As of 7/5/17

USC Marshall
School of Business

MKT 499: The Art & Science of Creating and Marketing Blockbusters

Fall 2017 Syllabus
Tuesday/Thursday 4:00 PM to 5:50PM Place: JFF 236
Adjunct Professor: Gene Del Vecchio

Office Hours: 3PM T/TH in 1st floor lounge of JFF
Telephone: 661-287-9995
Email: edelvecc@marshall.usc.edu or genedv1@gmail.com

COURSE DESCRIPTION

Blockbuster entertainment franchises such as *Star Wars* and *Frozen* are responsible for the movie industry's well-being. One study discovered that the top 5% of films (typically the blockbuster franchises) account for nearly all movie industry profits. Importantly, these blockbuster franchises also keep many other industries afloat, including toys, videogames, publishing and even apparel. Sales of merchandise for films like *Star Wars* and *Toy Story* were over 5 times the amount of money these films made at the box office. Because of this, it's critical to understand how to create, recognize, and market blockbuster entertainment franchises in ways that will inspire great interest among consumers of entertainment. This means understanding consumers' deep emotional desires and fantasies and how to satisfy them via enticing stories, characters, merchandise, music, and play, all marketed in an astute way that generates intense awareness, interest, and purchase.

The disciplines used to gain this understanding are interdisciplinary and include psychology, sociology, storytelling, pop culture, economics/finance and marketing.

LEARNING OBJECTIVES

The overall goal of this class is to help tomorrow's marketers and storytellers use both art and science to create, recognize and market blockbuster franchises, most notably in film and television but with insights applicable to video games, toys, and more. More specifically, upon successful completion of this course, students will be able to:

- Explain the companies, structure and dynamics of the business of creating, marketing, and managing massive entertainment franchises in both a domestic and global marketplace.
- Create impactful stories, create motivating marketing components, create related merchandise ideas, identify relevant promotional partners, and understand the financial implications.
- Apply critical thinking/reasoning skills and analytics to optimize decisions regarding target audience selection, entertainment selection, and marketing element selection (e.g. positioning, advertising, promotions, and distribution).

The ultimate goal is to help future business executives enter the entertainment industry with an understanding of how to identify and market those story ideas that have blockbuster franchise potential, and for storytellers to understand how to craft narratives that lend themselves to franchises that can extend to platforms such as video games, toys and more. This learning will help students increase the odds of success by combining art, science, and business savvy that is at the core of *marketable artistry*.

STUDENTS: This class is meant for undergraduate students interested in entertainment from either the business/marketing side or the storytelling side. It's meant to be interdisciplinary, mixing future entertainment executives and storytellers as would occur when creating blockbusters in the real world. It typically draws students from Marshall, Annenberg, and Cinematic Arts.

REQUIRED MATERIALS

- *Creating Blockbusters* by Gene Del Vecchio. Pelican Publishing. 1st edition. 2012
- *Marketing to Movigoers* by Robert Marich. Southern Illinois University Press. 3rd edition.2013
- Course Reader/Case Studies (in bookstore as "MKT 499 Marketing Special Topics"):
  - ✓ Harvard Business School Case (9-899-041) 1998: DISNEY'S "THE LION KING" (A): THE $2 BILLION MOVIE
  - ✓ Harvard Business School Case (9-515-039) 2016: NBC Universal
  - ✓ Kelley School of Business (BH 254) 2007: ARE MOVIE THEATERS DOOMED
  - ✓ Ivey Publishing (W14451) 2014 : THE MARKETING OF A BOLLYWOOD FILM
  - ✓ Harvard Business School Case (9-516-105) 2016: The WALT DISNEY STUDIOS
  - ✓ Harvard Business School Case (9-610-036) 2011: WARNER BROTHERS ENTERTAINMENT
  - ✓ Harvard Business Case (9-507-050) 2011: THE CW: LAUNCHING A TELEVISION NETWORK
  - ✓ Ivey Publishing Case (W16763) 2016: NETFLIX INC. PROVING THE SKEPTICS WRONG

PREREQUISITES: None.

COURSE NOTES: Slides will be posted on Blackboard prior to class.

