

VISUAL MARKETING
MKTG 239/739, Spring 2020
The Wharton School, University of Pennsylvania
Huntsman Hall 370

COURSE SYLLABUS

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Overview

As consumers, we are constantly exposed to advertisements and experience visual messages from product packages in stores, retail displays, and products already owned. In essence, visual marketing collateral is omnipresent and is an essential part of corporate visual identity, strategy, branding, and communication. Some of this falls to creative graphic design, but advertising, design, and marketing can also be significantly enhanced by knowledge of how visual information and its presentation context can be optimized to deliver desirable and advantageous messages and experiences. This course will emphasize how to measure, interpret, and optimize visual marketing.

Goals:

Using lectures, discussions, exercises and a group project, this course will help students understand the underlying processes that influence our visual perception and visual cognition. Students will learn about the theoretical processes and models that influence attention and visual fluency. They will also be exposed to eye-tracking instruments that help measure eye movement. Finally, we will explore how visual stimuli can influence consumer memory, persuasion, and choice. We will examine practical applications in marketing, advertising, packaging, retail, and design contexts.

Evaluation and Grading:

Class Participation:

15%

- *Regular attendance.* If you will miss a class, you should inform us both in advance via e-mail, or, in the case of emergency, as soon as possible afterward. Students are responsible for making up work missed during an absence. In grading class participation, absences are marked as "excused" or "unexcused." Excused absences are for personal illness and

personal or family emergency only. Absences due to job interviews, career pursuits, or travel are not appropriate reasons to request an excuse. Unexcused absences will adversely affect a student's course participation grade.

Late-arriving students disrupt the class. Please arrive on time, ideally a few minutes before 10:30, so as to be seated when class begins. Class ends at 11:50am. Please do not depart early. Tardiness and/or early departure will be noted and will impact your participation grade.

- *Contributions to discussions in the classroom.* Students' class contributions will be judged on the basis of the quality of commentary offered, and its role in facilitating the process of collective learning in the classroom. High-quality classroom contribution requires students to:
 - state clear assumptions
 - support inferences with evidence
 - draw logical conclusions
 - communicate clearly, concisely, and specifically

Further, effective contributors help others learn by fitting in with the discussion, adding new insights, synthesizing multiple points of view, redirecting a discussion that has hit an impasse, clarifying ambiguities, provoking constructive debate, or encouraging in-class discovery. The benefits of listening cannot be overstated. Class participants share in these responsibilities for learning by avoiding disruptions and distractions, resisting the temptation to elaborate or repeat unnecessarily, respecting others, and speaking with honesty and candor, thus guaranteeing a valuable learning experience for all.

- *Posting on Canvas Class Discussion Board:* Feel free to post articles on the Canvas Discussion board that apply to what we have covered in class or provide updates on examples discussed. Strongly relevant course materials and offering thoughtful comments will count toward the class participation grade.

Late Submission of Assignments:

Late submissions are penalized except in case of serious emergency or if a prior arrangement is made with both the professors. Unexcused late assignments are penalized one grade step, and a full grade if more than five days late. No assignments will be accepted for grading if more than one week late; a zero will be recorded and the assignment need not be turned in.

One Individual Out of Class Exercise (due 3/4/2020)

20%

Students will visit an assigned retail store in Philadelphia outside of class. In 1-2 pages double-spaced, address the following:

- (1) Using class concepts, describe your perspective on a consumer's shopping journey to the store
- (2) Specifically discuss how one aspect of visual search is optimized in this context

- (3) Specifically discuss a visual marketing challenge that is not optimal, and how it might be improved using class concepts
- (4) Provide 1 photo (and no more than 1) for each of the above three discussion points that illustrate and support your discussions as addendums (not counted in the 1-2 page maximum).

One Mid-Term In-Class Team Presentation

Visual Analysis Presentation (2/17/2020):

15%

The team will be assigned a static advertisement to analyze during class. In a 4-5 minute in-class presentation, your team should specifically discuss how this example illustrates the following concepts:

- a. Use of visual stimuli to get attention: (e.g., salience, location, movement, color, shape position)
- b. Use of visual stimuli to affect fluency (ease of processing)
- c. Use of semiotic codes and their impact on the advertisement's strategy
- d. Use of visual stimuli to affect interpretation (what is the marketing take-away?)

