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Schoolwide News

MarketLab Helps Big Name Companies – for Free!

By Sarah Foote

Where do leading companies such as IBM and Hewlett-Packard go to get free advice from some of the best and brightest minds around? MIT Sloan of course. Just ask the members of the Marketing Club's MarketLab. They've worked on several projects for these companies and many others with great success. In fact they have done so well (and charge so little) that their clients keep coming back for more. Demand for more projects now outweighs the supply of student teams to staff them.

MarketLab is the brainchild of Joost Bonsen, a continuing graduate student at MIT Sloan. He inspired the creation of the group as a way to get students engaged with top companies. MarketLab basically works like a consulting firm where teams of four to five students tackle marketing strategy projects for their "clients." In recent years members of the school's Marketing Club have pushed MarketLab's agenda forward and have taken on new clients with a broad array of projects and needs. In the past year alone, MarketLab has doubled the number of projects they have taken on from four in a year to eight in just one semester. The projects were executed by 45 students who were selected for project teams based on interest and skill. "I guess you could say we are the largest free consulting company in Cambridge," says Justin Cook, MBA '05, who along with Ned Bicks, MBA '05, transitioned leadership to three new members of the group in February.

Chris Gallant, Sara Elliott, and Steven Fransblow, all members of the MBA Class of 2006, recently took over the group's leadership role and are currently in the process of signing new clients for projects to begin in the fall. Each MarketLab team works with the client for one semester, and clients



Photo (l-r) Chris Gallant, Steven Fransblow, Sara Elliott, and Justin Cook

need to be a bit flexible to the school calendar because projects need to start in either September or February. So far this has not been a problem. In fact, the great work completed by MarketLab last year produced four summer internships for students and multiple offers for full-time positions — a great testament to the skill set of MIT Sloan students. MarketLab also expects that their clients will hire more summer interns this year and offer more full-time jobs in the future as well.

The group has worked hard to recruit more MIT Sloan students and has developed a new sales pitch for clients in an effort to get a broad array of projects for the group's members. The leaders tell

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Suggestions and comments should be directed to Sarah Foote, Editor, E52-107, news@sloan.mit.edu. Deadline for submissions: 12 noon, Thursday before Monday publication.



potential clients what they can expect from the club, and, in return, what students will gain from the experience.

Hewlett-Packard is one of MarketLab's many satisfied clients seeking the group's services on numerous projects in the last two years. Last year a MarketLab team helped H-P create a viral marketing strategy for the company's new LightScribe technology mentioned in this year's H-P Super Bowl commercial. (LightScribe enables drives to burn a silk-screen-like, high-contrast label on the topside of CD or DVD with a LightScribe special coating.) This past fall the MarketLab team working with H-P investigated new applications for the technology of consumer electronics. H-P didn't have the resources to look at consumer electronics broadly, so they enlisted MarketLab to help with a specific segment. Through many conference calls to the west coast the group assigned to the project was able to assess that opportunity for H-P much earlier than the company would have been able to on their own.

Walt Mossberg of *The Wall Street Journal* recently reviewed LightScribe giving the product a fairly good review. An excerpt from his review reads,

"We were pleased with LightScribe's results: professional and artistic labels that took only a few minutes to design. LightScribe even enabled us to print all the song titles on the disc directly from a playlist in Apple's iTunes software. But there are some downsides that show the new technology needs work. It requires special blank discs that cost more than regular blanks. The labels aren't in color, only in gray-scale shades on a gold background. Plus, the process was very slow — 23 to 30 minutes per disc in our tests using a "normal" print setting. H-P says it has plans to add color LightScribe labeling in the future."

"It feels pretty cool to have been involved behind the scenes, getting this product ready to launch from a marketing perspective as well as helping H-P think about its future potential," says Justin.

MarketLab also relies on members of the Marketing Club to bring ideas to the table or thoughts on new clients and new industries they would like to explore. "It's a lot like MIT Sloan," says Sara of MarketLab, adding, "It's very entrepreneurial, very network oriented."

