

YADA, YADA, YADA...SUCCESSFUL BUSINESS! USING SEINFELD CLIPS TO TEACH BUSINESS MODEL EVALUATION

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ABSTRACT

Engaging students in the classroom can be challenging. Using videos, and in particular comedic videos, is one method for overcoming this challenge. This paper describes an experiential exercise that uses video clips of the character Kramer from the TV show Seinfeld, to teach students about business ideas and models. In the appendix we have assembled several YouTube video clips of Kramer business ideas that can be used as in-class exercises to evaluate business ideas and models. The topics, time length, and YouTube links have been included in the appendix. The video clips can be combined with the provided readings and real-world business examples, and are appropriate for any course on entrepreneurship and/or innovation at any level depending on the resources used. Additionally, Seinfeld clips can be used in exercises to help teach other entrepreneurship topics like market research, trends analysis, creativity, foundations of entrepreneurship, and customer feedback.

Keywords: Entrepreneurship, Business Models, Ideation.

INTRODUCTION

Engaging students in the classroom can be challenging. Using videos, and in particular comedic videos, is one method for overcoming this challenge. The experiential exercises described in this paper utilize small screen Hollywood cinema as a source of educational videos for the Entrepreneurship classroom. Specifically, we use the classic situational comedy show Seinfeld (1989-1998, 1999-Current Syndication), co-created by Jerry Seinfeld (Seinfeld) and Larry David (Seinfeld and Curb Your Enthusiasm), which has long branded itself as the show about ‘nothing’ or life’s everyday minutiae. The core strength of the show’s popularity is its innovative writing and character development. Seinfeld remains one of the most influential and popular show ever made and is still relevant nearly 20 years after it went off the air. It is still shown daily on local and national networks both in the United States and internationally (Dent, 2001).

We propose the use of comedic video clips, specifically from the TV show Seinfeld as a way to experientially teach entrepreneurial concepts. We believe these clips and the accompanying resources are appropriate for teaching a variety of concepts related to entrepreneurship, but they are especially useful in teaching business opportunities, ideas, and models. We define opportunity as “a favorable set of circumstances creating a need or an opening for a new business concept or approach” (Morris et al., 2011). We define idea as some specific value creating method for capitalizing on an opportunity (Morris et al., 2011). We define business model from the strategic perspective, encompassing the strategic positioning of the

venture, basic business concept, product offerings, core competencies, and revenue model (Morris & Schindehutte, 2014).

The use of video, or film, is an established pedagogical tool in business and economics education (Moss, 1979) and it has been used more specifically for entrepreneurship (Diamond, 2009). Comedy, or humor, also has a long history of being an effective teaching tool (Bryant et al., 1979). Using video clips from pop culture television shows or movies can be an easy way to enliven entrepreneurial concepts and make them relevant to students' lives. Although it has been previously argued that the comedy of Jerry Seinfeld can be used to facilitate exercises that teach concepts related to entrepreneurship (Darnell, 2017), the authors could not find any published articles specifically using Seinfeld in an entrepreneurship classroom. There is, however, evidence of classroom use from within related business disciplines like management and economics.

Hunt (2001) developed an Organizational Behavior (OB) needs assessment exercise for students using the four main characters from Seinfeld. Dent (2001) used Seinfeld in an OB class to demonstrate psychological contracts and interdependence in systems thinking, and argues that using a sitcom is more effective than more traditional content delivery methods in college classrooms (i.e. lecture). Dixit (2012) used a Seinfeld episode called "*The Sponge*" for an exercise to demonstrate real options. Ghent et al. (2011) showed that using video clips from Seinfeld were effective in demonstrating economic concepts in the classroom. They argue that using such a teaching method will help students to recognize discussed concepts elsewhere, including in other shows, movies, and music as well as in their own lives. They surveyed college age students at three different types of educational institutions (a research university, a comprehensive mid-sized university, and a liberal arts college) and found that nearly 75% of students could name the four main characters from Seinfeld (Jerry, George, Elaine, and Kramer).

Over half of the students were still watching the show in syndication (occasionally or regularly) even though new episode production stopped in 1998.

