CMGT 545
Communication and Global Competition
Spring 2015


Class Hours: T 2-4:50 PM
Location: ANN209

Professor Janet Fulk
Email: fullk@usc.edu
Office: 324E ASC; Phone: 213-740-0941
Personal meeting by appointment
OVERVIEW

Researchers and practitioners are directing considerable attention to the changes being wrought within and across industries through globalization and employment of advanced communication systems. This course provides an overview of key concepts of competitive strategy with particular reference to global issues in communication. Pursuing global competitive strategy involves crafting goals, policies and plans that identify how an organization positions itself in its global competitive environment. These policies are under the purview of top management, yet all parts of the organization at all levels have the opportunity contribute to their development. Employees at all levels can best contribute to this important process from a base that includes a thorough understanding of business policy-making goals and processes.

This course reviews a variety of theoretical approaches to crafting, implementing, sustaining, and innovating global competitive strategy. Regardless of theoretical approach, communication and information technologies are instrumental in helping organizations to identify and implement innovations that keep an organization one step ahead of the competition. When carefully envisioned and implemented, programs for innovation through communication and information technologies and processes can be a source of dynamic global competitive advantage.

The course is designed to help entry level participants to become astute observers and analyzers of the role of communication in competition. This outcome requires development of a perspective on communication and competition at the industry level and mastery of analytical skills needed to understand strategic choices. Sources of competitive advantage through communication are everywhere in an organization. All employees can contribute to assisting organizations in employing information and communication process and technologies in the service of obtaining and sustaining competitive advantage through communication.

METHOD

The course employs cases to illustrate how firms have used communication systems to accomplish these goals, and to highlight issues in the structure and competition of communications and related industries in the global context. Class sessions will include a combination of lecture, discussion of reading assignments, discussion of scanning reports and case discussion. This is a seminar course. Each of us needs to be prepared to contribute to the discussion in the classroom.

READINGS

1. Harvard materials to be purchased online: All of the cases and the4 background not on Lobbying are available from Harvard Business School Press for purchase at special academic prices at HBS Online. The materials can be accessed by following this link: https://cb.hbsp.harvard.edu/cbmp/access/32276422. When you click on the link the first time you must first register to get a login name and password and then you can use them to access the materials.
2. **Free materials on the web:** We will be reading several sections from Internet sites such as QuickMBA. Links to these readings are on the course outline.

3. **Readings posted to class Blackboard site:** The remaining readings are available free of charge. You can access them through the course documents section of the Blackboard course site.

**ASSIGNMENTS AND EVALUATION**

**Description of Assignments**

1. **Scanning reports.** Each of you will be asked to be alert to developments in key industries and communication technologies on a regular basis. You should scan relevant general business periodicals online or in print such as the *Wall Street Journal, New York Times, Financial Times, Los Angeles Times, Forbes, Fortune, Business Week, Google News* and industry-specific sources such as *Variety, Communication News, Advertising Age, TechCrunch*, or news aggregators such as *Google News*, etc. For each class you should come to class with a summary of a development related to communication and competition that you uncovered in your scanning. You should be prepared to share a brief summary of it with the rest of the class, and to turn in a brief summary for credit. **NOTE** that scanning reports are due for each class **beginning January 27, including midterm and final presentation days.** A sample scanning report is available in the Blackboard course website.

2. **Discussion Leadership.** Each class member will take the role of facilitating class discussion for one of the course reading modules. The discussion leader will prepare a small number of thoughtful questions to begin the class discussion, and then the leader will actually lead the discussion. Each student in the class is expected to read all the assigned readings each week and to come prepared to contribute to the discussion, regardless of who is discussion leader. **Guidelines for preparing for a discussion leader role are available in the Blackboard course website.**

3. **Class participation.** Class discussion is a critical part of the effectiveness of this course. This is a seminar course, where we collectively grapple with issues and challenges to communication management today. Each individual is expected to be actively involved in class discussion during each class period. The primary assessment will be the quality of those contributions to the group effort. **To facilitate discussion of the cases, there are case preparation suggestions available in the Blackboard course website for each of the cases to be discussed in class.**

   **Good** contributions are:
   - thoughtful
   - analytical
   - constructive to the group effort
   - topically relevant
   - linked to the readings assigned for that day

   **Poor** contributions:
   - simply restate what someone else has already said
   - take the discussion on a tangent
   - refer to issues we have already left behind as the discussion moves forward
o do not respect the other participants
o show that the individual has not done the assigned readings

This assessment will be based on **overall contributions throughout the semester based on the instructor’s judgment of overall frequency and quality**. If you skip class, don’t expect a high participation grade. If you want to know how you are doing on class participation, don’t hesitate to ask.

