINDOR
CLASS OF 2009
Preparing Myself for Today’s Marketing Challenges

I wanted to prepare myself for a new career in marketing. When I spoke to brand managers in the field, the actual work was highly quantitative—and becoming increasingly so. Chicago Booth has taught this forever, so I knew I’d work with lots of data. And the more comfortable you are working with data, the better marketer you can be. I knew Chicago Booth would definitely prepare me for that challenge.

Also, I liked the fact that recognition of Chicago Booth’s approach to marketing is on the rise. I knew I’d have access to top faculty. I also felt like I would be able to make more of an impact, especially as the Marketing Group co-chair. With a leadership role, I’d have the opportunity to help shape what the group does.

A Career Change: Marketing Strategy

I didn’t have any previous marketing experience, but I knew Chicago Booth would help me make a career change. I worked for Deloitte Consulting in the strategy operations division. I got a close look at different industries and also worked on various projects, from healthcare to the wireless industry. The one thing I really liked about all of my projects was that they dealt with understanding customer needs and figuring out how to make your product meet them, which is marketing strategy. That’s why I chose it as my focus at Chicago Booth.

Bringing Innovation to an Internship

I was a summer associate brand manager at Kraft, assigned to the California Pizza Kitchen (CPK) brand. In assessing the competition, I looked at what CPK could do to expand its space in the market, what new customers they might go after, or what new regions they might try to expand into. Within three weeks of my presentation, we heard from the sales staff that our competitors were expanding to three places I had predicted.

I was also asked to turn an individual serving of barbecued chicken into a three-pack for Costco. Originally, I thought it was fairly simple—taking an existing product and putting it into a bigger package for the customer. Instead, I was also involved with forecasting sales and figuring out when our manufacturer should produce the product.

A third assignment was bringing the consumer to life. I came up with the idea of creating a website—a tool that could be used by everybody at Kraft who needed a really good understanding of the consumer. I was on a road show my last week, showing it to people outside the brand team. That felt good because I saw it wasn’t just an intern project, or something only the brand team would use.

Coursework Laid the Foundation—Fast

Not having come in with marketing knowledge, my fall quarter was key in helping me pick up the terminology and also apply it, which really helped prepare me for internship recruiting. I knew about the four Ps and the 3 Cs and the different frameworks because the marketing strategy course gave me the entire framework for analyzing problems. In spring quarter, I took data driven marketing, which was much more data intensive than anything I’d done before. We used Nielsen data, so I understood what all the terms meant before I got to Kraft.

Taught to Question Everything

During the internship, I realized how incredibly comfortable my fellow Chicago Booth students seemed with data and analysis. I think this can be attributed to the analytical nature of the marketing course work as well as the other classes. Since Chicago Booth students are taught to question everything, I think we’re better equipped to think outside the box.

What’s Next: Putting It All Together

I plan to work in brand management at Kraft. What I like about marketing is that you make the recommendations and you have to implement them. People speak at a very high level of what marketing is, and it isn’t until you actually experience what brand managers do that you understand how they facilitate and drive an organization’s impact.
Five Students Awarded Kilts Scholarships

Alexander Ambash, Teresa Ruth Greenlees, Jessica Lindor, Stephanie Terifay, and Kim Chau Vo received Kilts Scholarships for 2008. The $10,000 scholarships are granted to second-year MBA students who demonstrate outstanding academic skills and commitment to pursuing a marketing career.

Ambash started his MBA after managing strategy and analysis for four years at the Boston branch of Digitas Inc., the first global interactive agency network. His portfolio of clients included a leading U.S. cable operator, a top U.S. car manufacturer, network. His portfolio of clients included a leading U.S. cable operator, a top U.S. car manufacturer, and the National Football League. Ambash holds a bachelor’s degree in computer science from Yale University.

A cum laude graduate from Rollins College, Greenlees launched and steered a small marketing and design firm, which put her on Tampa Bay Business Journal’s list of “30 Under 30.” More recently, she interned at Diageo North America where she developed a marketing plan for the national launch of an innovative product. Previously she worked as a brand manager at Raymond James Financial, where she was in charge of a $5 million marketing and advertising plan.

