



MKTG 2110 – Consumer Behavior

Monday/Wednesday 10:15 – 11:45am

Instructor: Prof. Annie Wilson, Ph.D.

Office hours: In person and via Zoom by appointment.

Course Description

The purpose of this course is to provide students with working knowledge of the major theories and research findings in the area of consumer behavior. The goal of this course is for students to gain a deeper understanding of the psychologies behind behaviors, judgments, and decision-making, and to gain insight into how to apply them to influence behavior in the marketplace. By the end of this course, students should not only be familiar with a large body of consumer behavior literature, but should also be able to identify theories as they play out in the real world, and be able to apply behavioral principles to a variety of marketing problems.

Course Structure and Materials

You will be assigned a variety of readings, podcasts, and video content to prepare for lectures – these should be completed by the day they are listed on the class schedule. They are provided to give you adequate background to engage meaningfully in the lecture content. Lectures will not be a reiteration of the assigned materials, rather they will complement the materials. This class is intended to be highly interactive and will rely heavily on student participation.

Course Policies

No electronic devices are permitted in class. Late submissions of assignments will not be accepted. Class slides will be posted AFTER each lecture as will recordings of each lecture for those unable to attend a session. *If you are not feeling well, please do not attend class.*

Assessments

Your grade will be determined by the following, and based on:

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|----------------------------------|-----|
| ○ Class Participation | 15% |
| ○ Class Prep Assignments | 10% |
| ○ 3 Case Write-ups | 25% |
| ○ CB Exercises | 25% |
| ○ Course Project: Influencing CB | 25% |

Assessment Details

Class Participation (15%)

The value of this course depends heavily on the insights generated through class discussion. Constructive participation is based on analysis rather than opinion, and builds on the discussion flow. Quality is more important than quantity when it comes to class participation. Your participation grade will also be based on your attendance.

Class Prep Assignments (10%)

You will be assigned five short writing assignments. The goal of these assignments is for you to come to class with a relevant example on hand related to the material we will discuss that day. We will draw on your submissions for discussion in class.

CB Exercises (20%)

You will be assigned five CB Exercises throughout the semester. The goal of these exercises is for you to reflect on various aspects of the course, consider how you would apply class concepts, evaluate marketing content through a CB lens, or offer examples of class concepts “in the wild.” These exercises will be graded on thoughtfulness and on how accurately course concepts are applied.

Case Write-Ups (30%):

You will be assigned five case write-ups; two of which will be used to guide in-class case discussions. More details on each case assignment to follow.

Course Project: Influencing CB in the Marketplace (25%)

This is a group project in which each team (5-6 members) will do a deep dive into the consumer decision making process of a specific product or service of your choosing. This could be a product or service that you are interested in developing for an entrepreneurial enterprise or one that is already currently on the market. Your job is to 1) identify one key behavior or metric that you would like to change (i.e. what is the marketing problem you are solving?); 2) map out each stage of the consumer decision process/journey, and indicate the barriers and opportunities at each stage; 3) describe the type of research you would want to do in order to better understand and identify the key barriers and potential solutions – why did you select this type of research? What do you hope to learn or answer through it?; 4) Suggest one solution for solving the marketing problem based on your research and the barriers/opportunities you identified, indicate why you selected to focus on this solution and describe up to three other solutions you considered and why you did not choose them; 5) Conduct a “pre-mortem” of your solution: is there potential for unintended consequences? If so, what are they and why might they occur? How can you mitigate them? What will you do if your solution does not work? How would you interpret this outcome and what would you do next?

Course Schedule

| Day | Date | Topic | Reading | Assignments Due |
|-----------|-------|--|---------|-----------------|
| Wednesday | 8/30 | Introduction to Consumer Behavior | | |
| Monday | 9/4 | <i>No Class - Labor Day</i> | | |
| Wednesday | 9/6 | Motivation, Opportunity, Ability | A | |
| Monday | 9/11 | Perceptions | B | CB Exercise 1 |
| Wednesday | 9/13 | Decision-Making Process | | Class Prep 1 |
| Monday | 9/18 | Preferences & Choice | C | |
| Wednesday | 9/20 | Influence & Persuasion | D | Class Prep 2 |
| Monday | 9/25 | Prospect Theory | | |
| Wednesday | 9/27 | <i>Guest Lecture: Sveinn</i> | | |
| Monday | 10/2 | Pricing & Payments | E | Class Prep 3 |
| Wednesday | 10/4 | <i>Guest Lecture: Shaniqua Martin</i> | | |
| Monday | 10/9 | Headspace vs. Calm | F | Case Write-Up 1 |
| Wednesday | 10/11 | <i>Guest Lecture: Charlotte Blank</i> | | |
| Monday | 10/16 | Identity & Signaling | G | CB Exercise 2 |
| Wednesday | 10/18 | Introducing New Products | H | Case Write-Up 2 |
| Monday | 10/23 | Behavioral Science | I | |