MARSHALL LEARNING GOALS

Emphasis will be placed on the USC Marshall School of Business learning goals as follows:

Goal	Description	Course Emphasis
1	Our graduates will understand types of markets and key business areas and their interaction *to effectively manage different types of enterprises*	High
2	Our graduates will develop a global business perspective. They will understand how local, regional, and international markets, and economic, social and cultural issues impact business decisions *so as to anticipate new opportunities in any marketplace*	High
3	Our graduates will demonstrate critical thinking skills *so as to become future-oriented decision makers, problem solvers and innovators*	High
4	Our graduates will develop people and leadership skills to promote their effectiveness as *business managers and leaders.*	Moderate
5	Our graduates will demonstrate ethical reasoning skills, understand social, civic, and professional responsibilities and aspire to add value to society	Moderate
6	Our graduates will be effective communicators *to facilitate information flow in organizational, social, and intercultural contexts.*	Moderate/High

GRADING POLICIES

Grades will be based upon two exams (mid-term and final), team invention sessions, a final team project, and class participation. When combined, these have a total of 400 points possible as shown below.

Assignment	Type	Tot Pts = 400	% of Grade	Date
Mid-Term Exam	Individual	100	25%	Oct 5th
Final Exam	Individual	100	25%	Dec 7/4:30pm-6:30pm
Team Invention Sessions	Team	100 (4@25 each)	25%	Sept 12/Oct 3/Oct 24/Nov 14
Final Team Project	Team	60	15%	Nov 14 Due
Class Participation	Individual	40	10%	On-going

EXAMS: Mid-Term and a Final Exam (100 pts each/200 pts total/50% of grade combined)

2 Exams (a Mid-Term and a Final) will be administered during the semester. Each has a possible 100 points and will account for 25% of your grade (50% of grade in total). Both may include multiple-choice, true/false and matching type question (no free response). They will include material covered in lecture and the text. The Final Exam will be heavily weighted to the information and theories discussed over the second half of the semester, but it may include some items from the first part of the semester.

TEAM INVENTION SESSIONS (100 pts/25% of grade)

Students will be placed into "company teams" comprised of approx 5 students per company team. During the course of the semester, the company teams will tackle 4 challenges to invent new franchises or marketing approaches based upon the previous lectures and readings. Each invention session is worth 25 points, so the 4 assignments total 100 points and represents 25% of your grade. A student must be present to be awarded points given to his or her team.

Think of your team as story and marketing consultants to a major studio. Most of the team invention sessions will be completed in-class so that students don't have to arrange out-of-class meetings. A 5 minute oral presentation of your team's "solution" to the assignment will occur at the end of that day's class. A discussion will follow regarding which solution has the greatest "blockbuster franchise" potential that motivates consumers of entertainment. The members of teams for Invention Sessions will change over time.

Since you are generating ideas, you should be aware of the university policy regarding ownership of intellectual property (your ideas) which can be found here: https://policy.usc.edu/files/2014/02/intellectual_property.pdf

FINAL TEAM PROJECT (60 pts/15% of grade)

This project is the Team's final/last effort to use the knowledge gained throughout the semester to invent a new film franchise idea, inclusive of a brief story description and characters. You will then be required to create a marketing/business program inclusive of marketing objectives, positioning, a communications plan, distribution plan, synergy plan, alliance partners plan, and estimated financials. It will include a type written paper of no more than 4 pages single spaced (in Word), and a 10 minute PowerPoint presentation that summarizes the franchise concept and marketing/business elements. Extra pages devoted to any visuals (e.g. ad units, synergy ideas, and proposed merchandise/alliance ideas) are in addition to the 4 pages. ONLY the Word version will be graded, not the presentation or presentation materials.

CLASS PARTICIPATION (40 pts/10% of grade)

Each student is expected to attend and actively participate in EVERY class in a positive and respectful discussion. This will account for 10% of your course grade. The professor will take into account the quality and quantity of in-class participation/discussion particularly.

Part of this participation will include each student's preparation of a strategic analysis (e.g. USC-CT Problem Solving Analysis) for each case study. The student's analysis is to be handed in at the beginning of each class when due. This counts toward participation.