At the beginning of each project the team gives the client a

proposal outlining expectations for both sides. There are several important check points along the way but most teams operative relatively independently. Clients receive a comprehensive report at the end of the engagement as well as a presentation typically given to senior company officials. At the end of the project the MarketLab leadership asks clients to complete a survey to assess their student team's strengths and weaknesses, which in turn provides valuable feedback to team members. To date, every company that has worked with MarketLab has been happy with the group's work. However, Sara, Chris, and Steven are quick to point out that they are still waiting for all the surveys from last fall to be returned. Several companies have sought MarketLab's help on additional projects this spring, and some companies have brought several project ideas to MarketLab at once.

"MarketLab is comprised of highly motivated, creative, and innovative people who can take on a project and lead it through its execution," said Susan Nakashima of Hewlett-Packard. "The MarketLab team delivers on the established objectives and provides insights on different ways to analyze situations. The students are proactive, organized, and creative. They are all leaders and have excellent communication skills, both written and oral."

MarketLab offers students a chance to gain valuable experience in a field they might not have yet explored. The leaders believe that MarketLab experience is a great addition to any resume. "It was great for me because the Core is so designed, so it allowed me to gain skills in a function area that I was more interested in. And to gain them quickly. It was a great way to jump start my career change. That was a big attraction for me," says Steven of joining MarketLab and working on his first project.

Steven and his MarketLab teammates completed their project for IBM last fall. The group did primary research on next generation stores. Steven notes that the team was concerned with how to evaluate their success on the project. The group worried that their work might end up as a report just sitting on someone's desk. They decided that one of their goals would be to have IBM implement some of their communication strategies to their sales force. IBM thought so highly of their proposal and recommendations, that the students have been requested to give their presentation not only to IBM but also to two of IBM's own retail clients.

MarketLab collaborates with many clubs at MIT Sloan for assistance with company contacts and ideas. Such was

Continued from page 2

the case with BodyGlove and MIT Sloan's Surfing Club. The Surfing Club was able to put MarketLab in touch with executives at BodyGlove when the wetsuit maker sought help for an ad campaign involving a specialty wetsuit. BodyGlove sought the MarketLab's advice on how to help sustain the excitement the company had already garnered during a recent advertising campaign. MarketLab also works closely with the Innovation Club in generating creative solutions and ideas. Several of the projects have used the Innovation Club's IdeaExchange events to aid the creative process. Additionally, the cooperation amongst clubs offers a lot of value and expertise to MarketLab's clients.



Chris notes, "Not only do companies want the connection to a top business school, they want to get to know students. And use us as a feeder to their internship programs and full-time positions. And yes, clients also want free resources." Justin agrees, noting that they have received feedback from client surveys on the perception of MIT Sloan students changing (for the better), and companies working with MarketLab have found MIT Sloan students to be much more creative, polished, and more goal-oriented than they anticipated.

For the spring 2005 semester the club already has projects from IBM and H-P lined up for four MarketLab teams. The group plans to have more projects and more teams come the fall semester. One challenge the new leaders face is working with companies outside of the tech realm and selling them on the idea of working with business students and MarketLab. The group agrees that breaking down the stereotypes these companies have of MIT Sloan will go far for the school; it will also help students with exposure to different career paths.

"In some ways leading the MarketLab is a lot like being a broker. You're selling MarketLab to companies and getting new companies interested in doing work together, and at the same time you're selling the projects to students. Some projects sell themselves and people are very excited to get on them, so sometimes it's just a matter of picking the right students you know can execute to beat

expectations," says Justin.

Sara Elliott, one of the new leaders, says, "I worked in strategy consulting and knew I wanted to work in marketing and saw MarketLab as a great way to bridge the gap between the two. I'm interested in gaining more exposure to consumer marketing which I felt was missing from my background and thought the MarketLab experience might help with my summer internship. I see this as a great chance to get into the mind of the consumer."

The new leaders of MarketLab see themselves as veterans (of sorts) of the club that they will lead and will help the new teams with clients that they have already worked with. They'll continue look at past proposals and keep a list of tips and best practices for each project to see what went well, what didn't, and then share those thoughts with new teams at kick-off meetings.

The leaders of MarketLab, both past and present, put a lot of time and energy into the club, one says "it's like an additional class or three," but they also manage to find the time to take on other responsibilities and belong to other clubs. Sara is the co-president of the Marketing Club; Steven is the co-prime minister of the Canadian Club; Justin is the co-president of the Innovation Club; and Chris is a former vice president of the Innovation Club and is active on the Student Senate Activities Committee. As Sara puts it, "If its something you're interested in and have a passion for, you'll always find the time for it." The others agree.

