

## **CONSUMER BEHAVIOR**

Marketing 211  
Fall Semester 2011

Professor Keisha Cutright  
kcut@wharton.upenn.edu  
751 Jon M. Huntsman Hall  
Office Hours: Tuesday 3:30-5:30pm and by appointment  
Tel: 215-898-0232

Teaching Assistant: Jonathan Berman  
[jberm@wharton.upenn.edu](mailto:jberm@wharton.upenn.edu)  
Office hours: by appointment  
Tel: 215-898-5953

### **Course Overview**

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Contemporary approaches to business emphasize the importance of adopting a consumer focus. Marketing, in particular, begins and ends with the consumer – from determining his or her needs to ensuring post-purchase satisfaction.

The primary goal of this course is to enhance your understanding of consumer behavior. By the end of the course you will be knowledgeable about consumer psychology and ways of better meeting people's needs. During this process, you will come to better understand yourself as a target of marketing influence. You will also appreciate how an understanding of consumer psychology can be used to develop powerful marketing techniques and tactics. The course also aims to provide an important competitive advantage: an ability to see how to have an impact on consumers, and hence a talent for making more insightful business decisions.

### **Class Format**

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Our approach to this course will be pretty simple. With each topic, you'll have the opportunity to "learn it" and "apply it". Over the course of the semester, I expect to accomplish 2 things:

1. Introduce you to current theory and practice in consumer behavior based on state of the art knowledge.
2. Develop your abilities to apply consumer behavior concepts to marketing problems.

In order to accomplish these goals, the course format typically involves the following weekly structure:

- Tuesday: Theory development (Lecture and discussion of key theoretical concepts)
- Thursday: Applied insights (In-class exercises, Case analyses, Guest Speakers, Presentations, etc.)

## Reading Materials

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**Books.** We will be reading two best-selling books: Robert Cialdini's *Influence: Science and Practice* and Paco Underhill's *Why We Buy*.

**Coursepack.** A required coursepack is available through study.net that contains interesting cases and readings from the popular press and academic journals. See the following site for questions: <https://reprographics.wharton.upenn.edu/studynet.cfm>

## Performance Evaluation

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Assignment	Individual or Team?	Date Due	Percent of Grade
1. 2 Case Write-Ups	Individual	9/29, 11/3	20%
2. Social influence paper	Team	10/18	15%
3. Field paper	Team	12/6	15%
4. Presentation	Team	10/18 or 12/6	10%
5. Final exam	Individual	12/19 or 12/20	20%
6. Participation	Individual	12/8 (self-assessment due)	20% (15% professor, 5% self)

### Case Write-Ups (20%)

To facilitate good case discussions, each of you is responsible for submitting a case write-up via Canvas by 7am on the day we discuss each of the following 2 cases:

9/29 Dove: Evolution of a Brand

11/3 Retail Promotional Pricing: When is a Sale Really a Sale?

Case preparation questions for each assignment will be posted on Canvas. Your write-ups should be no more than 3 pages double-spaced.

### Social Influence Paper (15%)

This assignment requires your team to conduct an in-depth analysis of an organization from the perspective of Robert Cialdini's *Influence*. Your assignment is to choose an organization (profit or not-for-profit) that interests you and your team members. You will then suggest how each "weapon of influence" could be used by marketers within that organization to increase firm profitability and/or consumer welfare. Please do not spend time summarizing the chapters or the weapons, or going into detail about the organization you've chosen. Strong papers will instead briefly (<1 page) describe the organization with respect to consumer behavior (including its current strengths and weaknesses), and then launch into an analysis of how each weapon could be used by marketing managers and what the projected outcomes would be. Do not spend too much time on the ways in which the organization is already using the weapons; just briefly mention these. Instead, the vast majority of the paper should focus on what

organization leaders could do that they currently are not doing. That is, you want to add value to the organization by providing concrete, non-obvious, actionable suggestions for how managers could better use the weapons of influence.

Although it may be tempting to use a conquer-and-divide strategy for this paper (i.e., splitting the weapons up among team members), the best papers in past years have not used this strategy. I strongly recommend you meet and discuss each weapon as a team and develop your suggestions together. Five minds will come up with more creative, clever ideas and better refine them than one working alone.

Your analysis should not exceed 12 double-spaced pages. (Times New Roman 12-pt. or Arial 11-pt. font, 1 inch margins).

You will be randomly assigned to present this project or the Field project (described below). For this project, discuss how you would use the weapons and why. Each team will have 10 minutes to present their work. You should do so in a way that really brings the weapon to life for your classmates. You can create PowerPoint slides or be creative and do something interactive with the class, such as a demonstration or skit, etc. Presentations will be graded based on whether you get the audience engaged and interested in the topic, whether the audience learns something new from the presentation, and whether you communicate your ideas clearly and concisely.

