PRELIMINARY DRAFT

UNIVERSITY OF PENNSYLVANIA
THE WHARTON SCHOOL

The Social Impact of Marketing
MKTG 233/733, Fall 2012

COURSE SYLLABUS
(revised 8/18/12)

Instructor: Dr. Wes Hutchinson office: 746 Jon M. Huntsman Hall
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Office Hours: by appointment.

Meeting Times & Place: Wed, 3:00 - 6:00pm, Room 365 JMHH, (Q2)

Prerequisite: MKTG 101, MKTG 621 or permission of instructor.

Wiki-textbook: *The Social Impact of Marketing*
https://mediawiki.wharton.upenn.edu/socialimpact/SIM_wiki-textbook
(currently under construction).

Reading Materials: Most materials, including cases, articles, assignments and lecture slides, will be available for viewing and download via Study.Net or Canvas. Some materials will be handed out in class.

Course Description and Objectives:

MKTG 233/733, (The Social Impact of Marketing, .5 cu). This course explores the ways in which the marketing actions of firms can have an impact on society (positive or negative). Of particular interest are the actions that are central to the main products and services delivered by the firm (e.g., the development of products and brands, pricing, advertising, and distribution). There is also a focus on how the consideration of social issues can be integrated into broader marketing strategies and how companies, pro-social organizations, and government agencies can develop joint strategies (e.g., cause-related marketing) and credible metrics and reporting practices for assessing social impact. The course proceeds in two phases. The first phase covers important background material, such as definitions of social impact, the aggregate marketing system and how it affects society, relationships to branding and marketing strategy, different approaches to measuring social impact, and how to conduct thorough social impact analyses of specific companies, products, and the marketing actions that support them. The second phase is a "drill down" into specific problem areas, such as impact on the environment, impact on health and well-being (physical and mental), impact on culture (including innovation and creativity), and impact on poverty and economic development. In each area, we will identify marketing-related social issues and assess current knowledge and controversies surrounding those issues. In addition to lectures, cases, and guest speakers, students will conduct analyses of social impact and present their findings in class.

Grading:

Expected grade distributions are given below.

Component	Maximum Points	Expected Average	Expected Range
Participation/Assignments (individual)	100	90	80 - 100
Position Paper (teams)	250	220	180 - 250
Lectures & Readings Take-Home Test	200	180	160 - 200
Industry Report or Social/Cause Marketing Plan (teams)	450	410	360 - 450
TOTAL	1,000	900	780 - 1,000

Class Participation/Homework (Individual):

Class participation includes attendance, preparation, discussion during lectures and cases, and contributions to the *SIM* wiki-textbook (in the "Food For Thought" section or edits/commentary on entries other than the students own reports). For all forms of participation, quality is more important than quantity. High quality contributions to class discussions (1) are concise and to the point, (2) build on group analyses and insights, (3) reveal thought and preparation prior to class, and (4) challenge the views of others without being derogatory. Performance on any homework assignments that are made for lectures, cases, or guest speakers is counted as class participation.

Position Papers (teams):

Each student will be assigned to a position paper team based on their topic preferences. Students can swap team assignments if the swap is mutually agreed upon in advance (and communicated to Professor Hutchinson via email). Each position paper should (a) identify a specific marketing action (e.g., a product, an advertising campaign, etc.) that is part of "business as usual" or a social initiative undertaken by a for-profit organization or is a social marketing initiative undertaken by a non-profit or governmental organization, (b) evaluate the overall social impact of the action as positive, negative, or mixed (i.e., take an explicit "bottom line" position on the action), and (c) make recommendations for future improvements. The evidence supporting these conclusions should be summarized in a brief report (2,500-3,000 words) and presented to the class using a few powerpoint slides (about 15-20 minutes, including questions). The slide deck and a wiki-formatted report should be posted in the appropriate Projects folder on webcafe before class on the day of the presentation. More detailed instructions for this assignment will be provided in a separate handout.

