

Global Strategy for the Communications Industry (4 units)

Instructor: Prof. Hernan Galperin

Term: Fall 2022

Schedule: Monday/Wednesday 12:00-1.50pm

Location: ANN L115

Office Hours: Wednesday 3-4pm (or by appointment)

email: hgalperi@usc.edu

Zoom room: <https://usc.zoom.us/my/hernangalperin>

Course Description: New communication technologies, and in particular the Internet, have created a truly global communications industry. Traditional media companies in mature markets such as the US and the EU are now part of large multimedia conglomerates with global reach. Further, they now face competition from companies in China, India, South Korea, and many other countries in Asia, Latin America, Africa and the Middle East. In midst of this increasingly complex industry environment, the Internet continues to disrupt the organization of communication and media markets, creating both challenges and opportunities.

This course offers a survey of the technological and market forces shaping today's communications industry. It seeks to provide students with concepts and analytical tools to understand the current organization of global media and information markets and the key drivers of change. The course begins with a review of fundamental concepts in communications industry strategy and media economics. This is followed by an overview of the technological changes that have facilitated the globalization of the media and information industries. Next, the course surveys a number of current topics in the industry such as piracy, consolidation and convergence. The course examines the media and communications industry in broad perspective, including music, film, publishing, broadcasting, social media and gaming.

Student Learning Outcomes: By the end of this course, students are expected to:

- Master fundamental concepts in information economics and business strategy for the communications industry.
- Be able to identify linkages between new digital technologies and transformations in the industrial organization of the global communications industry.
- Be able to apply these analytical tools to examples and real-world cases.
- Master key industry terms and concepts that will prepare them for careers in the industry.

Class Readings: There is no textbook or course reader. All course materials are available online (or through Blackboard). Students are expected to read the material before each class per the course schedule below.

Delivery modality and attendance policy: It is expected that students attend class in person. Please do not come to class if you are feeling ill, particularly if you are experiencing symptoms of COVID-19. Nothing we do in our class is worth risking your health, my health, or the health of your peers. Contact me to identify options available for keeping up with course requirements and content.

Assignments and requirements: There are four class requirements, described below:

1. *Weekly blog entry.* A key goal of the class is that students familiarize themselves with the current trends in the global communications industry. To this goal, students are required to write a short blog entry most weeks starting in week 3 (see course schedule for due dates). A blog entry consists of a link to a recent news article/report/clip/blog post that relates to the weekly class themes, followed by at least two paragraphs that explain how the material relates to class readings or themes. Blog entries are due Mondays at 9am on Blackboard. Before posting, please review entries from your classmates to make sure you are not linking to the same article or material. In addition, at the start of Monday class each student will be asked to comment briefly on the blog entry of at least one other classmate. How to find interesting articles/material for your blog entry? See the “News Resources” page on Blackboard for tips. Blog entries are not graded individually but as a whole, as part of your class participation grade.
2. *Short midterm exam.* There will be a short take-home (open book) midterm exam (about 6 pages). The goal of the exam is to demonstrate mastery of key concepts covered through week 6. The exam will be handed out to students on Wednesday 9/28 during class, and will be due the following Monday 10/3 at 9am. Exams will be turned in through Blackboard.
3. *Group project.* This assignment is meant to simulate a situation students are likely to encounter in their careers. Students will work in groups (2-3 students per group) to prepare a presentation on a topic of their own choosing. Groups will be formed based on preferences regarding country/region of interest (e.g., Europe, Latin America, South Asia, China, India, Middle East, etc.) and industry (film, broadcasting, gaming, social media, etc.). Projects are required to focus primarily on international markets (i.e., markets outside the US). Each group will research the topic, articulate the findings with class readings, and present the findings to the class (20 min presentation). Every group is required to meet at least once with the instructor in advance of their presentation. See course schedule below for presentation dates. Grading will be based on the group project grading rubric available on Blackboard.
4. *Final exam.* There will be a take-home (open book) final exam. This will be an essay-format exam (about 10 pages in length), in which students are expected to apply what they have learned during the course to specific cases or simulated situations. The exam will be distributed during the last class (11/30), and will be due (through Blackboard) on Friday December 9 at 11.59pm.

Assignment Submission Policy: All assignments are due on the dates specified. Lacking prior discussion and agreement with the instructor, late assignments will receive a grade penalty that will vary depending on the assignment and the number of days from the due date.

Grade Breakdown:

Assignment	% of Grade
Blog entries and class participation	20
Midterm exam	25
Group project	25
Final exam	30
TOTAL	100%

Course Grading Policy: In order to pass this class you will need to complete all of the assignments. Failure to complete one or more of them will result in an F in the class.

