MKTG 266: Marketing for Social Impact

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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 your application of course concepts to areas that you 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	20%
Case Prep for Behavioral Insights Team	10%
Incentives Exercise	10%
Case Prep for Oral Rehydration Therapy	10%
Case Prep for Pepsi Refresh	10%
Behavioral Process Map	5%
Intervention Proposal Presentation	20%
For-profit Case Presentation	15%
Total	**100%**

1. **Reading/Attendance checks (20%)**
    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 you are late or absent on days for which we have a guest lecture, so please come on time.

2. **Individual Writing Assignments (10% each)**
   See Appendix 1 for details.

   The deadlines for these assignments are as follows:
   Case Prep for Behavioral Insights Team   Due September 14
   Incentives exercise   Due October 5
   Case Prep for Oral Rehydration Therapy   Due October 24
   Case Prep for Pepsi Refresh   Due November 28

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

4. **For-profit case presentation (15%)**
   See Appendix 3 for details.

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

- *Laptop/smartphone policy:* Before each class session begins, please put away all devices**.** They are not 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 31: Introduction and Course Overview

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

Module 1: Using Marketing Tactics for Social Impact

Sep 7, Sep 12: Understanding your Target Consumer

Assigned Reading:
- UK Behavioral Insights Team: "Test Learn, Adapt"*
- Case for discussion on Sept 12: 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 14, 19: Information Provision

Assigned Readings:
- 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.*
- Case discussion for Sept 14: Behavioural Insights Team (A)*

Sep 21: Live Case on Building Awareness and Engagement

Guest Lecture by Dani Cohen and Kristen Kirkland, Every Mother Counts

Assigned Readings:
- TBD

Sep 26, Sep 28: Choice Architecture

Assigned Readings:
Thaler, Sunstein, Balz (2012), "Choice Architecture*"*

Oct 3: : Incentives

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.*
Volpp et al., "P4P4P: An agenda for research on Pay-For-Performance For Patients" *Health Affairs.*

Oct 5: Guest Lecture by Chris Marvin, Marvin Strategies   Assigned Readings: TBD
Oct 10: Charitable Giving   Assigned Readings: ▪ Small and Cryder, "Prosocial Consumer Behavior" *   ▪ Gneezy, Keenan, & Gneezy (2014), "Avoiding overhead aversion in charity"*   ▪ <u>Why we resist treating charities like investments</u>
Oct 17   <u>Guest lecture by Abigail Feuer, Donorschoose</u>   Assigned Readings: TBD

Module 2: Areas of Social Impact

Oct 19   <u>Guest lecture by Nadine Dechausney, MDRC</u>   Assigned Readings: TBD
Oct 24: Global Health and Poverty   Assigned Readings: ▪ HBS case. Oral Rehydration Therapy*
Oct 26: TBA

Oct 31: Health (cont.) and environment

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.*

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 7: Financial Decision Making

Assigned Readings:
   ▪ Hershfield et al. (2015). Leveraging Psychological Insights to Encourage the Responsible Use of Consumer Debt. Perspectives on Psychological Science, 10(6) 749-752.*
   ▪ Benartzi (editor). Behavioral Finance and the Post-Retirement Crisis.*

Nov. 9: Financial Decision Making Tools Guest Lecture by Jeanne Hogarth, Center for Financial Services Innovation Assigned Readings: TBD
Nov. 14, 16: Intervention Presentations

Module 3: Corporate Marketing with Social Impact

Nov 21: Customer Perceptions of "Good" Brands Assigned Readings: ▪ Trudel and Cotte (2009), "Does it pay to be good?," *MIT Sloan Management Review*.*
Nov 28: Customer Perceptions cont. and Pepsi Refresh Case   ▪ Case for discussion: The Pepsi Refresh Project: A Thirst for Change*
Nov 30: <u>Gust lecture by Holley Darden, Social Capital Partnerships</u> Assigned Readings: TBA
Dec 5: Customer Perceptions of "Good" Products <u>Guest Lecture by Sydney Scott, Psychology Department</u>   Assigned Reading: ▪ Rozin (2004), "Preference for natural: Instrumental and ideational/moral motivations, and the contrast between food and medicines," *Appetite, 43,* 147-154.*
Dec. 7 Poster Session and Brand Judgment Ratings
Dec 12: Wrap Up

Appendix 1: Specifics for Individual Written Assignments

1. **Behavioral Insights Team (A) Case Preparation**

Read the case study and design a revised letter to delinquent tax payers. On canvas, submit your letter as well as a brief explanation of why you included/excluded what you did. Your explanation should be less than one page. Bring a print-out of your letter to discuss in class.

Due September 14

2. Incentives Assignment

Incentives can modify behavior in the short-run but rarely have long-term effects. Choose either **medication adherence, exercise, or diet** and design an incentive that you think would sustain a habit over-time (i.e., for more than a year). Your write-up should be no more than a page.

Due October 5

3. **Oral Rehydration Therapy Case Preparation**

Read the case study and consider the bottlenecks limiting the adoption of oral rehydration therapy. Submit a diagram of a behavioral map that includes the most significant bottlenecks—indicating which are structural and which are "behavioral". Then propose one intervention that you are prepared to discuss with classmates. Your written proposal should be less than one page.

Due October 24

4. Pepsi Refresh Case Preparation

Briefly discuss the pros and cons of Pepsi Refresh. What would you recommend they do next (at the conclusion of the case) with Pepsi Refresh--stay the course, modify, or quit? Provide arguments for your recommendation. This should be no more than 2 pages.

Due November 28

Grading system for written assignments:

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.

Appendix 2: Behavioral Map and Intervention Group Project

1. **Behavioral Map (Individual Work)**
   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, or 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 September 14

2. **Intervention Presentation (Group Work)**
   Deepen and build upon the behavioral map to develop a presentation to share and discuss with the class. **Due November 14.** Your presentation should include:
   a. A clear definition of the problem.
   b. A brief reference list of the existing literature (of course, you should be able to describe these papers when asked)
   c. Hypotheses about bottlenecks contributing to the problem.
   d. 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: Once I know the class enrollment, I will suggest optimal group size. I encourage you to find others who are interested in similar areas.

   Please submit a .pdf of your presentation on Canvas before class on November 14.

   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. Research design (5)
        4. Presentation Appearance/Clarity (10 points)

Appendix 3. For-Profit Case Study Group Poster Presentation (Group Work)

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 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?

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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 20. 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.