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SPECIAL TOPICS: VISUAL MARKETING
MKTG 354/854, Spring 2019
The Wharton School, University of Pennsylvania

COURSE SYLLABUS

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Instructors:

Professor Barbara Kahn   office: 772 Huntsman Hall
                                                                        email: kahn@wharton.upenn.edu

Dr. Elizabeth Johnson   office: 106 Steinberg Hall-Dietrich Hall
                                                                        email: zabj@wharton.upenn.edu

Office hours: by appointment

TA:
 Justin Silver jsilv19@wharton.upenn.edu

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: **10%**

- *Regular attendance.* If a student will miss a class s/he should inform us 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." Unexcused absences will adversely affect a student's course 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.

One Individual Out of Class Exercise (due 3/13/2019) **25%**

Choose either a print or digital advertisement (static) or a package design or take a photograph of a retail display that you believe illustrates good use of the concepts we discussed in class.

(1) Provide an overview rationale for why you chose the example you chose
(2) 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 visual stimuli to affect interpretation (what is the marketing take-away?)
(3) Your discussion should not be longer than two pages, double spaced.

One Group Exercise: (data given after class 3/25, analysis due: 4/1 **25%**

Your group will be given some eye tracking data output and will be asked to provide a thoughtful analysis.

Final team project and presentation: **20% Presentation/20% Final Report**
- Choose teams for group project — January 30
- Idea Proposal Due — March 18
- Final Presentation due — April 29, May 1
- Final Paper Due — May 14

Description of Group Project:

We will be working with Unilever https://www.unilever.com and specifically their new acquisition of the Sir Kensington's product line http://www.sirkensingtons.com. Each team can select one of the four possible projects described below to work on. Executives from Sir Kensington will come to class to explain the projects and answer questions. Concepts and theories introduced in class should be used to help solve the problems. Successful projects will analyze the marketing problem and suggest a solution. The proposed solution should be defended both in terms of visual design and in terms of how the proposal solves the customer, consumer and company problem.

In thinking through your ideas remember the following strategic considerations:

(1) Their *eater* 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
   Eater: 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) Sir K's role in their category:
   Sir K does not sell enough to be about sales (or even price). They 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, through cooking or eating, for the categories they play in
   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.

THE FOUR PROJECT POSSIBLITIES: Each team should choose one of these options:

1. **'Big Display' ambition for 2nd half 2019 –**
    a. How can Sir Kensington's come to life with one or two strong grocery partners (think ShopRite for example) in a powerful, exciting way for retailers and shoppers? The brief here is less actual design and more: 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 (which they will actually be doing).
    b. Context: Sir Kensington's established itself in the natural Channel (think Whole Foods) by focusing on specific retailers and investing in significant display and demo to introduce the brand to the world. As they pivot to scaling their brand in conventional/mass grocery they struggle to justify getting display real estate because their sales velocities do not measure up to their mass-brand category peers. In grocery, it's all about moving through volume to make best use of space – Sir Kensington's brings less volume, but high incrementality and a valuable shopper to the category and rest of store. How can they excite their retailer buyers with a cool enough display to get us strong placement in-store that will engage with their shoppers and introduce Sir Kensington's?
    c. Examples: Vitacoco and Hippeas (pictures):

2. **How to direct natural-focused, perimeter-store shoppers to center store for their natural, healthy, groceries where they may not expect to find them.**
   a. Essentially, an in-store visibility proposal that would include perimeter store placement (think produce/deli sections) to push shoppers towards the aisle, and home location messaging to catch them (like on the Mayo aisle shelf for example). Would need to be retailer/category focused to be compelling for their buyers versus outright Sir Kensington's branding like a display would be but should push Sir Kensington's to win disproportionately. For example, they have tossed around the idea of putting stickers on avocados in produce that cue shoppers towards avocado oil products that are on shelf.

