Sem: AU 2023	**Class Day/Time:** Monday 6:15pm – 9:30pm	**Room:** Gerlach 265

Instructor:	Dr. Dong Soo KIM	**E-mail:**	kim.5042@osu.edu
Office Hours:	By appointment	**Office:**	Fisher Hall 558

Course Description: The unit of analysis in marketing activities has been shifted from the average customer to each of individual customers. Development in data science enables firms to store and access a big dataset of each individual customer's purchase/usage history and valuate the customer as an "asset" of the firm. This course introduces the valuation method, which has been widely adopted to identify whom to focus on and develop what to do to enhance the customer value in modern marketing.

Course Learning Outcomes: Having successfully passed this class, student should be capable of:
- explaining the need for customer centricity,
- understanding CLV (Customer Lifetime Value) as the standard customer-centric metric, as well as classic customer-centric metrics – including size of wallet, share of wallet and RFM (Recency, Frequency and Monetary value),
- performing empirical analysis of customer valuation through CLV using Excel and R,
- interpreting the results to apply to strategic decision making in real world problems, and
- understanding the ways for firms to create and enhance the customer value.

Course Format: In-class lectures/discussions + Asynchronous labs/assignments/quizzes/activities

Texts/Materials:
- **[KR]** Customer Relationship Management: Concept, Strategy, and Tools
  ISBN(13): 978-3662553817 **Author(s):** V. Kumar and W. Reinartz **Publisher:** Springer, 2018
- **[FT]** The Customer Centricity Playbook: Implement a Winning Strategy Driven by Customer Lifetime Value
  ISBN(13): 978-1613631416 **Author(s):** P. Fader and S. E. Toms **Publisher:** U. of Pennsylvania Press, 2018
- **Articles**: There will be several "must-read" and "strongly-recommended" articles for each topic covered in the course. See the course schedule for details.

Evaluation Criteria:

Graded Components	% of Total	Type
Online quizzes	12%	N
Individual homework	32%	N
In-class group activities	16%	C
Final exam	30%	N
Attendance and participation	10%	O

Requirements for each form of graded component.
Failing to follow these will represent academic misconduct. See below.

Independent Work [N]: Strictly non-collaborative, original individual work. You may discuss this assignment with your instructor only. Discussions with other individuals, either in person or electronically, are strictly prohibited.

Collaboration Required [C]: An explicit expectation for collaboration among students either in class or outside of class (i.e. group work).

Collaboration Optional [O]: Students are permitted, but not required, to discuss the assignment or ideas with each other. However, all submitted work must be one's original and individual creation.

Academic Conduct:

If a student is suspected of, or reported to have committed, academic misconduct in this course, I am obligated by University Rules to report my suspicions to COAM. If you have questions about the above policy or what constitutes academic misconduct in this course, please contact me. See OSU Prohibited Conduct – Section 3335-23-04(A)

University Policies, Services and Resources
(go.osu.edu/UPolicies)

Fisher Undergraduate Handbook and QuickLinks
(www.bsbalinks.com)

Fisher Navigator Resource Portal
(www.nav-1.com)

Course Format and How this Course Works:

Mode of Delivery: In each week, the course will consist of (*i*) 80 minutes of an in-class lecture session; (*ii*) 80 minutes of an in-class group activity session or an additional in-class lecture session; (*iii*) some of 30-80 minutes of other content at your own pace: lab/individual assignments, quizzes and video materials.

Pace of course activities: This course is divided into **weekly modules** that are released at least one week ahead of time. Students are expected to keep pace with weekly deadlines but may schedule their efforts freely at their own pace within that time frame. If you have a situation that might cause you to miss an entire week of class, discuss it with the instructor as soon as possible.

Credit hours and work expectations: This is a **3-credit-hour course during a half semester**. According to Ohio State policy, students should expect 9 hours (= 3 hours/credit x 3 credits) per week of the average student's time, including class hours, required to earn the average grade of "C" in this course. This means, students should expect about 6 hours (= 9 – about 3 hours for the class) per week of time spent on other content including quizzes, assignments, and reading/watching materials.

