

# CONSUMER BEHAVIOR

## MKTG 211/773

### Summer Semester 2012

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#### Course Overview

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. Thus, a clear understanding of the principles and processes of consumer behavior is critical to evaluating and developing effective marketing strategies.

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 identifying, understanding and meeting the consumer 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 a powerful marketing strategy.

#### Class Format

In order to achieve the aforementioned goals, this class will include lectures, in-class group exercises, a group field experiment, in-class exams, and a number of out-of-class assignments. Taken together, the combination of (i) classic, lecture-based instruction and (ii) concept-application tasks will provide you with a strong understanding the core course concepts and how they may be applied to solve real-world consumer behavior problems, which you can then apply in your current and/or future positions.

#### Reading Materials

**Books.** As readings I suggest two best-selling books: Robert Cialdini's *Influence: Science and Practice* and and Paco Underhill's *Why We Buy* (not mandatory).

**Coursepack.** A required course-pack 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

Midterm exam	(individual)	25%
Final exam	(individual)	25%
Class participation	(individual)	20%
HW assignment(s)	(group)	10%
Field project + presentation	(group)	20%

## Final and Midterm Exams (50%)

There will be two exams in this course: (i) a midterm, and (ii) a final. The midterm exam will cover all materials covered **prior** to the day of the midterm. The final exam will cover all materials covered during the semester. These tests will be primarily structured around the materials covered in class, but may also draw from your readings. Each exam will consist of multiple choice and/or short answer/essay questions that evaluate your comprehension of the material. The exams will be administered at the beginning of the session during which they are scheduled and you will have 1.5 hours to complete each exam.

## Class Participation (20%)

Each of us brings a unique set of experiences and knowledge into the classroom; thus, I want you to share your thoughts, questions, and ideas, enabling all class participants (including myself) to tap into this diverse pool of resources and benefit from it. A significant portion of class time will be devoted to discussing and analyzing concepts, examples, and/or the assigned readings. Constructive contribution to the class discussions and active listening are important elements of this course. It is therefore essential that you are fully prepared for in-class discussions and participate actively in class. Please keep in mind that class participation will be evaluated in terms of the quantity, but more importantly, the quality, of your contributions.

## HW Assignment(s) (10%)

During the semester you will receive a couple of short homework assignments. More information will be given in class.

## Field Project (20%)

The main objective of this project is to give you a hands-on opportunity to understand and examine specific behaviors that consumers engage in, as well as apply the concepts, frameworks, and tools discussed in the course to uncover potential strategic consumer insights in order to address a real-world marketing issue. The field project will be completed in groups and will require you to research the issue of your choice (or from a provided list) and make recommendations based on your findings. I understand that the summer semester is only 6 weeks long. Accordingly, I will allot time during some of the sessions for you to work in your groups, and I will be around to answer any questions you might have.

The field project will require some effort outside of class as well. Specifically, you will need to complete your research, proposal writing, and presentation development outside of class.

You will have to:

- Define the management problem/consumer behavior issue.
- Outline the main research questions your group aims to address/examine (no more than 2 or 3 primary “big picture” questions) that will help you solve the management problem, as well as the general approach you will take to answering these questions.
- Determine how you will conduct your research (primary vs. secondary) and develop your research instruments.
- Analyze your results and make recommendations about how to solve the managerial issue.

**Your final report (due in the last session of the course) should be no longer than 12 pages (double-spaced, 12 pt. font, 1-inch margins), not including exhibits, tables and figures. The report should include, at a minimum, summaries of all of the items listed above.** That is, tell me what the managerial problem is and why it is important, the questions you examined, how you examined them, what your findings were, and what your recommendations are. You will present your project to the class during the final session. Presentations should be approximately 15 minutes long. The presentations will also 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.

### **Class Policies**

- Attendance is not mandatory, but it will be difficult to participate in class if you are not actually in class (i.e., absences will hurt your participation grade and, more importantly, your learning experience).
- *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/assignments	Assignments Due
1. Tuesday 5/22	Introduction, Course Overview		
2. Thursday 5/24	Marketing Research	Consuming Rituals of the Suburban Tribe	
3. Tuesday 5/29	Exposure, Attention, Perception	Influence of Beer Brand Identification on Taste Perception Anywhere the Eye Can See, It's Likely to See an Ad	
4. Thursday 5/31	Motivation	Luxury for the Masses Your Loyalty Program is Betraying You	
5. Tuesday 6/5	Knowledge and Learning	Studying Modern-Day Pavlov's Dogs, of the Human Variety	
6. Thursday 6/7	Midterm exam + Attitudes (1)		
7. Tuesday 6/12	Attitudes and Persuasion (2)	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>	
8. Thursday 6/14	Memory	McDonald's: Fries with That Salad? The Good Ol' Days of 20 Years Ago	

<b>9. Tuesday 6/19</b>	Judgment and Decision- Making	Get Closer to Your Customers by Understanding How They Make Choices	
<b>10. Thursday 6/21</b>	Context Effects	Managing the Total Customer Experience  The Soundtrack of Your Life  Exercise: Go inside a store or restaurant and spend some time listening to the background music. Be prepared to discuss the music choice in class.	
<b>11. Tuesday 6/26</b>	Satisfaction	The One Number You Need to Grow  Want to Perfect Your Company's Service? Use Behavioral Science  If Money Doesn't Make You Happy, Then You Probably Aren't Spending it Right	
<b>12. Thursday 6/28</b>	Final exam + Presentations + wrap-up	Managing the Total Customer Experience  The Soundtrack of Your Life  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.	

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