

CREATIVITY & INNOVATION IN MARKETING (3 units)
COURSE SYLLABUS

INSTRUCTOR	Jennifer Aaker (jaaker@haas.berkeley.edu) F685
SUPPORT	June Wong (june@haas.berkeley.edu), right next to my office. GSI: Simona Chin (sichin@haas.berkeley.edu)
CLASS MEETINGS	Mondays, C220 6-9:30 Note: there is mandatory attendance for registered or waitlisted students for first week.
COURSE NUMBER	EW MBA 267*, this course is cross listed
PREREQUISITE	EW MBA 206 (Marketing)
OFFICE HOURS	Monday afternoon 5-6; and by appt (e.g., during break)
REQUIRED READING	We'll rely on one book ("The Art of Innovation") and a course reader, which incorporates chapters of some seminal books, cases, articles, and a packet of handouts. Note, there is a particularly large number of chapters pulled from "Thinking Like Einstein" (Thorpe) – which is a book currently out of print (although some copies can still be found at Amazon if you want the actual book). <ul style="list-style-type: none">• <i>The Art of Innovation: Lessons in Creativity from IDEO, America's Leading Design Firm</i> (Tom Kelley with Jonathan Littman), Doubleday. This book is best read as pre-reading (e.g., over winter break), or anytime before January 29th.
OPTIONAL READING	There are a variety of books and articles related to this topic (see Appendix). None are required. Out of all of them, I would recommend: <ul style="list-style-type: none">• <i>Orbiting the Giant Hairball</i> (Gordon MacKenzie).

BIOGRAPHICAL SKETCH: Professor Aaker joined the faculty at the Haas School of Business in 2006. Before arriving here, she was the General Atlantic Professor of Marketing at the Graduate School of Business, Stanford University. Professor Aaker received her B.A. in Psychology from University of California at Berkeley and her Ph.D. in Marketing from Stanford University. Professor Aaker's area of expertise lies in consumer psychology, focusing on how individuals across distinct cultural contexts feel, think and experience events in different (and sometimes very similar) ways. She also focuses on understanding emotions and the psychology of consumer-brand relationships. Her research has been published in marketing and psychology journals, she has been honored with a number of awards, and she sits on the Editorial Review Boards of *Journal of Consumer Research* (Associate Editor), *Journal of Marketing Research* and *Journal of Consumer Psychology*.

COURSE STRUCTURE AND OVERVIEW

An increasing number of firms of all types have come to the realization that one of the most valuable assets they have (or one of the assets they are most sorely lacking) is creativity – both at an individual level and at an organizational level. Despite this recognition, little attention has been paid to the subject of creativity in MBA programs. Most courses focus on the evaluation of ideas, not the generation of creative ideas. However, professionals across sectors face the challenge of making their products and services more relevant to an increasingly well-informed customer base. How to stay ahead of the curve in anticipating and understanding consumer needs and demand? Being innovative in one’s approach to marketing – among other business processes – can help create and sustain competitive advantage.

The objective of Creativity & Innovation in Marketing is two-fold: (1) to enhance your ability to think creatively, and (2) to expose you to cutting edge marketing tools, methods and cases.

The course will be divided into five parts (notice the clever PROBE mnemonic):

1. **Problem:** Understanding how to identify what the problem really is.
2. **Reverse:** Encouraging creativity through the identification of and reversal of commonly-held rules and norms.
3. **Observation:** Using observation and anthropological methods to understand others and their perspectives.
4. **Brainstorming:** Idea generation (including bad ideas)
5. **Evaluation:** Creative, strategic filtering and evaluation of ideas

Thus, upon completion of this course, students should have:

- A framework about how to think creatively (e.g., PROBE), along with specific methods to jumpstart thinking creatively
- Exposure to some cutting-edge, creative methods, tools and types of marketing (e.g., Google, Mozilla)
- Insight on how to collaborate with a team to develop creative and innovative ideas

The course format will itself be unconventional, using a variety of methods:

1. Discovery based learning (e.g., reliance on web searches)
2. Individual and team projects
3. Creativity labs (groups of individuals will get together for 5-30 minute exercises interspersed throughout the term)
4. Live cases and guests
5. Team teaching, which involves a team of students responsible for (a) studying a particular organization or individual and (b) teaching one application of creativity to the class (20 minutes). This component of the class is based on the premise that the best way to learn is teach.