4. **Midterm Case Analyses.** You will analyze a case similar to the ones we discuss in class each week. Case options are listed on the topic schedule. Your will choose one of the cases in either the Basic Strategy or the Platform-Mediated category. Your analysis will be presented to the class as a whole in an oral presentation supplemented by a written briefing of **no more than 20 double spaced pages (excluding title, references, appendices)**. Please consult the details on the midterm case assignment that are available in the Blackboard course website.

5. **Final Case Analysis.** You will analyze a case similar to the ones we discuss in class each week. Case options are listed on the topic schedule. You will choose one of the cases in either the Network Participants category or CSR category. Your analysis will be presented to the class as a whole in an oral presentation supplemented by a written briefing of **no more than 20 double spaced pages (excluding title, references, appendices)**. Please consult the details on the final case assignment that are available in the Blackboard course website.

**Summary of the relative weights (points) of the components:**

- Scanning reports 13
- Discussion leadership 18
- Class participation 9
- Midterm case 30
- Final case analysis 30

**Grading scale (total points)**
- 93-100 A
- 90-92.5 A-
- 87-89.5 B+
- 83-86.5 B
- 80-82.5 B-
- 77-79.5 C+
- 73-76.5 C
- 70-72.5 C-
- 67-69.5 D+
- 63-66.5 D
- 60-62.5 D-
- Below 60 F

**Submitting Written Report through Turnitin**

USC is committed to the general principles of academic honesty that include and incorporate the
concept of respect for the intellectual property of others. All submitted written work for this course will be subject to an originality review as performed by Turnitin technologies (http://www.turnitin.com) to find textual similarities with other Internet content or previously submitted student work. Students of this course retain the copyright of their own original work, and Turnitin is not permitted to use student-submitted work for any other purpose than (a) performing an originality review of the work, and (b) including that work in the database against which it checks other student-submitted work.

**Turnitin submission is available through the assignments section of the Blackboard course website.**

Please submit a draft of any written reports to the Turnitin assignment on Blackboard and receive feedback on the originality of the report **several days before it is due.** This will give you time to fix any problems that may have cropped up in citations. Turnitin can take up to two days to generate a report, so allow enough time to review your report and make any necessary changes. Examine the report and make any changes to your paper as indicated by the Turnitin report. You will be permitted to overwrite/resubmit a draft that you already submitted as long as it is resubmitted before the due date of the assignment. NOTE: If you submit a new copy rather than overwrite, Turnitin will flag the paper as plagiarized, so please **do NOT submit a new copy and instead be sure to overwrite/resubmit the original.** If you have any questions about appropriate citation please contact the instructor before submitting your paper. A helpful reference is "Guide to avoiding plagiarism" (http://www.usc.edu/student-affairs/student-conduct/ug_plag.htm).

**STUDENTS WITH DISABILITIES**

Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to the instructor as early in the semester as possible. DSP is located in STU 301 and is open 8:30 a.m. - 5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776.

**ACADEMIC CONDUCT AND SUPPORT SYSTEMS**

**Academic Conduct**

The School of Communication is committed to the highest standards of academic excellence and ethical conduct. It endorses and acts on the SCampus policies and procedures detailed in the section titled: "University Student Conduct Code.” See especially Appendix A: "Academic Dishonesty Sanction Guidelines.” http://www.usc.edu/student-affairs/SJACS/forms/sjacs_appa.pdf The policies, procedures, and guidelines will be assiduously upheld. They protect your rights, as well as those of the faculty.

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in SCampus in Section 11, Behavior Violating University Standards https://scampus.usc.edu/1100-behavior-violating-university-standards-and-appropriate-sanctions. It
is particularly important that you are aware of and avoid other forms of academic dishonestly such as cheating on exams, fabricating data for a project, submitting a paper to more than one professor, or submitting a paper authored by anyone other than yourself. If you have doubts about any of these practices, confer with your instructor.