The show continues in popularity to this day. Seinfeld entered into a 5th syndication cycle in 2013, which lasted until the end of 2017. At that time, Seinfeld was still a top 5 show in syndication on US television (in the important young adults demographic) easily competing with more recently produced shows. Seinfeld continues to be regularly shown in 90% of the US television market (PR newswire, 2013). While successful TV shows only run for 2 or 3 cycles in syndication (Fahey, 2015), Seinfeld has now entered into a 6th syndication cycle including a move to streaming (Villarreal, 2015). Jokes and lingo from the show are still used in the modern vernacular and the show is often referenced in major business publications. For example, a recent Wall Street Journal article about the investigation of Russian interference in US elections (Freeman, 2017) used a Seinfeld pun in the title: *The Special Seinfeld? An investigation about nothing could become something worse*. Seinfeld is known as "*the show about nothing*" (James, 2017). Seinfeld was also mentioned in a recent article in Bloomberg Businessweek on using AI to write comedy (Purdom, 2018).

THE EXERCISES

One of the primary characters on Seinfeld is Kramer, the eccentric neighbor of Jerry Seinfeld, who often comes up with business ideas that are usually characterized as not feasible. A common activity of Kramer is the quest of creating something from nothing. The pursuits of these ideas often show the difference between an idea for a new business and a true entrepreneurial opportunity. Many of these Kramer examples are teaching opportunities and can be extended to discuss ideation, creativity, entrepreneurial behavior, foundations of

entrepreneurship, innovation, market research, trend analysis, value proposition/differentiation, foundational business models, etc.

Additionally, some of the business ideas from the mid-1990s are similar to some successful business models in the 21st century. One of Kramer's more infamous ideas is a pizza place where customers "*make their own pizzas*". While customers are not physically making their own pizza pies in existing businesses, Kramer's idea is very similar to emerging and popular fast casual chains with customizable menus. Another Kramer idea from the show is a fragrance that smells like the beach. This too can be thought of as similar to the custom fragrance business model that is currently popular. In one of the later seasons of the show Kramer even starts a business, "*KramERICA Industries*", to test his many business ideas. The episode culminates in a disastrous yet hilarious prototype test. One Kramer idea, the Mansierre or Bro, has three different clips demonstrating idea formation, prototype/customer validation, and a pitch.

The goal of incorporating Seinfeld clips into the classroom is not necessarily to facilitate the creation of a specific business idea for a student, but rather to expose the student to the process of creating and evaluating business ideas. We are attempting to teach students entrepreneurial competencies (Morris et al., 2013), skills that are applicable not only for the one-time entrepreneur, but especially the serial entrepreneur. We subscribe to the process perspective (McMullen & Shephard, 2006), where entrepreneurship is a process that can be both taught and learned. Education plays a significant role in the development of these competencies, specifically by creating experiences where students engage with the concepts, get feedback, and confirm or disconfirm understandings, eventually developing into competencies (Morris et al., 2013). We too believe that this repetitive cycle facilitates learning, which is why we use a variety of exercises (like these clips) and not just a single one for introducing concepts like business models/ideas. Developing competencies may require a variety of approaches and be tailored to specific student audiences (Morris & Schindehutte, 2014).

For example, one of the authors uses these clips when introducing the idea of using a one-page Lean Canvas (Maurya, 2012) to map out a business model. Using a Seinfeld clip like Kramer's idea for the Bro/Mansierre, the instructor first asks students what problem(s) the product is attempting to solve. Answers are typically something like "*solving 'jiggling' for men*". After class discussion on the problem, the instructor then moves on to ask questions about the other aspects of the Lean Canvas (e.g. solution, value proposition, etc.) in an attempt to facilitate class discussion. A student response about a high-level value proposition for this idea is typically something like "*a sports bra but for men*". The discussion questions include (but are not limited to): What is the problem that Kramer is trying to solve with the Bro/Mansierre? What solution is Kramer proposing? What is the unique value proposition of the Bro/Mansierre? What is a possible competitive advantage for Kramer in this venture? Who are the target customer segments? What channels might be appropriate for communicating about the Bro/Mansierre? What could be some key activities for Kramer to measure success of the Bro/Mansierre venture? After implementing exercises such as the one described here, the Lean Canvas templates for the student specific business ideas have improved in this instructor's course. However, this is not surprising as pairing these clips with the Lean Canvas demonstrates to students the six core components (aspects related to the offering, market, internal capabilities, competition, economic, and growth/investor) required to teach business models as identified by Morris & Schindehutte (2014) and Morris (2016).