One Group Analysis Exercise: (data given in class 3/16/2020, analysis due: 3/23/2020) 20%

Your group will be given some eye tracking data output and will be asked to provide a relevant marketing insight and analysis for each different dataset provided. The full instructions for this exercise will be provided alongside the dataset on 3/16/2020.

Final team project and presentation:

30%

- Idea Proposals April 1
- Office Hour Team Meeting Deadline meeting held on or before April 10
(each team must schedule a 15-minute meeting to discuss the final presentation plan)
- Final Presentations April 27 & April 29
- Final Recorded Narrated PowerPoint Deck May 12

Project Options: (see fuller descriptions at the end of the syllabus)

- (1) **Hershey's Project:** The Hershey Company acquired the barkTHINS brand three years ago and was able to rapidly increase distribution across classes of trade leading to significant increase in sales. Recent studies however have identified two critical business problems (1) the brand lacks distinct visual assets and (2) the brand lacks meaning with consumers. Design a term project to help the barkTHINS brand determine the most efficacious way to leverage its new visual identity system to create consumer meaning for the brand. The brand is willing to invest dollars across many consumer touchpoints social media platforms, in-store POS, :06 bumper advertising and traditional TVC (:15).

Also – of course the brand will be sending you plenty of free chocolate for “inspiration” throughout the semester.

- (2) **Grocery store Project (cpg):** Design a term project for a grocery cpg product that has a marketing problem objective that can be solved through visual marketing. Groups will need to formulate a visual solution (e.g., a package design, advertisement, retail display, commercial, website) that will solve the problem. Rationale for the solution should be based on concepts discussed in class. An experiment (either an A/B testing or a controlled experiment that can establish causality) should be designed to test the hypotheses used in the presented solution.
- (3) **Your choice:** You have the option of developing a project on your own for a company of your choice. You will need to formulate a visual solution (e.g., a package design, advertisement, retail display, commercial, website) that will solve the problem. Rationale for the solution should be based on concepts discussed in class. An experiment (either an A/B testing or a controlled experiment that can establish causality) should be designed to test the hypotheses used in the presented solution. Part of the grade here will be the formulation of the project scope, and justification for why you chose this firm

Please see the “Schedule of Class Meetings” in this syllabus for the class meetings, session descriptions, and readings.

Readings:

There are a number of readings, including primary research articles and popular media, which will be distributed through Canvas or included in a course pack through Study.net. These readings will inform our discussion, but are optional (unless otherwise noted).

Course Schedule (1/15/20-4/29/20)

Lecture Date	Topics and ASSIGNMENTS DUE	Recommended Readings	Class Session Title
Wednesday, January 15	<ul style="list-style-type: none"> • What is visual marketing? • Packaging • Visual assortment • Branding • Retail design • Advertising • Social Media 		What is Visual Marketing? (BK)

Lecture Date	Topics and ASSIGNMENTS DUE	Recommended Readings	Class Session Title
Wednesday, January 22	<ul style="list-style-type: none"> • What is visual marketing? • Discovery vs. Need-based search • Visual Search Challenges and Developing Tools • Vision: An Overview • Using Visual Information 		What is Visual Marketing? (ZJ) GUEST SPEAKER Ryan Riess, Director of Social Strategy and Earned Media, Hershey Company
Monday, January 27	<ul style="list-style-type: none"> • Shopping revolution: how retailing is changing • Customer perspective vs. product perspective • Principle of customer value • Principle of differential advantage • Different types of retail experiences 		Shopping Journey (BK)
Wednesday, January 29			RETAIL PROJECT In-Class Retail Project Overview
Monday, February 3	<ul style="list-style-type: none"> • Customer Journey • Touchpoints • Understanding customer journey • Top-down/Bottom Up 	Chandon, Hutchinson, Bradlow, Young (2009), Does in-store marketing work? Effects of the number and position of shelf facings on brand attention and evaluation at the point of purchase.	Visual Choice and the Shopping Experience (BK)
Wednesday, February 5	<ul style="list-style-type: none"> • Stimulus-based: Attention, perceptual 		Visual Choice and Shopping Experience (BK)

