

316-664 Marketing Economics

Credit Points:	12.50
Level:	9 (Graduate/Postgraduate)
Dates & Locations:	This subject is not offered in 2009.
Time Commitment:	Contact Hours: Two 1-hour lectures and a 1-hour tutorial per week (Not offered in 2009). Total Time Commitment: Not available
Prerequisites:	316-202 Intermediate Microeconomics or equivalent.
Corequisites:	None
Recommended Background Knowledge:	None
Non Allowed Subjects:	None
Core Participation Requirements:	<p><p>For the purposes of considering request for Reasonable Adjustments under the Disability Standards for Education (Cwth 2005), and Student Support and Engagement Policy, academic requirements for this subject are articulated in the Subject Overview, Learning Outcomes, Assessment and Generic Skills sections of this entry.</p> <p>It is University policy to take all reasonable steps to minimise the impact of disability upon academic study, and reasonable adjustments will be made to enhance a student's participation in the University's programs. Students who feel their disability may impact on meeting the requirements of this subject are encouraged to discuss this matter with a Faculty Student Adviser and Student Equity and Disability Support: http://services.unimelb.edu.au/disability</p></p>
Subject Overview:	Techniques of microeconomic theory are reviewed and then applied to evaluate business choice options and government policy options affecting marketing activities in such areas as setting prices, market segmentation, advertising, product mix, forms of contracts and consumer protection legislation. Topics covered will include: marketing as an economic activity, explanations of and forecasting market outcomes, setting prices in different market structure situations, joint product pricing, storage, transport, processing and distribution choices, buyer-seller contracting under different information situations, promotion and advertising, the notions of product and characteristic space, new product innovation and diffusion, government policy, including provision of information, consumer protection, transaction costs and marketing efficiency.
Objectives:	<p>On successful completion of this subject students should be able to:</p> <ul style="list-style-type: none"> # Explain the choice of pricing strategies to increase seller returns, particularly via price discrimination and non-linear prices, and apply these strategies to real world case studies; # Evaluate and apply marketing strategies for oligopolistic and monopolistic competitive industry structures; # Explain the applicability of the Hotelling model to product location and differentiation; # Describe the applicability of the Lancaster model to product development decisions; # Explain and apply the profit maximising models of advertising levels; # Describe the use of the logistic, Bass and other models to predict product diffusion and market penetration; # Explain the effects of buyer and seller information asymmetry on market outcomes and critically evaluate different marketing strategies to improve returns.
Assessment:	A 2-hour final examination (70%) and written assignments totalling not more than 3000 words (30%).
Prescribed Texts:	None
Breadth Options:	This subject is not available as a breadth subject.
Fees Information:	Subject EFTSL, Level, Discipline & Census Date, http://enrolment.unimelb.edu.au/fees

Generic Skills:	On successful completion of this subject, students should have improved the following generic skills: <ul style="list-style-type: none"># Evaluation of ideas, views and evidence# Synthesis of ideas, views and evidence# Strategic thinking# Critical thinking# Application of theory to economic policy and business decision making# Summary and interpretation of information# Statistical reasoning# Problem solving skills# Collaborative learning and team work# Negotiation and bargaining# Written communication# Oral communication
Notes:	Not offered in 2009.