3. **How should Unilever's condiments portfolio (Hellmann's, Maille, Sir Kensington's) show up together in store and complement each other while driving category interest and purchase.**
   a. Both in terms of shelf placement proposal and display/creative or messaging around the store, or even through marketing channels (they should all tie together).
   b. Unilever is strong at marketing multiple brands in categories like Haircare, Deodorant and Ice Cream, but it's new territory for condiments that has traditionally been all about Hellmann's. Each brand should have a role to play for their retailers! How can the brands benefit each other so Unilever wins against our competitor manufacturers?

4. **New Brand Packaging Design:**

Sir K is planning a brand "refresh' in 2019 and they will need to 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 eaters along the way).

Course Schedule (1/16/19-5/1/19)

Introductory Material

Theory and Concepts:

- **Communication theory**
- **Biology of vision**
- **Eye Movements**
- **Visual Perception**
- **Modeling Visual choice**
- **Visual Memory**

Marketing Applications

- **Shopping Experience (choice)**
- **Packaging**
- **Retail**
- **Perceived Variety/Assortment**
- **Advertising**
- **Aesthetics**
- **Branding**
- **Beauty**

Measurement and Analysis

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).

Lecture Date	Topics and ASSIGNMENTS DUE	Recommended Readings	Class Session Title/Instructor
Wednesday 1/16/19	TOPICS: Introductory Remarks, Overview of Course Discussion of Group Project (Unilever/Sir K)		Introduction: Discussion of Group Project (BK and Unilever /Sir K's representatives)
Monday, 1/21/19			No Class, MLK Holiday
Wednesday, 1/23/19	TOPICS: Overview; Marketing; Finding versus Browsing; Analyzing Visual Images and Messages		Introduction: Vision, Advertising & Marketing (ZJ)
Monday, 1/28/19	TOPICS: Direct vs Constructivist Theories; Gestalt Principles; Ambiguity and Visual Illusions; Key cues (Color, Form, Depth, Movement); Intro to Visual Information and Terminology for Communication and Marketing	Visual Communication: Images with Messages (Paul Martin Lester), 7th Ed. Chapter 1	Theory: Visual Communication, Visual Analysis and Visual Marketing (ZJ)
Wednesday, 1/30/19	What is vision for? Anatomy and Function of the Eye, Retina, and Visual Brain; What and Where Pathways; Image Resolution and Visual Acuity; Why this Matters for Marketing CHOOSE TEAMS FOR GROUP PROJECT	Vision and Brain, James V. Stone, 2012, Chapters 1-4	The Eye and Visual Brain (ZJ)
Monday, 2/4/19	Overview of Eye Movements: Moving Objects, Moving	Higgins, Leinenger, & Rayner (2014), Eye movements when viewing	Eye Movements and Consumer Viewing

Lecture Date	Topics and ASSIGNMENTS DUE	Recommended Readings	Class Session Title/Instructor
	Viewer, Moving Eyes; Embodiment	advertisements; Caligiore & Fischer (2013), Vision, action and language unified through embodiment.	(ZJ)
Wednesday, 2/6/19	Salience, Search, Complexity, Endogenous and Exogenous Attention	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, 2/11/19	Using Eye Tracking to Discern Choice Stages; Physical (retail) Shopper Engagement and Choice Behavior; How Visual Cues Facilitate Evaluation; Availability/Representativeness Bias; Choice Sets and Influence Shelving; Color Blocking; Logos and Icons; Shape & Structure; Color in Marketing; In-Store Tech; Retail Store Design Pricing (high/low); Pennies a Day; Price Signaling	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. Promotion Pricing HBR Case	Visual Choice & Shopping Experience (BK)