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|-----------|-------|--|---|----------------------------|
| Wednesday | 10/25 | Experimentation | J | CB Exercise 3 |
| Monday | 10/30 | <i>Guest Lecture: Bill Shufelt</i> | K | |
| Wednesday | 11/1 | Managing Growth | | |
| Monday | 11/6 | Crocs | L | Case Write-Up 2 |
| Wednesday | 11/8 | Gamification | | Class Prep 4 |
| Monday | 11/13 | Cool Consumption | M | Case Write-Up 3 |
| Wednesday | 11/15 | Consumer Dynamics | N | CB Exercise 4 |
| Monday | 11/20 | <i>Guest Lecture: Sean Tresvant</i> | | |
| Wednesday | 11/22 | <i>No Class - University operates on a Friday schedule</i> | | |
| Monday | 11/27 | Experiential Consumption | P | CB Exercise 5 |
| Wednesday | 11/29 | Group Project Work | | |
| Monday | 12/4 | Group Presentations | | Influencing CB Project Due |
| Wednesday | 12/6 | Group Presentations | | |
| Monday | 12/11 | Course Wrap | | Class Prep 5 |

Readings:

- A. * Petty, R. E., & Cacioppo, J. T. (1986), "The Elaboration Likelihood Model of Persuasion," in *Communication and Persuasion* (pp. 1-24). Springer, New York, NY.
- B. - Bakalar, Nicholas (2007), "If It Says McDonald's, Then It Must Be Good," *The New York Times*, <https://www.nytimes.com/2007/08/14/health/nutrition/14nugg.html>.
- C. -* Hsee, C. K. (1996). The evaluability hypothesis: An explanation for preference reversals between joint and separate evaluations of alternatives. *OBHDP*, 67(3), 247-257
-*Hsee, C. K., & Hastie, R. (2006). Decision and experience: why don't we choose what makes us happy?. *Trends in cognitive sciences*, 10(1), 31-37.
- D. -Cialdini, R. B. (2001). The science of persuasion. *Scientific American*, 284(2), 76-81.
* Friestad, Marian, and Peter Wright (1994), The Persuasion Knowledge Model: How People Cope with Persuasion Attempts," *Journal of Consumer Research*, 21(1), 1-31.
- E. -Gourville, J., & Soman, D. (2002). Pricing and the psychology of consumption. *HBR*.
*Gourville, J. T. (1998). Pennies-a-day: The effect of temporal reframing on transaction evaluation. *Journal of Consumer Research*, 24(4), 395-408.

-Recommended: Hamilton, R. W., & Srivastava, J. (2008). When 2+ 2 is not the same as 1+ 3: Variations in price sensitivity across components of partitioned prices. *JMR*, 45(4), 450-461.
- F. Israeli, Ayelet and Annie Wilson (2021), *Headspace vs. Calm: A Mindful Competition*, HBS Case #9-521-102.
- G. *Belk, R. W. (1988). Possessions and the extended self. *JCR*, 15(2), 139-168.
*Belk, R. W. (2013). Extended self in a digital world. *JCR*, 40(3), 477-500.

Recommended: Savary, J., & Dhar, R. (2020). The uncertain self: How self-concept structure affects subscription choice. *Journal of Consumer Research*, 46(5), 887-903.
-Escalas, J. E., & Bettman, J. R. (2005). Self-construal, reference groups, and brand meaning. *Journal of consumer research*, 32(3), 378-389.
- H. -Swoboda, Chuck (2020), "Features versus Benefits: Why the iPhone Succeeded –And Google Glass Failed," *Forbes*.
-Israeli, Ayelet, and Anne V. Wilson (2022), *Cann: High Hopes for Cannabis Infused Beverages*, HBS Case #523074.
- I. -"Want to Perfect your Company's Service? Use Behavioral Science," *HBR*.
-"Can AI Nudge us to Make Better Choices," *HBR*.
-"Leaders: Stop Confusing Correlation with Causation," *HBR*.
- J. -"Why Business Schools Need to Teach Experimentation," *HBR*.

- K. “Athletic Brewing Company: Crafting the U.S. Non-Alcoholic Beer Category,” Ayelet Israeli and Anne V. Wilson, HBS Case: #523021.
- L. Israeli, Ayelet, and Annie Wilson (2023), *Crocs: Using Community-Centric Marketing to Make Ugly Iconic*, HBS Case #N9-524-006.
- M. Anik, Lalin, Stephen E. Maiden, and Addison Corriher (2020), *A Supreme Case of Coolness?*, HBS Case #UV8134.
-Wilson, Annie, Kelly Goldsmith, and Kaylee Tao (2022), *Liquid Death: Water Made Metal*.
- N. -Moon, Youngme (2003), *Starbucks: Delivering Customer Service*, HBS Case #504016.
-Moon, Youngme (2003), *Burberry*, HBS Case #504048.
- O. -Keinan, A., & Kivetz, R. (2011). Productivity orientation and the consumption of collectable experiences. *Journal of consumer research*, 37(6), 935-950.
-“Winning in the Experience Economy,” *Forbes*

* Indicates readings you only need to skim – just read these articles closely enough to get the gist. We will discuss the ideas in more detail during class.