Attendance and participation requirements: This is an in-person class, i.e., attendance is mandatory. If you must miss a class, you will need to request approval for your absence at least 24 hours before class meets (except in the case of an emergency). Students are expected to join the class on time and be actively involved in the class activities. According to Ohio State policy, *any student who fails to attend an in-person class or complete an online assignment for an online course, without giving prior notification to the instructor, will be dis-enrolled after the third instructional day of the term, the first Friday of the term, or the second class meeting of the course, whichever occurs first.*

Graded Component Details

Online quizzes (2% x 6 times = 12%):
There will be an online quiz in each week. The quiz covers all lectures and additional materials provided in the week. It contains several True/False, multiple-choice, and short-answer questions. All quizzes are open book: you can use all materials available (even Google) during the quiz. However, no collaboration with your classmates is permitted. You may need a calculator.

Individual homework (8% x 5 times = 40%):
There will be a lab assignment or an individual homework in each week. For the lab assignment, one or two articles of real-world case studies and a recorded video will be provided to demonstrate how to conduct data analysis covered in the lectures. Lab procedures and datasets will be available in Carmen. After each lab, you will submit your answers and lab files online. For the individual homework, you will read one or two articles of real-world case studies and submit a one-page report. The individual homework helps you better understand the concepts you learn in the lecture and actually apply the concepts into real-world problems. Each lab/homework is basically designed as an individual assignment, so that no collaboration with your classmates is permitted and each student must submit her/his own original answers.

In-class group activities (2% x 4 times = 8%):
We will have an in-class group activity for each week's topic. The group activity is related to the individual homework assigned before the class. Students will be randomly divided in small groups (of 2-5 students) and asked to discuss about several managerial questions and develop marketing strategies with group members. Detailed directions for the discussion will be provided. After discussion, one of the students in each group will submit the answers to the questions via email and present their strategy.

Final exam (30%):
There will be an exam on the last class day. It will be basically a closed-book exam; however, you can use a one-page cheat sheet written by yourselves (hand-writing is strongly recommended). The exam will include all contents from the course textbook and materials, classroom discussion, and other supplemental materials provided in the course. The exam will contain about 30 multiple-choice questions. You will need a calculator.

Attendance and participation (10%):
If you successfully attend and participate all activities and in-person classes, you will receive full credits of attendance and participation. If you miss an activity or a class, there will be a proportional deduction in your grade.

Grading Scale

Letter (Points)	A (4.0)	A- (3.7)	B+ (3.3)	B (3.0)	B- (2.7)	C+ (2.3)	C (2.0)	C- (1.7)	D+ (1.3)	D (1.0)	E (0.0)
Range	100% - 93%	- 90%	- 87%	- 83%	- 80%	- 77%	- 73%	- 70%	- 67%	- 60%	- 0%

Note: Above percentages are % of overall points earned.

Online quiz and individual homework

Late submissions will be accepted but there will be a 10% penalty per day after the due date. The due date for each quiz/assignment will be announced with the quiz/assignment instruction in Carmen.

Faculty Feedback and Response Time

I am providing the following list to give you an idea of my intended availability throughout the course. (Remember that you can call **614-688-HELP** at any time if you have a technical problem.)

Office hours: There will be no regular office hours. Instead, you can make a meeting appointment. If you need a meeting with me, please email me.

Grading and feedback: For large weekly assignments, you can generally expect feedback within 7 days.

Email: I, as the instructor, respond to your emails Monday through Friday. If you email me during these days I will respond to you on that day or within 24 hours from the time you sent the email. If you send an email during the weekend (Saturday and Sunday) and national holidays (Memorial Day, for example), please do not expect a response from me until the following Monday/business day.

