

Media Platforms and Content: A Foundations Course (MKTGB7666)

Block week, Spring 2022

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Introduction

We generally call ‘Media’ the means by which some content (information) is created and delivered to an audience. The organizations (e.g. firms, government) and individuals (e.g. artists, consumers) who engage in this process constitute the Media industry. The media industry is broad and diverse and it is really more appropriate to talk about different media sectors depending on the nature of content (e.g. data, news or entertainment), the nature of end-users (e.g. businesses vs. individuals), key technologies involved in creating, storing and distributing content (e.g. a theater, a cable network or the Internet). Over time, practical considerations and convention have delineated traditional media industries such as “the publishing industry”, “the television industry” or “the video game industry” even though the boundaries among these are often blurred and arguably more so today, as a result of recent technological developments. Similarly, technological development has created dynamic new media sectors such as “search” or “social networks” that do not fit within the traditional boundaries. In fact, today, it makes more sense to talk about various “media platforms”, describing rich ecosystems of complementary businesses than isolated media sectors defined by traditional value chains. Media platforms share a few distinct characteristics in terms of the economics that drives the competitive/ cooperative behavior of their participants. These characteristics include certain aspects of consumer psychology, direct and indirect network effects, scale economies, certain regulatory aspects specific to the platforms, etc.

The purpose of this course is to provide an overview of the various media industries, highlight the common characteristics mentioned above and familiarize students with the key drivers of industry dynamics. Specifically, the course has three distinct objectives. First, it intends to survey the media industries to make sure that students have a broad understanding of the various media sectors. Special emphasis is given to describing the important platforms that largely define a media sector’s ecosystem. The course covers all content domains, from entertainment and news to B2B content (information). Second, it intends to provide students with relevant experience in “media industry analysis”. This experience is important for other elective classes offered by the Media and Technology Program, which are often based on company projects within specific media sectors. Finally, it intends to discuss the fundamental drivers of the media industry in terms of consumer psychology/behavior, key economic drivers and also relevant historical background. **The foundations course should be the starting point for students who intend to follow other media elective classes.** While it is not strictly required, it is strongly recommended to students taking other media electives.

Course content and format

The content is comprised of two distinct blocks. The first 6 classes will cover broad media platforms/ ecosystems (sometimes combining multiple related sectors). We cover Broadcasting (Television and Radio), Video games, Search and Social networks. The next three classes are devoted to the core media content domains: Entertainment (film, books, music, etc.), Information (B2B media) and News. The last class will focus on format innovation or 'concept' development, a topic particularly relevant for the industry and will also leave some time to summarize the key takeaways from the course. Most classes will use a case study that we analyze in class, usually connected to a lecture.

Class schedule:

Period: **Spring, 2021**

Class schedule between **8:30am – 12:00 pm** in the morning and **1-5 pm** in the afternoon.

Classroom: TBA. Breakout rooms for Workshops: around classroom.

Time	Classrom	Topic	Case	Comments / Instructions
Monday morning		Introduction + Radio	"Empire of the air"	We will see documentary on the history of Radio as case preparation
Monday afternoon		Television	Netflix	Read case/article
Tuesday morning		Search industry Video games	Google Second Life	Read case/article
Tuesday afternoon		Workshop 1: Industry analysis	n/a	Think of a media industry / media vertical you are interested in
Wednesday morning		Social networks	Facebook/Meta	Read case/articles
Wednesday afternoon		Entertainment content	Lady Gaga	Read case/articles
Thursday morning		B2B Media	Symphony	Read case/articles
Thursday afternoon		Workshop 2: Industry analysis	n/a	Main push on your final group project
Friday morning		News	The Economist	Read case/articles
Friday afternoon		Innovation and Summary	Cirque du Soleil (A) (B)	Read case/articles