### Field Project (20%)

Paco Underhill's *Why We Buy* helps readers understand some of the critical factors that bring consumers into stores, keep them there or drive them away, and eventually lead them to buy (or not). Your assignment is to choose a local store as your "client". It must be an independent, local store (no chains).

Your job will be to analyze the store layout and marketing, guided by the principles discussed in *Why We Buy*. From a consumer behavior perspective, what is the firm doing right and what is it doing wrong? What can it do to improve the quantity and quality of customers, increase profitability, enhance the customer experience, and improve consumer satisfaction and loyalty? Be specific in your suggestions. The deliverable will be a recommendation to the client on what they should keep and what they should change. While the cooperation and engagement of the client may be beneficial for the project, it is not required. If you have a relationship with the client, you can give store management a copy of the report if you'd like.

Please write a concise summary of your analysis, not to exceed 12 double-spaced pages (Times New Roman 12-pt. or Arial 11-pt. font), not including exhibits. Note that strong papers will use the ideas, theories, and research discussed in *Why We Buy* and in class to frame the analysis and provide suggestions for improvement.

For the presentation of this project, you will have 10 minutes to present your work to the class. As described above with the Social Influence Project, you can create PowerPoint slides or be creative and do something interactive with the class, such as a demonstration or skit, etc. Presentations will be graded based on whether you get the audience engaged and interested in the topic, whether the audience learns something new from the presentation, and whether you communicate your ideas clearly and concisely.

### Final Exam (20%)

The final exam will consist of multiple choice and short answer questions. Topics discussed in class (including guest lectures) and in any of the assigned readings will be fair game.

### Class Participation (20%)

Everyone in this class has something valuable to contribute. Thus, I want you to share your thoughts, questions, and ideas. Class participation will be evaluated in terms of the quantity, but more importantly, the quality, of your contributions. 15% of your total grade will be evaluated by me as follows for class participation:

1. Attendance: Regular class attendance is a signal of your commitment to the course. FYI: This is supposed to be the easy part.
2. Class preparation: You should always be prepared to discuss the concepts, topics and issues for a particular session. You will be called upon to do so. Discussions with me and your colleagues is the best opportunity to demonstrate that you are thinking about topics, relating these topics to one another and to material learned elsewhere. It is also good practice for whatever career path you choose.
  - a. Note: You will have a few assignments (e.g., Black Friday ad, Store Music Assignment, Top 10 list) and quizzes that will not be officially graded but will be considered as elements of "participation."
3. Guest presentations: You will also earn class participation points by attending all guest presentations and getting involved in the discussion (i.e., asking and responding to insightful questions).
4. Comments from your fellow classmates- see information below.

5% of your total grade will be determined by you as an assessment of your own class participation. You will be given the opportunity to evaluate your contributions to the course and assign yourself a participation score. Your evaluation should consider the elements listed above. At the end of the semester, I will ask you to prepare a one-page report that explains and justifies the participation grade that you have given yourself.

You will also be asked to write a paragraph about one student who has enhanced your learning in this course. (This can be a student who was particularly insightful and helpful in a group project, someone who helped you think about an issue in a new way, etc.). These comments will be taken into consideration when final participation grades are assigned. Note: I will not share these comments, but you are welcome to share them with one another. Everyone appreciates hearing something nice every once in a while.

### Other Useful Course Info:

All case write-ups and papers should be uploaded to Canvas (<http://wharton.instructure.com>). (Note: Only 1 person per group needs to upload your group projects.) All assignments are due by 7am on their due date. Late assignments will not be accepted.

Students who are already enrolled, but do not yet have a Wharton computing account can create one using this site: <http://accounts.wharton.upenn.edu>. There is an e-mail link for sending questions if you need further assistance.

Optional: I am available for 'take your professor to lunch/dinner.' You can sign up through Canvas. This is a nice, fun way for me to get to know you on an informal basis outside of class. This is completely optional and has no effect on your grade or status in the course.

## **Class Policies**

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*Name Cards:* I will provide each student with a name card. Please use name cards at each class session throughout the term (even if you think everyone knows your name). If you forget to bring your name card to class, please create a temporary one to use that day.

*Promptness:* To minimize disruptions, please try not to come late or leave early.

*Laptops:* To encourage an active and engaging environment, please do not use laptops, iPads, or mobile phones in class.

*Academic Honesty:* You are reminded of the university policy on academic honesty. Transgressions will result in a grade of zero and judicial proceedings.