Lindor received a bachelor’s degree in psychology and economics from Boston College, where she graduated magna cum laude. She worked at Deloitte Consulting as a business analyst for three years before starting her MBA at Chicago Booth. Among other duties, she was involved in market assessment and strategy development for a leading health plan and helped a government agency achieve more transparency in its customer relations. More recently, Lindor interned at Kraft Foods, where she conducted market research and developed an internal website.

A Cornell University alumna with a degree in hotel administration, Terifay developed a strong background in the hospitality industry before coming to Chicago Booth. She founded Olive Avenue Market, a 28–employee specialty foods enterprise that combined a high-end culinary retail boutique with a neighborhood café and gourmet kitchen. She also directed the catering activities of a premier California catering company, where she led a team of 557 people in designing and producing large-scale events.

Vo graduated summa cum laude from Case Western Reserve University with a degree in engineering. Prior to starting her MBA, she spent five years at Eaton Corporation, a Fortune 500 diversified power management company. More recently, Vo transferred her skills to brand management at General Mills, where she will be returning as an associate marketing manager.

Marketing Group Benefits Part-Time Students

Led by Evening MBA and Weekend MBA students, the Marketing Management and Research Group (MMRG) provides a forum for the exchange of marketing ideas, educates students about topics and trends in the field, and seeks to improve career skills.

The group hosted several presentations featuring notable marketing experts. For instance, Brian Reich—author of best-selling book Media Rules! Mastering Today’s Technology to Connect With and Keep Your Audience—held an informal discussion with students about how organizations can use technological innovation. A separate presentation by Marv Pollack, senior vice president of marketing communications at comScore, highlighted the changing dynamics of worldwide internet usage.

On the employment scene, the group hosted events that shed light on the skills needed to find the right job and build a successful career. Students involved in on-campus recruiting and those who completed summer internships shared advice and insights with their colleagues in a few career-focused panels. MMRG also hosted a multi-expert panel discussion with brand managers from leading consumer companies about various marketing roles within a consumer packaged goods company.

In addition to panel discussions, MMRG helped to sponsor the Kilts Center Marketing Mentor Program by matching more than a dozen Evening MBA and Weekend MBA students with alumni mentors in the marketing field. The group also coordinated the Google Online Marketing Challenge at Chicago Booth, a global student online marketing competition that partnered student teams with small businesses to craft marketing strategies using Google AdWords. The initiative was very popular among Evening MBA and Weekend MBA students, with a total of 17 competing teams.

Full-Time Student Marketing Group Update

With leadership from full-time MBA students, the Marketing Group has over 175 members and is one of the fastest-growing and most active student groups on campus. Their mission is to prepare members for career opportunities and trends in marketing, provide a network for social interaction, and promote Chicago Booth as the premier source for marketing talent.

The highlight of the group’s activities in 2008 was the Marketing Conference, the largest student-run marketing event at Chicago Booth. Aiming to introduce students to new trends in the field, the conference attracted close to 350 participants, including marketing professionals from such firms as Wrigley, Abbott, American Express, Unilever, and Kraft.

Keynote speaker Ann Mukherjee, ’94, vice president of marketing at Frito-Lay North America, highlighted the changing media environment and its effects on brand communication.

The Marketing Group was especially active in helping first-year students learn about the recruiting process. From formal workshops to such fun activities as “speed dating,” students learned how to best prepare for finding and getting the job they want. The group also arranged mock interviews with such employers as Eli Lilly, Abbott, and Kraft, prior to the actual interviews secured by the students.

The classroom experience was enriched by real-world applications through several lunch-and-learn events, as well as store walks. During these activities, first-year students discussed case studies with representatives from top firms and gained new perspectives on how consumer packaged goods firms use shelf space and store promotions in real-world settings.

The Marketing Group also played an instrumental role in establishing the first marketing alumni mentorship program with the Kilts Center. More than 25 first-year students have been matched with alumni mentors who will help them academically and professionally.
“To me, mentoring is about improving performance—the individual’s performance and the organization’s. I’m also a strong believer in the power of professional connections. Many leaders attribute their development and career success to early mentoring and guidance. Mentoring is also about giving back. If I can help a talented individual navigate uncharted waters, or provide insights that help a person develop and grow, that’s good for the person and of course good for our business. It’s also fulfilling to me personally.

“I had a mentor who not only taught me the pharmaceutical business but also shared his wisdom. He taught me the value of hard work and adaptability, and he showed me the human side of the industry. I still rely on these principles today.