Additional Policies

Course technology:
For IT help contact the Ohio State IT Service Desk ocio.osu.edu/help servicedesk@osu.edu
1. Baseline technical skills for online courses
   - Basic computer and web-browsing skills
   - Navigating Carmen: for questions about specific functionality, see the Canvas Student Guide.
2. Required Technology Skills
   - CarmenZoom virtrual meetings
   - Recording a slide presentation with audio narration
   - Recording, editing, and uploading video
3. Required Equipment
   - Computer: current Mac (OS X) or PC (Windows 7+) with high-speed internet connection
   - Webcam: built-in or external webcam, fully installed and tested
   - Microphone: built-in laptop or tablet mic or external microphone
   - Mobile device (smartphone or tablet) or landline to use for BuckeyePass multi-factor authentication. It is recommended that you register multiple devices in case something happens to your primary device.
4. Required Software
   - Microsoft Office 365: All Ohio State students are now eligible for free Microsoft Office 365 ProPlus through Microsoft's Student Advantage program. Full instructions for downloading and installation can be found at go.osu.edu/office365help.
   - R: R is a free statistical programming software that can be downloaded from http://www.r-project.org/.
   - RStudio: RStudio is a third-party free code-editing environment with intuitive and convenient features for R code development. Installers can be found at https://rstudio.com.
   - Detailed installation guide for R and RStudio will be available in Carmen.
5. Carmen Access
   You will need to use BuckeyePass multi-factor authentication to access your courses in Carmen. To ensure that you are able to connect to Carmen at all times, it is recommended that you take the following steps:
   - Register multiple devices in case something happens to your primary device. Visit the Duo Mobile application help article for step-by-step instructions.
   - Request passcodes to keep as a backup authentication option. When you see the Duo login screen on your computer, click Enter a Passcode and then click the Text me new codes button that appears. This will text you ten passcodes good for 365 days that can each be used once.
   - Download the Duo Mobile application to all of your registered devices for the ability to generate one-time codes in the event that you lose cell, data, or Wi-Fi service.

If none of these options meet the needs of your situation, contact the IT Service Desk at 614-688-4357 (HELP) and IT support staff will work out a solution with you.

Academic integrity policy (for this course):

- **Quizzes**: You must complete the quizzes yourself, without any external help or communication.
- **Written assignments**: Your written assignments, including discussion posts, should be your own original work. In formal assignments, you should follow APA style to cite the ideas and words of your research sources. You are encouraged to ask a trusted person to proofread your assignments before you turn them in—but no one else should revise or rewrite your work.
- **Reusing past work**: In general, you are prohibited in university courses from turning in work from a past class to your current class, even if you modify it. If you want to build on past research or revisit a topic you've explored in previous courses, please discuss the situation with me.
- **Falsifying research or results**: All research you will conduct in this course is intended to be a learning experience; you should never feel tempted to make your results or your library research look more successful than it was.
- **Collaboration and informal peer-review**: The course includes many opportunities for formal collaboration with your classmates. While study groups and peer-review of major written projects is encouraged, remember that comparing answers on a quiz or assignment is not permitted. If you're unsure about a particular situation, please feel free just to ask ahead of time.
- **Use of artificial intelligence (AI)**: Unless the instructor specifically mentions otherwise (and in writing), the use of any AI-generated content in any deliverables in this course will be considered academic misconduct and will be acted on as such. Writing assignments will be turned in online and scanned by Turnitin and other applications that have AI detection algorithms. You need to complete the assignments using your own brain and your own thinking, which will lead to more of your own learning.

Ohio State's academic integrity policy:

Academic integrity is essential to maintaining an environment that fosters excellence in teaching, research, and other educational and scholarly activities. Thus, The Ohio State University and the Committee on Academic Misconduct (COAM) expect that all students have read and understand the University's *Code of Student Conduct*, and that all students will complete all academic and scholarly assignments with fairness and honesty. Students must recognize that failure to follow the rules and guidelines established in the University's *Code of Student Conduct* and this syllabus may constitute "Academic Misconduct."

The Ohio State University's *Code of Student Conduct* (Section 3335-23-04) defines academic misconduct as: "Any activity that tends to compromise the academic integrity of the University, or subvert the educational process." Examples of academic misconduct include (but are not limited to) plagiarism, collusion (unauthorized collaboration), copying the work of another student, and possession of unauthorized materials during an examination. Ignorance of the University's *Code of Student Conduct* is never considered an excuse for academic misconduct, so I recommend that you review the *Code of Student Conduct* and, specifically, the sections dealing with academic misconduct.