Discrimination, sexual assault, and harassment are not tolerated by the university. You are encouraged to report any incidents to the Office of Equity and Diversity [http://equity.usc.edu](http://equity.usc.edu) or to the Department of Public Safety [http://capsnet.usc.edu/department/department-public-safety/online-forms/contact-us](http://capsnet.usc.edu/department/department-public-safety/online-forms/contact-us). This is important for the safety of the whole USC community. Another member of the university community – such as a friend, classmate, advisor, or faculty member – can help initiate the report, or can initiate the report on behalf of another person. The Center for Women and Men [http://www.usc.edu/student-affairs/cwm/](http://www.usc.edu/student-affairs/cwm/) provides 24/7 confidential support, and the sexual assault resource center webpage [http://sarc.usc.edu](http://sarc.usc.edu) describes reporting options and other resources.

Support Systems

A number of USC’s schools provide support for students who need help with scholarly writing. Check with your advisor or program staff to find out more. Students whose primary language is not English should check with the American Language Institute [http://dornsife.usc.edu/ali](http://dornsife.usc.edu/ali), which sponsors courses and workshops specifically for international graduate students. The Office of Disability Services and Programs [http://sait.usc.edu/academicsupport/centerprograms/dsp/home_index.html](http://sait.usc.edu/academicsupport/centerprograms/dsp/home_index.html) provides certification for students with disabilities and helps arrange the relevant accommodations. If an officially declared emergency makes travel to campus infeasible, USC Emergency Information [http://emergency.usc.edu](http://emergency.usc.edu) will provide safety and other updates, including ways in which instruction will be continued by means of blackboard, teleconferencing, and other technology.

**COURSE TOPIC OVERVIEW**

**PART 1: CORE CONCEPTS OF GLOBAL COMPETITIVE STRATEGY**

- What is strategy?
- Reading key financial statements
- The basics: Classic five forces model of industry structure
- The basics: Classic generic competitive strategies
  - Differentiation
  - Cost leadership
- The basics: Strategic alliances

**PART 2: THE COMMUNICATION ECOSYSTEM APPROACH TO STRATEGY**

- Network processes and effects: Platform-mediated networks and two-sided markets
- Using ecosystem networks to sustain competitive advantage
- Strategic role of other entities in the ecosystem
  - Wall Street analysts
  - Complementors
  - Clusters
  - Government players
    - Societal stakeholders and social responsibility; environmental protection
TOPIC SCHEDULE

January 13: Overview of Course


Assignment: review the course outline and all the materials available on the Blackboard course website and come prepared with any questions you have.

January 20: Key Financial Concepts: Capital Budgeting and Annual Report Analysis

Readings on financial reports:


Assignment: Select three financial ratios and do research on them through the web. Be prepared to talk about what they do and do not tell you about a company’s health.

Reading on capital budgeting:


Assignment: create a simple investment scenario and analyze its financial payoff using payback, net present value, and internal rate of return. Be prepared to share your analysis with the class.

PART 1: CORE CONCEPTS OF GLOBAL COMPETITIVE STRATEGY

January 27: Assessing and interpreting industry structure in communication industries


Interview with Michael Porter on Five Forces (2008). (13 minutes): http://www.youtube.com/watch?v=mYF2_FBCvXw

Case Description:
On October 5, 2011, Steve Jobs tragically died of cancer. The recently retired CEO of Apple Inc. was a legend: he had changed Apple from a company near bankruptcy to one of the largest and most profitable companies in the world. Moreover, he had revolutionized several industries in the process, including music, phones, and computer tablets. This case explores Steve Jobs' successes and the challenges facing his successor, Tim Cook. Could Cook continue to revitalize the Macintosh? With iPod sales declining for four straight years, would Cook be able to continue the iPhone's dominance of smartphones in the face of growing competition from companies such as Google and Samsung? Would Apple's newest creation, the iPad, continue to dominate the tablet market, or would the new competitors, ranging from Amazon to Samsung, steal, share and drive down profits? And could Apple thrive with Tim Cook rather than Steve Jobs at the helm? (Direct quote from: http://cb.hbsp.harvard.edu/cb/web/product_detail.seam?E=4080234&R=712490-PDF-ENG&conversationId=272656)

NOTE: Questions to prepare for each case analysis are available on the class Blackboard site.