“I’ve been in the pharmaceutical business for many years, starting first as a business analyst and following with a range of great roles in long-established companies, a biotech start-up, and international and now global pharmaceutical operations at Abbott. As a mentor, my job is to share my experience, knowledge, encouragement, ideas—and also, now with the benefit of hindsight, what I did differently. Maayan and I talk regularly about his coursework, projects, career direction, and also about the health care industry in general.

“A mentor is very different from a boss or manager. A mentor is an outsider, independent, seasoned voice. It’s someone to test ideas with, someone for whom there’s no ‘dumb’ question. I also find that the mentoring relationship lends itself well to straight talk. It’s important to help someone recognize their limitations and redirect them to focus on strengths.

“Mentoring is definitely not a one-way street. Maayan was educated and then worked in health care marketing in Israel. So for me, he’s a terrific link to global health care issues, trends, the broader industry—all from the perspective of our next-generation talent. It’s energizing to interact with brilliant and curious young professionals.

“For starters, every Chicago Booth student is grounded in Chicago economics. But what I find most unique is the focus on ideas. That’s the value system grounded in Chicago economics. But what I find most curious is the focus on ideas. That’s the value system that I hear in class—like market segmentation or positioning of the product—and hear from our product manager how Abbott implemented them in real life. Managers as experienced as Jim have incredible insights and knowledge; their perspective from so many years of managerial experience is really something that I couldn’t have found anywhere else.

“I also got to meet with the head of U.S. pharmaceutical operations, the vice president of immunology and the head of HB international pharmaceuticals, and I was able to get their perspective on their job and get to know different sides of Abbott. It’s been an exceptional experience.

“Part of being mentored is hearing Jim explain how to plan my long-term career. ‘Be patient. Build your expertise and reputation around certain areas. Gain some internal exposure.’ He’s also advised me about classes I should take that would benefit me in the long run.

“I know the advice Jim has given me will stay with me throughout my career in the pharmaceutical industry. And as I develop a managerial point of view over the years, being able to discuss it with someone who is already there will influence the way I look at things. I hope to develop a long-term relationship with Jim, to build it in a way that we can both maintain it.”
Marketing Fellowships provide $50,000 over two years as well as a mentor—a senior marketing executive who can share expertise and insights into the field. The fellowships, awarded to students entering the Full-Time MBA Program, are underwritten by a challenge grant of $1 million from James M. Kilts, ’74, founding Partner, Centerview Partners, and founder of the Kilts Center for Marketing. The donors, who also serve as mentors, comprise the Marketing Fellowship Steering Committee.

2008 Marketing Fellows

Mark Carmier
Lee S. Hillman Fellowship
Carmier was senior product manager at the Canada-based Telus Communications Company. Previously, he did market research and product development strategy at The Boston Consulting Group. Carmier holds a bachelor of arts with honors from the University of Alberta, Canada.

Celeste Liu
Robin Neifield Fellowship
Liu was advanced financial advisor at Ameriprise Financial and territory sales manager for Philip Morris USA. In these positions she managed multi-million dollar accounts. She has degrees in French and business administration (with honors) from the University of California—Berkeley.

Robert Michelassi
CS Bhaskar Fellowship
Michelassi was an account executive at the international division of Liz Claiborne, Inc., where he first started his career as an intern. He graduated magna cum laude with a degree in social anthropology and a citation in French from Harvard University.

Maayan Pinhasi
James Tyree Fellowship
Pinhasi held various appointments in the Israeli pharmaceutical, education, and military management industries. He was a captain in the Israeli navy. He received a BS in life and medical sciences from Tel Aviv University.

Susan Thuresson
Bill and Eleanore Lebowitz Fellowship
Thuresson was a supply chain project manager at Abbott Nutrition. Previously she completed Abbott’s Engineering Professional Development Program and worked primarily in the pharmaceutical and diagnostic business. She graduated magna cum laude with a degree in chemical engineering from the University of California—Los Angeles.

Marketing Fellowships—Where are they now?

Ashwin Chandramouli, ’08
Kraft Foods
Associate Brand Manager, Growth Channels and Jack’s
As an associate brand manager he works with functional experts in finance, sales, R&D, and others to help expand and build the businesses he works on—everything from commercializing new products to defining the growth strategies for the following year to presenting monthly business updates to leadership.