Lectures & Readings Take-Home Test (individual):

The take-home exam covers the basic concepts presented in the lectures and associated readings. It is an open-book, open-notes test with objective and short essay questions *that must be done individually*. The goal of the test is to reveal to students any concepts or readings that were not adequately comprehended, and the open-book, open-note format allows students to fill in any such gaps in knowledge.

Term Project (teams):

Students should self-select into teams.

Industry Reports. An industry report should evaluate the major companies or brands in a specific market or industry and score each in terms of its social impact (using rankings or ratings; see Social Impact Scores.xls on Canvas). The paper (3,500 words or less) should describe the market (customers and competitors), the ranking/rating method adopted, information sources, and conclusions about current contributions to society, and recommendations for future improvement. As you write the report, remember that you must convince the reader that your scores are fair, accurate, and meaningful. Papers should be posted as an entry in the wiki-textbook in the appropriate section. A more detailed description of this assignment will be distributed in class.

Social/Cause Marketing Plan. Identify a social cause of mutual interest to the team. Identify all stakeholders relevant for the cause, and analyze the relevant marketing and social systems. Based on this analysis devise a social initiative or intervention designed to build awareness or change behavior. Decide whether the best sponsor of the initiative is a for-profit firm, a non-profit or governmental organization, or a partnership between the two. Write a marketing plan for the initiative. The paper (3,500 words or less) should describe the analyses, the plan, a rationale for why the plan will succeed, and what measures will demonstrate whether or not it has succeeded. A more detailed description of this assignment will be distributed in class.

Course Schedule:

([SN]–study.net; [C]–Canvas; [H]-handout; [WWW]-public internet source)

Session 1		Session 2	
24-Oct	**Overview / Foundations - A Marketing Perspective on Social Impact**		**Overview / Foundations - A Marketing Perspective on Social Impact**
TOPIC:	Course description / discussion of *Posada Amazonas,* and eco-tourism in general; Definitions of social impact; A 6-step method for assessing the social impact of marketing actions.	TOPIC:	An action-based framework for understanding social impact; The economic perspective (incentive alignment); The psycho-social perspective (brand expansion)
READINGS:	*Posada Amazonas* (case) [SN]; Hutchinson (2003)	READINGS:	Elkington (2004) [C]; Wilkie & Moore *JM* (1999) Optional: Buckley *JST* (2009) [C]; Gossling et al. *EcoEcon* (2002) [C]
DUE:	Read *Posada Amazonas* and Hutchinson (2003).		
31-Oct	**Foundations - A Marketing Perspective on Social Impact (cont.)**		**Foundations - Marketing Strategies**
TOPIC:	Comparison/evaluation of social impact for Ben & Jerry's and Wal-Mart, and CSR in general.	TOPIC:	Social and cause-related marketing; branding strategies; changing behavior (cheap talk, nudging, and persuading)
READINGS:	*Ben & Jerry's* (case) [SN]; *Wal-Mart* (case) [SN]; How to Read a CSR Report (2010) [C]	READINGS:	*(Product) Red* (case) [SN] Optional: Hoeffler & Keller *JPPM* (2002) [C]; Hoeffler, Bloom, & Keller *JPPM* (2010) [C]; Thaler & Sunstein (2009)
DUE:	Company comparisons (Ben & Jerry's. Wal-Mart)		Read *(Product) Red*.
7-Nov	**Foundations - Measuring Social Impact**		**Student Presentations**
TOPIC:	Omnibus measures (HDI, life satisfaction, QoL, QALYs, "footprints," etc.); Measurement methods (revealed preferences, contingent valuation)	TOPIC:	Position Papers
READINGS:	*Habitat for Humanity International* (case) [SN]; Carson et al. *ERE* (2001); Diener & Seligman *PSPI* (2004) [C] Optional: Baron *PB* (1997 [C]); Hagerty et al. *SIR* (2001) [C]; Gold et al. *ARPH* (2002) [C]; Hirth et al *MDM* (2000) [C]; Raghubir et al. *JPPM* (2010) [C]		
DUE:			Position papers.

