MKTG 266: Marketing for Social Impact

Professor Deborah A. Small
760 JMHH
deborahs@wharton.upenn.edu

Grading Assistant: Jackie Silverman
JMHH 726.2
jasilv@wharton.upenn.edu

Mondays/Wednesdays 10:30-11:45am
JMHH 250

Course Overview

Private and public sector firms increasingly use marketing strategies to engage their customers and stakeholders around social impact. To do so, managers need to understand how best to engage and influence customers to behave in ways that have positive social effects. This course consists of three distinct but connected modules: The first module of the course focuses on *social* marketing strategies for changing the behavior of a target segment of consumers on key issues in the public interest. The second module explores these initiatives within the context of specific issues (e.g., environmental sustainability, health behaviors, financial decision, etc.). The third module of the course examines the growing role of corporate social initiatives as they relate to marketing.

Format

Classroom time will be devoted to a combination of discussions, written cases, and live cases with guest lectures from non-profits and for-profit firms. To facilitate students' application of course concepts to areas that they care about, writing and speaking assignments will allow you to choose areas of interest to practice what you learn.

Who should take this course?

This course is targeted towards students who wish to make a positive difference in the world by effectively changing others' behavior. The topics we cover will cut across approaches utilized in for-profit, non-profit and government entities and we will discuss the strengths and challenges of each. Therefore, it is not a prerequisite to aspire to a non-traditional business student job. However, if a student's goal is to use Corporate Social Responsibility (CSR) solely as a means to profit-seeking, then this course is probably not suited for him/her. Indeed, we will have critical discussions about if and when social impact and profit-seeking objectives align. As discussed below, there are many writing assignments and public speaking assignments, so this course is also targeted for those who like to write and speak!

Reading Materials

There is no textbook for this class. Mandatory readings will be available on study.net. (listed in syllabus with a *). If you are new to study.net, please check out:
https://reprographics.wharton.upenn.edu/studynet.cfm

In addition, supplementary readings—mainly from the popular press—will be distributed through Canvas so that we all stay current on trends in social impact. I encourage students to post articles in Canvas when they find pieces of relevance on their own.

Note that there will be a small charge on your bursar bill for photocopies of slides handed out in class.

Finally, I also recommend a number of additional books/articles that are not required, and I am always happy to provide personal recommendations.

Live Cases

To complement our own discussions, we are fortunate to have a number of amazing visitors with passion, skill, and a track record of using marketing for social good. Participation is mandatory (as always) and assignments will build off of these cases. Depending on availability and interest, you may also sign up to join any speaker and me for lunch. This is optional and has no effect on your grade. You may sign up on Canvas.

Evaluation:

Reading/Attendance checks	25%
Exercise 1: Using Information More Effectively	15%
Exercise 2: News Report Analysis	15%
Behavioral Process Map	5%
Intervention Proposal Presentation	20%
For-profit Case Presentation	20%
Total	100%

1. **Reading/Attendance checks (25%)**
   Robust class discussion is *essential* for learning this material. It is therefore very important that students come fully prepared and take an active role in classroom activities and discussions.

   In every class, except for when we have guest lectures or student presentations, there will be a brief, simple reading/attendance check quiz at the start of class. These quizzes will be based on the reading you have been assigned for the day. You need not study for these quizzes. Rather, I expect that students who have read the article and digested the key points will have no troubling acing them. **Be sure to always bring notebook paper and a pen for this!**

   The quizzes will be graded on a 0-2 scale. You will receive a zero if absent or late for a quiz, which will start promptly at the beginning of class. A score of 1 will be given for answers reflecting minimal understanding, and all others will receive a 2. Please note that even good excuses for missed quizzes will not be excused. Instead, your lowest quiz score will be dropped.

   In addition, you will receive points off this portion of your grade if late or absent on days for which we have a guest lecture so please come on time.

2. **Exercises (15% each)**
   See Appendix 1 for details.

   You must complete two short written exercises, which are described in detail in Appendix 1. These should be between 2-3 pages in length (absolutely no longer than 3 pages), double-spaced, 12-point font with standard margins. *This is individual work.*

   The deadlines for these assignments are as follows:
   Exercise 1 due September 21
   Exercise 2 due October 28

3. **Behavioral Process Map (5%) and Intervention Presentation (20%)**
   See Appendix 2 for details.

