



Stock Market Analysis in Fashion Marketing Class

Yun-Jung Choi, SUNY Oneonta, USA

Keywords: experiential learning, stock markets

Introduction

Stock markets are at the center of today's economy (Hafer & Hein, 2007). Despite the positive relationship between stock returns and marketing activities such as product innovations (Srinivasan et al. 2009), the discipline of fashion marketing has not been aggressively devoted to teach financial and stock trading systems in classroom. The purpose of the study is to enhance student motivation and learning in fashion financial markets. I argue that fashion students need a better understanding of the principles of stock exchange and various determinants that influence the stock trading markets in the context of the fashion industry. Insights on stock market developments and fashion stock investments will help students develop a long-term view in fashion marketing.

Conceptual Background

Experiential Learning (EL) theory represents a framework for the study of how people learn. Kolb (1984) defines experiential learning as "the process whereby knowledge is created through the transformation of experience" (p.38). It is suggested that people best achieve necessary knowledge and skills through experiences that involve working with others (Vesper et al. 2010). In adapting the experiential learning perspective to teach stocks and stock markets, I developed and used an experiential project titled 'Mock Stock Trading Project' in fashion marketing class.

Procedure

Students are allowed to bring their own smartphones, tablets, and/or laptops to class. The project consists of three (3) main phases.

Phase I: An introduction to basic stock market principles (types of stock markets, kinds of stocks, stock indexes, etc.).

Phase II: Interpretive Guidance for the Project

Step 1: Students are given \$1,000.00 (mock money) to invest in the stock market.

Step 2: Students choose one partner as a co-investor.

Step 3: Students pick two (2) companies in the stock market that they wish to invest in, one of which must be a fashion company.

Step 4: Students conduct research using their laptops or any digital devices on the companies and today's stock market environments.

Step 5: Students invest (mock investing) in stocks and fill out the following reporting chart (Day 1).

Company Name	Ticker Symbol	Com. Profile	5 Reasons for Investing	Websites Used

	Cost per share	Price Change (\$)	Price Change (%)	Previous Close	Open	Day's High	Day's Low	# of Shares Invested	Total \$ Spent on Shares
Day 1									
Day 2									

Step 6: The next class period (Day 2) students sell (mock selling) all of their stocks and calculate their gain or loss.

Phase III: Each group presents the outcomes and learning experience through the project.

Discussion and Conclusion

The experientially based project helped students understand the fundamentals of stock markets and its application to the fashion industry. Student feedback indicated that they enjoyed learning the principles of stocks and stock markets and having the experience of implementation of the basic concepts to the fashion context using real time information and resources. Some students suggested having more time to study global fashion stocks and finance markets. Overall, this experiential learning methodology enabled students to voluntarily seek, actively participate in, and critically analyze the assigned issues in a fashion marketing classroom. This confirms that allowing a variety of experiences in the class room takes students to understand basic concepts and learn ways to apply those concepts to the necessary environments.

References

- Hafer, R. W., & Hein, S. E. (2007). *The stock market*. Westport, CT: Greenwood Press.
- Kolb, D. A. (1984). *Experiential learning: Experience as the source of learning and development*. Englewood Cliffs, NJ: Prentice Hall.
- Srinivasan, S., Pauwels, K., Risso, J. S., & Hanssens, D. M. (2009). Product innovations, advertising, and stock returns. *Journal of Marketing*, 73(1), 24-43.
- Vesper, J., Kartoglu, U., Bishara, R., & Reeves, T. (2010). A case study in experiential learning: Pharmaceutical cold chain management on wheels. *Journal of Continuing Education in the Health Professions*, 30(4), 229-236.