

Marketing Monthly

May, 2009: Volume 4, Issue 5

******Thomas Dotzel Selected for U.S. Senator Phil Gramm Fellowship******

Doctoral Student Thomas Dotzel received a 2009 U.S. Senator Phil Gramm Doctoral Fellowship during a ceremony held in the University Club on April 2nd. The Gramm Fellowship was established to promote, encourage and reward outstanding **teaching and research** by doctoral students whose command of their respective disciplines exemplifies the meaning of scholar/mentor in the highest sense. In 2000, an endowment was created by the Texas A&M Foundation from donations given in honor of Dr. Phil Gramm, former U.S. Senator and Texas A&M University Economics Professor. This endowment reached maturity in 2007 and the Office of Graduate Studies began making awards that year. Seven doctoral students received the Gramm Fellowship (and the \$5000.00 that accompanies it) this year.

Pictured below are Thomas along with Provost and Executive Vice President for Academics Dr. Jeffrey S. Vitter (on the left) and Interim Dean of Graduate Studies Robert C. Webb (on the right) at the awards ceremony. Thomas will be beginning his academic career at McGill University in Montreal this next fall. **Congratulations, Thomas, on this most significant honor! We are very proud of you!**



*****MS Marketing Advisory Board Meeting Covers Many Topics*****

On Friday, April 17th, our department hosted nine members of the MS-Marketing Advisory Board for their Spring 2009 meeting. Those attending included:

Charlie Adams, Assurance and Business Advisory Services Manager, PwC

Kevin Ball, VP-Marketing, Hastings Entertainment

Jeff Borgan, Senior VP, Valve Systems & Controls

Peggy Cruse, Business and Operations Manager, HP-Research Park

Elaine Dausy, Marketing Specialist, FedEx

Kim Kemper, VP-Marketing, Texas Farm Bureau

Sandi Means, COO, Freshworks

Steve Moore, CMO, TAMU

David Paradis, Global Business Director, Tyco Flow Control

Cindy Billington, Associate Director of Mays' Graduate Business Career Services Office, informed the Board that our program was the only Masters program in Mays Business School that had a **100% placement rate for its 2008 graduates**. Students took jobs with the Unum Group, A.H. Belo, Chevron, William Morris Agency, Houston Livestock Show, Service Corporation Intl., HP, ConocoPhillips, HEB, J.C. Penney, Wasatch, Sports Media Challenge, Research Triangle Institute Intl., PricewaterhouseCoopers, Whitley Penn, Ernst & Young, KPMG, Deloitte, TAMU Office of Marketing & Communications, TAMU The Zone, and the TAMU Department of Marketing. Thanks to Cindy Billington and to the Marketing Department faculty and staff who helped our students find employment in the toughest job market we've seen in many years.

Cindy also reported that about 40% of the current students have summer internships at this time, but the others are interviewing and waiting to hear. The Board was given a summary of the incoming Fall 2009 class and discussed various ways to promote the MS-Marketing Program to non-Texas A&M University students and to employers.

The Board had a discussion of the curriculum requirements. **Ram Janakiraman** joined the meeting and briefly explained what he covers in the two new courses – MKTG 625 Marketing Engineering and MKTG 635 Marketing Analytics and Pricing. Board members strongly felt that our graduates should have a good working knowledge of the quantitative side of marketing.

A large part of the meeting was spent discussing ways for the Board members to get more involved in our program. Their role as Mentors to the students was discussed, and some of the Board members shared what they have been doing to help the students assigned to them. For example, Sandi Means, COO of Freshworks (an Omnicom ad agency), shared that this school year she has hosted her mentees twice in Dallas for office visits and to introduce them to people in some other ad agencies. She said she always takes her mentees out for dinner when she comes to town so she can get to know them better and try to help them out. It was emphasized at the meeting that the role of Mentor is perhaps the most valuable service Board members can provide to our students and program. All Board members completed a commitment questionnaire, in which they committed to specific areas of involvement for the '09-'10 school year – e.g., mentoring students, providing summer internships and job opportunities,

guest speaking in classes, sponsoring class projects, promoting our program to prospective students and employers, and making a financial donation to the program.