Approximate points earned for class participation:

- ✓ 40 pts = Adds to quality discussion in every class and submits all strategic analyses
- ✓ 35 pts = Adds to quality discussion in nearly every class and submits all strategic analyses
- ✓ 30 pts = Adds to quality discussion in most classes and submits all strategic analyses
- ✓ 25 pts = Adds to quality discussion in some classes and submits all strategic analyses
- ✓ 20 pts = Adds to quality discussion in some classes and submits most strategic analyses
- ✓ 10 pts = Rarely adds to quality discussions and does not submit most strategic analyses
- ✓ 0 pts = Never adds to quality discussions and does not submit any strategic analyses

ASSIGNMENT SUBMISSION POLICY

Assignments must be turned in on the due date/time. Any assignment turned in late, even if by only a few minutes, will receive a grade deduction (for example, if your work is a B+ grade, you will be given a C+ grade). If your internet breaks down on the due date, you must deliver a hard copy at the beginning of class on that day. If you are unable to attend class on that day, make arrangements for it to be delivered to the classroom or to my box by the start of class.

FINAL GRADES

As noted earlier, final grades are a result of points accumulated (total = 400pts) that is based on the two Exams (200pts total), the 4 Team Invention Sessions (100pts total), the Final Team Project (60pts), and Class Participation (40pts). Final grades represent how you perform in the class relative to other students. Your grade will not be based on a mandated target, but on your performance.

MAKE UP EXAMS & EXTRA CREDIT

There are no make-ups on exams or projects unless the student provides a documented medical excuse or other emergencies. A missed exam or project assignment is counted as a "0". There are no opportunities for extra credit.

EVALUATION OF YOUR WORK

I will do my best to make my expectations for the various assignments clear and to evaluate them as fairly and objectively as I can. If you feel that an error has occurred in the grading of any assignment, you may, within one week of the date the assignment is returned to you, write me a memo in which you request that I re-evaluate the assignment. Attach the original assignment to the memo and explain fully and carefully why you think the assignment should be re-graded. Be aware that the re-evaluation process can result in three types of grade adjustments: positive, none, or negative.

ATTENDANCE

You are expected to attend all classes. Not only will that aid learning, but your company team will depend upon you (just like in the real world). If you miss a day when team assignments are conducted, you will not be given points awarded by the team on that day. Attendance will be taken on occasion and can diminish the student's participation points. If you miss a class, you are responsible for getting notes from fellow students.

TECHNOLOGY POLICY

Laptop and Internet usage is not permitted during academic or professional sessions. Use of other personal communication devices, such as cell phones, is considered unprofessional and is not permitted during academic or professional sessions. ANY e-devices (cell phones, iPads, other texting devices, laptops, I-pods) must be completely turned off during class time. Upon request, you must comply and put your device on the table in off mode and FACE DOWN. You might also be asked to deposit your devices in a designated area in the classroom. Videotaping faculty lectures is not permitted due to copyright infringement regulations. Audio taping may be permitted if approved by the professor. Use of any recorded or distributed material is reserved exclusively for the USC students registered in this class.

BLACKBOARD

Please make sure you can access this course in Blackboard and retrieve the course syllabus and other course materials electronically. You should check Blackboard regularly for announcements and new materials. In the event of an emergency, the ability to access Blackboard will be crucial. USC's Blackboard learning management system and support information is available at blackboard.usc.edu.

COURSE CALENDAR/READINGS/CLASS SESSIONS

Please note: The instructor reserves the right to make changes to the following syllabus for various reasons including the need to accommodate guest speakers, the speed of the class, adding new information/events worthy of discussion, unforeseen events, etc.

To fulfill on an interdisciplinary approach, the syllabus divides the class into three segments. The first segment details the principles of great storytelling. The second segment details the principles of great marketing. The final segment details key issues related to the business of entertainment.

