

Syllabus

Marketing 711 – Summer 2016

Customer Behavior

Basic Information:

Professor:	Keith E. Niedermeier, Ph.D. 750 Jon M. Huntsman Hall 215-898-1700 keith1@wharton.upenn.edu
Office Hours:	by appointment
Readings:	One or two articles will be assigned for each class and will be posted on Canvas and/or Study.net

Course Objective:

The purpose of this course is to provide you with a working knowledge of the major theories and research findings in the area of consumer behavior. The goal of this course is not to simply learn the material, rather it is to integrate and apply the material. By the end of this course, you should not only be familiar with a large body of consumer behavior literature, but you should also be able to apply this knowledge to a variety of marketing problems.

While the information covered in the class certainly has tactical benefit, the emphasis will be on broadly understanding consumers with an eye toward strategic insights.

Readings and Lecture:

Assigned reading should be completed by the day it is listed on the class schedule. Class time will NOT be a reiteration of the reading. Classes will be interactive and will be an extension and synthesis of the ideas discussed in the reading. You are highly encouraged to ask questions and participate in class.

Exam

There will be one take-home examination that will count as 35% of your final grade. Everything discussed in class and in the assigned readings may appear on an exam. **The final exam will be due on Canvas by noon on Saturday, August 13.**

Case Reports

You must write two 1000 word (maximum) case reports. Reports are due the day the case is listed on the class schedule. Reports can take any format, but you must address the case question listed below. Each report will count as 15% of your grade. This is an individual assignment. Specific prompts for each case are listed below.

Applied Report

You must submit one applied report. This report will be 2-3 page application of a class concept or framework to a real world problem. It can be an issue you are facing professionally or an example from another company. The format is flexible, but you should analyze the example/situation, interpret it using a consumer behavior framework, and make strategic suggestions. The goal is for you to demonstrate your understanding of a class concept and your ability to apply it in the real world. **The report will be due by 9am on August 6.**

Class Participation and Attendance

Class attendance and participation is mandatory to do well in this class. You are expected to come to each class prepared to discuss the current topic and meaningfully participate in class exercises. Participation and attendance will count as 20% of your grade.

Academic Integrity

In order to ensure fairness, students suspected of cheating will be referred to the Office of Student Conduct. The Office of Student Conduct will determine if there was cheating and if so, what punishment will be administered. There are no exceptions to this policy under any circumstances. Please familiarize yourselves with the University Code of Academic Integrity: <http://www.upenn.edu/academicintegrity/>

Grading:

Your final grade will be determined in the following manner:

One take home exams	35%
Two written reports (15% each)	30%
One applied report (15%)	15%
Participation/Attendance	<u>20%</u>
	100%

<u>Grade</u>	<u>Distribution</u>
A+/A/A-	25-35%
B+/ B/B-	60%
C+ and below	5-15%

Case Questions

Introducing New Coke

1. What was the meaning of Coke's brand? How did they create this meaning?
2. What brand image was Pepsi trying to create? How did they create it?
3. Coke invested a substantial amount of money researching the reformulation of its flagship product, but they still got it very wrong. Were they focusing on the right research questions? What was their focus? What questions should they have asked? How should they have approached the problem?
4. What are the take away lessons? Managerial implications?

Southwest/Euro-air

1. Both of these cases involve customer dissatisfaction. In the Southwest case, why is Ms. Bast dissatisfied and what should the airline do about it? At the time of the case, why does Southwest choose not to change its policies to satisfy its most frequent flyers? What have they done since the case to address these problems and why are they able to do it (you can check their website for policy changes)?
2. In the Euro-Air case, how should Ms. Gold respond to Mr. Boyd?
3. How does social-exchange/equity theory inform the solution for both cases?

Make sure to focus on consumer behavior and not operations

Tentative Class Schedule

Friday, July 8 1:30pm-4:30pm (3 hrs)

Introduction: What is consumer behavior?
Consumer behavior research and approaches

Saturday, July 9 9am-noon (3 hrs)

The Psychological Core: motive, ability, & opportunity
The Psychological Core: exposure, attention, perception, & memory

Thursday, July 21 1:30pm-4:30pm (3 hrs)

Case 1: Introducing New Coke
Attitudes and Attitude Change

Friday July 22 9am-noon (3 hrs)

The Customer Decision Making Process

Friday, August 5 1pm-4pm (3 hrs)

Case(s) 3 - Euro-Air/Rapid Rewards at Southwest Airlines
Customer Loyalty

Saturday, August 6 9am-noon (3 hrs)

Applied Topic: Investor Psychology
Social Influence
Applied report due and final exam assigned

Final Exam Due on Canvas by Noon on Saturday, August 13

Recommended Reading

Thinking, Fast and Slow by Daniel Kahneman – Great book from the guru of judgment and decision making that lays out the two-systems (dual process) of cognition and how it impacts our decisions in a variety of contexts.

Predictably Irrational by Dan Ariely – Very easy read that focuses mostly on Ariely's research, but gives a lot of insight into framing and consumers' systematic biases.

Buyology: The Truth and Lies About Why We Buy by Martin Lindstrom – Good read that covers a lot of recent neuroscience research.

Influence: The Psychology of Persuasion by Robert Cialdini – Fun book that is required for a good understanding of persuasion and compliance.

The Paradox of Choice: Why More is Less by Barry Schwartz – Interesting thesis on complexity and choice.

Made to Stick: Why Some Ideas Survive and Others Die by Chip Heath and Dan Heath – Discusses many social influence issues as they relate to diffusion of ideas and innovations.

Contagious – Jonah Berger – Good treatment of what makes things go viral.

Marketing for Financial Advisors: Build your Business, Bring in Clients, and Establish Your Brand by Eric Bradlow, Keith E. Niedermeier, & Patti Williams - For those of you with interests in financial services, this book has comprehensive sections on behavioral finance and investor psychology.