If I suspect that a student has committed academic misconduct in this course, I am obligated by University Rules to report my suspicions to the Committee on Academic Misconduct. If COAM determines that you have violated the University's *Code of Student Conduct* (i.e., committed academic misconduct), the sanctions for the misconduct could include a failing grade in this course and suspension or dismissal from the University.

If you have any questions about the above policy or what constitutes academic misconduct in this course, please contact me. Other sources of information on academic misconduct (integrity) to which you can refer include:

- The Committee on Academic Misconduct web pages (COAM Home)
- *Ten Suggestions for Preserving Academic Integrity (Ten Suggestions)*
- *Eight Cardinal Rules of Academic Integrity* (www.northwestern.edu/uacc/8cards.htm)

Copyright Disclaimer: The materials used in connection with this course may be subject to copyright protection and are only for the use of students officially enrolled in the course for the educational purposes associated with the course. Copyright law must be considered before copying, retaining, or disseminating materials outside of the course.

Additional Resources

Statement on Title IX: Title IX makes it clear that violence and harassment based on sex and gender are Civil Rights offenses subject to the same kinds of accountability and the same kinds of support applied to offenses against other protected categories (e.g., race). If you or someone you know has been sexually harassed or assaulted, you may find the appropriate resources at http://titleix.osu.edu or by contacting the Ohio State Title IX Coordinator, Kellie Brennan, at titleix@osu.edu

Your mental health: A recent American College Health Survey found stress, sleep problems, anxiety, depression, interpersonal concerns, death of a significant other, and alcohol use among the top ten health impediments to academic performance. Students experiencing personal problems or situational crises during the quarter are encouraged to contact Ohio State University

Counseling and Consultation Service (614-292-5766; www.ccs.osu.edu) for assistance, support and advocacy. This service is free and confidential.

Requesting accessibility accommodations for students with disabilities: If you would like to request academic accommodations based on the impact of a disability qualified under the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973, contact your instructor privately as soon as possible to discuss your specific needs. Discussions are confidential. In addition to contacting the instructor, please contact the Student Life Disability Services at 614-292-3307 or ods@osu.edu to register for services and/or to coordinate any accommodations you might need in your courses at The Ohio State University. Go to http://ods.osu.edu for more information.

Accessibility of course technology: This course requires use of Carmen (Ohio State's learning management system. If you need additional services to use these technologies, please request accommodations with your instructor.

- Carmen (Canvas) accessibility

Course Schedule

The schedule is subject to change if necessary:

Class	Date	Activity
1	Oct. 16 (M)	Course introduction Lecture: Conceptual foundation
2	Oct. 23 (M)	Small group discussion 1: Is simplicity the way forward? Lecture: Profitability metrics
3	Oct. 30 (M)	Small group discussion 2: Understanding traditional metrics Lecture: RFM and customer classification
4	Nov. 6 (M)	Small group discussion 3: RFM always works well? Lecture: Customer Lifetime Value (CLV)
5	Nov. 13 (M)	Lecture: Implementation of CRM Lecture: Loyalty programs
--	Nov. 20 (M)	Thanksgiving break
6	Nov. 27 (M)	Lecture: Logistic regression Small group discussion 4: Algorithmic bias in marketing
7	Dec. 4 (M)	Final exam

Outline of weekly activities
Color code: Asynchronous activities (blue); Synchronous activities (red)

Week 1. Oct. 16 (M) – Oct. 22 (Su)
Topic 1. Customer centricity
- Course introduction
  - Course introduction (on Monday, Oct. 16)
- Preparation
  - KR chapters 1, 2
  - Lecture Note 1. Conceptual foundations (video material provided)
- Lectures
  - Lecture: Conceptual foundations (on Monday, Oct. 16)
- Readings/videos
  - TEDxPenn – "The Customer Isn't Always Right, But Some Customers Are Better Than Others" by Peter Fader: https://youtu.be/dHRoO4kbtug.
  - Eva Ascarza and Emilie Billaud. 2021. Allianz customer centricity: is simplicity the way forward?
- Review/homework
  - Online quiz 1
  - R/RStudio Installation
  - Individual assignment 1: Customer centricity case study