Lecture Date	Topics and ASSIGNMENTS DUE	Recommended Readings	Class Session Title/Instructor
Wednesday, 2/13/19	**Gaze Cascade, Attentional Drift-Diffusion Model; Neural Choice Limits**	**Shimojo et al. (2003), Gaze bias both reflects and influences preferences;** **Krajbich, Lu, Camerer & Rangel (2012), The attentional drift-diffusion model extends to simple purchasing decisions.**	**Modeling Visual Choice** (ZJ)
Monday, 2/18/19	**History of packaging/supermarkets; Color in packaging; Left/right (psychological center/physical center); Movement left, right; Subdivision, golden triangle; figure/ground; packaging cues; shape; spatial depth; Visual vs verbal cues** **Use of packaging/product shape to build brand; Iconic shapes of products; Campbell's Packaging Experiments; Design Features in Product Shape to Build Brand; Emotion from Packaging (Harley, Buick); Evaluation using Neuroscience and Biometrics (Attention & Emotion)**	**Deng & Kahn (2009), Is your product on the right side? The "location effect" on perceived product heaviness and package evaluations;** **Kahn & Deng (2009), Effects of Visual Weight Perceptions of Product Locations on Packaging;** **Sevilla & Kahn (2014), The effect of product shape completeness on size perceptions, preference and consumption;** **Folkes & Matta (2004), The effect of package shape on consumers' judgments of product volume: attention as a mental contaminant;** **Krider, Raghubir & Krishna (2001), Pizzas: pi or square? Psychophysical biases in area comparisons;** **Veryzer & Hutchinson (1998), The influence of unity and prototypicality on aesthetic responses to new product design.**	**Packaging, Part 1** (BK)

Lecture Date	Topics and ASSIGNMENTS DUE	Recommended Readings	Class Session Title/Instructor
Wednesday, 2/20/19			Retail /Packaging Industry Perspective, part 2 (BK) Guest Speaker: Scott Young (President, Perception Research Services Int.)
Monday, 2/25/19	Experimental Design; Manipulating Eye Position; Visual Goals; Behavioral Methods (Reaction Time, Choice, Errors); fMRI, EEG, Eye Tracking & Pupillometry; Analysis and Interpretation; Mobile vs. Stationary methods		Methods and Measures: Experimental Design and Methods (ZJ)
Wednesday, 2/27/19	Eye-tracking demonstrations (mobile and stationary); Analyses Eye Tracking: Ads and Commercials (Static versus Dynamic Marketing), Reading, Scene and Ad Gist; Tracking Viewer Engagement; Social Processing & Celebrity Images; Gaze and Social Status as Branding	Deaner & Platt (2003) Reflexive social attention in monkeys and humans; Deaner, Shepherd & Platt (2007), Familiarity accentuates gaze cuing in women but not men; Palcu, Sudkamp & Florack (2017), Judgments at Gaze Value: Gaze Cuing in Banner Advertisements, Its Effect on Attention Allocation and Product Judgments Pieters & Wedel (2012), Ad Gist: Ad Communication in a Single Eye Fixation	Collecting and Analyzing Eye Tracking Data (ZJ)
Monday, 3/11/19	Visuals to Build Brand (Positive vs. Negative Imagery); Narrowing vs. Broadening; Global vs. Local Visual Processing; Social Images	"The Emotion of Form and Touchpoints to Create it: from *Built to Love: Creating Products that Captivate Customers*," Boatwright & Cagan Cavanugh (2014), Because I	Packaging/brand/ (cont.) VS and Positive Emotion (BK)

Lecture Date	Topics and ASSIGNMENTS DUE	Recommended Readings	Class Session Title/Instructor
		(Don't) Deserve It: How Relationship Reminders and Deservingness Influence Consumer Indulgence	
Wednesday, 3/13/19	Actual vs. Perceived Variety; Choice Overload; Learning Preferences: Attribute versus Alternative; Visual Search and Scanning Patterns of Assortments; Location Effects and Processing Ease; Visual vs. Verbal Depiction; Color/Flavor Naming; Horizontal vs. Vertical Effects; Internal Categorization and External Orientation INDIVIDUAL VISUAL ANALYSIS EXERCISE DUE	Huffman & Kahn (1998), Variety for Sale: Mass Customization or Mass Confusion?; Kahn & Wansink (2004), The Influence of Assortment Structure on Perceived Variety and Consumption Quantiles; Morales et al. (2005), Perceptions of Assortment Variety: The Effects of Congruency Between Consumers' Internal and Retailers' External Organization; Miller & Kahn (2005), Shades of Meaning: The Effects of Color and Flavor Names on Consumer Choice; Townsend & Kahn (2014), The "Visual Preference Heuristic:" The Influence of Visual versus Verbal Depiction on Assortment Processing, Perceived Variety, and Choice Overload; Kahn, Weingarten & Townsend (2013), Assortment Variety: Too Much of a Good Thing?; Kahn et al. (2016), A "Wide" Variety: The Effects of Horizontal vs. Vertical Product Display on Assortment Processing, Perceived Variety, and Choice.	Perceived Variety & Assortment (BK)

