Sociology 358 section 1– Markets and Marketing Spring 2016
Professor Reeves
Class meets wed. 6:15-8:45 pm
Location: Allen building 226

Office: Gross Hall, office suite 110
Phone: 919-660-5696
Email: mreeves@duke.edu
Office Hours: By appointment. I am at Duke most days so please email me for an appointment and we will work out a time convenient for both of us.

Required materials:


Selected readings through the library database or on Sakai. See individual dates on syllabus.
Purchase the following Harvard Business Review Case: it can be assessed online
Ikea Invades America, product # 9-504-094
Unilever in India: Hindustan Lever’s Project Shakti- Marketing FMCG to the rural customer, product # 505056

To access these cases go Harvard Business School Publishing and buy online.

Goals:

This course will investigate how economic activities and institutions are shaped by social forces. Understanding how the economy is socially constructed provides insights into topics such as labor practices, consumer and seller behavior, advertising, product development and the global marketplace. We will:

1.) Define markets and marketing in sociological terms.
2.) Investigate arguments about the origins of markets and marketing.
3.) Explore the “embeddedness” of markets
4.) Investigate what managers and firms do in terms of a sociological definition of marketing, particularly with respect to labor and product markets.
5.) Examine marketing of products and services including marketing strategy, product development, targeting and positioning, and global marketing.
6.) Apply our knowledge from the business press and from selected contemporary cases.
7.) Creatively apply marketing concepts to a final project.
Requirements:

Your final grade is determined by four components:
- a midterm exam (30%),
- an individual paper (20%) due March 29 by class time
- class participation, Harvard case assignments, and reflections (20%)
- a project – conducted as a team assignment. 30% - see description below). Due last day of class

Assignments:

Marketing Team Project: See Sakai under Assignments, due end of the semester – last class

Marketing Individual Paper: See Sakai under Assignments, due

Harvard Cases: We will discuss 2 cases during class. Before class, you will turn in 3 powerpoint slides; the first will outline the Situation of the Case, the second will highlight any Quantitative Analysis for the case, and the third will highlight your Solution or Recommendations. The grading for these slides will be 75% (satisfactory); 85 (good), 95 (excellent). These assignments will be part of your participation grade.

Reflections and Assignments: To help you think about the readings, you will turn in (hard copy) a refection paper (1 page) on your ideas / reflections about the reading assigned on the day. When reflections are due they are indicated on the syllabus. Turn in as you enter the class.

When an assignment is on the syllabus (such as a short paper to be turned in) it must be ready by class time….no excuses such as “E-Print down…can I turn in later etc. etc.” It is your responsibility to have it ready by class time.

Participation and Attendance:

This course only meets once a week so I do require attendance. I don’t accept Dean’s excuses – if you are sick, please contact me personally.

It is imperative that you read the assigned materials in advance of our discussion. There will be ONE excused absence during the semester. Good participation means more than coming to class. It means showing engagement by adding to the discussion, asking questions etc.

ABSOLUTELY NO COMPUTERS OPEN DURING CLASS. (UNLESS WE ARE WORKING ON SOMETHING ON THE WEB) TURN OFF CELL PHONES

I expect your full compliance with the Duke Honor Code with respect to all exams and assignments. For more information on the Honor Code, consult: http://www.duke.edu/web/HonorCouncil/resources.htm.
Course Outline:

Sociological Conceptions of the Market

Jan. 13
Introduction to the course
The sociology of markets: definitions, types and processes

A Critique of Economic Models and Institutional Views

Think about these questions...Is marriage a type of market? Is the labor market a special kind of market?

Jan. 20
Reinventing the Bazaar, Chapters 1-12
Reflection due

Jan. 27
Reinventing the Bazaar, Chapter 13-17
The Federal Reserve: Why that Dollar in Your Pocket is More than Just a Piece of paper (on sakai)
Chapter 5 – Banking and Finance (on Sakai)
Guest speaker: Evan Jones. Evan manages direct investments for The Duke Endowment (DUMAC)

Feb. 3
Chapter 10 from The Status Seekers, Vance Packard – available on Sakai (read this before the other article)
Status, Institutional and Transaction Cost Views of Markets

Status Exercise: In groups (during class – no prep for you!)

Status Products: Come prepared to compare two status brands from one of these categories (women’s handbags; Graduate Business Schools; cosmetic companies; retail clothing; high end automobiles or you pick your category) Prepare a two page brief and bring a hard copy to class. How are these brands the same? Different? How do they attempt to demonstrate that they are high status? What challenges do they have in remaining a status brand?