Emily Strobel, ’08
Wm. Wrigley Jr. Company
Assistant Marketing Manager, Extra Sugar-Free Gum
Since September, she has lead a number of initiatives for the Extra brand including product improvements and packaging redesign. She’s currently working on launching a new flavor for the Extra portfolio.

Lakshmi Karanth, ’08
Microsoft Corporation
Partner Marketing, Manager Group—US Partner Programs
Karanth manages programs to deliver the latest Microsoft software to its partners as well as build and grow a robust partner ecosystem.

Goksu Nebol-Perlman, ’08
Skye Technologies
(London, UK)
Product Marketing Manager

Marketing Fellowship Steering Committee Members

Welcome to the newest members
Karen Seitz, ’86
Partner/Managing Director, Goldman Sachs
Gary I. Singer, ’78
Founder/CEO, Redline Results, LLC

Lee S. Hillman, ’79
Co-Chairman
President, Liberation Advisory Group, LLC

James M. Kilts, ’74
Co-Chairman
Founding Partner, Centerview Partners

Beth Bronner, ’74
Managing Director, Mistral Capital Management, LLC

Pradeep K. Chintagunta
Robert Law Professor of Marketing, The University of Chicago Booth School of Business

Philip A. Clement, ’70
Managing Partner, The Clement Group

Tom Doctoroff, ’89
CEO Greater China and Area Director, JWT/Bridge Advertising Co. Ltd

M. Carl Johnson III, ’72
SVP/Chief Strategy Officer, Campbell Soup Company

Karen Katen, AB ’70, MBA ’74
Senior Advisor, Essex Woodlands Health Ventures LLC

Jerry W. Levin, ’68
Chairman and CEO, J.W. Levin Partners, LLC

James W. Lewis, ’70
Chairman, The Geaney Group, Inc.

William McComb, ’87
CEO and Director, Liz Claiborne, Inc.

John Mitch, ’97 (EXP-2)
CEO, Smark International

Robin Neifield, ’84
CEO, NetPlus Marketing, Inc

Henry Rak, ’70
Founding/Chairman & CEO, Henry Rak Consulting Partners LLC

Rishad Tobaccowala, ’92
CEO, Denuo

James Tyree
Executive Vice President, Abbott

Mark Zmijewski
Deputy Dean and Professor of Economics, The University of Chicago Booth School of Business

Ex-Officio Members

Edward A. Snyder
Dean and College Professor of Economics, The University of Chicago Booth School of Business

Stacey Kole
Deputy Dean and Clinical Professor of Economics, The University of Chicago Booth School of Business

Richard Leftwich
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Mark Zmijewski
Deputy Dean and Professor of Accounting and Finance, The University of Chicago Booth School of Business
“Their energy level was very high. The value you get from students really putting their heart into your project is probably worth $50,000.”

PETER CARRILLO, '98
PRESIDENT OF CARRILLO HOLDINGS, INC.
Making Market Research Part of the Coursework

I had taken one marketing course, taught by Ann McGill, during my two years at Chicago. Even though I’d been an average student in her course and not focused on marketing, she remembered me from my active class participation. She said, “You should talk to Oleg Urminsky and Suresh Ramanathan,” a couple of professors who turned out to be interested in what we were doing and wanted to incorporate our need for market research into their coursework. In a matter of weeks, it went from that idea to a meeting at their offices to drafting a plan for working with student groups. Oleg used it during winter quarter, and Suresh used it in the spring.

High-Quality Research, Students with Talent and Passion

Their energy level was very high. The value you get from students really putting their heart into your project is probably worth $50,000. They really want to do good work and are willing to go to limits you don’t often see in the private sector. For instance, I said, “See if you can find a local gourmet store that will let you set up taste tests with customers.” They picked the best salesperson of the group, talked a couple stores into doing some samplings, and got really good first-hand feedback on the product. One demo was at a store that sold high-end cooking equipment. Over two hours one evening, they surveyed women who had come there to take a cooking class and who fully analyzed the product from the packaging all the way down to the flavor and texture. They augmented that type of anecdotal study with larger sample size studies as well. That’s the kind of data I was looking for.