Although the use of these Seinfeld video clips may facilitate learning (i.e. development of entrepreneurial competencies) there are limitations. One such limitation has already been suggested. The show is somewhat old, so it is possible that younger students may not be familiar with the show. This does not necessarily mean that Seinfeld clips will not work in a specific class, but rather shows success is not guaranteed. The individual instructor will need to evaluate the feasibility of using these clips. There are also issues related to using comedy, which is very subjective. It is entirely possible that some international (e.g. non-American) students may not understand the humor. We believe this is more of a concern about the TV show in general, rather than the specific clips of the Kramer character. The Kramer character generally employs a visual slapstick style of humor that can translate across languages and culture (Trahair, 2012). Additionally, the concept of a wacky and entrepreneurial friend or family member is also, in our opinion, somewhat universal (Trahair, 2012). Lastly, there are issues related to using video clips in general (regardless of the content). This pedagogical technique may not appeal to some individual learners. Again, we emphasize that these clips are not encompassing exercises, but are beneficial in conjunction with others.

CONCLUSION

In the appendix we have assembled several YouTube video clips of Kramer business ideas that can be used as an in-class exercise primarily to evaluate business ideas and models. There are additional Kramer idea clips on YouTube, but they are not all directly relevant to the content discussed here. The topics, time length, and YouTube links have been included in the appendix. The video clips can be blended with readings, some of which are provided, as well as current real-world business examples (some also provided). The exercises are appropriate for any course on entrepreneurship and/or innovation, both at the undergraduate or graduate levels, depending on the accompanying resources used. Additionally, Seinfeld clips could be used in an exercise to help teach other entrepreneurship topics like market research, trends analysis, creativity, foundations of entrepreneurship, customer feedback, etc.

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APPENDIX

Business Model Video Clips

1. Make your own pizza (4:13)

<https://www.youtube.com/watch?v=b9o7DFFimKo&list=PL087FEAB42B4F30A2&index=1>

This concept can be compared to real world examples of on demand “*fast casual*”. For example:

Blaze Pizza: <http://blazepizza.com/>

MOD Pizza: <https://modpizza.com/>

Pieology: <https://www.pieology.com/>

Pie Five: <https://www.piefivepizza.com/>

Martini: <https://www.martinapizzeria.com/>

Internationally:

- Nando's (UK/Europe): <https://www.nandos.com/>
- MOS Burger (Japan/Asia): <http://www.mos.co.jp/global/>
- Chez Aston (Canada): <http://chezaston.ca/>
- MAX Burgers (Sweden): <https://www.max.se/>

2. Rollout tie dispenser (0:42)

<https://www.youtube.com/watch?v=-A-dVa734i4&list=PL087FEAB42B4F30A2&index=2>

This concept can be compared to 'on demand' dispensed (vending machine) clothing (or alternate products). For example:

- Alibaba (vending machine clothing; China/Asia); <https://www.alibabagroup.com/en/global/home>
- Uniqlo (Japan/US/Australia/Europe/Canada); <https://www.uniqlo.com/us/en/home/>

3. Warm clothes fresh out of the dryer or oven (4:17)

<https://www.youtube.com/watch?v=u21i48eeSYk&index=10&list=PL087FEAB42B4F30A2>

This concept can be compared to the 'Smart' clothing industry (both US & International Brands):

- Levi's and Google Project Jacquard; <http://atap.google.com/jacquard/>
- Emel & Aris (UK/US/Europe); <https://emelandaris.com/>
- Thesis Couture (US/Europe): <https://thesiscouture.com/>