February 3: Competitive advantage

Quick MBA, Competitive Advantage http://www.quickmba.com/strategy/competitive-advantage/


Case Description:
eHarmony's CEO needs to decide how to react to imitations of its business model, encroachment by competing models and ascendance of free substitutes. The case provides four options to address these threats and asks students to choose one after they analyzed the company's strategy. The analysis begins with understanding of value proposition, as derived from failures of substitutes. It proceeds to examine industry structure and important differences across its different niches. Students can then analyze the essence of a focused differentiation strategy and understand the importance of costly strategic trade-offs. They can also estimate the size of eHarmony's competitive advantage over two other competitors before articulating threats to sustainability, all of which will help them choose one of the four options. (Direct quote from http://cb.hbsp.harvard.edu/cb/web/product_detail.seam?E=85702&R=709424-PDF-ENG&conversationId=502658)

Be prepared to update the case from 2008.
February 10: Cost and differentiation advantage


Watch the film “Who Killed the Electric Car” (2006), 92 minutes


Case Description:
In this updated case on Wal-Mart, the world's largest retailer, the company remains actively committed to rolling out and refining its Every Day Low Price ("EDLP") strategy across China, while making smaller, yet important strides to be locally relevant to its Chinese consumers. As recently as April 2012, then-CEO Scott Price shared his enthusiasm about Wal-Mart's growth and expansion in China. However, only a few short months later, by mid-summer 2012 (although not captured in this case), the company announced it would cool the rate of its expansions in China. Michael Duke, Wal-Mart's president and CEO, and other company executives cited a persistently hard economic climate in the United States and abroad, difficulty securing real estate on the mainland to allow for better laid-out stores, and a desire to hone its EDLP strategy as the reasons for the apparent pullback. This case uncovers issues that, to some foreign retailers, might be unsolvable, forcing an exit or, as was recently announced, a slow-down. At the same time, the case data suggests that Wal-Mart will do whatever it must to prevail in China, one of the largest markets in the world. Key discussions will emerge on whether or not the sheer tenacity of Wal-Mart to stay and thrive in China will overcome the company's seemingly endless issues with local governments, poorly managed store employees, high turnover and struggles with less-than-ideal store formats. This case is an update of the original case entitled "Wal-Mart in China - Every Day Low Price", published in 2005 by the Asia Case Research Centre. This updated case, in contrast to the original, addresses how Wal-Mart's American model for doing business in China has since broadened into a more culturally sensitive, two-pronged strategy. (Direct quote from: http://cb.hbsp.harvard.edu/cb/web/product_detail.seam?E=4715223&R=HKU984-PDF-ENG&conversationId=265904)


Case Description:
In mid-2013, Tesla Motors was riding a wave of success: It had launched its first really mass-produced car - the model S - to rave reviews; had recently raised first-year production targets; and had started taking orders for its next car, the Model X. Tesla seemed to be on its way to defying the skeptics and becoming the first US company to enter the car industry with a mass-produced car since WWII and the first to successfully launch a fully electric car. Or was it not? (Direct quote from http://cb.hbsp.harvard.edu/cb/web/product_detail.seam;jsessionid=B1234263064B7
February 17: Strategic Alliances


Case Description:
Soon after Robert Iger took over as CEO of the Walt Disney Company in late 2005, he turned his attention toward Pixar, the animation studio with which Disney had worked since 1991 and was responsible for producing hits such as Toy Story and Finding Nemo. Disney's own animated film business had been in decline since Jeffrey Katzenberg left to establish rival studio Dreamworks and the business relied on revenue from its partnership with Pixar to maintain performance. With the Co-Production Agreement between the two studios coming to a close in 2006, Pixar was looking to negotiate better terms with another distribution partner. Could Disney risk losing them? (Direct quote from: http://cb.hbsp.harvard.edu/cb/web/product_detail.seam?E=449155&R=709462-PDF-ENG&conversationId=706308)