EVALUATION

Mid-term	15%
Individual One-Page Assignments	10%
Class Participation	35%
Team Projects	40% (10% teaching, 30% final project)

Mid-term. The exam will test your knowledge and use of all of the material from the first six weeks of the semester in an integrative analysis of and recommendation for a real-world situation. To do this, you will serve as a “consultant” tasked with a development project for a company called HopeLab (www.hopelab.org). Your mid-term will involve your group doing the following:

- Educate yourself about HopeLab’s first product, the videogame called Re-Mission: <http://www.hopelab.org/remission.html>. Note: Everyone will play the actual videogame (consoles have been made available in the MBA computer center as on 1/22/2007).
- Identify (1) a new product/service for HopeLab, targeted to 17-25 year old individual who has survived cancer, as well as (2) a metric or set of measures that could be used to judge success or benefit of this new product/service. Two notes to highlight:
 - One key part of the class is becoming an anthropologist or doing “deep dives.” To help you deeply understand another’s perspective (which in this case will be children with cancer or who have survived cancer), transcripts of qualitative in-depth interviews will be made available to you by HopeLab (you will need to sign an NDA to read them). If you have any other means or methods to do anthropological work with this particular target population on your own, please feel free to do so.
 - Your new product /service does not have to be a videogame. Be as open as you want re: this new product or service; there is no right answer and do not be overly concerned about cost/logistic constraints for this particular non-profit. However, you will find one piece of information helpful: HopeLab’s mission is “*combining rigorous research with innovative solutions to improve the health and quality of life of young people with chronic illness.*” Their reputation (or brand) is based around social technology. They believe that things that happen in the game/social technology world don’t just stay there; they get into your head and change the way you act in the real world. Indeed, after one hour of playing their videogame, Re-Mission (relative to a control game, Indiana Jones), they find large differences in many behaviors for young cancer patients (i.e., greater adherence of treatment, improved quality of life). Thus, when you put forth your new product/service, ensure that you have thought through the relationship between this new product/service and HopeLab’s mission and reputation.
- Make a 6-minute presentation to the class on 3/19. There will be 5 minutes of Q&A following each presentation (for a total of 11 minutes for each group). The presentation should highlight three things:
 - *Idea*: Your group’s recommendation of a new product and service following Re-Mission (4 minutes)
 - *Metric*: The metric or set of measures that you would use to judge the success of the product post-launch (1 minute).
 - *Process insight*: One particularly creative thing your group did as created the product/service (1 minute).

Presentations will be given during class on March 19th when soft copies of the presentation are also due. Please email the soft copies to me by noon on March 19th. No hard copies are needed unless you are compelled.

The HopeLab CEO and VPs of Research and Marketing will be in attendance to hear your recommendations, ask questions and provide feedback.

Instead of a paper, please just flesh out the presentation by writing in the “notes” section. This way, you can focus on the presentation – but allow your detailed ideas to be unpacked within the presentation itself (same format will be used in the final). Note: grading is based on the content, originality, and communication of your idea and the presentation (see below for more details).

Individual One-Page Assignments. There are three individual assignments, **two of which you will pick and turn in.** These assignments are to be done individually – i.e., without conferring with your group members or colleagues. Assignments should be one page in length (no more!). Refer to the specific day in this syllabus (see below) for details on each assignment. Please send soft copies of the one-pager to me by noon of the day of class.

#1: Identifying Homerun Creative Programs. (a) Identify the single most creative marketing campaign you have observed recently, (b) explain why it is so creative and (c) discuss how it could be used in another context.