Short class summaries

1. Introduction:
This class presents the course (content, logistics, assignments and evaluation criteria) and also highlights the logic of the Media Program curriculum (for which this course is the foundations course). The second half of the class discusses the birth and early history of Radio in the USA and how it evolved into Television after WWII. Important parallels will be drawn for today when another new medium (the Internet) is about to disrupt broadcasting and other media industries.
2. Television:
We will spend this class on the analysis of the television industry to focus on how it is disrupted by the Internet. We will dive in more detail in the case of Netflix, a leader of this disruption.
3. Search:
This class will discuss the search industry. Of course, we will talk about Google – one of the largest media companies by market cap – and analyze how it came to dominate the global search business. An important goal of the class is to explore some of Google’s core technologies and how they form the basis for competitive advantage.
4. Video games:
We review the video game industry, starting with its history. We then discuss online games and the challenges brought by multi-platform competition. We explore a “struggling” game platform, Second Life as it provides interesting lessons on consumers’ online behavior and the concept of the Metaverse.
5. Industry analysis workshop 1:
We will use most of the afternoon to kick-start the final group project, which consists of a formal industry analysis for a particular sector within media. I will explain in detail what to do (deliverables, etc.). The purpose of this first workshop is to form your groups, agree on a topic, create a solid outline and locate some information sources. It is important that when arriving to class you select a media sector that you are interested in.
6. Social Networks/Metaverses:
This class discusses the emerging social media industry. We will analyze the largest social network today: Facebook and its subsidiaries. Special emphasis will be put on consumer behavior on social media and its implications for revenue models and competitive advantage. We will also try to evaluate Facebook’s new strategy involving the Metaverse.
7. Entertainment content:
This class will analyze industries in specific entertainment sectors (books, music and film). These industries’ history and industry dynamics are strongly linked to the evolution of some recording technology. Books, movies, music are all industries where some content has been recorded and, as a result, allows the distribution of the content to millions of people. Generally speaking, these are “hit-driven” industries where a few content pieces dominate in terms of the share of industry revenues. How to run a business dominated by “hits” is the focal question of the class.

8. B2B media:

This class will discuss information markets, where content is used for decision making rather than entertainment. Database vendors, information providers (e.g. Bloomberg for financial information), consultants are all part of the information industry. The class focuses on how information is consumed and the strange competitive forces that may emerge in information markets. We will use Symphony a humble contestant to challenge Bloomberg.

9. Industry analysis workshop 2:

This second workshop intends to complete the core of the Industry analysis (essentially, to get to 85-90% completion) so that the group can submit it soon after the course ends. It is important to bring as much data to the class as possible so that you can focus on putting the analysis together.

10. News:

This class is devoted to the news media. We will analyze a case on The Economist to understand what lies behind its success at a time when newspapers are generally declining. We will also explore in detail how readers/viewers consume news and what might be the reasons behind the phenomenon of media bias.

11. Innovation and Summary:

This last class will explore in detail a number of techniques (value innovation, perceptual mapping) which can help generate new media models in a systematic way. We will analyze in detail the case of Circle du Soleil. The class will end with a brief summary of the course.

Class requirements and evaluation

Students are required to attend and actively participate in classes following the general CBS rules and policies. Grades will be determined based on two inputs whose weights are as follows:

- Class participation including group work – 70%
- Multiple choice test – 30%

For class participation, students are required to read the material, with special attention to the assigned cases. The industry analysis workshop will have a small group assignment that is to be handed in after the course. In class, students are required to actively participate in the discussion. The quality of their contribution (comments based on pieces of analysis brought to the case discussion) will be the basis of the evaluation of class participation.

After the course a short exam will be administered. This will consist of a multiple-choice test based on questions related to some of the most fundamental concepts and information in the course. It is an open book/ open notes/ no Internet exam that will be administered through canvas and will last about an hour to complete (has to be completed in one sitting).

Case list:

HBS cases:

- Google case #9-910-036
- Facebook case#9-808-128
- The Economist case#9-710-441
- Lady Gaga (A) case#9-512-016

Columbia case:

- Symphony, case#200502
- Netflix, case#160403

INSEAD Case:

- Circle du Soleil A: The Evolution of the Circus Industry (# 06/2009-4999)
- Circle du Soleil B: Even a Clown Can Do It (# 05/2008-4999)