Week	DAY	TOPIC/ACTIVITIES	READING/DELIVERABLE
Week 1	Tues Aug 22	**Overview of Blockbuster Principles + Types of Blockbuster Franchises Defined by Market Potential and Business Results**	Required: Creating Blockbusters Ch 1/2/8
	Thurs Aug 24	**Defining Your Target Audiences and Satisfying Emotional Needs**	Required: Creating Blockbusters Ch 3/7, with review of Maslov Hierarchy of Needs and related research on age/gender needs.
Week 2	Tues Aug 29	**Aligning with Culture and Trends**	Required: Creating Blockbusters Ch 4/11
	Thurs Aug 31	**Examination of Blockbuster Story Concepts, Positionings, Plots, Structure, Characters and Related Marketing Implications**	Required: Creating Blockbusters Ch 5 & 6, plus a review of Aristotle's Poetics and Vogler's The Writer's Journey (Hero's Journey).
Week 3	Tues Sept 5	**Resolving Story Problems That Prevent Marketability** (not enough action, not enough humor, not unique enough, etc., and how to resolve it to create "Marketability")	Required: Creating Blockbusters Ch 9
	Thurs Sept 7	**Guest Speaker:** A screenwriter, producer or director to speak about storytelling and its	Required: View the USC-CT Problem Solving Process here: https://vimeo.com/97885021.

		extension into franchises	Read Harvard Business School Case (9-899-041) 1998: DISNEY'S "THE LION KING" (A): THE $2 BILLION MOVIE and prepare a USC-CT analysis to hand in.
Week 4	Tues Sept 12	**Invention Session #1: Story ideas** (experiential learning)	Required: Student teams invent an idea for a new story-based franchise using story-based tools. Present ideas at end of class for discussion.
	Thurs Sept 14	**Marketing Strategy**	Required: Creating Blockbusters, Ch 10. Marketing to Moviegoers Intro & Creative Strategy Ch 1
Week 5	Tues Sept 19	**Marketing Research/Analytics/Critical Thinking** (Concept, positioning, ad research, test screenings, etc.)	Creating Blockbusters Ch 12 Marketing to Moviegoers Ch 2
	Thurs Sept 21	**Traditional & New Media for Blockbusters**	Marketing to Moviegoers Ch 3/4
Week 6	Tues Sept 26	**Generating Publicity for Blockbusters**	Marketing to Moviegoers Ch 7
	Thurs Sept 28	**Guest Speaker:** An entertainment executive in charge of Marketing/Media planning	Read Harvard Business School Case (9-515-039) 2016: NBC Universal and prepare a USC-CT analysis to hand in.
Week 7	Tues Oct 3	**Invention Session #2: Marketing, Advertising, PR ideas** (experiential learning)	Required: Student teams invent marketing ideas for an upcoming film. Present ideas at end of class for discussion.
	Thurs Oct 5	**Mid Term Exam**	
Week 8	Tues Oct 10	**Create Synergy: Promotional Tie-in**	Marketing to Moviegoers Ch 5
	Thurs Oct 12	**Create Synergy: Licensing/Merchandise**	Required: Creating Blockbusters Revisit Ch 8 Marketing to Moviegoers Ch 6
Week 9	Tues Oct 17	**Distribution & Exhibition for Blockbusters**	Marketing to Moviegoers Ch 8/9
	Thurs Oct 19	**Guest Speaker:** An entertainment executive in charge of Franchise, Research or Distribution	Required: Read Kelley School of Business (BH 254) 2007: ARE MOVIE THEATERS DOOMED, and prepare a USC-CT analysis to hand in.