#2: Rules. Some define creativity as “deviance from past experiences and procedures.” With that in mind, identify one “rule” regarding either (a) how to get more creative or (b) identifying, nurturing, and leading creative people (based on your own web searches, reading books, interviewing others). Then turn that rule on its head (reversing it), and make the case for why your ‘reversed’ rule is effective.

#3: CEO memo. Please write a one page memo to your CEO, outlining a major lesson you have learned in the class.

Again, do not hand in all three graded assignments above. Just pick two that are your favorite, and hand them in on the day they are due.

On grading: As long as both individual assignments are well-executed, thoughtful and creative, you will receive 5% per assignment for a total of 10%. If they are done in a cursory way, you will only receive a maximum of 2.5% per assignment.¹ If you only submit one assignment, you can receive no more than a total of 5%. If you don’t turn them in at all, you will receive 0%.

Class Participation. Class contribution has three components: showing up, quality of your comments, and peer evaluations.

- *Showing up.* I want to make sure this class has value and is important to you. However, for the class to have value and importance, you need to devote considerable attention and effort. Participation is a good proxy for attention and effort. Thus, my interest in attendance. Please notify me by email of any absences. If you have to be absent, please know that your participation grade will be lowered (emergencies will be excused). Absences will affect your grade in a nonlinear fashion (i.e., second misses cost more than the first and so on). Note, please also be on time.
- *Quality of comments.* For every class, my personal goal is to get everyone to contribute once. This policy has two implications: 1) people who don’t normally speak would contribute, and 2) people who have no problems speaking up would only speak once during each class. Thus, quality, not quantity, is the focus (where quality of comment is evidenced via deep insight or case analysis). To help me keep track of attendance and so I can get to know each of you individually, please use your name card and retain your seat once the seating chart has been passed around.
- *Peer evaluations.* Team-based work will be an important part of this course. Therefore, in addition to my evaluation of your class participation, your teammates will provide input so that your efforts in team projects can be recognized as well. Each of you will evaluate each team member (including yourself) based on individual contributions to your team projects. Both their quantitative evaluation of your

¹ You might be asking: What is the fine line between well-executed and cursory?” The following questions help to determine that distinction: “How deeply have you reflected on the topics, reading and exercises in the course? Have you reflected beyond the course content? How novel is the idea? How creatively and effectively is it communicated?”

participation and their comments on the nature and quality of your efforts will be used in determining your class contribution.

Extra credit: Writing. Over the course of the class, you will need to record individual insights, activities and ideas generated for your assignments (in-class and out) in some type of journal. The form of that journal is up to you (e.g., handwritten or online, blog or private). You will use the journal to record key points and describe the conclusions or insights you have gained. The journal should be a place to record your creative perspective of the world and should not be limited to the class or work. In addition to your observations it could include: drawings, poetry, quotes, humor, articles, photos, resources, websites, questions.

Note: quality of the journal doesn't co-vary with length (so don't pressure yourself to make it long); rather it co-varies with quality and variance of ideas. To enhance both quality and variety of your ideas, please create syntheses on a regular basis (e.g., every other week). Much research has shown that going over your work increases the chance that your most important insights will "stick." So the goal of this "Creativity Syntheses" is to do that: *Make your insights stick*. Note: feel free to synthesize in a very different form or way than your journal. For example, if your journal contains drawing, quotes and memorabilia, your synthesis may simply be a concise bullet-point list of key points you have learned throughout the course. Do whatever it takes to ensure you (a) keep this Creativity Synthesis, and (b) refer back to it. Memories fade. This component of the journal is aimed to stop that process.

If you decide to do a journal, I'd like to see your regular records both in the middle of the class and at the end. Note, your journal will not be graded. But you can receive up to 5% added to your final grade. The distribution of these percentage points will depend on the frequency and quality of your writing. For example, there are two submission dates listed in the syllabus calendar when you can submit your journal for review. You must submit the journal on both those dates to be eligible for the full 5% extra credit.

