

# **K-POP AND E-COMMERCE: A MATCH MADE IN HEAVEN?**

**GRADES:** 11-12

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**SUBJECT:** Information Technology in a Global Society (ITGS)

**TIME REQUIRED:** Two to three class periods

## **OBJECTIVES:**

1. Explain the nature of Business to Business (B2B), Business to Consumer (B2C), and Consumer to Consumer (C2C) online transactions.
2. Evaluate K-Pop's adoption of B2B as its primary source of revenue
3. Analyze the role of the internet, particularly video sharing sites, in the global spread of K-Pop.

## **MATERIALS REQUIRED:**

- Computers with an internet connection
- iMovie, PhotoStory, or other video editing software program (This is only needed for the follow-up project but the basic lesson can be done without this.)

## **BACKGROUND:**

Korean Pop music, or K-Pop, has exploded onto the world music scene in recent years. Young people from Seattle to Sydney and most places in-between are now familiar with music from South Korea. The tremendous growth both in listenership and profits is fueled by the internet video sharing sights such as YouTube and an evolving business model – Business to Business (B2B) transactions.

Traditionally, the music industry has relied on the revenue generated from concerts and record/CD sales to turn a profit. Since the mid 1990's this business model has become less and less successful mainly due to the increase in online music piracy. In order to generate more revenue, many Korean record companies turned towards a business plan that would almost entirely eliminate the problem of music piracy. Instead of charging for a CD or a download, they would give the songs away for free and generate revenue using non-traditional strategies.

In the past, B2B transactions took place between small companies that made components for larger companies to assemble into finished products. While those types of relationships continue, the internet is fundamentally altering the nature of B2B transactions. When examined

in the online environment, B2B transactions usually involve one company selling advertising space at the beginning of an online video or podcast to another company. In this way, companies who produce the videos are able to generate revenue without charging the customer for their product. K-Pop management companies have taken this business idea and made it the cornerstone strategy for both profits and a global fan base in the digital age. In exchange for watching a free music video or concert footage from the hottest K-Pop group on YouTube or Google Video, a college student in France first has to watch a ten to thirty second advertisement for the newest Kia available in Europe. This not only provides revenue for the record company but also, by giving away the song for free, eliminates the problem of online piracy. For this reason, K-Pop provides the perfect lens with which to view B2B transactions.

### **PROCEDURE:**

1. At the end of the previous class post links to YouTube videos (see below) that have advertisements at the start of the video. For homework ask students to watch them and write down any observations from when they click on the link until the video ends. Do not tell them to be on the lookout for advertisements.
2. Provide students with the following terms and have them provide definitions for each:
  - a. Business to Business (B2B) transactions
  - b. Business to Consumer (B2C) transactions
  - c. Consumer to Consumer (C2C) transactions
3. Using a class discussion format, have students share their thoughts on the YouTube videos they watched and if they noticed anything unusual or noteworthy. Next, share that K-Pop music is hardly ever pirated and that the record companies that represent the music are still able to make money. Have students share their thoughts about how this is possible. In order to help guide their thinking examine the definition of B2B, B2C, and C2C as well the nature of YouTube and other video sharing sites. If your school allows access to YouTube or students have smartphones, replay the videos so the students can examine them again.
4. Once students have come to the idea that K-Pop is sustained by B2B between advertisers and record companies introduce them to the project that will link Information Technology in a Global Society concepts with K-Pop.
5. The project – Students must examine to what extent (consider the merits or otherwise of an argument or concept. Opinions and conclusions should be presented clearly and supported with appropriate evidence and sound arguments) the adoption of B2B transactions have aided the K-Pop industry in increasing revenue, combating music piracy, and creating a global fan base. Students will create a multimedia “essay” using video clips, music, sound effects, voiceover recordings, pictures, and independent research. Students will use the information they find during the independent research process to create an original product using iMovie or similar video editing software.

6. The Project: If students do not have access to the video editing software, the following is a possible follow-up:

Have students examine to what extent the adoption of B2B transactions have aided the K-Pop industry in increasing revenue, combating music piracy, and creating a global fan base. Ask students to brainstorm about whether this model would work as well with other forms of music. Have them investigate how Psy has generated music besides the B2B model. They can work independently or in groups and report back to the class.

### EVALUATION:

- Students will be graded informally throughout the research and creation phases of the project and they will be formally assessed according to the modified International Baccalaureate rubric below.

Marks	Level Descriptor	Grade
<b>No Marks</b>	<ul style="list-style-type: none"> <li>• A project with no knowledge or understanding of the relevant ITGS issues or concepts.</li> <li>• A project that includes no appropriate ITGS terminology.</li> <li>• A response that does not connect K-Pop to ITGS themes or topics</li> </ul>	
<b>Basic</b> 1-3 Marks	<ul style="list-style-type: none"> <li>• A project with minimal knowledge and understanding of the relevant ITGS issues and concepts.</li> <li>• A project that includes minimal ITGS terminology</li> <li>• A project that has no evidence of judgments, conclusions, or future trends.</li> <li>• No reference is made to K-Pop or B2B.</li> </ul>	
<b>Adequate</b> 4-6 Marks	<ul style="list-style-type: none"> <li>• A descriptive project with limited knowledge and/or understanding of the relevant ITGS issues or concepts.</li> <li>• A project that includes limited use appropriate ITGS terminology</li> <li>• A project that has evidence of conclusions, judgments or future strategies that are no more than unsubstantiated statements. The analysis underpinning them may also be partial or unbalanced.</li> <li>• Implicit references are made to K-Pop and B2B or independent research in the project.</li> </ul>	
<b>Competent</b> 7-9 Marks	<ul style="list-style-type: none"> <li>• A project with knowledge and understanding of the relevant ITGS issues and/or concepts</li> <li>• A project that uses ITGS terminology appropriately in places.</li> <li>• A project that includes conclusions and/or judgments that have limited support and are underpinned by balanced analysis.</li> <li>• Explicit references to K-Pop and B2B or independent research are made at places in the project.</li> </ul>	
<b>Proficient</b> 10-12 Marks	<ul style="list-style-type: none"> <li>• A project with detailed knowledge and understanding of the relevant ITGS issues and/or concepts.</li> </ul>	

	<ul style="list-style-type: none"><li>• A project that uses ITGS terminology appropriately throughout</li><li>• A project that includes conclusions, judgments or future trends that are well supported and underpinned by a balanced analysis.</li><li>• Explicit references are made appropriately to the information in the K-Pop and independent research is evident throughout the project.</li></ul>	
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## RESOURCES:

- Below is a small sample of K-Pop videos available on YouTube. Due to the short shelf life of many K-Pop acts and the nature of YouTube these links may not function in the future. A Google search for K-Pop videos will yield hundreds, if not thousands of videos.
  - <http://www.youtube.com/music/kpop> - the main YouTube page
  - <http://www.youtube.com/watch?v=U7mPqycQ0tQ> - Girls Generation
  - <http://www.youtube.com/watch?v=AO9yFjodDtM> - Girls Generation on David Letterman
  - <http://www.youtube.com/watch?v=AAbokV76tkU> - Big Bang