## Course Schedule

Date	Description	Readings/Cases/Speakers	Assignments Due
<b>Course Introduction</b>			
<b>Thursday, 9/8</b>	Introductions, Course Overview		
<b>Marketing Research</b>			
<b>Tuesday, 9/13</b>	Theory Development	Consuming Rituals of the Suburban Tribe	
<b>Thursday, 9/15</b>	Applied Insights	In-class exercise  *Have you started reading <i>Influence: Science and Practice</i> yet???	Submit your group name and members in class
<b>Motivation</b>			
<b>Tuesday, 9/20</b>	Theory Development	Luxury for the Masses  Your Loyalty Program is Betraying You  Take VALS survey: <a href="http://www.strategicbusinessinsights.com/vals/presurvey.shtml">http://www.strategicbusinessinsights.com/vals/presurvey.shtml</a>	
<b>Thursday, 9/22</b>	Applied Insights	Guest Speaker: Grey Group	
<b>Exposure, Attention, Perception</b>			
<b>Tuesday, 9/27</b>	Theory Development	Influence of Beer Brand Identification on Taste Perception  Anywhere the Eye Can See, It's Likely to See an Ad	

<b>Thursday, 9/29</b>	Applied Insights	<b>CASE:</b> DOVE: Evolution of a Brand	Submit case write-up by 7am
<b>Knowledge &amp; Learning</b>			
<b>Tuesday, 10/4</b>	Theory Development	Studying Modern-Day Pavlov's Dogs, of the Human Variety	
<b>Thursday, 10/6</b>	Applied Insights	In-class exercise	
<b>Attitudes &amp; Persuasion</b>			
<b>Tuesday, 10/11: FALL BREAK- NO CLASS</b>			
<b>Thursday, 10/13</b>	Theory Development – Explicit Attitudes	<i>Influence: Science and Practice</i> should be completed by now.	
<b>Tuesday, 10/18</b>	Applied Insights	Social Influence Presentations	Submit Social Influence paper by 7am
<b>Thursday, 10/20</b>	Theory Development- Implicit Attitudes	Implicit Predictors of Consumer Behavior Voting-Booth Feng Shui Take IAT prior to class: <a href="https://implicit.harvard.edu/implicit/demo/takeatest.html">https://implicit.harvard.edu/implicit/demo/takeatest.html</a>	
<b>Memory, Retrieval</b>			

<b>Tuesday, 10/25</b>	Theory Development	McDonald's: Fries with That Salad?  The Good Ol' Days of 20 Years Ago	
<b>Thursday, 10/27</b>	Applied Insights	Guest Speaker: Macy's  *Have you started reading <i>Why We Buy</i> yet???	
<b>Judgment &amp; Decision-Making</b>			
<b>Tuesday, 11/1</b>	Theory Development	Get Closer to Your Customers by Understanding How They Make Choices	
<b>Thursday, 11/3</b>	Applied Insights	<b>CASE:</b> Retail Promotional Pricing: When is a Sale Really a Sale?	
<b>Satisfaction</b>			
<b>Tuesday, 11/8</b>	Theory Development	The One Number You Need to Grow  Want to Perfect Your Company's Service? Use Behavioral Science	
<b>Thursday, 11/10</b>	Applied Insights	Guest Speaker: Verde Group	
<b>Context Effects</b>			
<b>Tuesday, 11/15</b>	Theory Development	Managing the Total Customer Experience  The Soundtrack of Your Life  Exercise: Go inside of a store or restaurant and spend some time listening to the background music. Be prepared to discuss the music choice in class.	

<b>Thursday, 11/17</b>	Applied Insights	Guest Speaker: Sarah Lee	
<b>Psychology of Money</b>			
<b>Tuesday, 11/22</b>	Theory & Application	If Money Doesn't Make You Happy, Then You Probably Aren't Spending it Right	
<b>Thursday, 11/24 Thanksgiving</b>			
<b>Darkest and Brightest Sides of Marketing</b>			
<b>Tuesday, 11/29</b>	Theory Development	Don't!  Bring in one ad from "Black Friday" that illustrates a concept that we've discussed this semester.	
<b>Thursday, 12/1</b>	Applied Insights	Guest Speaker: Warby Parker	
<b>CONSOLIDATING...</b>			
<b>Tuesday, 12/6</b>	Field Project Presentations		Submit Field Project Paper by 7am
<b>Thursday, 12/8</b>	Wrap-Up	Create Your Top-10 list: What are the top 10 things you think people should know about consumer behavior? Be prepared to discuss in class.	Submit Class Participation write-up by 7am

EXAM for 1:30PM section  
**Monday, 12/19 from 12-2pm**

EXAM for 10:30am section  
**Tuesday, 12/20 from 9-11am**

\*All dates, activities and materials are subject to change.