Team Projects

On the first day of class, students will be put into a team of six people for the mid-term and two semester-long team projects. Half of the class is full time MBAs; half are Evening MBAs. I have held several slots open for design students. Thus, the teams will be compiled to enhance diversity.

(1) Teaching project (10%): A teaching assignment in which your group selects one of the applications below. Each group will be asked to be the lead presenters for a talk intended to enhance the classes' understanding of and ability to apply the various approaches to creativity. Identify the most creative new initiative in one of the below domains.

- a) Marketing analysis (understanding customer research)
- b) New product development (introduce a new product or service)
- c) Brand extension (take a current brand and decide where to extend)
- d) Selling an idea internally (to employees; this might be as specific as how to run a meeting)
- e) Marketing a product/service externally (to customers; this might include viral marketing idea)
- f) Managing creativity (how to identify blocks, how to foster creativity within the organizations). Note: this topic is particularly useful as the class's focus is more on the psychology of creativity. Therefore, if your group has a yearning to dive into a company and understand concrete, applied questions like "How do you hire people to foster creativity? How to incent them? Does one use titles?", pick topic F.

Your team will present for one single 20 minute session during the semester. This need not be all presentation; you can also structure and guide a discussion. Your goal: concisely communicate the creative approach such that every student in the course has the opportunity to apply the approach to their final group project. The date of your teaching assignment will be assigned by the end of the first day. Note: 20 minutes seems long but it is not. You need to practice several times before class - such that the ratio of content/time to convey the content is high.

(2) Final project (30%): The final group project involves the creative of a new product, service or system that would make someone's life happier - relying on the PROBE framework (complementing to it as well). Note, the model of the class (PROBE) provides a useful starting point for you, but again, be creative here (add to it, subtract from it, reshape it). The only expectations are:

- Research: Your group will need to dive into the literature on happiness to better understand the “problem” of ‘how to be happier’ (e.g., what is happiness, what makes people happy, do people know what makes them happy, how does the meaning of happiness shift across cultures or individuals), and seek to identify whether there are underlying “rules” about happiness and how to find it.
- Target: Your group will need to decide which target you want to focus on – e.g., older individuals, young children, graduate MBA students (i.e., you). Pick any group you like.
- Data: You will need to collect data. The nature of the data (e.g., qualitative such as depth interviews, focus groups or quantitative data such as surveys)² is unimportant (although doing both qualitative and quantitative tends to be most useful). Further, the specific goal of your data collection efforts is unimportant (i.e., you might chose to “observe” people, brainstorm ideas, evaluate some of your product/service ideas). The only important component is that (a) some fascinating, surprising insights are revealed, (b) you do some creative analysis of the data and (c) you think hard on how to best communicate that data.
Important: If you would like to ask the class to complete a short survey for your group, we have set aside time to field questionnaires (no longer than 5 minutes each) on March 19th (after the mid-term presentations). If you cannot make this date, feel free to collect data with other groups or outside of class.
- Note: you do not need to develop an actual template of your product/service (although if you are so inspired, please do).

This final project will include a 10-minute presentation to the class on April 30th, when soft copies of the presentation are also due. Please email soft copies to me by noon on 4/30. Instead of a term paper, please just flesh out the presentation by writing in the “notes” section. This way, you can focus on the presentation, but allow your detailed ideas to be unpacked within the presentation itself. Note: there will be 5 minutes of Q&A following each presentation (for a total of 15 minutes for each group). No hard copies are needed unless you are compelled. However, if you would like to create an Appendix which includes the data and any analysis, please feel free to do so – but no longer than 5 pages. Email it in with the soft copy of your presentation.

