Consumer Behavior

Marketing 211   Professor Jonah Berger
Mon/Wed 9:00-10:20   jberger@wharton.upenn.edu
JMHH F70   768 Jon M. Huntsman Hall
                                                                   Office Hours by appointment

This course will review concepts, issues, and methods applicable to the study of consumer behavior. In general, the aim of this course is to gain a better understanding of how consumers make choices and when and why products, ideas, and behaviors catch on and become popular. To achieve this end, students will read and discuss academic research from Psychology, Sociology, Economics, and Marketing (and many shades in between). The issues we cover are not only of direct concern to marketing managers, but will be of further interest because in trying to understand consumers, we ultimately seek to understand ourselves.

Along the way, the course will touch on four main aspects:
- Characteristics of products, ideas, and behaviors that lead them to be successful
- How psychological processes shape social epidemics
- How interpersonal processes or interactions between individuals drive success
- Social networks, or how patterns of social ties influence success

Class Material
- Readings: Bulk Pack
- All other documents are available on webCafé
  https://webcafe.wharton.upenn.edu/eRoom/mktg/211-fa09-1
- Suggested Additional Readings - Made to Stick (Chip Heath), The Tipping Point (Malcolm Gladwell), Unleashing the Ideavirus (Seth Godin)

Prerequisites: Marketing 101 is *highly* recommended, but not required.

Class participation (25% of your grade): You should come to class prepared to actively discuss and work with the concepts in the readings. Your goal is to make comments that significantly advance the class discussion. So quality is more important than quantity but some quantity is necessary for me to judge quality.

A note on absences. Absences will hurt your class participation because when you are gone the class can't benefit from your comments and insights on the material. If you are absent, *you should arrange beforehand with a classmate to take notes for you and pick up any assignments or handouts*. Don't compound one absence by being unprepared for the next session because you didn't pick up the necessary materials.

We'll also have short application exercises and your class participation will benefit automatically from completing them. You should make a serious effort on these exercises and be prepared to share your experiences with the class. These exercises will involve

examining real world behavior and applying things we've learned in class. These assignments should be done individually (unless otherwise noted) and submitted via the assignment function on webCafé before the start of class on the due date. Directions for each assignment will also be provided through webCafé. These will be graded on a 2/1/0 grading scheme with the best exercises receiving a 2. Given their short length, individual feedback will not be provided, but if you have a question, feel free to bring it up in class.

Message Clinic Paper (10% of your grade): You will also turn in a short idea paper (2 pages single-spaced, on the day listed on the syllabus) that will apply the principles we discuss in the course to an interesting example. If a paper is superior, I may post it on the course website (thus if it involves a confidential situation, you should flag this on the paper to remind me that it should not be posted).

Exam (30% of your grade): The exam will be closed book and notes. It consists of multiple-choice questions, short answer and short essays.

Group Research Project (35% of your grade): Everyone will also take part in a group research project (5-6 people per group) whose focus is testing a group generated hypothesis. The world is full of trends, word-of-mouth, and social epidemics, and this assignment will give everyone a chance to apply what they've learned in class to studying real-world phenomena. We'll talk more about the project as the course evolves but in general the idea is to pose a research question related to the topics of the course that you will then collect actual data to test. For example, why do certain stories spread more than others? What about certain products makes them catch on like wildfire? You will collect and analyze data to test your hypotheses, using experiments, historical data analysis, or some other method.

Details:
- *Proposal*: Each group must submit a 3-page, single-spaced proposal of the idea you plan to test and how you plan to test it (e.g., experimental methods, historical data analysis, etc.) I will provide feedback on these proposals. Prior to the proposal each group should plan on meeting with me to talk through ideas.
- *Test*: Your group will test you idea either through a mini-experiment (a minimum of 20 participants per condition) or through collecting existing data. We'll touch on these methods during class, so you will be well aware of them when it comes to use them.
- *Presentation*: In the last 4 days of class, your group will have 20-30 minutes to present the hypotheses and results of your test in class.

Email Correspondence: I am often, but not always, on email, so to make sure that you get any information you need in enough time before deadlines, be sure to email me at least *24 hours* from the time you need an answer, want to set up a meeting, etc.