Grading Scale:

95 to 100%: A	78% to 81%: B-	62% to 65%: D+
90% to 94%: A-	74% to 77%: C+	58% to 61%: D
86% to 89%: B+	70% to 73%: C	54% to 57%: D-
82% to 85%: B	66% to 69%: C-	0% to 53%: F

Grading Standards

Letter Grade	Description
A	Excellent; demonstrates extraordinarily high achievement; comprehensive knowledge and understanding of subject matter; all expectations met and exceeded.
B	Good; moderately broad knowledge and understanding of subject matter; explicitly or implicitly demonstrates good, if not thorough understanding; only minor substantive shortcomings.
C	Satisfactory/Fair; reasonable knowledge and understanding of subject matter; most expectations are met; despite any shortcomings, demonstrates basic level of understanding.
D	Marginal; minimal knowledge and understanding of subject matter; more than one significant shortcoming; deficiencies indicate only the most rudimentary level of understanding.
F	Failing; unacceptably low level of knowledge and understanding of subject matter; deficiencies indicate lack of understanding.

Grading Timeline: Every attempt will be made to grade exams and post grades within two weeks. Scores for all assignments and exams will be updated on Blackboard. If you have concerns regarding a grade on a given assignment, you must appeal it in writing (by email), stating the reasons why you feel the grade is inaccurate, within one week of receiving the graded assignment. If you fail to inquire/notify of any

discrepancy, missing score, or contest a score within one week of the date the score is posted, no further changes will be made.

Other Classroom Policies: USC Annenberg has a policy that requires that all students enrolled in an Annenberg class bring their own laptop device to campus. Please bring your laptop or tablet to class as we will occasionally have activities in class that require each student to have a laptop. If you do not have a laptop, USC Information Technology Services provides loaner laptops. Laptops are expected to be used for taking notes and other course-related activities only.

Course Schedule: A Weekly Breakdown

Important note to students: Be advised that this schedule is subject to change based on the progress of the class, current events, and/or guest speaker availability.

	Topics	Readings/ material to review <u>before</u> class	Due this week
Week 1 Dates: 8/22-8/24	Introduction to information economics: Public goods, club goods and free riders.	Watch: "Public Goods and Asteroid Defense". Available here . Watch: "A Deeper Look at Public Goods". Available here (take practice questions to test your comprehension) Read: "What Is Special About the Economics of Entertainment Industries? Available here .	
Week 2 Dates: 8/29-8/31	Fixed and variable costs. Increasing returns to scale.	Read: "Information Rules, chapter 1". Available on Blackboard. Watch: "Fixed and variable costs" here .	
Week 3 Dates: 9/5-9/7	Pricing in the media industry.	Read: "Pricing information goods" here. Watch: "Price Discrimination" here Watch: "Types of price discrimination" here .	Blog entry due. [Labor Day: Monday, September 5]
Week 4 Dates: 9/12-9/14	Network effects and externalities. Lock-in and switching costs.	Read: "Information rules, chapter 5 (103-116, rest is optional) and chapter 7 (173-186, rest is optional). Available on Blackboard. Watch: "Network externalities" here .	Blog entry due.
Week 5 Dates: 9/19-9/21	Systems competition and standards.	Watch/read: The end of Sony's Betamax video tape here . Read: "Information rules, chapter 8 (227-237, rest is optional). Available on Blackboard.	Blog entry due.
Week 6 Dates: 9/26-9/28	Platforms and multisided markets.	Watch: "Two-sided markets" here . Read: "Strategic Decisions for Multisided Platforms." Available on Blackboard.	Blog entry due. Midterm handed out (9/28)
Week 7 Dates: 10/3-10/5	The Internet and the content distribution disruption	Read: "Media Disrupted: Surviving Pirates, Cannibals, and Streaming Wars," chapters 1-2 (on Blackboard) Watch: Vertical and horizontal integration here .	Midterm due (10/3)
Week 8 Dates: 10/10-10/14	Copyright and piracy	Read: "Private Rights and Public Problems". Available here. Watch: RiP! A Remix Manifesto. Available here .	Blog entry due.