4. **Intervention Proposal Presentation (20%)**
   See Appendix 2 for details.

5. **For-profit case presentation (20%)**
   See Appendix 3 for details.

Policies and other course information
- All course documents will be made available on Canvas.

- *Laptop policy:* Before each class session begins, please turn off your computer**. NO COMPUTER USE** permitted in class, unless you receive express permission from the instructor.

- *Feedback from you:* I enthusiastically welcome input from students. For example, if you learned a lot (or did not learn a lot) from a particular reading or guest lecture, please let me know. I welcome you to meet with me during office hours or to contact me via email. Finally, I encourage you to contribute topic-relevant comments and questions during class time.

Aug 26: Introduction and Course Overview

Recommended Background Readings:
- HBS case: Demarketing Soda in New York City*

Module 1: Using Marketing Tactics for Social Impact

Aug 31, Sep 2: Understanding your Target Consumer
Assigned Reading:
- UK Behavioral Insights Team: "Test Learn, Adapt"*
- Case for discussion on Sept 2: Boston Fights Drugs A and B*

Recommended:
- http://www.wired.com/2013/11/jpal-randomized-trials/
- Were OKCupid's and Facebook's Experiments Unethical?

Sep 9: Communication Campaigns and the Value of Information
Assigned Readings:
- Case for discussion: Using social media to save lives*

Recommended Reading:
- Aaker and Smith, "The Dragonfly Effect"

Sep 14: Live Case on Changing Perceptions of Veterans
Guest Lecture by Chris Marvin

Assigned Reading:
- Got Your Six May 2014 brief (on Canvas)
- Strengthening perceptions of America's Post-911 Veterans (on Canvas)

Assigned Videos videos:
- http://www.gotyour6.org/got-your-6-official-celebrity-psa-2014/
- http://www.gotyour6.org/the-power-of-collective-impact/

Sep 16: Using Social Norms to Change Behavior
Assigned Readings:
- Cialdini, "Crafting Normative Messages to Protect the Environment," *Current Directions in Psychological Science*, pp. 105-109.*
- Gerber, A. S., & Rogers, T. (2009), "Descriptive social norms and motivation to vote: Everybody's voting and so should you," *The Journal of Politics, 71*(1), 178-191.*

Sept 21, 28: Philanthropy

Assigned Reading:
- Small & Cryder, "Prosocial Consumer Behavior"—*to be distributed*
- Gneezy, Keenan, & Gneezy (2014), "Avoiding overhead aversion in charity"*

Recommended Readings:
- "*Why We Give to Charity,*" *Boston Globe*
- "*Applying Behavioural Insights to Charitable Giving,*" UK Behavioral Insights Team

Due September 21: Exercise 1-Using Information More Effectively

Sept 30: Live Case on Raising Awareness for an Issue

Guest Lecture by Christy Turlington-Burns

Oct 5: Using Incentives to Change Behavior

Assigned Readings:
- Gneezy, Meier, and Rey-Biel (2011), "When and Why Incentives (Don't) Work to Modify Behavior," *Journal of Economic Perspectives, 25,* 191-210.*

Oct 7, 12: Choice Architecture

Assigned Readings:
- Thaler, Sunstein, Balz (2012), "*Choice Architecture*" *
- Ly, Kim, Mazar, Zhao, and Soman (2013), "A Practititioner's Guide to Nudging"*

Module 2: Areas of Social Impact

Oct 14: Environmental Sustainability
Guest lecture by Dena Gromet

Assigned Readings:
- Allcott, H., & Mullainathan, S. (2010), "Behavioral science and energy policy," *Science*, *327*(5970), 1204-1205.*
- Larrick, R.P., & Soll, J.B. (2008), "The MPG illusion," *Science, 320,* 1593-1594.*

Due: Behavioral Process Map

Oct 19: Global Health and Poverty

Assigned Readings:
- HBS case. Oral Rehydration Therapy*

Recommended Reading:
- Zweig. (2015). The Anti-Poverty Experiment, Wall Street Journal*

Oct 21: Obesity/Food Choices
Guest Lecture by Christina Roberto
Perelman School of Medicine

Assigned Readings:
- Brownell, K. D., et al. (2010), "Personal responsibility and obesity: A constructive approach to a controversial issue," *Health Issues*, *29*, 379-387.*
- Downs, J. S., Loewenstein, G., & Wisdom, J. (2009), "Strategies for promoting healthier food choices," *American Economic Review, 99*(2), 1-10.*