14-Nov	**The Environment**		**The Environment (Guest Speaker)**
TOPIC:	Environmental resources, waste, and pollution; the tragedy of the commons & the Daly rules; marketing strategies; the IPAT model and measuring environmental impact.	TOPIC:	Robert I. Kaplan Manager of Sustainability Wal-Mart Corporation (formerly Manager of Corp. Responsibility Brown-Forman Corporation)
READINGS:	*Herman Miller* (case) [SN]; Hardin and Ostrom videos [WWW]; Hardin *Science* (1968) [C]; Dietz, Ostrom and Stern *Science* (2003) [C]; Auld et al *ARER* (2009) [C] [Optional: Gallagher *ARER* (2009); Hoekstra & Chapagain *WRM* (2007) [C]; Lebel & Lorek *ARER* (2009)]; Ostrom *Science* (2009) [C]	READINGS:	*Herman Miller* (case) [SN]; Hardin and Ostrom videos [WWW]; Hardin *Science* (1968) [C]; Dietz, Ostrom and Stern *Science* (2003) [C]; Auld et al *ARER* (2009) [C] [Optional: Gallagher *ARER* (2009); Hoekstra & Chapagain *WRM* (2007) [C]; Lebel & Lorek *ARER* (2009)]; Ostrom *Science* (2009) [C]
DUE:	Sustainability assignment		
21-Nov	**Project Work Day**		
DUE:	Take Home Test		
28-Nov	**Health and Culture**		**Health and Well-Being (Guest Speaker)**
TOPIC:	Nutrition, fitness, safety, and disease; measuring health impact; Traditional cultures, cultural diversity, cultural innovation; measuring cultural impact.	TOPIC:	Flaura Winston, MD/PhD Scientific Director, Center for Injury Research and Prevention, The Children's Hospital of Philadelphia
READINGS:	Anderson et al. PSPI (2003) Optional: *Disney Consumer Products* (case) [SN]; Furlong et al. *AM* (2001) [C]; Fashion Futures 2025 (2010); Davis et al ARPH (2007); Myers & Patz ARER (2009)	READINGS:	Erkoboni et al. *Injury Prevention* (2010); Winston & Jacobsohn *Injury Prev*. (2010)
DUE:	Media violence assignment		
5-Dec	**Poverty & Economic Development**		**Student Presentations**
TOPIC:	Reducing exploitation, increasing BOP markets; fair trade; charitable giving & volunteerism.	TOPIC:	Industry Report or Marketing Plan
READINGS:	Prahalad *BOP* (2005); Talukdar et al. JPPM (2005); *ITC e-Choupal: CSR in Rural India* (case)		
DUE:	Industry Report or Marketing Plan due by 6pm 12/12.		

READING LIST

There is currently no textbook on the social impact of marketing. Therefore, a wiki-textbook has been created for this course (https://mediawiki.wharton.upenn.edu/socialimpact/SIM_wiki-textbook). Most of what has been written on this topic is either (a) fairly technical and found in the various academic literatures (e.g., marketing and management, economics, energy and natural resource sciences, public health, medicine, psychology, sociology, political science, etc.), or (b) relatively casual and found in various popular and business media. This reading list contains mainly technical papers and business cases. The technical papers are either seminal articles on a topic or (more commonly) a recent review of academic research. These papers serve as "handbooks" for identifying important issues and guides into more technical literatures. Because of the polemical nature of most social issues, these technical literatures are essential if one is to at least start with a "balanced" set of facts and opinions from which to begin an analysis of specific marketing actions. The business cases illustrate how ideas about social impact have been translated into marketing actions.