Date	Topic	Readings	Exercises Due
9/9 (W)	**Introduction**	**Time.* The Quest for Cool **NYT.* How Obama Tapped Into Social Networks **Science.* Friendship as a Health Factor **NYT.* Is JT a Product of Cumulative Advantage?	
9/14 (M)	**Exposure, Perception, and Memory**	* Influence of beer brand identification on taste *Memory **BW.* McDonald's: Fries with that salad? **WSJ.* As VW tries to sell pricier cars…	
9/16 (W)	**Social Epidemics**	**Micromotives and Macrobehavior* (Chpt 1) **Tipping Point.* Intro & 3 Rules of Epidemics **Diffusion of Innovations* (Introduction)	Contagious Examples Due

Why Things Stick			
9/21 (M)	**Stickiness**	**Diffusion of Innovations.* Chapter 6	Speech Exercise Due
9/23 (W)	**How to Make Ideas Stick**	**Made to Stick* (Introduction) **JPSP.* Emotional Selection in Memes *Keys. Why misquotes drive out real quotes **MktgSci.* Templates of Quality Ads (skim)	

9/28	**Yom Kippur**	**No class**	
9/30 (W)	**Unexpected**	*The Blair Witch Project **Fast Company.* Down the Rabbit Hole **Made to Stick* (Chpt 2)	
10/5 (M)	**Triggers in the Environment**	**Cog Sci.* Idea Habitats **Nature.* In–store music affects product choice **Sloan Mng Rev.* What You See Affects … **NYT.* Habits May Be Good for You	

How Things Spread			
10/7 (W)	**Imitation**	*Asch. Opinions and social pressure **NYT.* Big Social Factor in Quitting Smoking **Science.* Study of Cultural Market	Influence Exercise
10/12 (M)	**Divergence and Meaning of Consumption**	*Identity-Signaling, Social Inf., & Soc.Contagion **WSJ.* No Kick From 'Chavpagne' **PNAS.* Adoption Speed and Abandonment **Harper's.* My Crowd (skim)	
10/14 (W)	*Guest Speaker: Nielsen Online*	* Using Online Conversations to Study WOM *additional readings distributed in prior class **NOTE: 3-430 in SHDH 351**	

10/19 (M)	**Fall Break**	No Class	
10/21 (W)	**What Do People Talk About and Share?**	*HBS*. The Buzz on Buzz *Unleasing the Ideavirus* (Chpt 1)	Conversation /Viral Content Exercise Due
10/26 (M)	*Guest Speaker: Keller Fay*	*NYT. What We Talk About When We Talk * Comparing online and offline WOM **NOTE: 3-430 in SHDH 351**	
10/28 (W)	**Word of Mouth and Virality**	*Buzzmarketing* (Chpt 3 and 7) *Secret Strategies Behind Many Viral Videos *WSJ*. Look at This Article. *Virality	
11/2 (M)	*Guest Speaker: Emanuel Rosen*	*Anatomy of Buzz Revisited* (Chpts 1, 7, and 11) **NOTE: 3-430 in SHDH 351**	Message Clinic Paper Due
11/4 (W)	**Conducting Research**	*Aronson, Ellsworth, Carlsmith, & Gonzales. Chapter 1 *additional readings distributed in prior class	
11/9 (M)	**Social Networks**	*Leveraging Customer Networks *Psych. Today*. The Small-World Problem *Kevin Bacon, the Small-World, Why It Matters	Social Networks Exercise Due
11/11 (W)	**Type of Ties and Influentials**	*Strength of weak ties *JCR*. Structure, Cooperation, Flow of Market… *Tipping Point* (Chpt 2) *HBR*. Accidental Influentials *Is the Tipping Point Toast? *Economist*. Primates on Facebook (optional)	Research Proposal Due
11/16 (M)	**Proposal Presentations**		
11/18 (W)	*Guest Speaker: BzzAgent*	* readings distributed in prior class **NOTE: 430-6:00 in SHDH 350**	
11/23 (M)	**Data Analysis Day**	*additional readings distributed in prior class	
11/25	**Thanksgiving**	No Class	
11/30 (M)	**Creating Contagious**	*In class Applied Project	
12/2 (W)	Presentations I		
12/7 (M)	Presentations II		
12/9 (W)	Review and Synthesis		
	Exam		