

Executive Summary

Columbia Business School proposes new Master of Science in Marketing program in order to fill the need for more analytically trained marketing researchers sought by industry, consulting firms and non-governmental organizations (NGOs).

This new degree will be targeted to individuals that wish to pursue a more deeply focused course of study than provided by the MBA program and plan to deploy their technical expertise towards a career in consulting or industry rather than towards an academic career.

These students, with academic preparation equivalent to that of students admitted to our PhD programs, wish to pursue a shorter course of study in order to better prepare them for their careers. The program might also attract candidates interested in pursuing a PhD, who are academically prepared, but do not yet have sufficient background to be admitted into a top-notch program. The program may also appeal to foreign nationals who receive funding from their home countries to study abroad, but often spend a year in the United States taking classes without enrolling in a degree program.

In a competitive job market landscape, the deep technical skills and expertise gained through the coursework component of a PhD program become increasingly valuable. For academically distinguished students who wish to hone these skills, the opportunity to enroll in a Master of Science degree will position them well for their careers. While the MBA degree trains students broadly, the Master of Science in Marketing degree can provide students with a specialized focus, ideal for training candidates to develop technically sophisticated solutions to business and societal problems.

The Masters of Science in Marketing Program will consist of 14 to 16 months of study at Columbia Business School.

Students will select among 3 specialized tracks:

- Market Research
- Branding and Communications
- Innovation and New Products

Elective class choices will reflect these specializations.

Students will complete a minimum of 10 full graduate-level courses (30 credits) including a research seminar in which they will conduct an original research project. In most cases the project will be tied to an industry focused research question.

Most students will also complete a summer internship, which will involve working on an industry project or research problem that will optimally be tied closely to their research seminar /thesis project.

DRAFT

**Master of Science in Marketing Degree Program Proposal
9-3-09**

1. Purpose

Columbia Business School proposes a new Master of Science in Marketing program in order to fill the need for more analytically trained marketing researchers. We believe recipients of this degree will be highly sought after by the advertising and market research industry, consulting firms, and non-governmental organizations (NGOs).

This new degree will also fill a gap in the Business School's current degree offerings by providing an opportunity for individuals who wish to pursue a deeper, more focused course of study than provided by the MBA program. The program will be distinct from the MBA because it will focus on training candidates to conduct state-of-the-art analytical research, but will not include a broad based managerial component.

The program will also be distinguished from the PhD program by serving those students who, in most cases, plan to deploy their technical expertise toward careers in consulting or industry, rather than careers in university teaching.

In proposing this degree, the Business School assumes that there are candidates with academic preparation equivalent to that of students admitted to our PhD programs who wish to pursue a shorter course of applied-industry-focused study. We believe that these candidates will be well prepared to participate in existing PhD classes and to complete a substantial research project in order to hone their research expertise. While qualified to study for the PhD, these candidates wish to make a shorter time commitment while retaining an intellectually satisfying level of rigor. A Master of Science degree will afford this to them.

There are two other types of candidates, with slightly different profiles, who may also benefit from the same course of study.

The first category includes candidates interested in pursuing a PhD, who are academically prepared, but do not yet have sufficient background to be admitted into a top-notch program. Similar to "post-baccalaureate" programs for applicants to medical school, the MS program could serve these students by providing a focused rigorous training with a real research component that would attractively position candidates to apply successfully to full PhD programs, including the program at Columbia.

The second category is made up of foreign nationals who receive funding from their home countries to study abroad, and typically spend a year in the United States taking classes without enrolling in a terminal degree program. Often these students are well educated, and have personal or national funding to support their time in the United States. The MS program could attract these students by providing them with more structured education rather than simply a nominal affiliation such as a visiting scholar would have.

The position of this program in the intellectual life of the school may be explained as follows: Doctoral study trains students not only to solve sophisticated problems but also to select the important problems

to be solved. The MBA program trains students to create organizations and to manage them. Our MS program is designed for students who are attracted to the art and challenge of problem solving without wishing to be put in a position of having to create original research. It will be important for the MS students to complete PhD courses as, in doing so, they will be exposed to the level of thoroughness, technique, and sophistication that will be expected of them in a formal research capacity.

2. Need

Why is the Proposed Program Needed?