Lecture Date	Topics and ASSIGNMENTS DUE	Recommended Readings	Class Session Title/Instructor
	GROUP PROJECT IDEA PROPOSALS DUE Beauty of boundaries; Neatness and Disarray; Moderators: Control & Religiosity; Horizontal Brand Extensions; Category Brand Extensions; Vertical Extensions		Aesthetics & Structure, Branding (BK)
Wednesday, 3/20/19	Visual Choice Behavior: Experimental design and implementation		Lab Practicum: Wharton Behavior Lab (ZJ) *
Monday, 3/25/19	Visual Choice Behavior: Experimental design and implementation ASSIGNMENT: DATA ANALYSIS GROUP PROJECT (DUE 4/1)		Lab Practicum: Wharton Behavior Lab (ZJ) *
Wednesday, 3/27/19	Zmet Technique, Visual Images and Metaphors	Benetton Campaign (HBR Case); Using the New Science of Viral Ads: Thales Teixeira;	Advertising ZMET, Emotions (BK)
Monday, 4/1/19	Manipulating Color and Light; Perceiving Color; Color and Marketing ASSIGNMENT: DATA ANALYSIS GROUP PROJECT DUE	Witzel & Gegenfurtner (2018), Color Perception: Objects, Constancy, and Categories	Color (ZJ)
Wednesday, 4/3/19	Luxury Branding	Kahn (2017), Using Visual Design to Improve Customer Perceptions of Online Assortments Marketing Luxury Branding Below the Radar, HBR; Young et al. (2010), Signaling	Luxury: Logos, & Retail Design (BK)

Lecture Date	Topics and ASSIGNMENTS DUE	Recommended Readings	Class Session Title/Instructor
		Status with Luxury Goods: The Role of Brand Prominence	
Monday, 4/8/19	**Visual Associative Learning and Memory**	**DiCarlo, Zoccolan & Rust (2012), How does the brain solve visual object recognition?;** **Albright (2012), On the Perception of Probable Things: Neural Substrates of Associative Memory, Imagery, and Perception** **Isola et al. (2014); What makes a photograph memorable?**	**Visual Memory, Imagery & Association (ZJ)**
Wednesday, 4/10/19	**Beauty and Symmetry; Neuroaesthetics**		**Aesthetics & Beauty (ZJ)** **Guest Speaker: Anjan Chatterjee (Penn Neurology; Director, Penn Center for Neuroaesthetics)**
Monday, 4/15/19			**Retail Design (BK)** **Guest Retail Design Speaker (CEO, Red Antler)**
Wednesday, 4/17/19			**Visual Marketing and Advertising (ZJ)** **Guest Speaker: Carl Marci, Chief Neuroscientist, Nielsen, Inc.**
Monday, 4/22/19	**Vision in Combination with Other Sensory Processing**		*Multimodal Sensory Marketing (BK)* *Guest Speaker: Mimi Morrin*

Lecture Date	Topics and ASSIGNMENTS DUE	Recommended Readings	Class Session Title/Instructor
Wednesday, 4/24/19			*Team Project Work Day (alternatively, a guest speaker or inclement weather make-up day)*
Monday 4/29/19			TEAM PRESENTATIONS
Wednesday, 5/1/19			TEAM PRESENTATIONS INDIVIDUAL WRITE-UPS OF FINAL PROJECTS DUE BY END OF EXAMS (5/14/19)

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.