Oct 26, 28: Financial Savings

Assigned Readings:
- Thaler, R.H., & Benartzi, S. (2004), "Save more tomorrow: Using behavioral economics to increase employee saving," *Journal of Political Economy*, 112, 164-187.*
- Benartzi (editor). Behavioral Finance and the Post-Retirement Crisis.*

Due October 28 : Exercise 2-New Report Analysis

Nov 2: Political Participation

Assigned Readings:
- Scherer, M. (2012). Inside the secret world of the data crunchers who helped Obama win. *Time.* Nov. 7, 2012. *
- Thaler, R. (2012). Applause for the numbers machine. *The New York Times.* Nov. 17, 2012.*

Nov 4, 9: Intervention Presentations

Module 3: Corporate Marketing with Social Impact

Nov 11: Live Case on Conscious Capitalism
Guest Lecture by Audrey Robertson
VP of Cultural Programs, Community Relations & Social Media, The Container Store

Assigned Readings:
- Check out the "What we stand for" blog: http://standfor.containerstore.com
- Check out the online PR kit: The Container Store Articles and Videos

Recommended Reading:
- Mackey and Sisodia, "*Conscious Capitalism*"

Nov 16: Customer Perceptions of "Good" Brands
Assigned Readings:
- Case for discussion: The Pepsi Refresh Project: A Thirst for Change*
- Bloom et al., (2006) "How social-cause marketing affects consumer perceptions," *MIT Sloan Management Review*.*

Recommended Reading:
- Lin-Healy & Small (2013), "Nice Guys Finish Last and Guys in Last are Nice," *Social Psychology and Personality Science, 4*(6), 693-99.
- Gneezy, Gneezy, Nelson, & Brown (2010), "*Shared Social Responsibility: A Field Experiment in Pay-What-You-Want Pricing and Charitable Giving.*"

Nov 18: Customer Perceptions of "Good" Products

Guest Lecture by Sydney Scott, Psychology Department

Assigned Reading:

- Rozin (2004), "Preference for natural: Instrumental and ideational/moral motivations, and the contrast between food and medicines," *Appetite, 43,* 147-154.*

Nov 23: Catch up and prepare for mini case presentations

Nov 30: For-profit Case Presentations

Dec 2: Live Case on Market-Driven Solutions for Sustainable Social Impact

Guest Lecture by Tara Russell, President of Fathom and
Global Lead for Carnival Corporation

Dec 7: For-profit Case Presentations and Course Wrap

Appendix 1: Specifics for Written Exercises

Each of these should be between 2-3 pages in length (absolutely no longer than 3 pages) double-spaced, 12-point font with standard margins.

1. **Using information effectively**

Find an example of a place in which information is used to influence a consumer's knowledge and behavior for their own good (i.e., labels packaging, a PSA, etc.). Drawing on concepts from class, evaluate why you think it may or may not be effective. Come up with an idea to present the information MORE effectively using the same medium in a way that doesn't cost more.

Due Sept 21

2. **News report analysis.**

Behavioral economics interventions are frequently discussed in mainstream media these days. Because these reports will likely be your most common source for information on new interventions once this course is over, I want to get you thinking critically about what these types of stories can and cannot convey about this work.

For this assignment, please choose a popular press article on an intervention designed to help people make better choices. This should be a factual article rather than an opinion-based one, and should be of moderate length so that you'll have some content to think about and discuss. Good sources for such articles include the *New York Times*, the *Wall Street Journal*, *Fast Company*, *Slate*, or the *Harvard Business Review*, but don't feel confined to only those sources. Note: the discussed intervention should NOT be one that we have already covered in class.

I will leave the exact format and content of your discussion up to you. However, here are some questions that you may find fruitful or interesting to address:

- Did the article provide a balanced or realistic view of the intervention?
- Did the article overstate (or understate) the potential benefits of the intervention?
- Are there any foreseeable barriers to adoption that the article fails to address?
- Are there any obvious alternative interventions that the article fails to address?
- Are there extensions to the intervention that could be applied to other issues or causes?
- More basically, if this were the only information you had about the intervention, would you truly understand what it was about?