Lecture Date	Topics and ASSIGNMENTS DUE	Recommended Readings	Class Session Title
	fluency, examples from physical stores, search patterns in store, changes in search, consideration sets, choice architecture, pricing strategies <ul style="list-style-type: none"> • Impacts on store design 		
Monday, February 10	<ul style="list-style-type: none"> • Top down vs Bottom up processing • Gestalt theory & principles • Visual elements • Semiotic codes 		Visual Communication (ZJ)
Wednesday February 12	<ul style="list-style-type: none"> • Saliency • Search • Limitations • Attentional impacts on marketing 	Itti & Koch (2001), Computational modelling of visual attention; Pieters & Wedel (2007), Goal control of attention to advertising; Henderson & Hayes (2017), Meaning-based guidance of attention in scenes as revealed by meaning maps	Visual Perception and Attention (ZJ)
Monday, February 17	Visual Analysis Presentations		In Class Project Day: Visual Analysis Presentations
Wednesday, February 19	<ul style="list-style-type: none"> • Biological constraints and optimizations • Why does the biology matter for marketing? 		The Eye and the Visual Brain (ZJ)

Lecture Date	Topics and ASSIGNMENTS DUE	Recommended Readings	Class Session Title
Monday, February 24	<ul style="list-style-type: none"> Center of gaze Representing visual space coordinates Advantages and disadvantages of visual center and periphery Types of eye movements and how we use them Eye tracking demonstration 	Higgins, Leinenger, & Rayner (2014), Eye movements when viewing advertisements	Eye Movements & Consumer Viewing (ZJ)
Wednesday, February 26			GUEST SPEAKER Eriko Pope
Monday, March 2	<ul style="list-style-type: none"> Choice set Maximizing perceived variety Visual images vs text 		Visual Assortment (BK)
Wednesday, March 4 * <i>*No formal class session will be held on 3/4, but students are required to take part in a 30-minute lab session sometime between (3/2-3/5), scheduled through the course Canvas site.</i>	<ul style="list-style-type: none"> Experiential Learning in the Lab Individual Retail Analysis Write Up Due		Lab: Eye tracking, GSR, and Facial Action Coding (ZJ)
Monday, March 16	<ul style="list-style-type: none"> Analysis methods and tools for eye tracking data Interpretation and Insights 		Methods and Measures (ZJ) Eye Tracking Data Provided for Analysis
Wednesday, March 18	<ul style="list-style-type: none"> Choice and Reaction Time Measuring and Calculating Value 	Shimojo et al. (2003), Gaze bias both reflects and influences preferences;	Measuring Visual Choice (ZJ)

Lecture Date	Topics and ASSIGNMENTS DUE	Recommended Readings	Class Session Title
	<ul style="list-style-type: none"> Gaze Cascade and drift diffusion models and their impact on consumer visual choice 	Krajbich, Lu, Camerer & Rangel (2012), The attentional drift-diffusion model extends to simple purchasing decisions.	
Monday, March 23	Eye Tracking Analysis Due		GUEST SPEAKER Scott Young, Senior Vice President, BVA Group
Wednesday, March 25	<ul style="list-style-type: none"> Color in Packaging Pantone colors; style and fashion Corporate color Shape in packaging 	<p>New York Times (2018), How Pantone Picked 'Living Coral' as the 2019 'Color of the Year' by Wendy MacNaughton</p> <p>Deng & Kahn (2009), Is your product on the right side? The "location effect" on perceived product heaviness and package evaluations;</p> <p>Kahn & Deng (2009), Effects of Visual Weight Perceptions of Product Locations on Packaging;</p> <p>Sevilla & Kahn (2014), The effect of product shape completeness on size perceptions, preference and consumption;</p> <p>Folkes & Matta (2004), The effect of package shape on consumers' judgments of product volume: attention as a mental contaminant;</p> <p>Krider, Raghuram & Krishna (2001), Pizzas: pi or square? Psychophysical biases in area comparisons;</p> <p>Veryzer & Hutchinson (1998), The influence of unity and prototypicality on aesthetic responses to new product design.</p>	Packaging & Perceptions (BK)