After lunch, the Board adjourned to the Cocanougher Center where they had an hour-and-a-half-long panel discussion for the MS-Marketing students on the topic “Advice for Starting Your Marketing Career,” followed by a Q&A session for the students.

*****2009 Mays Marketing Research Camp Summary*****

The **2009 Mays Marketing Research Camp** was held on April 24, 2009. This is the fourth year in a row that we had a successful Mays Marketing Research Camp. The themes for the first three years were: Year One: Innovation; Year Two: Customer Relationship Management and Retailing; Year Three: Emerging Marketing Perspectives. This year, the theme was “Customer Behavior.” Four speakers, **Ram Janakiraman (Texas A&M University)**, **Karen Winterich (Texas A&M University)**, **Florian Zettelmeyer (Northwestern University)**, and **Baohong Sun (Carnegie Mellon University)** made stimulating presentations. Marketing Department Head, **Jeff Conant** introduced the camp and Executive Associate Dean, **Bala Shetty** welcomed the participants. **Venky Shankar** introduced the speakers and thanked the speakers and all those who made the event successful---including, **Spring Robinson** for organizing the travel and meeting logistics; **Laurie Marshall** for helping with the pictures; **Peng Mei** for assisting with the audio visual component; **Peng Mei and Woo-Jin Choi** for serving as scribes; and **Theresa Morrison** for helping out on the day of the camp.

A summary of each presentation follows.

“The impact of social contagion on what to buy, how to buy and whom to buy from: evidence from high-tech durable goods market,” *Dr. Ramkumar Janakiraman (Assistant Professor of Marketing, Mays Business School, Texas A&M University)*

Ram Janakiraman argued that although the effect of social contagion on consumer choice has been established, a systematic examination of the effect of social contagion on the components of consumers’ purchase decisions, such as brand choice, channel choice and retailer choice, was absent. In the presentation of his research (co-authored with Rakesh Niraj of University of Southern California), Ram reviewed related theoretical and empirical issues, and proposed a model of the effect of social contagion on these three components of consumer decisions for personal computers. The results from the estimation of his model show that: the effects of social contagion on all three choice components, brand, channel and place, are positive and significant; the effect of social contagion depends on consumers’ prior experience; and the effect related to brand choice is higher than those for channel and place choices. His research results imply that marketing managers must control for social contagion effect in modeling consumer choice behavior to ensure that the estimates of responses to price and advertising spending are unbiased.

“I’m Already Dirty, Might As Well Steal: The Impact of Evaluating Disgusting Products on Moral Decision-Making,” *Dr. Karen P. Winterich (Assistant Professor of Marketing, Mays Business School, Texas A&M University)*

In presenting her research (co-authored with Andrea Morales of Arizona State University and Vikas Mittal of Rice University), Karen Winterich discussed how consumers' feelings of disgust affect their moral judgment. Through a series of experimental studies, she and her co-authors found that feelings of disgust induced by simple exposure to disgusting products (e.g., personal hygiene, adult incontinence, or diapers) led consumers to lower their moral standards and made them more likely engage in immoral behaviors, such as cheating, keeping extra change from a cashier, or stealing. Her research results also show that the construal level (abstract vs. concrete) moderate the effect of disgust on subsequent moral judgments---participants with an abstract mindset were more likely to engage in immoral behaviors than those with a concrete mindset. In addition, her results revealed that when disgusted participants were morally disengaged, they judged immoral behavior less severely. She concluded that incidental feelings of disgust may deactivate moral self-regulation, so consumers are more likely to engage in immoral behaviors and lower their moral bar in the absence of guilt and self-responsibility.