PART 2: THE COMMUNICATION ECOSYSTEM APPROACH TO STRATEGY

February 24: Communication network processes and effects


Case Description:
In early 2006, PayPal management is deciding how to respond to Google's entry into online payments. PayPal, owned by eBay, has targeted online merchants outside eBay's auction community for its next wave of expansion. Google represents a potential threat to PayPal's "off eBay" strategy, as do incumbent credit card companies. PayPal management must determine whether to increase investment in its "off eBay" strategy; how to allocate investments between the two sides of its payment network (i.e., consumers and merchants) which consumer segments to target (e.g., existing PayPal account holders vs. new users); which types of merchants to recruit (e.g., large vs. small); and what changes to make to pricing terms and product features. (Direct quote from http://cb.hbsp.harvard.edu/cb/web/product_detail.seam?E=51630&R=806188-PDF-ENG&conversationId=506154)

Be prepared to discuss the latest updates to the PayPal case.

March 3: Midterm Case Presentations, Basic Strategy Option


Case Description:
In 2008, concert producer and promoter Live Nation, faces a decision about its strategy in light of the tumultuous changes in the music industry and the increasing power of the major artists. As the music business once again recreates itself in response to new technologies and consumer needs, this major player is considering focusing on its principal business of concert booking and related revenue, or moving forward with its efforts to take advantage of new opportunities in the music industry by forging comprehensive, and often expensive, relationships with artists and other clients. (Direct quote from http://cb.hbsp.harvard.edu/cb/web/product_detail.seam?E=268134&R=709441-PDF-ENG&conversationId=240792)


Case Description:
Private entrepreneur, Tony Fernandez took over the debt ridden AirAsia airlines from the Malaysian government in December 2001, months after the terrorist attacks of 9/11. One month later, he relaunched the airline as South-East Asia's first low cost carrier (LCC) and achieved an instant success with increased profitability and rapid route expansion. Under the tagline of "Now Everyone Can Fly", AirAsia was able to keep the lowest cost structure among its competitors and offered low airfare to customers. Being innovative down to the corporate bone, AirAsia pioneered several new services for its operation, including an ambitious plan that many other low cost, short-haul carriers viewed as risky-extending services to include long haul routes. In 2007, AirAsia was ranked as the best LCC in the Asia region. Its success had not only inspired many LCC followers in the Asia Pacific region, but also severely threatened the well-being of full-service operators, especially its major competitor at home, Malaysia Airlines ("MAS"). In May 2008, MAS initiated an unexpected price war by launching the "Everyday Low Fare" campaign, offering zero fare
for domestic and short-haul flights, which were largely dominated by AirAsia. Amid surging flight operation costs globally and ever intense competition in the Asia Pacific region, how could AirAsia increase its competitiveness? (Direct quote from http://cb.hbsp.harvard.edu/cb/web/product_detail.seam?E=1276167&R=HKU833-PDF-ENG&conversationId=503947).

**Note:** Case preparation questions for all midterm cases are available on course Blackboard site.

**March 10: Midterm case presentations, Platform-Related Option**


Case Description:
In September 2010, faced with increasing threat from social game companies such as Zynga, Ben Feder, the CEO of Take-Two Interactive Software, Inc., had to decide the long-term strategy of his video-game company. As a publisher of traditional video games for Xbox 360, PlayStation 3 and Nintendo, Take-Two had several popular video games, such as Grand Theft Auto, to its credit. However, the video game industry was undergoing a major transition. In addition to digital downloading and cloud gaming, casual and social games were transforming the video game industry. Electronic Arts, one of Take-Two's major competitors, acquired a social gaming company in November 2009 for $400 million. In August 2010, Disney bought another social gaming company for $763 million. Social games were developed, marketed and monetized very differently from traditional console games. Should Take-Two follow the lead of its competitors or continue to focus on its core business? (Direct quote from http://cb.hbsp.harvard.edu/cb/web/product_detail.seam?E=2553170&R=511002-PDF-ENG&conversationId=469206)