4. The manssiere idea (1:15)

- <https://www.youtube.com/watch?v=Q8YIbhJhH7s>
- The Bro prototype & brand name discussion (1:05)
- <https://www.youtube.com/watch?v=AS8nXc3X-6k>
- The Bro/Manssiere pitch (1:11)
- <https://www.youtube.com/watch?v=YL4Sl6oVuyk>

This concept can be compared to the rising sub industry of shapewear for men both in the United States and Internationally. For example:

- FreshPair (US/Canada/Europe); <https://www.freshpair.com/>
- Spanx for men (Global); <https://www.spanx.com/men>
- Sculpteers (North America); <https://sculpteers.com/>
- Equmen (Australia/Europe/US/Canada); <https://equmen.com/US/>
- Knap'man (Netherlands/Europe): <http://www.knap-man.eu/>

Business Model Readings:

Amabile, T.A., & Khaire, M. (2008). Creativity and the role of the leader. *Harvard Business Review*, 86(10), 100-109.

Bettencourt, L.A., & Bettencourt, S.L. (2011). Innovating on the cheap. *Harvard Business Review*, 89(6), 88-94.

Kim, W.C., & Mauborgne, R. (2000). Knowing a winning business idea when you see one. *Harvard Business Review*, 78(5), 129-138.

Ofek, E., & Wathieu, L. (2010). Are you ignoring trends that could shake up your business? *Harvard Business Review*, 88(7-8), 124-131.

Idea vs. Opportunity Video Clips

1. **Shower disposal (5:51):** https://www.youtube.com/watch?v=1LDXx_brCOo
2. **A car with a periscope (0:36):** <https://www.youtube.com/watch?v=AqGo42jEXPw>
3. **Fusilli Jerry: Statues made from pasta (3:02)**
<https://www.youtube.com/watch?v=vdiROsB-yJI&index=9&list=PL087FEAB42B4F30A2>
4. **A coffee table book about coffee tables (2:00)**
<https://www.youtube.com/watch?v=vQofPLIPo2Y&index=6&list=PL087FEAB42B4F30A2>

Idea vs. Opportunity Readings

Alvarez, S.A., & Barney, J.B. (2007). Discovery and creation: Alternative theories of entrepreneurial action. *Strategic Entrepreneurship Journal*, 1(1-2), 11-26.

Brisel, A. (2017). To come up with a good idea start by imagining the worst idea possible. *Harvard Business Review (online edition)*.

Kim, W.C., & Mauborgne, R. (2000). Knowing a winning business idea when you see one. *Harvard Business Review*, 78(5), 129-138.

Wynett, C., Fogarty, T., Kadish, R.T., Dell, M., Tovin, H., Keeley, L., & Talley, J. (2002). Inspiring innovation. *Harvard Business Review*, 80(8), 39-52.

Video Lectures

<https://www.entrepreneur.com/article/252599>

<https://ecorner.stanford.edu/video/difference-between-an-idea-and-an-opportunity/>

Sample Experiential Teaching Exercise

1. Students watch the YouTube video clip of a Kramer business idea (for example “*make your own pizza*”) in class (but could also be done online).
2. In small groups in class (but could also be done online), students answer/discuss questions posed by instructor (e.g. Foundational Business Model Questions):
 - a) How will the firm create value? (What is the product/firms specific value proposition(s)?)
 - b) For whom will the firm create value? (nature and scope of the marketplace, NAICS/SIC/Industry type, customer/demographic profile, geographic footprint, distribution channel(s))
 - c) What is the firm’s internal source of advantage? (projected core competencies)
 - d) How will the firm differentiate itself? (identify salient points of differentiation that apply to this particular idea/company)
 - e) How will the firm (or idea) make money? (for this exercise: basic economic model)
 - f) What are the entrepreneurs’ time, scope and size ambitions? (subsistence, income, growth, speculative; additionally, can discuss the type of projected firm outcome-survival, lifestyle, managed growth or high growth ability)
 - g) What are this firms’ strengths? Weaknesses/Challenges?
 - h) What would you change? Why? What is missing?

- i) Are there competitors for this idea? Examples.
- j) Is this an idea or an opportunity? What would need to happen to make it an opportunity?

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