“Pain at the Pump: How Gasoline Prices Affect Automobile Purchasing in New and Used Markets,” *Dr. Florian Zettelmeyer (J.L. and Helen Kellogg Professor of Marketing, J.L. Kellogg School of Management, Northwestern University)*

In the presentation of his research (co-authored with Meghan Busse of Northwestern University and Christopher Nittel of University of California, Davis), Florian Zettelmeyer discussed how gasoline prices affect market prices and market shares for new and used cars in different classes of fuel efficiency. He and his co-authors estimated an econometric model using a large and unique data set, covering over one million new and used car transactions of 20 percent of US auto dealers. His research results show that when gasoline price increases, the prices and market shares for fuel efficient (inefficient) cars increase (decrease). However, according to him, the substantial differences in the magnitude of these effects for *new* and *used* cars reveal different adjustment mechanisms between these types of cars. His findings show that the new car market adapts to gasoline price increase through changes in market share, while the used car market adjusts through price changes. His research estimates that a \$1 increase in gasoline price is associated with a 17.7 percent decrease in the market share of the least fuel-efficient cars in the *new* car market, but a \$1,072 price reduction of the least fuel-efficient cars in the *used* car market.

“Learning and Acting Upon Customer Information: An Empirical Application to Service Allocations with Offshore Centers,” *Presenter: Dr. Baohong Sun (Associate Professor of Marketing, Tepper School of Business, Carnegie Mellon University)*

In presenting her research (co-authored with Shibo Li of Indiana University), Baohong Sun discussed how firms can be cost-efficient as well as customer-centric in call center management by incorporating customer information in allocating customer service calls to onshore or offshore call centers. She proposed a dynamic structural model, in which firms use the most up-to-date information about each customer's interactions with the firm to better allocate the customers to the right call center. The key feature of the model is the matching of each customer's preference to call center characteristics. The results of her model estimation showed that the proposed allocation improved service efficiency, customer retention, and estimated long-term profit within the sample. She emphasized the value of such models for managers in practicing superior “customer information management.”

*****MS Marketing Student McGee Now a Dallas Cowboy*****



Jeff Conant's Marketing 675 (Marketing Strategy) class was treated to a surprise cake and ice cream party to celebrate **MS-Marketing student Stephen McGee's** selection by the Dallas Cowboys in the recent NFL draft. Stephen will be graduating May 16, having earned his BBA-Marketing and MS-Marketing degrees in 5 ½ years, while going through the rigors of college athletics. He is the highest NFL draft pick of an Aggie quarterback in almost 50 years.

Manuscript News

- ▶ **Congratulations to Professor and Macy's Foundation Professor Sanjay Jain** on having his 2008 *Marketing Science* article, "Digital Piracy: A Competitive Analysis" selected as one of the finalists for the John D.C. Little Award for the best paper published in *Marketing Science* or the marketing section of *Management Science* during 2008. The final award will be announced in June at the Marketing Science Conference in Ann Arbor, Michigan.

Research Grant News

- ▶ **Congratulations to Assistant Professor Karen Winterich and Assistant Professor Kelly Haws** on receiving a Mays Business School Research Mini-Grant for their project titled, "Helpful Hopefulness: The Impact of Hope on Self-Control."

The abstract of their proposal states: Discrete positive emotions are found to differentially affect subsequent consumption behaviors. In our series of studies conducted to date, hopefulness increases self-control compared to happiness. In addition, pride functions similar to happiness in that self-control is reduced compared to hopefulness. With recent funding secured through the Mays Business School Mini Research Grant, we will further clarify the effect of specific positive emotions on self-control by examining consumption of different food products, snack choice, as well as spending.

- ▶ **Congratulations to Doctoral Student Reo Song** on having his proposal for financial support to present his paper titled, “Does the Sequence of Countries matter in the International Rollout of New Products? Evidence from the Motion Picture Industry” at the 2009 INFORMS Marketing Science Conference supported by the Center for International Business Studies (CIBS). This year’s INFORMS Conference will be held in Ann Arbor, Michigan during June 3-6, 2009.

Book and Book Chapter News

- ▶ **Congratulations to Professor and Coleman Chair Venky Shankar** on being invited to edit a handbook on Marketing Strategy. This handbook will provide a state-of-the-art review on different facets of marketing strategy and is intended to be the "go-to" authority on marketing strategy for researchers, thoughtful practitioners, consultants, and students (doctoral and MBA). About 50-60 leading academics are expected to contribute chapters to this handbook. It will be published by Edwar Elgar Publishing, a publishing house that specializes in handbooks. Venky will be the lead editor, with Greg Carpenter of Northwestern University serving as his co-editor.

