

**Global Entertainment  
Comm 430  
Fall 2017**

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Course description: Entertainment is becoming increasingly global as a result of rapid changes in communication technologies as well as increased political, economic and cultural ties between nations. While the US-based companies continues to dominate global markets, these changes have resulted in a complex market structure in which national, regional and global actors compete for audience attention and revenues. In parallel, the Internet is disrupting traditional business models in entertainment, creating both challenges and opportunities for existing and new actors worldwide.

This course surveys the economic and political dimensions of the global entertainment marketplace. It seeks to provide students with concepts and analytical tools to understand the organization of global media markets and the key drivers of change. The course begins with a review of fundamental concepts in media economics, followed by a discussion of the technological changes that have facilitated the globalization of entertainment. The rest of the course looks at how these forces materialize in different regions and media markets around the world.

Course requirements:

1. **Class participation.** Students are expected to make informed contributions to in-class and online discussions. What does it take to make *informed* contributions? First and foremost, to read the weekly assignments and attend class. Second, students are expected to contribute to the online discussion board by posting links to news articles or other types of content (reports, papers, books, etc.) relevant to the topics discussed in class. A minimum of one post is expected from each student each week (starting in Week 2).
2. **Take-home midterm.** There will be a short, take-home midterm exam, covering the topics and readings for the first part of the course.
3. **Class presentation.** Students will work in groups (2 students per group) to prepare a presentation about one of the regional cases. This involves researching a topic or market and presenting the findings to the class, while also relating these findings to the class readings. Group assignments will be finalized by week 4. Groups are required to meet at least once with the instructor in advance of their presentation.

4. **Final exam.** There will be a take-home final exam. This will be an essay-format exam, in which students are expected to apply what they have learned in the course to a specific case or situation.

Grading:

|                     | <i>Points</i> | <i>% grade</i> |
|---------------------|---------------|----------------|
| Class participation | 50            | 10             |
| Group project       | 150           | 30             |
| Take-home midterm   | 100           | 20             |
| Final exam          | 200           | 40             |
| <b>Total</b>        | <b>500</b>    | <b>100</b>     |

*Grade ranges*

|    |                 |
|----|-----------------|
| A  | 94.0% or higher |
| A- | 90.0%-93.9%     |
| B+ | 87.0%-89.9%     |
| B  | 83.0%-86.9%     |
| B- | 80.0%-82.9%     |
| C+ | 77.0%-79.9%     |
| C  | 73.0%-76.9%     |
| C- | 70.0%-72.9%     |
| D  | 60.0%-69.9%     |
| F  | 59.9% or lower  |

Course material.

Most readings are available online or through Blackboard. The rest of the readings will be distributed in class.

Statement on Academic Conduct and Support Systems

**Academic 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 Section 11, *Behavior Violating University Standards* <https://scampus.usc.edu/1100-behavior-violating-university-standards-and-appropriate-sanctions>. 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>.

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> or to the *Department of Public Safety* <http://adminopsnet.usc.edu/department/department-public-safety>. 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/> provides 24/7 confidential support, and the sexual assault resource center webpage <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>, 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> will provide safety and other updates, including ways in which instruction will be continued by means of blackboard, teleconferencing, and other technology.

## Class schedule

### **Week 1. Introduction to business strategy in media industries.**

### **Week 2. Entertainment, information and the economics of attention.**

#### Required reading:

Shapiro, C., & Varian, H. (1999). *Information rules*. Boston: Harvard Business School Press. Chapters 1 and 2. Available at <http://faculty.csuci.edu/minder.chen/MBA550/reading/hal-varian-information-rules-chapter-1.pdf>

### **Week 3. Pricing and two-sided markets.**

#### Required reading:

Hagiu, A. (2014). Strategic Decisions for Multisided Platforms. *MIT Sloan Management Review* 55 (2). Available in Blackboard.