Their Quantitative Background is Second Nature

Chicago Booth students joke that they can put a financial edge to anything, and that includes the marketing students. They work with data results and sample sizes, and when you become more knowledgeable at statistics and regression analysis, you become good at figuring out how you get better conclusions without cheating the data. For example, in their study, they used filter questions like, have you bought salsa in the last six months? If someone answered “no,” he’d be eliminated from the sample size. Anybody without a quantitative background may not think to do that. But for Chicago Booth students it’s second nature.

Actionable Results

One of the things we wanted people to know was that the products were all natural and had no sugar. But all of the students’ studies showed no one was really getting that from the label. I moved up the words “all natural” and “no sugar” but subsequent research the next quarter showed that still wasn’t working. We increased the size a bit and made the type kind of a shiny gold, which gave it a 3-D effect, and that worked better. That was directly from the students’ work. I might not have picked that up for quite a while. And it would be a significant expense to have a marketing firm do this for me. I have truly enjoyed being a part of this experience and have received far more back than I was able to give.

Peter Carrillo, ’98
President of Carrillo Holdings, Inc.

When Peter Carrillo decided to start a gourmet specialty food company in 2007, he drew on his acumen from a decade in investment research and his MBA. For market research, he turned to Chicago Booth marketing students. Guided by faculty in several marketing courses, they produced data that took the launch to a new level.
2008—09 Management Labs Projects

**FALL 2008**

**Abbott**
Abbott asked a Chicago Booth team to evaluate alternative approaches adopted by global pharmaceutical companies to developing production and distribution capabilities in India. The objective of the project was to help Abbott identify a sustainable growth strategy in the region. The team reported to and received substantive feedback from James L. Tyree, executive vice president, Pharmaceutical Products Group, and from John Larson, General Manager, Neuroscience.

**UOP LLC, a Honeywell Company**
A Chicago Booth team investigated improvements to UOP’s pricing methods. UOP delivers cutting-edge technology to the petroleum refining, gas processing, petrochemical, and other major manufacturing industries. The discoveries made by UOP scientists and engineers provide customers such tangible benefits as higher yields, higher quality products, reduced raw materials costs, and enable energy efficient and environmentally friendly technologies and operational flexibility.

**WINTER 2009**

**Moffitt Cancer Center**
The Moffitt Cancer Center asked a Chicago Booth team to evaluate its technology portfolio and the organizational structure it uses to sell, out-license, or form startups around its technology. The center is the nation’s fastest-growing National Cancer Institute-designated cancer center, and the third-largest cancer center in the U.S. based on outpatient volume.

The University of Chicago Office of Civic Engagement asked a Chicago Booth team to project the consequences of these rule changes for the industry and their longitudinal impact on a designated set of competitors, and to formulate and assess new product concepts for the new market. The student team reported its findings to the CMOs of Barclaycard US and Barclays Global Retail and Commercial Banking group.

**Honeywell International**
Honeywell Tridium, a division of Honeywell International focused on the health care industry, asked a Chicago Booth team to evaluate opportunities for the firm in the health care sector, and to define a strategy for penetrating the market successfully. The student team focused on automation, a new business opportunity that allows multi-vendor medical equipment in hospitals, clinics, or first-responder kits to exchange instructions and information. The Chicago Booth team reported to the president of Tridium and to the CMO of the $1.5 billion Honeywell ECC division.

**SPRING 2009**

**Barclaycard US**
Recent rule changes made by the Federal Reserve promise to alter the competitive landscape of the United States credit card industry. In this context, Barclaycard US asked a Chicago Booth team to project the consequences of these rule changes for the industry and their longitudinal impact on a designated set of competitors, and to formulate and assess new product concepts for the new market. The student team reported its findings to the CMOs of Barclaycard US and Barclays Global Retail and Commercial Banking group.

**Chicago Booth’s marketing curriculum**
offers a full range of courses taught by award-winning faculty. Classes take a cross-disciplinary perspective in order to prepare students for roles where marketing integrates with other business functions to drive growth.

Teaching methods focus on fundamental principles, cases, and experiential learning to equip Chicago Booth students for successful marketing and general management leadership roles.