Week 9 Dates: 10/17-10/19	The star system and star power	Read: "Rockonomics". Available here . Watch: Rockonomics here .	Blog entry due.
Week 10 Dates: 10/24-10/27	Blockbusters or long tail?	Read: "Blockbusters" (prologue and Chap. 1). Available on Blackboard. Read "The Long Tail" (available here).	Blog entry due.
Week 11 Dates: 10/31-11/2	Marketing for experience goods.	Watch: TBD Read: TBD	Blog entry due.
Week 12 Dates: 11/7-11/9	Social media entertainment.	Read: "Online Entertainment: A new wave of media globalization?" available here . Watch: TBD	Blog entry due.
Week 13 Dates: 11/14-11/16	Global content flows.	Watch: TBD. Read: "The Digital Transformation of International Entertainment Flows". Available on Blackboard.	Blog entry due.
Week 14 Dates: 11/21-11/23	Media protectionism	Watch: TBD. Read: "Read: Globalization and the mass media". Available here .	[Thanksgiving Recess: Wednesday, November 23 to Sunday, November 27]
Week 15 Dates: 11/28-11/30	GROUP PROJECT PRESENTATIONS		Final exam handed to students (11/30). The exam is due Dec 9 at 11.59pm.

Statement on Academic Conduct and Support Systems

a. Academic Conduct

Plagiarism

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](#)." Other forms of academic dishonesty are equally unacceptable. See additional information in *SCampus* and university policies on scientific misconduct, policy.usc.edu/scientific-misconduct. The School of Communication maintains a commitment to the highest standards of ethical conduct and academic excellence. Any student found responsible for plagiarism, fabrication, cheating on examinations, or purchasing papers or other assignments will be reported to the Office of Student Judicial Affairs and Community Standards and may be dismissed from the School of Communication. There are no exceptions to the school’s policy. In addition, it is assumed that the work you submit for this course is work you have produced entirely by yourself, and has not been previously produced by you for submission in another course, without approval of the instructor.

b. Support Systems

Counseling and Mental Health - (213) 740-9355 – 24/7 on call

studenthealth.usc.edu/counseling

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention.

National Suicide Prevention Lifeline - 1 (800) 273-8255 – 24/7 on call

suicidepreventionlifeline.org

Free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week.

Relationship and Sexual Violence Prevention and Services (RSVP) - (213) 740-9355(WELL), press "0" after hours – 24/7 on call

studenthealth.usc.edu/sexual-assault

Free and confidential therapy services, workshops, and training for situations related to gender-based harm.

Office of Equity and Diversity (OED)- (213) 740-5086 | Title IX – (213) 821-8298

equity.usc.edu, titleix.usc.edu

Information about how to get help or help someone affected by harassment or discrimination, rights of protected classes, reporting options, and additional resources for students, faculty, staff, visitors, and applicants. The university prohibits discrimination or harassment based on the following *protected characteristics*: race, color, national origin, ancestry, religion, sex, gender, gender identity, gender expression, sexual orientation, age, physical disability, medical condition, mental disability, marital status, pregnancy, veteran status, genetic information, and any other characteristic which may be specified in applicable laws and governmental regulations. The university also prohibits sexual assault, non-consensual sexual contact, sexual misconduct, intimate partner violence, stalking, malicious dissuasion, retaliation, and violation of interim measures.

Reporting Incidents of Bias or Harassment - (213) 740-5086 or (213) 821-8298

usc-advocate.symlicity.com/care_report

Avenue to report incidents of bias, hate crimes, and microaggressions to the Office of Equity and Diversity | Title IX for appropriate investigation, supportive measures, and response.

The Office of Student Accessibility Services - (213) 740-0776

osas.usc.edu

Support and accommodations for students with disabilities. Services include assistance in providing readers/notetakers/interpreters, special accommodations for test taking needs, assistance with architectural barriers, assistive technology, and support for individual needs.

USC Support and Advocacy - (213) 821-4710

uscса.usc.edu Assists students and families in resolving complex personal, financial, and academic issues adversely affecting their success as a student.

Diversity at USC - (213) 740-2101

diversity.usc.edu

Information on events, programs and training, the Provost's Diversity and Inclusion Council, Diversity Liaisons for each academic school, chronology, participation, and various resources for students.

USC Emergency - UPC: (213) 740-4321, HSC: (323) 442-1000 – 24/7 on call

dps.usc.edu, emergency.usc.edu

Emergency assistance and avenue to report a crime. Latest updates regarding safety, including ways in which instruction will be continued if an officially declared emergency makes travel to campus infeasible.

USC Department of Public Safety - UPC: (213) 740-6000, HSC: (323) 442-120 – 24/7 on call

dps.usc.edu Non-emergency assistance or information.

Annenberg Student Success Fund

<https://annenberg.usc.edu/current-students/resources/annenberg-scholarships-and-awards>.

The Annenberg Student Success Fund is a donor-funded financial aid account available to USC Annenberg undergraduate and graduate students for non-tuition expenses related to extra- and co-curricular programs and opportunities.