Department of Marketing News

- ▶ **Happy Birthday** wishes this month to:

Doctoral Student Dustin Kirby (May 6th)

- ▶ The Featured Faculty member for the month of **May** in the Marketing Department Display Case (located outside our main offices in Wehner 220) will be **Director of the Center for Retailing Studies and Executive Professor Cheryl Bridges**. Stop and read about Cheryl’s accomplishments, current interests, and future plans when you are able. The display also highlights some of Cheryl’s favorite quotes, as well as her *Tips for Success*.
- ▶ **Visiting Associate Professor Lisa Troy** accompanied a group of eight Marketing 347 students to Houston in late April to observe the 10th district qualifier for the **American Advertising Federation’s (AAF) National Student Advertising Competition**. This is a national event with over 100 universities competing annually. Examples of local and peer institutions participating include the University of Texas, Texas Christian University, University of Houston, Southern Methodist University, Texas State University-San Marcos, Florida State University, Penn State University, University of Virginia, University of Michigan, Michigan State University, and

University of Alabama. The competition involves a case study outlined by the current year's corporate sponsor. Examples of previous sponsors include Coca Cola, Toyota, AOL, Levi Strauss, Frito-Lay, Burger King, Chevrolet, and Kellogg's. The cases are real-world, reflecting actual business practices and issues faced by the clients. Beginning in September, students must research the product and competition, conduct a situation analysis, and develop and execute a comprehensive integrated communications campaign for the client. The eight students who observed this year will form the core of a Texas A&M team that will participate in the event in 2010. Regional competitions are held in April, and the 10th district, in which Texas A&M will compete, is one of the largest and most competitive. First place from each district travels to the national conference to compete with winners from the other 15 districts. Lisa has secured over \$10,000 in funds for travel and other related costs for next year's event scheduled to take place in Amarillo. Thank you, Lisa, for your leadership in strengthening our advertising curriculum.

- ▶ The Department of Marketing's Fifth Annual *Careers in Advertising Panel* was held on Thursday, April 16th in all three sections of **Professor Paul Busch's** Marketing 345--Promotion Strategy Class (soon to be re-named: "Alternative Media, Sales Promotion, and Public Relations"). The panel was open to all Marketing students, members of the AAF local chapter, and student athletes, at the request of panelist Travis Hopper. In addition, students were able to informally interact with the speakers during a reception held the same day as the panel. The career panel speakers were:

Travis Hopper, MKTG '00. At The Richards Group, Travis has honed his passion for advertising and Sassy Salsa Pork Loins while working for the National Pork Board (his brother raised show pigs). Travis has a reputation as the account man for clients that deal with consumable products in any way, shape, or form. He also has his own band and recently released his first CD.

Typical student feedback: *Travis' presentation focused on two main points. The first was informing us about the broad variety of work the Richards Group does. The second half of his presentations presented information about the various careers available at agencies. Travis Hopper shared with us how important everyone's job is integrated together. He talked about how it was important for everyone to work as a team, and be readily available to everyone for a face to face meeting. I agree that face to face communication is very important and they really stress this at the Richards Group.*

Michael Kelley, MKTG '03. TPN, Inc. Michael was a two-time intern with TracyLocke in Dallas, TX. Upon graduating, he moved to Southern California and worked for TracyLocke on the Pepsi account for a year. He returned to Dallas and worked on the KFC/Taco Bell/Pizza Hut account in TracyLocke's headquarters. Michael began working for TPN nearly 4 years ago. Projects include 7-Eleven's award-winning promotion with the Simpsons and the transformation of 12 7-Eleven stores into Kwik-E-Marts.

Typical student feedback: *He talked about going the extra mile to get ahead and stand out from the rest. He claimed it as "sucking up" but I thought it was just clever and showed motivation on his part. I learned a lot about persistence from Michael Kelly. I also learned that*

the typical client is not easy to work with and that it is okay to ask a client to take their business elsewhere. He also explained how important it is to network yourself.