Lecture Date	Topics and ASSIGNMENTS DUE	Recommended Readings	Class Session Title
Monday, March 30			In-Class Project Day: Designing Retail A/B Experiments
Wednesday, 4/1/19	<ul style="list-style-type: none"> JND and grabbing attention Beauty of boundaries Neatness & disarray Campbell's Case Study Final Presentation Idea Due		Packaging and Perceptions (BK)
Monday, April 6	<ul style="list-style-type: none"> What is color? Why is color vision useful? Color output precision Color statistics of objects Color memory 		Color (ZJ)
Wednesday, April 8	Final Presentation Office Hour Discussion Deadline by Friday, April 10		Guest Speaker: JB Osborne, CEO and Co-Founder, Red Antler
Monday, April 13	<ul style="list-style-type: none"> Visuals to Build Brand (Positive vs. Negative Imagery) Narrowing vs Broadening Social Images 	"The Emotion of Form and Touchpoints to Create it: from <i>Built to Love: Creating Products that Captivate Customers,</i>" Boatwright & Cagan	Positive Emotions (BK)
Wednesday, April 15			Guest Speaker: Julie Bornstein
Monday, April 20	<ul style="list-style-type: none"> Horizontal Brand Extensions Category Brand Extensions Vertical Extensions 	Marketing Luxury Branding Below the Radar, HBR; Young et al. (2010), Signaling Status with Luxury Goods: The Role of Brand Prominence	Branding (BK)

Lecture Date	Topics and ASSIGNMENTS DUE	Recommended Readings	Class Session Title
Wednesday, April 22	<ul style="list-style-type: none"> • Visual associative learning and memory • What makes an image memorable? • Measuring visual memory 	<p>DiCarlo, Zoccolan & Rust (2012), How does the brain solve visual object recognition?;</p> <p>Albright (2012), On the Perception of Probable Things: Neural Substrates of Associative Memory, Imagery, and Perception</p> <p>Isola et al. (2014); What makes a photograph memorable?</p>	Visual Memory (ZJ)
Monday, April 27	TEAM PRESENTATIONS		TEAM PRESENTATIONS
Wednesday April 29	TEAM PRESENTATIONS		TEAM PRESENTATIONS

Academic Integrity

Please re-familiarize yourself with the students' guide to Academic Integrity at Penn (<http://www.upenn.edu/academicintegrity/index.html>) and the Code of Academic Integrity: (http://www.upenn.edu/academicintegrity/ai_codeofacademicintegrity.html).

You may and are encouraged to discuss class topics with other students in the class. However, your individual and group assignments, responses, and contributions to class are to be your own original work and must truthfully represent the time and effort you apply.

Consult with the instructors if you have any questions about academic integrity expectations for this class. If you are unsure whether your work constitutes a violation of the Code of Academic Integrity, it is your responsibility to clarify any ambiguities.

Policies

Use of Electronics: To help promote learning, retention, and engagement with the course, all phones, tablets, computers, and other electronics for all classes must be turned off and put away out of sight during the entire session (unless you are instructed to do otherwise). This policy will be strictly enforced.

Accommodations: The University of Pennsylvania provides reasonable accommodations to students with disabilities who have self-identified and been approved by the office of [Student Disabilities Services](#) (SDS). If you have not yet contacted SDS, and would like to request accommodations or have questions, you can make an appointment by calling SDS 215-573-9235. The office is located in the [Weingarten Learning Resources Center](#) at Stouffer Commons 3702 Spruce Street, Suite 300. All services are confidential.