There is a need for more analytically trained marketing researchers sought by industry consulting firms and non-governmental organizations (NGOs). In a competitive job market landscape, the deep technical skills and expertise gained through the coursework component of a PhD program become increasingly valuable. For academically distinguished students who wish to hone these skills, the opportunity to enroll in a Master of Science degree will position them well for careers in industry, consulting, NGOs or perhaps within the academy. While the MBA degree trains students broadly, the MS degree can provide students with a more specialized focus, that will help generate more sophisticated solutions to business and societal management problems.

Interest in the Program

Columbia College students enrolled in the Introduction to Marketing class offered to undergraduates in spring 2009 were polled about their interest in an MS in Marketing program. Of the students enrolled, more than half expressed significant interest in pursuing such a program at anticipated market prices in the future if the degree were to be offered.

Professional Interest in the Program

Industry Professionals who learned about the possibility of a program's creation through informal discussions at the 2009 Sawtooth Software conference of marketing professionals (Delray Beach, FL, March 25-27, 2009) expressed great interest in hiring candidates who had completed such a course of study. In addition, Marketing faculty often receive job and internship listings from industry contacts seeking candidates who have such a technical background, but do not necessarily hold PhDs.

Competitive Landscape: Other Master of Science Programs in Business

Master of Science degrees in business disciplines are offered by a number of other Business Schools, and offerings in the field are expanding. At present, Columbia is well positioned to add an MS in Marketing degree to our current curriculum because the Business School already has the expertise and the reputation to attract a strong group of applicants. Our strongest competitor schools (Wharton, Harvard, Stanford, Kellogg, and University of Chicago-Booth) do not currently offer competing programs.¹ MIT (the other school in the Seven Dean's Cohort) has recently launched two Master of Science degrees in, respectively, finance and management.

¹ Stanford offers a MS program for Executives and Wharton offers a joint MBA/MSE with its School of Engineering, but neither of these programs would compete directly with the proposed program at Columbia.

We believe that with Columbia's reputation and New York City location, we will expand the pool of interested MS students rather than cannibalize the applicant pool of other schools.

Other similar Master of Science programs are currently offered by the following institutions, but would not compete directly with the Columbia's proposed program because of reputation, location, and/or focus:

Johns Hopkins offers a MS Degree in Marketing that is similar in scope to what Columbia would offer, but again with Columbia's reputation and New York City location, we anticipate expanding the pool of interested MS students rather than cannibalizing Johns Hopkins' applicant pool.

New York University's School of Continuing and Professional Studies offers a Master of Science in Integrated Marketing. Because this program is not housed at the Business School at NYU, we believe that the program will not compete directly with the proposed Columbia program.

Baruch College's Zicklin School of Business also offers a Master of Science in Marketing degree, that is housed within their department of Marketing and International Business. This program should not compete directly with the proposed program because of Columbia Business School's reputation in the field.

While we have not consulted extensively with our competitor schools or industry contacts about the need for this program, our intention is to begin the program with a very small number of students in order to gauge demand and build the program over time. Doing so will allow us to assess the success of the program and gauge the market demand very concretely.

3. Student Body to be Served

Admissions Standards

The student body of the MS program would be indistinguishable from the PhD candidates in their intellectual qualifications so that their participation in PhD classes would in no way dilute the quality of those classes. Nevertheless, these students would differ from the PhD students on several other key dimensions:

- 1) They would not necessarily aspire to an academic career
- 2) They would not be ready to commit to a 4-5 year course of study
- 3) They would be prepared to pay for their degree

The admissions process for the MS degree would be handled by the PhD office which currently manages applications for the PhD program. Applicants would be required to take the GRE &/or GMAT, complete an application including an essay on their career goals, provide transcripts from all post-secondary courses of study, and submit letters of recommendation. Non-native English speakers would be required to take the TOEFL exam and participate in a phone conversation with a representative of the PhD office before admission. Admitted students would have academic records similar to admitted PhD Students.

As with PhD applicants, initial screening and preparation would be provided by the PhD office. Within each department, the final review of applications would be completed by a Masters Degree committee of 2-3 faculty members (with other members of the department each reviewing a handful of applications annually).

Once the program is in place, we envision an “early decision” program will be offered to Columbia College and SEAS students whereby their admission to the program will be secured prior to their senior year. This would allow them to complete certain prerequisites and background courses in their senior year.

Strategies to Increase Student Diversity

There is likely to be a fairly small self-selecting applicant pool for this specialized MS program. Nevertheless, the MS program admissions and recruitment process will take several steps to make sure that qualified applicants from under-represented groups are completely considered.