Week 2. Oct. 23 (M) – Oct. 29 (Su)
Topic 1. Customer centricity
- In-class discussion
  - Small group discussion 1: Is simplicity the way forward? (on Monday, Oct. 23)

Topic 2. Traditional customer-centric metrics
- Preparation
  - KR chapter 5
  - Lecture Note 2. Profitability metrics 1 (video material provided)
  - Lecture Note 3. Profitability metrics 2 (video material provided)
- Lectures
  - Lecture: Profitability metrics (on Monday, Oct. 23)
- Review/homework
  - Online quiz 2
  - Individual assignment 2: Traditional metrics in Excel

Week 3. Oct. 30 (M) – Nov. 5 (Su)
Topic 2. Traditional customer-centric metrics
- In-class discussion
  - Small group discussion 2: Understanding traditional metrics (on Monday, Oct. 30)

Topic 3. RFM scores and customer classification
- Preparation
  - KR chapter 6.1
  - Lecture Note 4. RFM and customer classification (video material provided)
- Lectures
  - Lecture: RFM and customer classification (on Monday, Oct. 30)
- Readings/videos
  - Eric Bradlow. 2019. Binge Consumption and Its Impact on Customer Lifetime Value.
    article: https://www.gbkcollective.com/thoughtleadership/bingeconsumption
    video: https://youtu.be/8gAFCrI3ZQk
- Review/homework
  - Online quiz 3
  - Individual assignment 3: RFM analysis in Excel

Week 4. Nov. 6 (M) – Nov. 12 (Su)

Topic 3. RFM scores and customer classification
- In-class discussion
  - Small group discussion 3: RFM always works well? (on Monday, Nov. 6)

Topic 4. CLV and marketing campaigns
- Preparation
  - KR chapter 6.1
  - FT chapter 1
  - Lecture Note 5. Customer lifetime value (CLV) (video material provided)
- Lectures
  - Lecture: Customer lifetime value (CLV) (on Monday, Nov. 6)
- Readings/videos
  - Daniel McCarthy and Eric Schwartz. 2018. Blue Apron: turning around the struggling meal kit market leader.
  - Eva Ascarza, Tomomichi Amano and Sunil Gupta. 2020. Othellonia: growing a mobile game.
- Review/homework
  - Online quiz 4
  - Individual assignment 4: Customer churn analysis and CLV calculation in Excel

Week 5. Nov. 13 (M) – Nov. 19 (Su)

Topic 5. Implementation of marketing campaigns and loyalty programs
- Preparation
  - KR chapters 4, 10, 11
  - FT chapters 2, 3, 4
  - Lecture Note 6. Implementation of CRM (video material provided)
  - Lecture Note 7. Loyalty programs (video material provided)
- Lectures
  - Lecture: Implementation of CRM (on Monday, Nov. 13)
  - Lecture: Loyalty programs (on Monday, Nov. 13)
- Readings/videos
  - "Why Black Friday Is Bad for Business" by Peter Fader: https://youtu.be/We5d4t6V7RQ
  - Darrell K. Rigby, Frederick F. Reichheld, and Phil Shefter. 2002. Avoid four perils of CRM.
  - Joseph C. Nunes and Xavier Drèze. 2006. Your loyalty program is betraying you.
  - A.G. Lafley and Roger L. Martin. 2017. Customer loyalty is overrated.
- Review/homework
  - Online quiz 5

Weeks 6 and 7. Nov. 27 (M) – Dec. 6 (W)

Topic 6. Regression analysis and algorithmic bias
- Preparation
  - KR chapters 6.2, 6.3
  - Lecture Note 8. Logistic regression (video material provided)
- Lectures
  - Lecture: Logistic regression (on Monday, Nov. 27)
- Readings/videos
  - Frances X. Frei and Dennis Campbell. 2001. Pilgrim bank (A): customer profitability.
  - Ayelet Israeli and Eva Ascarza. 2020. Algorithmic bias in marketing.
- In-class discussion
  - Small group discussion 4: Algorithmic bias in marketing (on Monday, Nov. 27)
- Review/homework
  - Online quiz 6
  - Individual assignment 5: Logistic regression for profiling profitable customers
- Exam
  - Final exam on Monday, Dec. 4