Final project grades are based on the content, originality, and communication of your idea and the presentation, including the manner in which you incorporate learnings over the semester from

² Rules of thumb: depth interviews with one person typically last 1-1.5 hours. Focus groups can be held with as few as 5-8 people and typically last 1.5 hours. Surveys can be revealing with as few as n = 20 people. Thus, do not feel compelled to get big samples. The more important part is creating the right questions and running the most revealing analyses.

lecture, readings, guests, cases, and creativity labs. Additionally, we will ask you to evaluate your teammates in a Peer Evaluation at the end of the semester, and individual team members occasionally earn different grades based on their effort and participation. More specifically, the general grading criterion for group work include:

(1) Content

- How practical were the ideas, and how strong an opportunity is it?
- How well were the lectures, readings and your own searches used to structure arguments?
- Was empirical research done to establish the effectiveness of the idea?

(2) Originality

- How different is this product/service from others currently addressing the needs?
- Why is yours a more novel approach?
- Is there much discussion/justification of novelty?

(3) Communication

- How well and creatively was the product idea communicated to the professors?
- What was the quality of the props and/or presentation materials?
- How well were questions handled?

DATES AND DEADLINES

Date	Topic	Readings	Assignment
1/22	What is Creativity?	Einstein Ch 2 & Appendix Sutton Ch 2 How to Kill Creativity (<i>HBR</i>) Creativity is Not Enough (<i>HBR</i>)	
1/29	Ten Faces of Innovation Live Case: IDEO (Tom Kelley)	Art of Innovation Power of Design (<i>Business Week</i>)	Ind Assignment #1: Identifying Homerun Creative Programs
2/5	Darwin and Identifying the Problem Guest: Geoff Moore	Einstein Ch 3 Darwin Ch 1-3, 8, 11	
2/12	Reversing rules and norms Guest: Bob Sutton	Einstein Ch 5, 7 Weird Ideas of Creativity (<i>HBR</i>)	Ind Assignment #2: Rules
2/19	<i>Holiday</i>		
2/26	Observing the Consumer Live Case: Intel	Ten Faces Ch 1, 2	Observing the mundane ³
3/5	Brainstorming Case: LandRover	Einstein Ch 4 Six Thinking Hats Ch 1-3, excerpts LandRover case	
3/12	Evaluation Live Case: Mozilla	Einstein Ch 8	
3/19	Midterm Presentations		Midterm Presentation (HopeLab guests will be here)
3/26	<i>Spring Break</i>		
4/2	Changing Old Models into New Ones Live Case: Google and Goodby Silverstein	Designs for Working (Gladwell, 2000)	Submit copy of writing journal
4/9	Creative Communication Case: Harley Live Case: Pixar	Ten Faces, Ch 10, 11 Harley case Script for Casablanca	
4/16	Fostering Individual Creativity Guest: McNair Wilson	Einstein Ch 11 Creativity Ch 5 Orbiting the Giant Hairball (Gordon MacKenzie) ⁴	
4/23	Fostering Creativity in Organizations Live Case: P&G	Einstein Ch 10 Sutton Ch 15 Innovation: The Classic Traps (<i>HBR</i>)	Ind Assignment #3: CEO Memo
4/30	Final Presentations		Final Presentation
5/7	Integration	Success that Lasts (<i>HBR</i>)	Submit final copy of writing journal (optional extra credit)

³ “Observing the Mundane” Anthropology Exercise: Identify a place where happiness seems unlikely (e.g., train platform, BART, public square, post office). Create a visual (e.g., collage including pictures and drawings) that depicts the happiness in that context. Be ready to present that visual, and describe it in 5 minutes in class.

⁴ Buy at Amazon, or anywhere if you are so compelled. This is not required reading, but it is a great book.

READINGS

The chapters above can be decoded as follows:

How to Think Like Einstein (Scott Thorpe). Note, this book is currently out of print.