FINAL PROJECT DETAILS:

Grocery/CPG Project/Hershey's:

In thinking through your ideas for this project, remember the following strategic considerations when designing a solution for a cpg company that distributes through the grocery channel.

(1) The consumer is not their customer:

Customer: The buyers – who purchase the product at scale and intend to re-sell to deliver their own value proposition and satisfy their own goals (e.g., the retailers like Walmart, WholeFoods, Shoprite, etc.)

Shopper: Their customer's marketing target – the one who decides to purchase the product from their customer at shelf or online. Thus, to deliver value to their customer they have to persuade the shoppers to buy

Consumer: The end target of the marketing. This is the end-user who enjoys the product and thus the marketing proposition has to speak to this user.

(2) Brand's role in the category:

From the retailer's point of view, they are concerned with sales from the overall product category. The brand is concerned with its share of the category. There are various ways a brand can bring value to themselves and to the category. For example, the brand can deliver value by being the future of the category and by driving true category growth through **incrementality**. Their marketing tries to bring in:

More users: They try to bring in shoppers who haven't been purchasing in the category (or back to) the category

More usage: They try to inspire more usage occasions

More value: Their goal is to justify a higher price for the assortment they bring to their categories.

(3) Their category's role in the store:

Basket driver: Their customers (the retailers) care about more than just the money they make off the brand, they care about who the brand attracts, and what else that shopper will purchase on their trip to the store.

Did you know? Most retailers sell turkey at a loss on Thanksgiving – and lots of it. If they can get you to buy the turkey, what else might you purchase?

Rationale for the solution should be based on concepts discussed in class. An experiment (either an A/B testing or a controlled experiment that can establish causality) should be designed to test the hypotheses used in the presented solution.

Projects that you can consider in this domain include:

1. Design an In-store Display or Experience

Think about how a mature or new cpg brand can come to life with one or two strong grocery partners (think ShopRite for example) in a powerful, exciting way for retailers and shoppers? What are the key elements to be successful and drive awareness, engagement, education, talk-ability, consideration, and, of course, purchase. A deliverable could perhaps be a brief to a design agency.

2. Create in-store Visual Cues to drive consumers to the brand/product category

Design in-store visual messaging that would drive consumers from popular spots within the retail store to push shoppers towards the location of your brand. For example, one brand tossed around the idea of putting stickers on avocados in produce that would cue shoppers towards their avocado oil products that were on a shelf in a different part of the store.

3. Design a visual branding strategy.

Re-design a branding strategy for your brand that works in advertising, social media and in-store. Here the ideas should be based on visual principles but should leverage the different aspects of the media channels to create synergy. In-store messaging should reinforce social media or advertising themes. If you are designing for a big company, like P&G or Unilever, think about how their in-store branding for individual products can work together to create an overall bigger category impact.

4. New Brand Packaging Design:

Design a brand “refresh’ for your product that will connect the consumer through product, pack, shelf placement, social, website, advertisements etc. to land the refresh and increase awareness (and certainly not lose any of their loyal consumers along the way).

Final Project Deliverable will be a PowerPoint Deck and any related appendices due April 27 before class and presented by at least one team member in class either April 27 or April 29, as well as a final deck with recorded narration and slide timings integrated (<https://support.office.com/en-us/article/Record-a-slide-show-with-narration-and-slide-timings-0B9502C6-5F6C-40AE-B1E7-E47D8741161C>) due by the end of exams (due no later than 5pm May 12). ***All team members must be present and ready to answer questions during the in class presentation. The class will also score each in class presentation, which will***

contribute to the final project grade, alongside the professors and the TA. Class attendance is required for both of the final in class presentation days.

The final recorded PowerPoint deck can be narrated by one person, or multiple, whatever is preferred by your team. The recorded PowerPoint deck should address any questions/concerns that came up during the in class presentation. Final project grading will take both decks and presentations into account.

Final Project Grading Criteria: (30 points)

- (1) good use of class concepts (6 points)
- (2) creativity (6 points)
- (3) managerial implications/practicality of suggestions (6 points)
- (4) quality of experiment (6 points)
- (5) presentation style (6 points)