Other business schools have consulting groups or clubs that are often run by a professor, where students receive academic credit and grades for the projects they work on. As far as the leaders of MarketLab know, MIT Sloan is the only school that has a group like MarketLab—one that is completely student driven and where students volunteer and receive no grade or academic credit for their time and effort. MarketLab's clients have expressed a preference for this model to the group's leaders, saying that it offers them more freedom and flexibility to meet their business needs. MarketLab clients have also stated that they enjoy working with students who have volunteered their time and energy for these projects as a clear signal that they are indeed interested in their company. The model works for all involved. Very well, in fact.

Sallie Krawcheck CFO of Citigroup Speaks at MIT Sloan

By Sarah Foote

Fortune Magazine once named Sallie Krawcheck “The Last Honest Analyst” and her open, humorous, and honest talk given to MIT Sloan students recently showed that the title still fits. Krawcheck, who at only 39 years old is the CFO and Head of Strategy at Citigroup, gave an inspiring talk to a standing room only crowd of students, faculty, and staff. She began her talk by detailing some of her work experience for the audience and telling students about the leadership lessons she has learned throughout her career.

At first Krawcheck told the students in the audience that she was jealous of them and then noted that she still considers herself a student because she is constantly learning. Krawcheck suggested that one way she became an effective leader was due to her career start as an analyst; a position that required a lot of detailed research and one that also required receiving negative feedback almost daily. Now she approaches each new job with the skills she acquired as an analyst, and used this thought process when she took the position of CFO at Citigroup. Krawcheck took a step back from her situation, got to know what she was working on, kept her head down, and made decisions based on the information she was provided. “It’s important to constantly reevaluate your decisions. It doesn’t mean be wishy-washy, but if you’re going to be great at your job, you have to realize that you don’t know everything. It’s also very important, if you’re going to be an effective leader, to learn the art of persuasion,” advised Krawcheck.

Krawcheck mentioned that the ability to ‘read people’ is a great skill she learned to develop over her career, but one that not everyone has (including her husband.) She said that her ability to read people effectively has helped her learn how to manage different personalities better, motivate others, and learn more about herself as a manager. Krawcheck then warned students that “nothing good happens after 3:00 p.m. on Fridays” and her ability to read people well helped her with some of those after 3:00 p.m. situations. “What I’m trying to get to is that it’s very important for everyone to recognize with very open eyes, what they are good and bad at. I have things I still have to work on, such as work-life balance. I’ve had to learn to let things go. It’s important to recognize these things within you,” stressed Krawcheck.

Krawcheck also mentioned that one of the best skills any



Citigroup's CFO and Head of Strategy, Sally Krawcheck, urged students to focus on integrity, communication, and self-awareness as they pursue their goals.

leader can have is the skill to communicate well. “Execution is all about communication. You have to execute your great ideas through communication. In times of stress, don’t over communicate. Problems are never easy, if they were, they wouldn’t be called problems they would be called solutions. If you try to overly complicate the answer, you will,” said Krawcheck. Adding, “No matter how stressed you are, never let them see you sweat.”

Krawcheck went on to give other bits of advice that she learned while at Smith Barney and now at Citigroup. She stressed to the students in attendance that it was important to choose a career that they would like, and to work for a company that they are proud of. “You will be working for a long time, so make sure you do something you like. You should also feel comfortable wearing the company t-shirt, shorts, and hat. Be proud to say ‘This is who I am’.” She also advised the audience to act professionally at all times, because it’s a small, small world. “At the end of the day all you have is your skills, your reputation, and your ethics. It’s important to protect and take care of all of them,” said Krawcheck.

Sallie Krawcheck’s talk was sponsored by the Dean’s Innovative Leader Series and co-sponsored by the MIT Leadership Center. The next speaker in the series will be General Peter Pace, Vice Chairman of the Joint Chiefs of Staff. His talk will be held Thursday, March 31, from 12:00 - 1:00 p.m., in the Wong Auditorium.

SIP Summary: Advocating for Customer Advocacy

By Diana Griffith

Now that customers have so many ways to research companies and products, including online rating sites, in-depth consumer reports, and digital message boards filled with both praise and potshots, what's a company to do?