- The MS Degree program director will identify promising candidates and encourage them to apply to the program. This could take place by contacting Columbia College faculty & administrators for targeted recommendations.
- The MS Degree Admissions administrator will flag all applicants that fall into under-represented groups and guarantee that applicants who do not make the initial cuts receive an additional review to confirm that the right admissions decision has been made about them.
- If targeted electronic marketing to potential applicants takes place through degree discipline mailing lists, marketing to under-represented target groups will take priority if appropriate lists are available.

Program Size

The planned strategy for the MS Degree program is to launch the program at a small size in order to build the program slowly.

In year one, we expect to recruit up to 10 students and expect to add no more than five students per year for a total of up to 30 students by year five. Because the program is expected to be structured as a 14 to 16 month course of study, this would involve a maximum of 60 students enrolled when the program is at steady state. During the fall semester, second year students who have not completed their thesis will be enrolled for thesis credit only and will not be expected to enroll in classes.

Supervision and Advising

MS Students would be initially advised by an administrator in the PhD office designated as the MS Advisor. All students would take the same (or one of a menu of) classes required for the MS Degree. In the third semester, students would enroll in Research Seminars, taught by faculty members, who would serve as the project advisors for the MS Students. Faculty members would receive course credit for teaching this class.

Career Management

The Business School's Career Management Center (CMC) will develop differentiated resources for MS students that will be tailored to the needs and experience of this constituency and will not be identical to the resources for the MBA program. As the MS program develops over time, the CMC resources will be evaluated and revised to best serve these students.

- The CMC will provide resources and coaching and will partner with to MS students to help them learn the building blocks of career management.
- The CMC will provide access to job listing resources relevant to this constituency, and will work with the University's central career services to coordinate with consulting firms in analyst level recruiting.
- We anticipate that MS students will, on average, have less work experience than MBA students, so the resources, including resume review, one-on-one meetings and interview coaching will be planned with this in mind.
- The MS program is only 14-16 months, so the timing and pace of the resource delivery will be different from the MBA program. Therefore MS students will not normally be permitted to participate in MBA recruiting events.
- The University and the CMC cannot assist with job placements for foreign nationals with firms that are only able to hire US workers. Nonetheless, the CMC will provide the same coaching and resources to these students for job searches in their home countries.
- MS students will receive access to the Columbia Alumni Network analogous to other Business School degree recipients.

4. Curriculum Requirements

The MS program will consist of a 14 to 16 month (or 3 semesters) course of study at Columbia Business School. Students will enroll in the program in the fall (September) and graduate in either October or February of the following academic year, upon completion of the thesis project. Students will complete a minimum of 10 full courses (30 credits) including a guided research seminar in which they will undertake an original research project. In most cases the project will be tied to an industry focused research question.

Most students will complete an internship beginning in May or June, which will involve working on an industry project or research problem that will in most cases be tied closely to their research project/thesis.

Requirements:

Prerequisites: Prior to commencing the program, all admitted students would be required to complete four courses:

- Introduction to probability theory
- Introduction to statistical inference
- Microeconomics
- Introduction to Marketing Management

Core Courses: All students would be required to complete or exempt by examination the following 3 classes:

- Consumer Behavior (B8601)

- Marketing Research (B8617)
- Multivariate Statistics (B8832)

Electives (PhD / MBA): All students would be required to take at least six of the following elective classes:

The curriculum will be organized along three specialized tracks: *Market Research, Branding and Communications* and *Innovation and New Products*. Students would take the elective classes most relevant to their selected track and interests from among the following courses:

- Advertising Branding and Creativity (B9677)
- Analytical Models (B9708)
- Applied Regression Analysis (B8899)
- Bayesian Modeling and Computation (B9610)
- Behavioral Economics & Decision Making (B8619)
- Bridging Behavioral Decision Research & Marketing Science (B9610-023)
- Doctoral Seminar in Marketing (B9610-002)
- Emerging media (B8520)
- Empirical Models (B9699)
- Experimental Design and Analysis (B9610-014)
- Managing Brands, Identity, & Experiences (B9601)
- Market Plans Workshop (B8699)
- Marketing and the Internet (B8699)
- Media Metrics, Analytics & Economics (B8699)
- New Product Development (B8604)
- Pricing Strategies (B9601)
- Strategy Consulting Skills (B9601)
- Research Methods (B9708)

Graduate level classes offered across the School and University could also be applied to the degree's course requirements in departments such as: Statistics, Computer Science, Psychology, Sociology, and Industrial Engineering and Applied Sciences, if space permits. Examples include:

- Advanced regression analysis
- Econometrics
- Research Methodology
- Measurement Theory
- Time Series
- Social Networks & Social Capital
- Social Psychology & Persuasion

Other Business School Courses:

Business School course availability for students in the program will be managed by the Deans' Office to ensure that MS in Marketing program does not reduce the space available in popular courses for our MBA and EMBA students.