Case Description:
This case has been designed to explore strategic interactions among organizations with different business models. The case considers how a competitor successfully challenged the incumbent in a platform market defined by strong network effects and high switching costs. The case allows students to assess the advantages and disadvantages of eBay's platform business model in comparison to Amazon's retail business model; to evaluate business model performance when value loops of two industry players interact; to analyze how Amazon expanded its business model and overcame barriers to entry in a platform market that generates winner-take-all effects for first movers; discuss how eBay can respond to the new competitive dynamic, exploring both tactical and strategic interactions; and assess the strategic implications of eBay's 2011 acquisition of GSI Commerce. (Direct quote from: http://cb.hbsp.harvard.edu/cb/web/product_detail.seam?E=3956220&R=712405-PDF-ENG&conversationId=268413)
March 24: Sustainability through networks


Case Description:
Focuses on Inditex, an apparel retailer from Spain, which has set up an extremely quick response system for its ZARA chain. Instead of predicting months before a season starts what women will want to wear, ZARA observes what's selling and what's not and continuously adjusts what it produces and merchandises on that basis. Powered by ZARA's success, Inditex has expanded into 39 countries, making it one of the most global retailers in the world. But in 2002, it faces important questions concerning its future growth. (Direct quote from http://harvardbusinessonline.hbsp.harvard.edu/b01/en/common/item_detail.jhtml?id=703416&referral=2340)


Be prepared to update the Zara case from 2008.

March 31: Other network members: Clusters and complementors; Wall Street analysts


Case Description:
Examines the dynamic relationship between two complementors: Intel and Microsoft. Set in 1995, the case asks how Intel and Microsoft should solve a serious division between the two
companies that threaten the health of the PC industry. (Direct quote from: http://cb.hbsp.harvard.edu/cb/web/product_detail.seam?E=45403&R=704419-PDF-ENG&conversationId=1891235)

April 7: Government stakeholders


Case Description:
The fall of 2004 brought exciting news to Love Field, the Texas headquarters of Southwest Airlines. Delta Airlines, one of Southwest's main competitors, had announced that it would dramatically decrease service from the nearby Dallas/Fort Worth International (DFW) airport, cutting the number of daily flights from 250 to a mere 21. Gary Kelly, Southwest's newly minted CEO, thought about what appeared to be a golden opportunity. How could Southwest best capitalize on Delta's withdrawal? As Kelly saw it, Southwest had several options to pursue the new business opportunities. A first was to service the canceled Delta routes from Love Field. A second possibility was to encourage members of Congress to repeal the Wright Amendment, which limited Southwest's flight offerings from Love Field. An alternative to fighting for the repeal of the Wright Amendment was for Southwest to lease the 18 gates that Delta had left at DFW. Kelly carefully considered his options. Was now the time to call his lobbyist? (Direct quote from: http://harvardbusinessonline.hbsp.harvard.edu/b01/en/common/item_detail.jhtml?id=707470&referral=2340)


Case Description:
In 2012, as part of a routine disclosure under U.S. law, Wal-Mart revealed it had spent $25 million since 2008 on lobbying to "enhance market access for investment in India." This disclosure, which came weeks after the Indian government made a controversial decision to permit FDI in the country's multi-brand retail sector, created uproar in India. Lobbying by multinationals drew strong emotions in India, evoking images of the millions spent by Enron in the 1990s to "educate Indians" - a suspected euphemism for bribery. Opposition political parties accused Wal-Mart of bribing the Indian government, which, on the eve of a general election, appointed a judicial commission to investigate Wal-Mart. Already under pressure from
allegations of bribery in Mexico, Wal-Mart risked becoming embroiled in another embarrassing scandal. How had the company landed in its current situation and how could it respond to the investigation into its India-related lobbying? (Direct quote from: https://cb.hbsp.harvard.edu/cbmp/product/114023-PDF-ENG)

April 14: Societal stakeholders and social responsibility in communication industries


Case Description:
Starbucks, the world's leading specialty coffee company, developed a strategic alliance with Conservation International, a major international environmental nonprofit organization. The purpose of the alliance was to promote coffee-growing practices of small farms that would protect endangered habitats. The collaboration emerged from the company's corporate social responsibility policies and its coffee procurement strategy. The initial project was in the southern Mexican state of Chiapas and resulted in the incorporation of shade-grown coffee into the Starbucks product line, providing an attractive alternative market for the farmer cooperatives at a time when coffee producers were in economic crisis due to plummeting world prices. Simultaneously, the company had to deal with growing pressures from nonprofit organizations in the Fair Trade movement, demanding higher prices for farmers. Starbucks was reviewing the future of its alliance with Conservation International and its new coffee procurement guidelines aimed at promoting environmentally, socially, and economically sustainable coffee production. The nature of the industry puts the case in the global context from both the supply and demand sides. (Direct quote from http://cb.hbsp.harvard.edu/cb/web/search_results.seam?Ntt=Starbuck+and+conservation+international&N=0&searchButton.x=51&searchButton.y=27).