The answer, says Professor Glen Urban, lies not in continuing the old tactics of push/pull marketing or even the relatively new concept of Customer Relationship Management (CRM). Instead, he says, companies must become advocates for their customers, helping them analyze the wealth of information they possess and empowering them to make the best choices for their needs – even if it means not buying the company's product!



Professor Glen Urban listens in as students discuss how to incorporate his customer advocacy approach to British Telecom's marketing plan for cellular service.

After a quick explanation of the concept and its benefits, which he says include reduced customer acquisition costs, higher profit margins, increased growth, and long-term competitive advantage, Urban discussed what it means for a company to commit to a customer advocacy position. This includes operating in an honest, transparent way, offering customers a trusted advisor, either virtually or in person, and providing honest comparison with the competition since, as he writes, “customers are doing it anyway.”

Urban then split the students into three teams, asking them to apply the concepts of customer advocacy to projects involving General Motors, British Telecom (BT), and Suruga Bank, all of whom are working with Urban on these same issues. The students discussed the companies' goals, decided what approach to take in providing customer advocacy, and then developed a brief presentation, all in 45 minutes!

One of the BT team's suggestions was to develop a web site that would allow customers to build their own cellular phone plans from the ground up and then find the right plan to fit their wishes, whether it was BT or not. “It really portrays customer advocacy for British Telecom,” said Urban. “It's a neat way to build trust and still promote business.”

The Suruga Bank team suggested developing a virtual advisor to help online customers select products. They also challenged the bank's current strategy of categorizing customers by certain characteristics, such as female, frequent flyer,

“The strategy is this: If a company advocates for its customers, customers will reciprocate with their trust, loyalty, and purchases – they will advocate for you now and in the future,” writes Urban in his new book, *Don't Just Relate—Advocate: A Blue Print for Profits in an Era of Customer Power*, due out in May from Prentice Hall.

Urban presented his message to students in a half-credit course two weeks ago as part of the Sloan Innovation Period, a week set aside for just these sorts of forward-thinking explorations. Using examples from his own work with companies such as General Motors, Intel, and British Telecom, he urged students to consider the benefits of customer advocacy, which he says is the next wave in marketing strategies.



Students worked with an executive from Suruga Bank as they brainstormed ways to incorporate customer advocacy on the bank's web site.

Continued on page 6

etc., which then determines what products and sites they are shown, and suggested that instead the bank allow customers to self-select their own categories.

Making the most sweeping proposals, the General Motors team suggested an entire corporate shake-up, from doing



The General Motors team focused on the company's overall image and suggested a top-down approach to customer advocacy.

away with the General Motors name altogether to adopting customer advocacy at every opportunity. "This is great," said Urban. "It's really important to start at the top with strategy." Among their other suggestions were partnerships with other car manufacturers to produce a vehicle comparison web site, adding insurance quote capability and a simple way to lodge complaints against dealers to the GM web site, and promoting a clear customer contract on all web pages and in printed materials.

Interest in Urban's model of customer advocacy is high, he says. He recently gave the lead-off keynote address to the CMO Conference, and he will present a keynote at the upcoming CIO Symposium on Wednesday, May 18. For more information or to register for that conference, visit www.mitcio.com.

Weekly Seminar Series on Pricing Starts March 29

All MIT Sloan students are invited to attend a weekly seminar series on pricing that will begin tomorrow, Tuesday, March 29. Organized by professors Gabriel Bitran from the Operations Management group, Eric Brynjolfsson from the IT group, and Duncan Simester from the Marketing Group, the series is based on a well-received series organized several years ago at the request of MBA students. At that time, several faculty members doing research on a variety of aspects of pricing gave presentations on their work.

In this year's seminar series, the topics covered will range from the basic tenets of pricing policy for managers and economists, to pricing innovations occurring in the retail and information services sectors. While the seminar series is not offered for credit, participating students are encouraged to visit the SloanSpace community on "Seminar Series on Pricing, Spring 2005 H2 Term" and prepare before-hand the materials that may be posted for a given session and speaker.

Each session will be held from 11:30 a.m. - 1:00 p.m. each Tuesday in room E51-345. No registration is required. The following is the speaker schedule for this spring; detailed information on the sessions and the topics covered are available on SloanSpace.