Thesis:

All MS degree students will be required to complete a substantial one-semester research project under the supervision of a faculty member. Regular progress reports will be required in the context of a research seminar. The project will generally be grounded in an industry related problem, often coming out of an internship experience.

** A master's thesis in the context of a one semester thesis seminar is anticipated as one of the program requirements, however the business school may decide to provide more than one option for fulfilling this portion of the degree requirements such as an alternate PhD level class.

Internship:

Optional internships, which would typically take place during the summer in the program, will be analytically based rather than managerial, and will require more technical analysis than what would be expected from an MBA internship. Most students will also enroll in 1-2 classes during the summer period. The internship experience should give students an opportunity to work on a real world marketing problem and apply classroom learning and expertise to the project.

[Notes for Internal purposes: In the early years of the program, divisional faculty will work with their industry contacts to help students find appropriate internship placements. The Career Management Center can also serve as a clearinghouse for such opportunities. *The Deming Center for Quality, Productivity and Competitiveness* and the *Center for Global Brand Leadership* may also be asked to leverage their industry contacts to help generate internships. These internships will be of significant benefit to companies because they will be able to get high level expertise and technical assistance from the interns for a relatively inexpensive price. These internships should not result in direct competition for MBA students because the skill set and past experience of these students will be distinct from that of MBAs.]

5. Resource Utilization

I. Faculty and Staff

The MS Degree in Marketing Program will be led by an MS Degree Committee of two to three faculty members. All tenure-track members of the Marketing Division Faculty will participate in the program through application review and teaching. A list of these faculty members with their degrees is below.

- Asim Ansari, Ph.D., New York University, Marketing, 1994, (Tenured)
- Noel Capon, Ph.D., University College, London University, Chemistry, 1964, (Tenured)
- Brett Gordon, Ph.D., Carnegie-Mellon University, Economics, 2007, (Non-tenured)
- Kamel Jedidi, Ph.D., University of Pennsylvania, Wharton School, Marketing, 1988, (Tenured)
- Gita Johar, Ph.D., New York University, Leonard N. Stern School of Business, Marketing, 1993, (Tenured)
- Eric Johnson, Ph.D., Carnegie-Mellon University, Psychology, 1980, (Tenured)
- Ran Kivetz, Ph.D., Stanford University, Graduate School of Business, Marketing, 2000, (Tenured)

- Oded Koenigsberg, Ph.D., Duke University, Fuqua School of Business, Business Administration, 2002, (Non-tenured)
- Rajeev Kohli, Ph.D., University of Pennsylvania, Marketing, 1985, (Tenured)
- Leonard Lee, Ph.D., Massachusetts Institute of Technology, Sloan School of Management, Marketing, 2006, (Non-tenured)
- Donald Lehmann, Ph.D., Purdue University, Krannert Graduate School of Management, Marketing, 1969, (Tenured)
- Jonathan Levav, Ph.D., Duke University, The Fuqua School of Business, Marketing, 2003, (Non-tenured)
- Natalie Mizik, Ph.D., University of Washington, Marketing, 2002, (Non-tenured)
- Oded Netzer, Ph.D., Stanford University, Graduate School of Business, Marketing, 2004, (Non-tenured)
- Michel Pham, Ph.D., University of Florida, Business Administration-Marketing, 1994, (Tenured)
- Bernd Schmitt, Ph.D., Cornell University, Psychology, 1988, (Tenured)
- Olivier Toubia, Ph.D., Massachusetts Institute of Technology, Sloan School of Management, Marketing, 2004, (Non-tenured)

In its first years, the program will not require any additional faculty or staff and is intended to take advantage of existing capacity in Columbia Business School courses that are currently being offered but due to the small size of the PhD program are not filled to capacity. The PhD program staff, the divisional staff and the student affairs and career management office staff will be more fully utilized by adding a small number of students to our current enrollment.