April 21: Final Case presentations, Network Participants


Case Description:
Describes Google's history, business model, governance structure, corporate culture, and processes for managing innovation. Reviews Google's recent strategic initiatives and the threats they pose to selected competitors. Asks what Google should do next. (Direct quote from https://cb.hbsp.harvard.edu/cbmp/product/915004-PDF-ENG)
Case Description:
After years of gaming console industry leadership, how should Sony respond to the overwhelming success of competitor Nintendo's user-friendly Wii over Sony's high-tech PlayStation 3? It was August 2008 and Kazuo Hirai, chief executive of Sony Computer Entertainment Inc. (SCEI), was contemplating questions from reporters about how Sony planned to respond to Nintendo's Wii console, which was dramatically leading Sony's PlayStation 3 and Microsoft's Xbox 360 consoles in sales. The Wii's supremacy was especially disconcerting to Hirai, given that Sony had dominated the videogame industry, and largely defined its course, since 1995. But the tables had turned dramatically in the current generation. Though the Wii was technologically much less advanced than PS3 and Xbox 360, the Wii's ease of use, innovative motion-sensitive controller, and simple but fun games had made the console a hit with all demographics: 9 to 65 years old, male and female. As a result, Nintendo had stolen a march on its two larger rivals by appealing to people who were traditionally not avid videogame users. Microsoft's and Sony's more powerful machines remained targeted at the traditional, "core gamer" audience: 18 to 65 year old males. Hirai was determined to restore that supremacy, in the current generation or the next. He knew that, whether or not he publicly defined SCEI's strategy as a response to Wii, he had to find a way for his company to deal with the new order of the videogame industry that Nintendo had created. In seeking to do so, Hirai might find guidance in the history of the industry, which had been marked by rapid and frequent changes of fortune. (Direct quote from http://cb.hbsp.harvard.edu/cb/web/product_detail.seam?E=271135&R=709448-ENG&conversationId=602206)

April 28: Final Case Presentations, Other Stakeholders


Case Description:
Having bought Shaklee Corporation from Yamanouchi, Roger Barnett, its owner and CEO, wrestled with the question of how to grow the company and its reputation for environmental sustainability. In addition to preserving the "network marketing" nature of its sales channel (because it creates jobs and entrepreneurs), Barnett wished to take the business model to sub-Saharan Africa and South Asia. (Direct quote from https://cb.hbsp.harvard.edu/cbmp/product/509031-PDF-ENG)


Case Description:
This case analysis traces the establishment and subsequent operation of FIJI Water LLC and its bottling subsidiary, Natural Waters of Viti Limited, the first company in Fiji extracting, bottling and marketing, both domestically and internationally, artesian water coming from a virgin ecosystem found on Fiji's main island of Viti Levu. The case reviews the growth and market expansion of this highly successful company with the brand name FIJI Natural
Artesian Water (FIJI Water). The company has grown rapidly over the past decade and a half, and now exports bottled water into many countries in the world from its production plant located in the Fiji Islands. In 2008, FIJI Water was the leading imported bottled water brand in the United States. In the context of great marketing success of the FIJI brand, particularly in the U.S. market, the case focuses on how the company has responded to a number of corporate social responsibility (CSR) issues, including measuring and reducing its carbon footprint, responsibilities to key stakeholders, and concerns of the Fiji government with regard to taxation and transfer pricing issues. The case provides a compelling illustration of how CSR challenges may jeopardize the sustainability of a clever marketing strategy (Direct quote from https://cb.hbsp.harvard.edu/cbmp/product/909A08-PDF-ENG)

April 28 is the last class. There is no final exam.