- Tuesday, March 29: "Rules of Thumb for Pricing," Professor Robert Pindyck
- Tuesday, April 5: "Retail Pricing," Professor Duncan Simester
- Thursday, April 14: "Communicating Rule-based Pricing Policies over the Web," Professor Benjamin Grosf
- Thursday, April 21: "Revenue Management," Professor Georgia Perakis
- Tuesday, April 26: "Collusion under Uniform Pricing," Professor David McAdams
- Tuesday, May 3: "Pricing of Fashion Goods," Professor Gabriel Bitran
- Tuesday, May 10: "How to Make a Bundle Selling Information Goods and Services," Professor Erik Brynjolfsson



Commencement 2005 Ticket Information

Each graduate to be awarded a degree(s) at the Commencement Exercises is allotted four guest tickets. No additional tickets are available. An admission ticket is required for each guest in the seating area, including children three years of age or older.

Tickets to the Exercises will be issued, as indicated below, in the Information Center (Room 7-121) to graduates upon presentation of a regalia rental or purchase receipt along with a MIT or other photograph identification card.

Ticket Distribution Dates

Monday, May 16	10:00 a.m.—4:30 p.m.	Monday, May 30	No Tickets Sold
Tuesday, May 17	10:00 a.m.—4:30 p.m.	Tuesday, May 31	9:00 a.m.—5:00 p.m.
Wednesday, May 18	10:00 a.m.—4:30 p.m.	Wednesday, June 1	9:00 a.m.—5:00 p.m.
Thursday, May 19	10:00 a.m.—4:30 p.m.	Thursday, June 2	9:00 a.m.—7:00 p.m.
Friday, May 20	10:00 a.m.—4:30 p.m.	Friday, June 3	7:00 a.m.—10:00 a.m.*
Monday, May 23	10:00 a.m.—4:30 p.m.	*On Friday, June 3 only, a family member may pick up tickets with a graduate's MIT or other photograph identification card, as the graduates must be in the Johnson Athletics Center second floor at 7:30 a.m. to robe and assemble.	
Tuesday, May 24	10:00 a.m.—4:30 p.m.		
Wednesday, May 25	10:00 a.m.—4:30 p.m.		
Thursday, May 26	10:00 a.m.—4:30 p.m.		
Friday, May 27	10:00 a.m.—4:30 p.m.		

Webcast

A live online webcast of the Commencement Exercises will be available on and after Friday, June 3.

Closed-Circuit Television Viewing Locations

Closed-circuit television viewing will be available, regardless of weather conditions, in selected rooms in Buildings 1, 2, and 4; Rooms 6-120, 10-250, 16-160, 26-100, 32-123, 32-124, 32-155, 34-101, 56-114, E25-111, E51-145, E51-149, and E51-325; Kresge Auditorium (W16), Kresge Little Theatre (W16), and Rockwell Cage (W33), and Johnson Athletics Center first floor (W34). Tickets are not required for admission to these locations. The closed-circuit television viewing locations will be indicated on signs/maps posted throughout the campus.

Announcement Cards

Personalized announcements of the Commencement Exercises may be ordered directly from the MIT Coop in Kendall Square beginning on Monday, April 4. Generic announcements will be available in the MIT Coop in the Stratton Student Center and the MIT Coop in Kendall Square beginning on Monday, April 4. For further information, contact the MIT Coop in Kendall Square at 617-499-3200 or <http://www.bkstore.com/mit/>.

For more information and further updates visit the Commencement web site <http://web.mit.edu/commencement/2005/index.html>.



A scene from Graduation 2004.

MBA NEWS

Study Abroad

Interested in a semester at London Business School or IESE in Barcelona, Spain? MIT Sloan has eight study abroad spots available for MBA Class of 2006 students next year. Come to an informational lunch session on Wednesday, March 30, from 12:00 – 1:00 p.m., in E51-145 to hear from MBA '05 participants and learn more about the selection process. Information on applying is also available via SloanSpace in the ALL MBA Community Announcements.



London Business School



Students (left) enjoying a travel-themed coffee break during the Sloan Innovation Period (SIP.)

SIP Snapshots

Two students (right) head to class during SIP, past a sign pointing to various Spring Break Trip destinations



GMS Events Update

Ocean Olympics C-Function

Thursday, March 31
Jillians, Ipswich St, Boston
8:00 p.m.