1. Overview

Required:

1. *Posadas Amazonas* (case)

2. Hutchinson, J. Wesley (2003), "Summer Vacation Paradox," ACR Fall Newsletter.

3. Elkington, John (2004), "The Triple Bottom Line," chapter 1 in *The Triple Bottom Line, Does It All Add Up?: Assessing the Sustainability of Business and CSR,* Adrian Henriques and Julie Richardson (eds.), London, UK: Earthscan.

Optional:

Elkington, John (2004), *Cannibals With Forks: The Triple Bottom Line of 21st Century Business*. Oxford, UK: Capstone Publishing, Ltd.

Buckley *JST* (2009), "Evaluating the net effects of ecotourism on the environment: a framework, first assessment and future research," *Journal of Sustainable Tourism,* Vol. 17, No. 6, November, 643–672

Gossling, Hansson, Horstmeier, and Saggel (2002), "Ecological footprint analysis as a tool to assess tourism sustainability," *Ecological Economics*, 43 (2002) 199-211.

2. Foundations - A Marketing Perspective

Required:

4. *Ben & Jerry's: Preserving Mission & Brand Within Unilever* (case)

5. *Wal-Mart: Non-Market Pressure and Reputation Risk* (case)

6. Wilkie, William L. and Elizabeth S. Moore (1999). "Marketing's Contributions to Society," *Journal of Marketing,* 63 (Special Issue), 198-218.

7. Lydenberg, Steve and David Wood (2010), *How To Read A CSR Report*, Institute for Responsible Investment, Boston College.

Optional:

James Fowler BookTV video lecture based on: Christakis, Nicholas and James Fowler (2009), *Connected: The Surprising Power of Our Social Networks and How They Shape Our Lives*, New York: Little Brown.

Kinnicutt, Sylvia, Rene Carapinha, and Philip Mirvis (2009), *Mapping Stakeholder Landscapes* , Boston College Center for Corporate Citizenship.

3. Foundations - Marketing Strategies

Required:

8. *(Product) Red* (case)

Optional:

Hoeffler, Steve, Paul N. Bloom and Kevin Lane Keller (2010), "Understanding Stakeholder Responses to Corporate Citizenship Initiatives: Managerial Guidelines and Research Directions," *Journal of Public Policy and Marketing*, 78-88.

Hoeffler, Steve and Kevin Lane Keller (2002), "Building Brand Equity Through Corporate Social Marketing," *Journal of Public Policy and Marketing*, 78-89.

Thaler & Sunstein (2009), *Nudge*,

Kotler & Zaltman (1971), "Social Marketing," *Journal of Marketing*, xxx.

4. Foundations - Measurement

Required:

9. *Habitat For Humanity* (case)

10. Diener, Ed and Martin E.P. Seligman (2004), "Beyond Money: Toward an Economy of Well-Being," *Psychological Science*, 5(1), 1-31.

11. Carson, Richard T., Nicholas E. Flores, and Norman F. Meade (2001), "Contingent Valuation: Controversies and Evidence" *Environmental and Resource Economics* 19: 173–210.

Optional:

Hagerty et al. (2001), "Quality of Life Indices for National Policy: Review and Agenda for Research," *Social Indicators Research*, 55, 1-96.

Baron, Jonathon (1997), "Biases in the Quantitative Measurement of Values for Public Decisions," Psychological Bulletin, Vol. 122, No. 1,72-88.

Gold, Marthe R., David Stevenson, and Dennis G. Fryback (2002), "HALYs and QALYs and DALYs, Oh My: Similarities and Differences in Summary Measures of Population Health," Annu. Rev. Public Health, 23:115–34.

Hirth, Richard A., Michael E. Chernew, Edward Miller, A. Mark Fendrick, William G. Weissert (2000), "Willingness to Pay for a Quality-adjusted Life Year: In Search of a Standard," Medical Decision Making, 20(3), 332-341.

