MKG 320 Product Management: Food Marketing
(3 credits, 45 contact hours)

Faculty: Dr. Davide De Gennaro

Course Description

This course covers principles and applications of food marketing, focusing on current trends related to food production, distribution, consumption and the dynamics characterizing food systems. The course will center on the importance of understanding consumer behavior as a key factor in strategic food marketing and on the role of different agents in the food channel, particularly food producers, distributors, wholesales, retailers, and marketers. This course also highlights the interface between producers and consumers (e.g. farm to table). As a result, part of the course will be dedicated to assessing the importance of issues related to food sourcing (including alternative venues such as local and regional sourcing) and food access. The delivery of this course includes live lectures, class discussions, case studies, field trips and the creation of a marketing plan for an agricultural or food product.

Learning Objectives

There are three learning objectives for this course:

1) Analyze and characterize trends underlying the most recent evolution of Italian food marketing system, and become familiar with related business and social issues (e.g., the relation food and health, access, security, sourcing, etc.);

2) Improve critical thinking skills, particularly since learning how to identify and analyze useful information has become even more important in an era characterized by an abundance of information;

3) Foster self-motivation, creativity and teamwork through a project work. In a nutshell, class participation, keeping up with the materials covered, critical thinking, and good teamwork will all be keys to success in this course.

Grading

Your grade will be based according to 1000 points basis divided as follows:

Assignments 300 points (30%)
Mid-term test: 200 points (20%)
Final project 250 points (25%)
Presentation 150 points (15%)
Class Participation and Attendance 100 points (10%)

Total: 1000 points

Numerical scores will result in letter grades according to a scale based on the overall performance of the class.

Grading Scale

A   95%-100%

A-   90%-94%

B+   87%-89%

B   83%-86%

B-   80%-82%

C+   77%-79%

C   73%-76%

C-   70%-72%

D+   67%-69%

D   63%-66%

D-   60%-62%

F   under 60

Assignments (300 points)

There will be 4 assignments, worth 75 points each.

For each assignment it is your responsibility to:

1) Complete the assignment as outlined on time (it is advisable that you do not wait until the day when an assignment is due to start working on it);

2) Verify that you have access to the necessary software to complete the assignments;

3) Verify that you have access to a working internet connection.

Mid-term test (200 points)

There will be only one exam, which will take place in class during the term. No comprehensive final exam will be held during finals' week. The exam will consist of multiple choice, short answers, and problems and it will be closed book, closed notes. Make-up exams will only be given if the student has contacted the instructor before the day of the exam and has a legitimate and verifiable excuse.

Attendance and Class Participation (100 points)

More details will be announced later.

Final Team Project (250 points – One grade for each group, 50 points per task)

The final project involves marketing management analysis of a local retail food business in Sorrento. The goal of this term project is to help students apply course concepts and analytical

skills in the real world. This project will require students to perform market research, think critically in the analysis of disparate sets of information, assemble the insights together in a coherent manner, and present their findings and recommendations using their presentation and writing skills.

The project is comprised of 5 tasks:

Task#1: Contact a local retailer or a food retailer in Sorrento and explain the manager (or the owner) the purpose of your project and explain how upon completion, you will provide value to the retailer (e.g., you'll submit your written report, including your analysis, conclusions and recommendations).

Task#2: Conduct a profile and management analysis of the selected retailer. This involves an examination of all of the following:

a. Company profile - Describe the company/the retailer, its location, its history and structure, about the sector in which it operates, its leadership and personnel, part of a chain store (or franchise) or an independent operation, the primary products or services it makes and/or sells, its competitive advantage and customer value it offers

b. Marketing environment - Market area, competition, state of technology, etc.

c. Target market and market area – Target market characteristics, geographical market area, etc.

d. Market potential – Is the retailer expanding its product (service) and/or market area? Why? How?

e. Product management strategies - Product positioning, product life cycle, new product development, etc.

f. Distribution aspects – Supply chain characteristics (see #4 below)

g. g. Pricing strategies – General pricing policy and specific pricing strategies of the retailer (e.g., psychological, bundling, dynamic pricing, etc.); how do its prices compare with competitors?

h. Promotion mix strategies - Advertising, Public Relations, short and long term, sales/trade promotions, personal sales, etc.

i. Obstacles and innovations to survive and succeed – How is the company doing as a business? Is its sales going up (or down) in the past couple of years? If so, why? (try to find out reasons besides the usual 'economic downturn' reason); what major problems does it face or faced in the last 5 years and how they were resolved? What has this retailer done to succeed during that period? Given the hindsight, what it would do differently and why?

j. Future direction - Where does the business see the market and itself in 5 to 10 years into the future? In answering to this question you will also highlight the recommended strategic business plan, which is essential for the company's success.