Given that Business School hopes to launch 2-3 programs of up to 10 Students in Fall 2010, and the entire MBA school enrollment is ~ 1400, this would increase the workload by about 2-3%, which we do not expect would overburden administration. As the programs grow, we will evaluate the need for additional staff and fund these incremental positions out of MS tuition.

II. Description of the direct costs of the new program

Given our plans to launch the program at a modest scale, we do not anticipate significant additional incremental expenses in the first year. If the program grows as anticipated, we will assess need and add staff as necessary

- We will not hire additional faculty, nor supplement existing staff in the first year.
- We will not normally provide financial aid to candidates.

III. Indirect costs: space, library support, computer center, and other facilities

Given our plans to launch the program at a modest scale, we do not anticipate significant additional incremental indirect costs in the first year. Master of Science students would not receive dedicated work spaces. Students will not be promised access to Columbia Housing, but may be deemed eligible pending availability.

6. Quality Control: Internal Evaluation

In order to assess the academic quality and effectiveness of the Master of Science in Marketing Program, the division, with the help of the doctoral program office, will survey program students by e-mail at the end of their second semester, 12 months after graduation, and five years after graduation. Survey data will be archived over time, and analyzed and summarized each year to allow for program improvements and to provide feedback to program directors and faculty.

The data to be collected and analyzed will include:

- Teaching evaluations by MS in Marketing students.
- Overall program evaluations by MS in Marketing students addressing: advising, curriculum, research seminar experience, and Career Management Resources.
- Job placement dates, positions, and firms for MS in Marketing students.
- Time to placement following graduation. This statistic will be collected by the Doctoral Office or the Career Management Center.
- Information regarding a graduate's future career will be maintained to the extent possible by the Doctoral Office or the Marketing Division. Prior to a regular evaluation cycle, those students who have graduated since the prior evaluation will be contacted and asked their opinions as to the quality of the program and the extent to which it prepared them for their current job sought.

7. Quality Control: External Evaluation

The following authorities are recommended to the NYS Education Department as possible external reviews:

NAMES TO BE RECOMMENDED

Sunil Gupta
Harvard Business School
Soldiers Field
Boston, MA, 02163
<http://drfd.hbs.edu/fit/public/facultyInfo.do?facInfo=bio&facEmId=sgupta&loc=extn>
(617) 495-5369
sgupta@hbs.edu

Jagmohan Raju
Univeristy of Pennsylvania, Wharton School of Business
700 Jon M. Huntsman Hall
3730 Walnut Street
Philadelphia , PA 19104
Phone: (215) 898-1114
<http://www.wharton.upenn.edu/faculty/rajuj.html>
rajuj@wharton.upenn.edu

BUDGET:

This budget was developed in conjunction with budgets for all proposed MS programs, in order to ensure consistent planning across all divisions. All personnel, advertising, and material estimates were

made based on conversations with faculty and staff at Columbia Business School. These costs will be allocated to divisional programs on a per-student basis.

Revenue sharing for the first three years will be as follows: Divisions will keep the first \$50,000 of net income from the program in their division. Any amount of net income above \$50,000 will be split 45% - 45% -10% between the divisions, the school, and the PhD program, respectively.

Net income for this purpose is defined as total income minus all incremental costs of the program, such as faculty buyouts for additional teaching, new hires required by program, web and marketing costs, and materials as specified in the budget below. Costs will only be allocated if expenses are incurred specifically for the MS program.

MS in MARKETING

Category	Amount
INCOME	
CBS Tuition	500,000
Total Income	<u>500,000</u>
EXPENSES	
MS Degree Teaching (Classes offered because of new programs)	42,000
Contingency Adjunct Cost for extra teaching needs	32,000
Course materials distributed to students	14,250
Incremental Increase in PhD Program Budget	8,515
Incremental Increase in Student Affairs Budget	8,515
Incremental Increase in ITG Budget	8,515
Incremental Increase in Career Management Center Budget	17,030
Website and application design and maintenance	6,000
Student events and orientation	5,000
Marketing of the Programs (e-mail lists/ google ads)	12,000
Total Expenses	<u>153,825</u>
Net Revenue	<u>346,175</u>

SUMMARY of Revenue Sharing

# of Students	10
Total Net Revenue	346,175
To Division	183,279
To School	133,279
To PhD Program	29,618