Raghubir Priya, John Roberts, Katherine N. Lemon, and Russell S. Winer (2010), "Why, When, and How Should the Effect of Marketing Be Measured? A Stakeholder Perspective for Corporate Social Responsibility Metrics," *Journal of Public Policy and Marketing*, 29(1), 66-77.

5. Environment

Required:

12. *Herman Miller* (case)

13. Hardin and Ostrom videos

14. Hardin, Garrett (1968), "The Tragedy of the Commons," *Science*, 162, 1243-1248.

15. Dietz, Ostrom and Stern *Science* (2003)

16. Auld, Graeme, Steven Bernstein, and Benjamin Cashore (2009), "The New Corporate Social Responsibility," Annu. Rev. Environ. Resour. 2008. 33:413–35.

Optional:

Auger et al (2008), "Do social product features have value to consumers," *International Journal of Research in Marketing*

Ostrom, Elinor, et al. (2009), "Social-Ecological Systems," *Science,* 325, 419-422.

Gallagher, Kevin P. (2009), "Economic Globalization and the Environment," *Annu. Rev. Environ. Resour.,* 34:279–304

HoekstraA. Y. and A.K. Chapagain (2007), "Water footprints of nations: Water use by people as a function of their consumption pattern," *Water Resour Manage* (2007) 21:35–48

Lebel, Louis and Sylvia Lorek (2009), "Enabling Sustainable Production-Consumption Systems," Annu. Rev. Environ. Resour. 2008. 33:241–75.

6. Health and Culture

Required:

17. Erkoboni, Danielle, Joan Ozanne-Smith, Cao Rouxiang, and Flaura K Winston (2010), "Cultural translation: acceptability and efficacy of a US-based injury prevention intervention in China," *Injury Prevention*, 16:296-301.

18. Winston, Flaura K. and Lela Jacobsohn (2010), "A practical approach for applying best practices in behavioural interventions to injury prevention," *Injury Prevention,* 16:107-112.

19. Anderson, Craig A., Leonard Berkowitz, Edward Donnerstein, L. Rowell Huesmann, James D. Johnson, Daniel Linz, Neil M. Malamuth, and Ellen Wartella (2003), "The Influence of Media Violence on Youth," *Psychological Science in the Public Interest*, 4(3, December), 81-110.

Optional:

Disney Consumer Products (case)

Forum for the Future (2010), *Fashion Futures 2025*.

Furlong, William J., David H. Feeny, George W. Torrance, Ronald D. Barr (2001), "The Health Utilities Index (HUI®) system for assessing health-related quality of life in clinical studies," *Annals of Medicine*, 33: 5, 375 - 384.

Davis, Ronald M., MelanieWakefield, Amanda Amos, and Prakash C. Gupta (2007), "The Hitchhiker's Guide to Tobacco Control: A Global Assessment of Harms, Remedies, and Controversies," *Annu. Rev. Public Health*, 28:171–94.

Myers Samuel S. and Jonathan A. Patz (2009), "Emerging Threats to Human Health from Global Environmental Change," *Annu. Rev. Environ. Resour*, 34:223–52.

Menon, G., P. Ragibur, N. Agrawal (2008), "Health Risk Perceptions and Consumer Psychology," in *Handbook of Consumer Psychology*, eds. Curtis P. Haugtvedt, Paul M. Herr, and Frank R. Kardes, New York: LEA/Psychology Press.

7. Poverty and Economic Development

Required:

20. *ITC e-Choupal: CSR in Rural India* (case)

21. Taldukar, Debabrata, Sumila Gulyani, and Lawrence F. Salmen (2005), "Customer Orientation in the Context of Development Projects: Insights from the World Bank," Jounal of Public Policy and Marketing, 24(1, Spring), 100-111.

22. Prahalad (2005), "The Market at the Bottom of the Pyramid," "Products and Services for the Bottom of the Pyramid" (ch. 1 & 2 from *The Fortune at the Bottom of the Pyramid*).