Jackie Rodriguez, Slingshot, Dallas, Texas. As Vice President of Human Resources for Slingshot, Jackie leads talent strategy. Her experience includes over 10 years of Hispanic marketing and account planning coupled with extensive HR leadership, including Hilton Hotels, TGI Friday's, and BCGI.

Typical student feedback: *Jackie Rodriguez was really informative about what it takes to be in advertising. I got a lot out of her talking about taking whatever job you can at an agency and playing as many roles as you can. Just get your hands in wherever you can and you can work your way up. It surprised me that she said getting a job in advertising is all about the people you know (connections). It was cool to see that she started in a really basic/low-paying job at an ad company and worked her way up to account executive, and now director. That was all from the connections she had made along the way. She also said to try and find a way to stand out from all the other resumes. For example one guy sent her his resume on a t-shirt.*

Michael Albrecht, MKTG '82. President of Freed Advertising in Sugar Land, Texas. Mike's 25 years of experience include developing and implementing creative campaigns and marketing programs for ConocoPhillips, Minute Maid, the Houston Texans, and Texas A&M University.

Typical student feedback: *I really like what he had to say about his job. He was very honest in saying it is very difficult to get into the advertising field, and even if you do, the pay is terrible. But, he said if you stick with it, you will end up with a job you really enjoy. He also said to study the different departments of advertising and to know which one you want to be in. I liked Mr. Albrecht because he made a career in marketing or advertising appear to be something we could all do when describing how he got into the business he was quite honest and "real" about how the process works. He made me feel hopeful and not like only a few people make it to the top.*

- ▶ **Congratulations to Lecturer Leslie Seipp's husband, Adam Seipp (Assistant Professor of History at TAMU)** on being awarded a Jack and Anita Hess Fellowship at the U.S. Holocaust Memorial Museum (USHMM) in Washington, D.C. Seipp will continue his research on refugees in post World War II Germany as a resident fellow in summer 2009. The fellowship is linked to the Hess Faculty Seminar, which brings scholars to the USHMM to discuss research and pedagogy about the Holocaust and/or genocide-related topics. Adam is currently working on the book, "Strangers in the Wild Place: Refugees, Americans, and a German Town, 1945-60," which deals with the community at Wildflecken, Germany. He hopes to use the work to better understand broader trends in international history. He has already traveled to Germany and across the U.S., conducting research in various archives for the project. Seipp also was awarded a German Historical Institute (GHI) fellowship and a German Academic Exchange Service (DAAD) fellowship to conduct research on the same project.

May News from Our Center for Retailing Studies

► **Retailing Summit Update**

With the spring semester winding down, CRS is focusing its attention on the Retailing Summit, October 1-2 in Dallas. This year's program is shaping up to be outstanding, with a balance of big box retailers, service industry experts, off-price retailers, acclaimed authors, and one retired turn-around legend.

Below are the confirmed speakers to date:

Allen Questrom, former CEO, **JCPenney, Macy's, Neiman Marcus**
 David Pickens, President, **The Olive Garden**
 Michael Exstein, Senior Retail Analyst and Managing Director, **Credit Suisse**
 Gayle Tremblay, Vice President, **Neiman Marcus Last Call Stores**
 Frank Blake, CEO, **The Home Depot**
 James Gilmore, author, *The Experience Economy* and *Authenticity*

As in years past, the Center for Retailing Studies extends an invitation to faculty to participate in this signature event. We will cover your registration fees. Please let Tyan Jacox know if you plan to participate.

Hotel reservations should be made now directly with the Westin Galleria in Dallas. Please reference "Retailing Summit" to secure our group rate discount, and contact Jeff Conant about lodging expenses. (866) 716-8137

We are pleased to move the Summit to this newly renovated hotel. The urban-chic décor and renovated conference facilities will offer participants a fresh experience at the Summit.

- **SAVE THE DATE: Thought Leadership Conference - 2010**
 Please save the date for next year's Thought Leadership Conference.
 It will be held January 27-29, 2010.

We want to include your activities and news in the next issue of the *Marketing Monthly*. Simply submit them to Jeff Conant at:

j-conant@tamu.edu