Task#3: Analyze the supply chain of the retailer - Consult the owner or manager of the retailer and identify at least two major product lines for the retailer. You must justify your selection with analytical information, e.g., data showing that these product lines are the top sellers in last six months for your retailer. Now document and analyze the supply chains of these two major product lines, including their vertical coordination arrangements. Critique these supply

chains and recommend how to make improvements. Provide appropriate supply chain diagrams and supporting data.

Task#4: Conduct a mini-SWOT (i.s. strengths, weaknesses, opportunities, and threats) analysis of the retailer and market environment.

Some of the information you have gathered for the profile analysis (i.e., Task#2) will be useful here.

Task#5: The final task is reporting. This task consists of 3 sub-parts:

1) Perform an in-class oral presentation
2) Submit a draft written report
3) Submit a final written report

Please complete all your reports by their given deadlines. In the final written report, be sure to include your conclusions about the business and recommend how to improve the business you selected; please be very specific so that the owner/manager could implement them.

Presentation (150 points – one grade for each group)

At the end of the semester each team will be asked to give a presentation of their final project. While not all the members of each group will be asked to speak, ALL team members must be present during the presentation. Further information will be provided.

Class Materials

In order to be fully capable to keep up with the material covered in class and with the assignments, you will need to have access to the internet and to use some standard Microsoft Office applications (word, power point, and excel). The material covered during class, will be provided to you on Google Drive. The material posted on-line will include the power point. presentations, handouts and most of the readings listed in the "Topics and Reading List" section below.

There is no required textbook for this class.

However, the majority of the content used for readings and lectures will come from the following resources:

- Kohl, Richard L. and Joseph N. Uhl (KU) *Marketing of Agricultural Products*, 9th ed., Upper Saddle River, NJ: Prentice-Hall, latest edition.

- Kotler, Philip & Kevin L. Keller (KK). *A Framework for Marketing Management*, 5th ed., Upper Saddle River, NJ: Prentice-Hall, latest edition.

Course outline

Class Meetings	Topics	Assignment and Due Dates
1 & 2	Syllabus explained, Course overview Food and Agribusiness Marketing in the 21st Century Reading Assignment: KU Chapter 1; KK Ch. 1	Article review and identifying YOUR food suppliers (Task 1)
3 & 4	Analyzing Agri-food Markets Reading Assignment: KU Ch. 2 5, 6, 7	
5, 6 & 7	Understanding the role of Consumer Behavior Reading Assignment: KU Ch. 4; KK Ch. 4, 5 & 7	Watch video and answer questions! Also, review articles
8, 9, & 10	Organization and Management of the Food Processing Sector Reading Assignment: KU Ch. 5; KK Ch. 10	**Analyze a case study** **(graded assignment)**
11, 12 & 13	Organization and Management of the Food Wholesaling and Retailing Sectors; Market logistics / supply chain management Reading Assignment: KU Ch. 6; KK Ch. 13, 14	Watch video and answer questions. Also, review articles.
14	Visiting a local food company	
15	Mid-term test	Test
16 & 17	Market Structure and Competition in Food Markets	Compute concentration ratios, Lerner index,

		etc. and make conclusions
	Reading Assignment: KU Ch. 9	
18, 19 & 20	Industrialization of the Agri-food system: Decentralization, Vertical coordination, Mergers and Acquisitions Reading Assignment: KU Ch. 12	Compute VC index and make conclusions
21	Visiting a local food company	
22, 23 & 24	Price Management and Analysis Reading Assignment: KU Ch. 8 &10 (limited coverage) KK Ch. 12	**Compute pricing strategy outcomes (graded assignment)**
25 & 26	Analyzing Food Marketing Costs Reading Assignment: KU Ch. 11	**Analyze food marketing cost (graded assignment)** Draft Written Report Due
27 & 28	Government and Food Marketing Reading Assignment: KU, Ch. 21& 22	Review articles
29	The Global Food Market Reading Assignment: KU Ch. 7; KK Ch. 18	**Analyze the Italian trade data for agricultural and food products over at least two Census periods. (graded assignment)**
30	Final presentations	Final Written Report Due