Week 10	Tues Oct 24	**Invention Session #3: Merchandise Ideas** (experiential learning)	Required: Student teams invent merchandise ideas for an upcoming film. Present ideas at end of class for discussion.
	Thurs Oct 26	**International Markets and Nuances**	Required: Read Ivey Publishing (W14451) 20 : THE MARKETING OF A BOLLYWOOD FILM, and prepare a USC-CT analysis to hand in.
Week 11	Tues Oct 31	**The Business of Blockbusters** The money/the financing/the deal	Required: Read Harvard Business School Case (9-516-105) 2016: THE WALT DISNEY STUDIOS and complete assignment.
	Thurs Nov 2	**Media Companies and Studios**	Required: Marketing to Moviegoers Ch 10/11
Week 12	Tues Nov 7	**Guest Speaker:** A studio executive in charge of international and/or finance	Required: Read Harvard Business School Case (9-610-036) 2011: WARNER BROTHERS ENTERTAINMENT, and prepare a USC-CT analysis to hand in.
	Thurs Nov 9	**The Keys to Career Success in Entertainment** **Input on Final Project (Students to bring outline to share and discuss)**	
Week 13	Tues Nov 14	**Invention Session #4 (Full Franchise Development)** (experiential learning) **Final Team Project Due in Class** (4 page Word hard copy due in class + send Word doc and PowerPoint to professor via email)	Required: Student teams invent an idea for a new story-based franchise, and extend it thru franchise elements and marketing. Present idea at end of class for discussion.
	Thurs Nov 16	**Final Team Project Presentations (Oral)**	
Week 14	Tues Nov 21	**Final Team Project Presentations (Oral)**	
	Thurs Nov 23	**Thanksgiving Break**	
Week 15	Tues Nov 28	**Guest Speaker:** An entertainment executive at a television network.	Read The CW: Launching a Television Network. Harvard Business Case 9-507-050, prepare USC-CT analysis to hand in.

	Thurs Nov 30	**Review & Catch up for Final Exam**	Read Ivey Publishing Case (W16763) 2016: Netflix Inc. Proving the Skeptics Wrong, and complete assignment.
Final Exam	Thurs, Dec 7th 4:30-6:30pm	**Final Exam**	

ACADEMIC INTEGRITY AND CONDUCT

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 Part B, Section 11, "Behavior Violating University Standards" https://policy.usc.edu/scampus-part-b/. Other forms of academic dishonesty are equally unacceptable. See additional information in *SCampus* and university policies on scientific misconduct, http://policy.usc.edu/scientific-misconduct.

Students will be referred to the Office of Student Judicial Affairs and Community Standards for further review, should there be any suspicion of academic dishonesty. The Review process can be found at: http://www.usc.edu/student-affairs/SJACS/. Failure to adhere to the academic conduct standards set forth by these guidelines and our programs will not be tolerated by the USC Marshall community and can lead to dismissal.

SUPPORT SYSTEMS

Students whose primary language is not English should check with the *American Language Institute* http://dornsife.usc.edu/ali, which sponsors courses and workshops specifically for international graduate students. *The Office of Disability Services and Programs* (www.usc.edu/disability) 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/) will provide safety and other updates, including ways in which instruction will be continued by means of blackboard, teleconferencing, and other technology.

Student Counseling Services (SCS) - (213) 740-7711 – 24/7 on call
Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention. https://engemannshc.usc.edu/counseling/

National Suicide Prevention Lifeline - 1-800-273-8255
Provides free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week. http://www.suicidepreventionlifeline.org

Relationship & Sexual Violence Prevention Services (RSVP) - (213) 740-4900 - 24/7 on call
Free and confidential therapy services, workshops, and training for situations related to gender-based harm. https://engemannshc.usc.edu/rsvp/

Sexual Assault Resource Center
For more information about how to get help or help a survivor, rights, reporting options, and additional resources, visit the website: http://sarc.usc.edu/

Office of Equity and Diversity (OED)/Title IX compliance – (213) 740-5086
Works with faculty, staff, visitors, applicants, and students around issues of protected class.
https://equity.usc.edu/

Bias Assessment Response and Support
Incidents of bias, hate crimes and microaggressions need to be reported allowing for appropriate investigation and response. https://studentaffairs.usc.edu/bias-assessment-response-support/

Student Support & Advocacy – (213) 821-4710
Assists students and families in resolving complex issues adversely affecting their success as a student EX: personal, financial, and academic. https://studentaffairs.usc.edu/ssa/

Diversity at USC – https://diversity.usc.edu/
Tabs for Events, Programs and Training, Task Force (including representatives for each school), Chronology, Participate, Resources for Students

CLASSROOM BEHAVIOR/ETIQUETTE

The classroom is a professional learning environment and each student's behavior must reflect this. Students are expected to arrive on time, avoid disruptive entrances and exits, be prepared for class, be attentive, be respectful, and be engaged with instructor lectures and discussions (no work for other classes or reading non-class materials during class).

