Twenty percent of your grade in this course will be based on a class presentation and a final paper.

Case studies of particular industries or companies are an important tool of research. Analyzing an industry or a company and its pricing strategies in detail will give you a feel for how real world firms and markets operate; it will also give you a chance to apply many of the theoretical ideas that we discussed in this class.

The timeline of the project and paper is the following:

**Sometime between now and the next lecture** – you should email me to “reserve” the industry or company so that we do not have any overlapping topics. Note: the earlier you do this, the better the chances are for you to “get” that industry or company. I will post the chosen topics as soon as I get them. Confirm with me that the industry that you have chosen is not reserved by any group.

**Next lecture, March 28** – one page project outline is due. In this outline you should note:
- What industry/company you picked and why
- Why would it be interesting for the strategic pricing audience?
- What are the examples of pricing strategies that this industry/company employs?
- How does the competition in the industry affect the pricing strategies?

**April 2, 4** – 10-15 minute individual meetings with me to go over your proposed project so that I could address any questions or concerns you may have and give some recommendations on how to approach the analysis or what type of data to collect.

**Preparation for Presentation:**

**March 28** – one page outline, Excel tutorial, data analysis (please bring your laptop), random draw of presentation date.
**April 3* – HW5 is due, individual meetings in class**
**April 5* – Individual meetings in class**
* Attendance will be taken for everyone. I expect that the rest of the students will spend that time discussing and preparing for the presentation with their group members.
Presentations:

April 9 – Group presentation #1, #2
April 11 - Group presentation #3, #4
April 16 – Group presentation #5, #6
April 18 – Guest speaker
April 23 - Group presentation #7, #8
April 25 - Group presentation #9, #10
April 30 – Group presentation #11, #12
May 2 –Mini Exam

General Rules

- Every team should plan to present for 35 minutes and distribute that time approximately equally among all team members (~9 minutes each). Groups of 3 should plan slightly shorter presentations (under 30 mins).

- Even though there will be a common denominator that will determine the score for your group overall, I will also evaluate presentations on an individual basis. Therefore, the scores for presentation and paper across the same team members might not be the same. There is a way to detect free riders, and I will take that into consideration when assigning the final grade.

- I will take attendance during every presentation and take particular note of students who ask good questions.

- There will be a mini exam that will be based on your classmates’ presentations.

Content of Your Presentation and Paper

One core requirement for the paper and presentation is that you utilize some raw data in your analysis pertaining to your chosen company or industry. Raw data can be the data that you collected and documented yourself (e.g. retail prices in stores or on the internet, pricing techniques, etc.), pricing data shared by the owner of the business that you analyze, or pricing data from various business databases. If you are unsure whether your selected data source qualifies as raw data, you should talk to me.

Analyzing the pricing strategies is inseparable from analyzing the competitive structure of the industry. Therefore, even if you choose to analyze a company, you will need to spend some time in your paper and presentation analyzing the industry itself.
The paper should be:

- Approximately 12-15 pages in length, typed, and double-spaced
- The font size should be 12 pt. in Times New Roman font
- Margins – 1 inch from the top, bottom, left and right.
- Graphs, tables and figures should not take up more than 20% of the entire paper.
- References and citations should be listed at the end of the paper and they should not be counted towards the total number of pages.
- Not obeying the above typing guidelines will result in a penalty.
- Spelling and grammatical errors should be avoided as they signal a lack of precision and attention to detail.
- The due date for the paper is May 2nd, 2013.
- Late papers will be penalized one letter grade per day. You should anticipate that grading for this paper will be demanding yet fair.

**Suggested Outline for the Industry/Company Analysis:**

1. **Introduction:** Which industry/company did you choose? Why?
   - Suggested length - ~5-10% of all slides

2. **Industry Structure (independent of whether you chose an industry or a company)**
   - Suggested length - ~30% of all slides
   - **Background:** What does the industry produce? What is the basic technology? How are production costs financed? Who buys the product(s)? How are the products (or services) distributed? Give illustrative data on output, prices, employment, import and exports, etc.
   - **Competition:** How many firms are there in the industry? (If applicable and traceable, what is the HHI of this industry?) Is entry and exit easy or difficult? How competitive is the industry in its degree of rivalry? Are the industry’s products differentiated and, if so, according to what characteristics (design, function, appearance, geographic market, etc.)? What role does government play in the industry? How does regulation or other government policy affect it?
   - **Organization:** How is the industry organized? What parts of the chain of production do the firms undertake themselves and what do they buy from outside suppliers or pass on to independent distributors or retailers?
   - **Major companies:** Who are the biggest players. Give short overview of these individual companies.
3. Pricing Strategies:
   - Suggested length - ~at least 50% of all slides

What pricing practices does the company (the firms in this industry) engage in? How does the market structure/industry competition relate to the pricing strategies? Are there any tricks that the industry uses? **This part of the presentation is the most important and should employ the raw data analysis.**

4. Recommendations:
   - Suggested length – ~5-10% of all slides

   - *Investment:* How would you evaluate the industry from the perspective of a venture capitalist or stock-market analyst?

   - *Pricing Strategy:* How would you advise the managers of firms in the industry? What changes should they make (if any)? (This will likely vary from firm to firm.).

You should employ mathematics and/or graphical arguments at your discretion. Note, however that rigorous calculations alone do not magically transform an uninteresting idea or perspective into an interesting one.

**Recommendations**

Generally, my recommendation for you would be to choose to analyze an industry as opposed to the company, just because there is more to be said and analyzed when it comes to any industry. I do not discourage you from choosing to analyze a company, but you should have access to a sufficient amount of data which is generally more challenging.

Some examples of industries that you might consider (but certainly DO NOT be limited by this list)

1. E-readers
2. Cruise Liners
3. Coffee
4. Passenger Aircrafts
5. Airlines
6. Carbonated Beverages
7. National Television Networks
8. Wireless Telephone Service Providers
9. Cigarettes and Tobacco
10. Sports Footwear
11. Pharmaceuticals
12. U.S. / Foreign Beer Industry
13. PC Computers and Servers
14. Automobiles
15. Grocery chains
16. Breakfast cereal
17. Satellite/Cable TV
18. Hotels
19. Movie Industry
20. Music Industry
21. Skiing
22. Higher education
23. Concert tickets
24. Amusement parks

To summarize every group is responsible for the following assignments/tasks in chronological order (check above for deadlines):

- Reserving a topic via email
- Turning in a one page project outline
- Determining date of presentation (mostly random) and date of individual meeting time (will depend on presentation time)
- Turning in HW5
- Individual meeting time with me
- Presentation
- Paper

I will fill this table up regularly and post it on the course website.

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