Ch 2 – Thinking Like Einstein

Ch 3 – The Right Problem

Ch 4 – No Bad Ideas

Ch 5 – Breaking Patterns

Ch 7 – Breaking the Rules

Ch 8 – Growing a Solution

Ch 10 – Einstein Thinking in Organizations

Ch 11 – Everyday Einstein Thinking

Appendix – Einstein Thinking Forms (Note, there are forms and exercises in this appendix which apply to each of the chapters assigned above).

Weird Ideas that Work (Bob Sutton)

Ch 2 – What is Creativity, Anyway?

Ch 15 – Building Companies where Innovation is a Way of Life

Ten Faces of Innovation (Tom Kelley)

Ch 1 – Intro: Beyond the Devils' Advocate

Ch 2 – Anthropologist

Ch 10 – Storyteller

Ch 11 – In the Mix

Dealing with Darwin (Geoff Moore)

Ch 1-3 – Economics of Innovation; Innovation and Category Maturity; Innovation and Business Architecture

Ch 8 – Managing Innovation in your Enterprise

Ch 11 – Managing Inertia in your Enterprise

Six Thinking Hats (excerpts from Edward DeBono)

Ch 1 – Introduction

Ch 2 – Six Hats, Six Colors

Ch 3 – Using the Hats

Other Excerpts - Summaries of each hat, Benefits of each hat, Conclusion

Creativity (Mihalyi Csikszentmihalyi)

Ch 5 – Flow of creativity

APPENDIX

The selection of readings is the responsibility of the student, and may include websites (e.g., www.creativityworkshop.com, www.ideo.com, www.innovaid.net, www.innovaidonline.net, etc), books and the current professional journals as well as the popular business publications such as Business Week (e.g., August 1, 2005 special report on *Get Creative*), Fortune, Forbs, Fast Company, etc. As a starting point for some of the books on creativity and innovation, consider the following:

- Csikszentmihalyi, Mihalyi, Creativity: Flow and the Psychology of Discovery and Invention. Harper. 1996.
- De Bono, Edward. Serious Creativity: Using the Power of Lateral Thinking to Create New Ideas. HarperBusiness. 1992.
- Epstein, Robert. The Big Book of Creativity Games: Quick, Fun Activities for Jumpstarting Innovation. McGraw-Hill Companies, Inc. 2000.
- Fletcher, Jerry and Olwyler, Kelle. Paradoxical Thinking: How to Profit from Your Contradictions. Berrett-Koehler Publishers, Inc. 1997.
- Gladwell, Malcolm. The Tipping Point: How Little Things Can Make a Big Difference. Little Brown & Company. 2002.
- Gladwell, Malcolm. Blink: The Power of Thinking Without Thinking. Little Brown & Company. 2005.
- Howkins, John. The Creative Economy: How People Make Money from Ideas. Penguin Books. 2002
- Kao, John. Jamming: The Art and Discipline of Business Creativity. Harper Collins. 1996.
- Kelley, Tom. Ten Faces of Innovation. Doubleday. 2005.
- Kim, W. Chan. and Mauborgne, Renée. Blue Ocean Strategy: How to Create Uncontested Market Space and Make Competition Irrelevant. Harvard Business School Publishing. 2005
- Koestler, Arthur. The Act of Creation. Penguin. 1990.
- MacKenzie, Gordon, Orbiting the Giant Hairball. Viking. 1996.
- Michalko, Michael. Cracking Creativity: The Secrets of Creative Genius. Ten Speed Press. 2001.
- Nonaka, Ikujiro and Hirotaka Takeuchi, The Knowledge-Creating Company: How Japanese Companies Create the Dynamics of Innovation. Oxford University Press. 1995.
- Pink, Daniel. A Whole New Mind. Riverhead Books. 2005.
- Ray, Michael and Rochelle Myers. Creativity in Business. Broadway Books. 2000.
- Rowe, Alain J. Creative Intelligence. Pearson/Prentice Hall. Upper Saddle River, NJ. 2004
- Simmons, Annette. The Story Factor: Inspiration, Influence and Persuasion through the Art of Storytelling. Perseus Publishing. Cambridge, MA 2001.