STUDENTS WITH DISABILITIES

The Office of Disability Services and Programs (www.usc.edu/disability) provides certification for students with disabilities and helps arrange the relevant accommodations. 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 me as early in the semester as possible. DSP is located in GFS (Grace Ford Salvatori Hall) 120 and is open 8:30 a.m.–5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776. Email: ability@usc.edu.

Emergency Preparedness/Course Continuity

In case of a declared emergency if travel to campus is not feasible, the *USC Emergency Information* web site (*http://emergency.usc.edu/*) will provide safety and other information, including electronic means by which instructors will conduct class using a combination of Blackboard, teleconferencing, and other technologies.

Please make sure you can access this course in Blackboard and retrieve the course syllabus and other course materials electronically. You should check Blackboard regularly for announcements and new materials. In the event of an emergency, the ability to access Blackboard will be crucial. USC's Blackboard learning management system and support information is available at blackboard.usc.edu.

FINAL TEAM PROJECT ASSIGNMENT

This project is a Team's effort to use the knowledge gained throughout the semester to invent a new film franchise idea, inclusive of a brief story description and characters. You will then be required to create a marketing/business program inclusive of marketing objectives, positioning, a communications plan, distribution plan, synergy plan, alliance partners plan, and estimated financials. It will include a type written paper of no more than 4 pages single spaced (in Word 12 pt font), and a 10 minute PowerPoint presentation that summarizes the franchise concept and marketing/business elements. Extra pages devoted to visuals (e.g. ad units, synergy ideas, and proposed merchandise/alliance ideas) are in addition to the 4 pages. ONLY the Word version will be graded, not the presentation or presentation materials.

Elements to include...

1. EXECUTIVE SUMMARY -- A brief synopsis (preferably one short paragraph) of the franchise idea and its key marketing program. (5pts)

2. THE CONCEPT/PRODUCT -- A sentence that describes the story idea, inclusive of the central character, his or her challenges, the character's goal, and the "world" within which he/she exists. (5pts)

3. THE POSITIONING -- Who is the effort directed toward (target audience), what is the genre you wish to emphasize (e.g. Sci-Fi, Fantasy, Horror, etc), the benefit to your audience (e.g. emotional pull), and key support points (e.g. elements such as cast/theme) that makes this truly different than other competitive franchises? Is this a 4-quadrant franchise/film? If so, tell how. If not, explain why you can justify alienating the other audiences. (10pts)

4. MARKETING PROGRAM – A summary of ...

- Marketing Objectives. Outline the various objectives of the marketing program, inclusive of the degree of awareness desired, imagery required, and the estimated total worldwide box office. Show how you arrived at B.O. estimates using procedures outlined in class. (5pts)
- Marketing Elements: Briefly explain each element and the rationale regarding why/how it supports the positioning and marketing objectives.
  - ✓ Communications/Promotion Plan: Recommend at least 5 venues (e.g. tv, print, radio, social media, pr, direct, promotions, etc), and the role each will play in the communications plan (use the contact strategy chart described in class). Include a sample theater poster and a TV commercial (3 frames, a beginning, middle, and end) and/or other ad units that illustrate the primary creative approach used. (10pts)
  - ✓ Distribution Plan: What is your initial launch distribution plan and venues? What are any subsequent downstream distribution paths and the timing for each? (5pts)
  - ✓ Synergy Plan: Assume you are creating this effort within a large studio that has multiple entertainment division and provide 5 ways to expand the potential of this idea across divisions. (5pts)
  - ✓ Alliance Partners Plan: List 5 outside alliance partners that will help make this a franchise (e.g. toys, video games, apparel, food/beverage, etc.) and provide a product example for each that is themed to the new franchise. (5pts)
  - ✓ Financials: What is your total marketing budget and how was it derived given your marketing objectives and B.O. goal/estimate? Use a method discussed in class. (5pts)

5. RESEARCH: Indicate the key research steps you will employ from concept to post-introduction to help you optimize your franchise's potential. (5pts)