Due October 28

1 = Minimal understanding and application of the course concepts to the actual question that was asked. Few papers receive this grade.

2 = An attempt at applying the course material, but with little or no depth of analysis (possibly just repeating ideas from class and readings). A few papers earn this grade.

3 = A solid application of the course material, with some good points but few creative insights. Most papers will receive this grade.

4 = A deeper level of thinking than the obvious answer, clearly written. Only very good papers receive this grade.

5 = An exceptional paper, with an original insight and clear analysis. Such papers make us say, "I wish I had thought of that!" VERY FEW of these grades are given.

<u>Appendix 2: Behavior Map and Intervention Proposal Presentation Guidelines</u>

1. **Behavioral Map**
   Identify an existing social problem of particular interest to you that could possibly be fixed or at least improved upon through good marketing and ultimately by changes in consumer behavior. This should be a topic that you feel passionately about.   The problem can be a problem of adoption, of compliance, of behavior change, etc. But it should be a specific, relatively narrow problem whose context you can delve deeply into. The more you have access to learning about this problem through raw data that you can analyze, field trials that have been done, sociology/anthropology work that has been done on it, collaborators/individuals you know in the field who can give you more insight on it, the better.

   Your task is to sketch a basic behavioral map—defining and diagnosing the problem at hand and hypothesizing bottlenecks. The deliverable is a one-page diagram to be submitted on Canvas.

   Due October 14

2. **Presentations**
   Deepen and build upon the behavioral map to develop a presentation to share and discuss with the class during the final week. Your presentation should include:
   a. A clear definition of the problem.
   b. A summary of the existing literature about it.
   c. Hypotheses about bottlenecks contributing to the problem.
   d. If insight about bottlenecks is limited, describe any qualitative research you would pursue to better develop hypotheses.
   e. A proposal for testable marketing intervention that is directly linked to your hypothesis about the underlying reason for the problem you've identified. Explain how you plan to test whether the intervention is effective and what hypotheses it proved/disproved.

   Note: You may work independently or with a partner on this assignment. If two students are passionate about the same topic, I encourage you to work as partners on it. However, if the topic you are most excited about it is unique, working by yourself is fine too. Presentations should be no more than 15 minutes.

   Please submit a .pdf of your presentation on Canvas before class. Include an appendix with references to any sources you use.

   Grading Criteria for Presentation
   1. Description of Problem / Motivation for Study (5 points)
   2. Analysis of Issues Involved: How well you have learned from the concepts in the course (5 points)
   3. Innovative Solutions (5 points)
   4. Presentation Delivery (5 points)

Appendix 3. For-Profit Case Presentation

Prepare a presentation of a current example (mini-case) on a company that is engaged in marketing around social value (e.g., developing initiatives related to the environment, health, poverty-reduction, etc.). Describe something a company is currently doing or has recently done (e.g., in the past 2 years) to extend their reach in these directions, and what, if anything, is known about the effectiveness of the marketing activity to date. These activities might include, for example, changing the companies' existing products or offering new products in a product line to enhance social impact or partnering with non-profits to support a social cause.

In your mini-case presentation, be sure to address the following:

- What are the objectives of the initiative?
- What does the initiative consist of?
- How effective does it appear to be?
- Are consumers aware of it?
- How is it perceived by customers? Describe any apparent skepticism.
- What change(s) would you suggest to the program to maximize its impact?

Prepare an 8-10 minute presentation for class in which you discuss each of the issues above (i.e., objectives, what initiative consists of, evidence of effectiveness, suggested changes). Please turn in a hard copy of the slides used in your presentation at the beginning of class on the day of the presentations.

Below is a list of industry associations, which can give you some ideas. These mostly highlight award-winning campaigns; however, you need not choose a successful campaign.

- American Marketing Association Effie Awards (GoodWorks Category)
- BCLC US Chamber of Commerce Citizenship Awards
- Cause Marketing Forum Halo Awards
- Committee to Encourage Excellence in Corporate Philanthropy Excellence Awards
- PRWeek Awards (e.g., Social Education and Philanthropy Awards)
- Clinton Global Initiative Commitments

To ensure that there is no overlap of presentations, please email the initiative that you would like to explore by November 20and sign up on canvas for a presentation slot. Topics and dates will be reserved on a first-come, first-serve basis. Grading criteria will be similar to those for written assignments described above.