Feb. 10
Social Networks and Embeddedness – Two Principles in Business
Read: “Chapter 4 – Networks in the Economy” on Sakai.

Read: Ibarra, H and Hunter, M. 2007. “How Leaders Create and Use Networks. Harvard Business Review (on sakai) (half the class will be assigned this article)

Read: Young, K. 2013. “Managing Online Identity and Diverse Social Networks on Facebook.” Webology, 1-18. (on sakai). (half the class will be assigned this article)

Come to class with examples of versioning (product line pricing) and examples of “lock in”. What do you think the next standard wars will be about?
Reflection due.

Markets and Strategy

Feb. 17
Discussions from the contemporary business press. I will give individual assignments to read: The WSJ, Business Week, the New York Times, and the Economist. As you read your selection, think about how the articles relate to topics in this course. (small groups)


Feb. 24
Midterm

March 2
“Noxious, Offensive Markets”
Excerpts from Satz, D. Why Some Things Should Not Be For Sale. (on sakai)

Excerpt from Carney, S. The Red Market…The Bone Factory. (on Sakai or available with a google search)
When Markets Don’t Work Smoothly:
The financial Crisis as an example of asymmetry of information.
Read: Subprime Meltdown: American Housing and Global
Financial Turmoil. HBR case # 9-708-042.
Available via Google scholar.
Reflection due

Contemporary Marketing

March 9
What is a Marketing Strategy? – Different Frameworks for Understanding Marketing Strategy
How do Advertising Agencies work? (lecture and discussion)

Read: “Customer Intimacy and Other Value Disciplines”, Treacy and Wiersema, Harvard Business Review, Jan.-Feb. 1993. (see questions at end of syllabus) (article available through library data base). Bring in examples of companies (not those in the article) of that use these disciplines

SPRING BREAK!

March 22
Segmentation, Targeting and Positioning

Segmenting for Hi Tech. Products
Read: Crossing The Chasm by Geoffrey Moore

Complete the VALS questionnaire and come to class prepared to discuss your placement and your preferences. It is available on www.sric-bi.com/VALS/presurvey.shtml

Read: Ikea Invades America, HBR Case Study, Product # 9-504-094. Three power point slides due on the case.

March 29
Market Research/Market Insights
Guest speaker: Will Wiseman, PhD Media, President Strategy and Planning (2nd half of class)
Individual Marketing Paper Due: in addition to the hard copy of the paper. Come prepared to discuss your paper with others.

April 6
Social Media and Digital Marketing
Guest Speaker - Jason Kahner, partner Grey Advertising, NYC
Digital Marketing Discussion before arrival of speaker.
Readings: Chapters on Social Media – Measuring Social Media Impact and Value; The Social Media Plan (on sakai)

April 13
Marketing Campaigns
Marketing Campaigns that Work
Discussion of the book: Juicing the Orange
Guest speaker: Walt Barron, McKinney Agency

April 20
Global Marketing
Eastern vs. Western brands – the work of Y and R agency
Read: HBR case study # 505056 Unilever in India: Hindustan Lever’s Project Shakti - Marketing FMCG to the rural customer
3 Slides due on the HBR case.

April 27
Group Projects – Presentations – last day of class
Wrap Up discussion
Note: This class will most likely run past 8:45. Please plan accordingly. Turn in final project paper during class.

No Final Exam

As you read the HBR cases, think about these questions:

Customer Intimacy and Other Value Disciplines:

1. Give examples of companies that you think follow the three disciplines – customer intimacy, operational excellence, or product leadership.
2. Why is the choice of discipline and the choice of customer one and the same choice?

Ikea:

1. What factors account for Ikea’s success?
2. What do you think of the company’s product strategy and product range? Do you agree with the matrix approach described in Figure B of the case?
3. Are their downsides to shopping at Ikea?
4. **Ikea plans on rapid expansion in the US. How would you improve its value proposition here?**

5. **If you were to change the company’s product lineup, what would you do differently? What should its product look like in 10 years?**

6. **Some industry observers have suggested that IKEA should open up a number of smaller, satellite stores across the US. (called Ikea Lite shops)…offering smaller purchases. What do you think of this idea?**

Additional Reading – Not required

On neo-classical approaches:


On technology:


On institutional approaches: (macroscopic, economic, global)


On firms, managers, and marketing:


Journals of interest in M & M resource room

- Advertising Research
- American Demographics
- Business Week
- The Economist
- Harvard Business Review
- Journal of Marketing Research
- Journal of Marketing
• Wall Street Journal
• Advertising Age