European Club C-Function

Thursday, April 14
Walker Memorial
8:00 p.m.

Hawaiian Theme C-Function

Thursday, April 21
Off-Campus, TBA
9:00 p.m.

80's Theme C-Function

Thursday, April 7
Off-Campus, TBA
8:00 p.m.

Spring Gala

Saturday, April 16
The Rosecliff, Newport, RI
7:00 p.m.

Brazilian Club C-Function

Thursday, April 28
Walker Memorial, MIT
8:00 p.m.

Sloan Follies

Friday, May 13
TBA

**Over 50% of the Gala Tickets are sold already.
Don't forget to buy yours at lunch on
Tuesday, March 29.**

Did You Know?

That Brandon Hartford, the Business Services Coordinator at *MIT Sloan Management Review* realized his 26-year dream and bought a red Ferrari 328-GTS last summer? In mid-March he went to Maranello, Italy for a special tour of the Ferrari Factory to see where his car was “born” in 1985.



CAMPUS CORNER

Events on MIT Campus



Varsity Baseball

vs.

Suffolk University

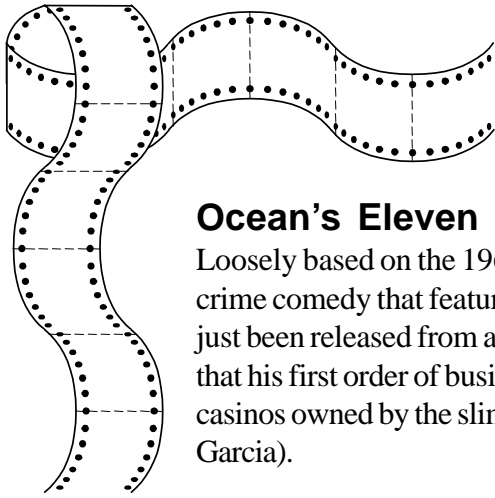
To be held Thursday, March 31, at 3:00 p.m. at Briggs Field

For more information contact James Kramer at 617-258-5265, <http://www.mitathletics.com>.

Emile Bustani Middle East Seminar “Can A Jewish State Be Democratic?”

Dr. Bernard Avishai, Visiting Professor and Senior Fellow, Duke University, to speak on this topic on Tuesday, March 29, from 4:30 - 6:30 p.m., in E51-095.

For more information contact Jennifer Molina at 617-253-8961, jmolina@mit.edu, or visit the web site at http://web.mit.edu/shass/temp/bustani/bustani_seminar.htm.



Now Playing on Campus...

Ocean's Eleven (2001)

Loosely based on the 1960 Rat Pack film of the same name, *Ocean's Eleven* is a hi-tech crime comedy that features a top-notch cast. Con man Danny Ocean (George Clooney) has just been released from a four-year jail term and decides that his first order of business is robbing three Las Vegas casinos owned by the slimy Terry Benedict (Andy Garcia).

To pull off this nearly impossible task, he quickly assembles an eclectic crew—including a card shark (Brad Pitt), a pickpocket (Matt Damon), an explosives expert (Don Cheadle), and an aging gambler (Carl Reiner)—and seeks financial backing from a freewheeling casino mogul (Elliott Gould) who holds a grudge against Benedict.

However, it soon becomes apparent that Ocean has more at stake than money and his newly found freedom—his ex-wife, Tess (Julia Roberts), just happens to be Benedict's new girlfriend. Can Ocean steal back Tess's heart and more than a hundred million dollars at the same time?



Showing on Friday, April 1 at 7:00 and 10:00 p.m. in 26-100, and again on April 3 at 7:00 p.m. in 26-100.

From the Lecture Series Committee Web Site

Around Town

Things to do in Boston and Cambridge

Joshua Mosley Screening and Talk

Mosley, an assistant professor of animation and digital media in the School of Design at the University of Pennsylvania, will show and discuss his most recent work, "A Vue," which combines digitally photographed stop-motion clay puppets and ink-wash painted environments. Also showing will be his 2003 work, "Commute."

This talk will be held on Wednesday, March 30, at 12:15 p.m. at Tufts University, Tufts University Art Gallery, Aidekman Arts Center, 40 Talbot Ave., Medford, MA. For more information call 617-627-3518. Admission is free.



Video still from Joshua Mosley's 2003 film, Commute.