### Marketing Strategy (core)

- Tools/Knowledge Electives
- Marketing Decision Electives
- Implementation and Industry Electives
- Consumer Behavior*
- Developing New Products and Services
- Data-Driven Marketing
- Pricing Strategies
- Marketing Research*
- Integrated Brand Communications*
- Quantitative Marketing Research Methods
- Going to Market: Channel Strategy

**2008—09 Marketing Project Sponsors**

Several marketing classes include company-sponsored projects that enable students to apply their classroom knowledge to real-world marketing problems. The following companies sponsored marketing projects during the past year:

**2008**
- Carrillo Holdings, Inc.
- Sodexo
- Deloitte Consulting
- U.S. Embassy in Oslo, Norway/Association of Norwegian Students Abroad

**2009**
- AeroGrow Consumer Products
- Carrillo Holdings, Inc.
- Chicago Public Radio
- DesignersAtHome.com
- Evi.com
- Febreze (P&G)
- GE Healthcare
- Hospira
- Mediaflo.com
- Mundelein Preschool
- Press Ganey
- TrashCo./Flings
- Vanguard
Marketing Courses

37000 Marketing Strategy
This course introduces the substantive and functional aspects of marketing management. Specific course goals are as follows: (1) to introduce students to marketing strategy and the elements of marketing analysis: customer analysis, competitor analysis, and company analysis; (2) to familiarize students with the elements of the marketing mix (product strategy, pricing, advertising and promotion, and distribution), and to enhance their problem-solving and decision-making abilities in these operational areas of marketing; and (3) to use marketing case studies to provide an opportunity (both written and oral) to develop, present, and defend a student's own recommendations, and to examine and discuss the recommendations of others critically.

37101 Consumer Behavior
In this course, we will use theories of consumer behavior to develop a managerial decision framework for the development and launch of new products. We will look at segmentation, brand management, and ultimately managing the consumer experience and customer relationships. Special emphasis will be placed on creativity and its role in the development of new ideas.

37102 Quantitative Marketing Research Methods
This course introduces students who seek positions in general management, consulting, and marketing (e.g., product/brand management, marketing research, marketing strategy) to marketing strategy research methods used by corporations. These methods assist in the development of marketing strategies (product positioning/differentiation, segment segmentation) and in optimizing marketing mix decisions (for example, new product design, optimizing advertising spending).

37201 Developing New Products and Services
The primary purpose of this course is to provide marketers with an in-depth understanding of new product development practices, including direction setting, customer needs identification, idea generation, concept development, product design, test marketing and scale-up, and commercialization. This course will cover business-to-business new products and consumer-based new products including recent case experiences from household consumer products, telecommunication services, building products, internet services, travel services, and utility services. Students will learn about and apply tools for effective new product development. This course will also highlight the different roles and functions required for new product development, including marketing, market research, R&D, sales, finance, manufacturing, etc.

37202 Pricing Strategies
How does a firm determine the price of a new product? How does a firm assess whether the current price is appropriate? What is price leadership? What is value pricing? These are just some of the questions we will address in pricing strategies. The course is a blend of analytic marketing techniques, marketing strategy, and economic theory. In the Chicago Booth curriculum, this course is a natural complement to 37001, 37002, and 42001.

A combination of cases, lectures, and empirical applications are used in the class. You can expect to get your hands dirty working with real data, analyzing managerial pricing problems. In addition, the course offers a general framework for developing pricing strategies.

37203 Integrated Brand Communications
Marketing communication is an important component of the marketing mix, and one that is undergoing rapid changes with the development of new media, growth of internet marketing, and globalization. In this course, we develop an understanding of the process of developing and managing an integrated marketing communication campaign for a product or service. Although issues relating to planning and evaluating advertising strategy and sales promotion will receive the most attention, we also briefly discuss direct (including business-to-business) marketing and some current issues and trends in marketing communications such as the growth of web-based advertising and the emergence of ad-avoidance technology.

The course is intended not only for students interested in pursuing a career in brand management, marketing research, and/or advertising management, but also more broadly for those interested in a consulting career or a marketing career path to general management. The perspective taken in this course is that of a category/brand manager/strategy planner, with underpinnings of psychological theories. The course employs a mix of case discussions and lectures/class discussions. Whereas class lectures and discussions provide an exposition of key concepts, class participation and case analysis are a vital aspect of learning and provide an opportunity to apply the theories, concepts, and analytical devices developed in the lectures.