“Ticket Pricing Puts ‘Lion King’ Atop Broadway’s Circle of Life.” New York Times, March 17, 2014. Available at <https://www.nytimes.com/2014/03/17/theater/ticket-pricing-puts-lion-king-atop-broadways-circle-of-life.html>

### **Week 4. The Internet and the future of entertainment.**

#### Required reading:

Jean Paul Simon and Marc Bogdanowicz (2013). The Digital Shift in the Media and Content Industries: Policy Brief. Available at <http://ipts.jrc.ec.europa.eu/publications/pub.cfm?CFID=15941aca-9d96-4ea0-bfc7-ea99cb5a2195&CFTOKEN=0&id=5900>

### **Week 5. Blockbusters or long tail?**

#### Required reading:

Elberse, A. (2013). *Blockbusters: Hit-making, risk-taking, and the big business of entertainment*. New York: Holt. Chapters: Prologue, 1 and 5. Available in Blackboard.

Anderson, C. (2004). *The long tail*. Available at <http://www.wired.com/wired/archive/12.10/tail.html>

## **Week 6. Are Facebook, Amazon and Google destroying the entertainment industry?**

### Required reading:

Taplin, J. (2017). *Move Fast and Break Things: How Facebook, Google, and Amazon Have Cornered Culture and What It Means For All Of Us*. Available in Blackboard.

## **Week 7. Global entertainment markets: Organization and technological change.**

### Required reading:

Arsenault, A., & Castells, M. (2008). The Structure and Dynamics of Global Multi-Media Business Networks. *International Journal of Communication* 2 (2008), 707-748. Available at <http://annenbergl.usc.edu/sites/default/files/2015/04/28/The%20Structure%20Manuel.pdf>.

## **Week 8. Hollywood rules.**

Noam, E. (2010). Hollywood 2.0: How Internet Distribution Will Affect the Film Industry. Available at <http://quod.lib.umich.edu/d/dcbooks/8232214.0001.001/1:5/--media-technology-and-society-theories-of-media-evolution?g=dculture;rgn=div1;view=fulltext;xc=1>

## **Week 9. Cultural policies.**

### Required reading:

Flew, Terry & Swift, Adam (2013). Cultural Policy. In Towse, R. & Handke, C. (eds.), *Handbook On The Digital Creative Economy*, pp. 155-161. Available in Blackboard.

## **Week 10. Copyrights and piracy.**

### Required reading:

Maskus, K. (2012). *Private Rights and Public Problems: The Global Economics of Intellectual Property in the 21st Century*. Washington D.C.: IIE. Chapters: 1. Available at [http://www.piie.com/publications/chapters\\_preview/5072/01iie5072.pdf](http://www.piie.com/publications/chapters_preview/5072/01iie5072.pdf)

Danaher, B, Smith, M., & Telang, R. (2017). Copyright Enforcement in the Digital Age: Empirical Evidence and Policy Implications. *Communications of the ACM*, Vol. 60 No. 2, Pages 68-75. Available in Blackboard.

## **Week 11. Group presentations.**

**Week 12. The future of non-commercial media.**

Required reading:

Goodman, E., & Chen, A. (2010). Modeling policy for new public service media networks. *Harvard Journal of Law & Technology* 24(1). Available at <http://archive.cmsimpact.org/sites/default/files/documents/pages/24harvjtech111.pdf>

**Week 13. Group presentations.**

**Week 14. Entertainment analytics.**

Required reading:

Smith, M., & Telang, R. (2016). *Streaming, Sharing, Stealing: Big Data and the Future of Entertainment*. Available in Blackboard.

**Week 15. Social media and user-generated content.**

Required reading:

Luca, M. (2016). User-Generated Content and Social Media. In *Handbook of Media Economics*. Vol. 1B, edited by Simon Anderson, Joel Waldfogel, and David Strömberg. North-Holland Publishing Company. Available at <http://people.hbs.edu/mluca/UGC.pdf>.