37205 Going to Market: Managing Channel Strategy
How should a firm go to market? That is, how can an institution effectively and efficiently transmit value from points of conception, extraction, and/or production to points of consumption? Product proliferation, media fragmentation, retailer power, and the internet have conspired to place a premium on strategic channel design and management.

This course offers a framework to understand the issues and trade-offs that firms face as they design and manage their distribution channels. The framework can be used for consumer product sales, business-to-business sales, and services of sales. We will apply it to topics such as managing channel conflict, direct versus indirect sales, strategic alliances, joint ventures, and franchising.

37303 Marketing of Services
Services, which now account for over 75 percent of the U.S. GDP, have distinct characteristics that make them challenging to market and sell. This course provides the framework for understanding the unique requirements including marketing strategy, the services marketing mix, service delivery, and quality control. The course covers business-to-business and consumer-based services using recent examples from telephony, banking, mutual funds, fast food, airlines, health care, and management consulting, emphasizing how marketing approaches differ by industry.

Students will learn to apply key frameworks including a services marketing system, customer satisfaction and profitability, billing and pricing, segmentation, brand management, and ultimately managing the customer experience and customer relationships. Special emphasis will be placed on creativity and its role in the development of new ideas.

37701 Laboratory in New Product and Strategy Development
This course complements Chicago Booth's strong training in business theory by providing a problem-solving experience for a small but diverse group of students. The course accelerates the process by which students learn to manage themselves and others when developing solutions to real-world business problems. It provides students with tools for solving complex problems and detailed feedback regarding their performance as managers, team players, and problem solvers. Students who complete this course report they learn a great deal about their abilities as business professionals and find themselves better prepared to manage complex problems and situations in the workplace.
37702 Laboratory in New Product and Strategy Development II
Occasionally a client sponsors a project that extends over two quarters. This is the second half of such a two-quarter project. Refer to the description of 37701 above for a description of this course.

37800 Marketing Management (Executive MBA)
This course introduces the substantive and functional aspects of marketing management. Specific course goals are as follows: (1) to introduce students to marketing strategy and the elements of marketing analysis: customer analysis, competitor analysis, and company analysis; (2) to familiarize students with the elements of the marketing mix (product strategy, pricing, advertising and promotion, and distribution), and to enhance their problem-solving and decision-making abilities in these operational areas of marketing; and (3) to use marketing case studies to provide an opportunity (both written and oral) to develop, present, and defend a student's own recommendations, and to examine and discuss the recommendations of others critically. The course employs a balanced mix of case discussions and lectures/class discussions. Class lectures and discussions provide an exposition of key concepts, and wherever possible are supported by research on current marketing practices. The case studies provide an opportunity to apply the theories, concepts, and analytical devices developed in the lectures.

37902 Advanced Marketing Theory: Quantitative Perspective
This course is meant for PhD students with marketing as their dissertation or minor area. The focus of the course is on understanding the methods currently available for analyzing household purchase behavior using scanner panel data. The course begins with an introduction to the various aspects of household purchase behavior and the econometric models currently available to study them. The remainder of the course will focus on specific advances in such analyses. These include, but are not limited to, the study of purchases across product categories, the analysis of dynamic purchase behavior, and accounting for price endogeneity in such models.

37903 Advanced Marketing Theory: Behavioral Science Approach
This is a PhD-level seminar. We will discuss two general topics: (a) an introduction to recent consumer behavior research, especially related to behavioral decision theory, and (b) an overview of experimental research methods. The format of the class will be similar to a research workshop, where students present their analyses on assigned readings, and the other participants serve as discussants and consultants. The professor acts as a moderator and pundit. Students also are expected to generate and present their own research ideas and write a paper for the course.

37904 Marketing Topics: Bayesian Applications in Marketing and MicroEconometrics
This course will cover a comprehensive introduction to Bayesian inference with special emphasis on micro-data and marketing applications. The course will be based on the instructor's textbook. Topics include: Bayesian Essentials, Practical MCMC methods, Hierarchical Models, Non-standard Priors, Models for data with Discrete Components, Bayesian treatment of Simultaneity, and Dirichlet Process Priors. The course will also emphasize statistical computing in R. For all models and topics discussed in the course, examples of R/C code will be provided. In the homework, students will be asked to modify existing R code and write their own code to extend some of the ideas covered in class. R is the most important statistical language which is similar to, but with more extensive capabilities, as MATLAB.

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