

Year : 2019/20

80137 - Consumer behaviour

TEACHING PLAN

1. Basic description

Name of the course: Consumer Behavior

Academic year: 2019–2020

Term: 1st

Degree / Course: International Business Programme

Code: 80137

Number of credits: 6

Total number of hours committed: 150

Teaching language: English

Lecturer: Roger Pagà (roger.paga@prof.esci.upf.edu)

Timetable:

Tuesday and Thursday, 4.30 – 6.40 pm

Office hours: Tuesdays, from 6:40 to 7:40 pm.

2. Presentation of the course

The goal of this course is to use a variety of insights from the social psychology literature in order to understand how consumers behave and, particularly, the reasons behind such behavior. With this knowledge, students should be better equipped to answer important marketing questions such as how to boost product awareness or how to increase purchase intentions.

Strategic Consumer Insights is divided in three blocks:

1.

In the first block, students will learn about perception, memory, motivation and personality. These topics have important marketing applications in the context of product awareness, product recall, and product attitude formation.

2.

In the second block, students will learn about decision-making models and influence techniques. These topics have important marketing applications in the context of product

choice and brand loyalty.

3.

In the third block, students will learn about several contemporary strategies to reach consumers, about the differences between online and offline consumer behavior, and about how consumer behavior can and should be used to inform branding strategy. The aim of this last block is to show students that consumer behavior is an ever-evolving discipline that has deep implications in other marketing areas such as branding.

Advised Prerequisite: Introduction to Marketing

3. Competences to be worked in the course

General competences	Specific competences
<p data-bbox="142 891 523 925"><i>Instrumental competences</i></p> <p data-bbox="142 936 691 1010">G.I.1. Ability to search, analyse, assess and summarise information.</p> <p data-bbox="142 1021 691 1095">G.I.2. Ability to relate concepts and knowledge from different areas.</p> <p data-bbox="237 1144 691 1178"><i>General personal competences</i></p> <p data-bbox="142 1189 691 1263">G.P.2. Ability to manage behaviour and emotions.</p> <p data-bbox="142 1274 464 1308">G.P.4. Critical attitude.</p> <p data-bbox="142 1319 531 1352">G.P.5. Ability to empathise.</p> <p data-bbox="142 1364 592 1397">G.P.6. Ability to foresee events.</p> <p data-bbox="237 1447 691 1480"><i>Generic systemic competences</i></p> <p data-bbox="142 1491 592 1525">G.S.1. Ability to apply creativity.</p> <p data-bbox="142 1536 691 1648">G.S.7. Promotion of and respect towards multicultural values: respect, equality, solidarity and commitment.</p> <p data-bbox="142 1659 691 1771">G.S.8. Promotion of and respect for gender, environment and safety-at-work issues.</p> <p data-bbox="237 1821 663 1854"><i>Competences for applicability</i></p> <p data-bbox="142 1865 691 1977">G.A.2. Ability to use quantitative criteria and qualitative insights when taking decisions.</p> <p data-bbox="142 1989 691 2063">G.A.3. Ability to search and exploit new information sources.</p> <p data-bbox="142 2074 691 2107">G.A.4. Ability to understand and apply</p>	<p data-bbox="791 891 1173 925"><i>Professional competences</i></p> <p data-bbox="719 936 1268 1048">E.P.1. Ability to understand the decisions taken by economic agents and their interaction in the markets.</p> <p data-bbox="719 1059 1268 1261">E.P.5. Ability to take strategic managerial decisions while taking into account the economic, cultural, social and political determinants specific to a particular area.</p>

the network concept.	
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The above competences reflect the basic competences set out in Royal Decree 1393/2007, namely:

- a. Competence to **comprehend knowledge, on the basis of general secondary education.**
- b. Competence to **apply knowledge** to day-to-day work in international management or marketing, in particular the ability to develop and defend arguments and to solve problems.
- c. Competence to **gather and interpret relevant data**, enabling the development of critical judgements on the economic and social reality.
- d. Competence to **communicate and transmit information** (ideas, problems, solutions) to a specialist and non-specialist audience.
- e. Competence to **develop learning activities** in a relatively autonomous manner.

The competences worked on in the course are divided into two groups: those seen as a development or specification of a basic competence; and those that hone graduates' professional profile with respect to general and specific competences.

Basic competence: **understanding of knowledge**

I. General competences G.A.2

II. Specific competences E.P.1

Basic competence: **application of knowledge**

I. General competences G.I.2, G.S.1

Basic competence: **gather and interpret data**

I. General competences G.I.1, G.P.6, G.A.3

Basic competence: **communicate and transmit information**

I. General competences G.P.5

Basic competence: **develop learning activities**

I. General competences G.P.4

Competences that hone graduates' professional profile which are not included under basic competences

In general, these competences combine the following key elements for honing students' professional profile in the area of international business and marketing:

- Provide students with the capacity to adapt to dynamic teams and environments.
- Provide students with the capacity to create their own integral vision of the operation of a business or international marketing project.
- Provide students with the capacity to take complex decisions and carry out negotiation processes.

Learning outcomes

Students will be able to interpret the factors that affect consumers' behaviour and will understand the decisions they take in response to the stimuli created by companies. They will also be able to interpret trends and create strategies to match identified consumer behaviour.

4. Contents

Unit 1: The perceptual process

- How do consumers make sense of the world? Defining perception, attention and comprehension.
- The limits of perception: what are our sensory thresholds and how can Marketers take advantage of them? Introducing subliminal advertising.
- Focusing our attention: what kind of stimuli are we most likely to notice and feel attracted to?

Unit 2: Learning and memory

- How do consumers learn to associate certain products with certain characteristics? The power

of classical conditioning.

- How are desirable consumer behaviors incentivized? Understanding operant conditioning.
- Memory: a requirement for learning. How does the process of storing and retrieving information work? What are its limitations and how can those be exploited?

Unit 3: Motivation and emotion

- A simple framework of motivation: needs, wants and goals.
- Motivation and how it influences behavior: the valuation and devaluation effects.
- What do consumers need? An overview of need theories.
- Emotions and how they influence product attitudes.
- Manipulating emotions: Discrepancy-Interruption Theory and Affect Transfer Theory

Unit 4: Belief and attitude formation

- Types of product beliefs.
- Product attitudes and their sources.
- Product attitudes and product functions.
- The role of consumer involvement and time-pressure on attitude formation and persuasion.

Unit 5: Self-concept and personality

- Self-concept: understanding how consumers define themselves.
- Self-esteem: what it does and what it does not.

- Multiple self-concepts; which one should marketers try to appeal to?
- Extended-self and 'loved objects': when the line between a consumer and his possessions blurs.
- Consumers' personalities and persuasion strategies.
- Understanding the notion of brand personality.

Unit 6: Consumer decision making

- Different types of decisions: the role of processing effort and involvement.
- The classical model of consumer decision making: from problem recognition to post-purchase evaluation.
- What are heuristics and when are they used?
- Persuasion heuristics, choice heuristics and prediction heuristics: advantages and pitfalls.

Unit 7: Persuasion techniques

- Seven psychological principles to manipulate consumer behavior.

Unit 8: Consumer decision making and self-regulation

- What is self-regulation and how does it help consumers make better decisions?
- A peek inside our brains: what are the physiological costs of self-regulation and decision making?
- From controlled behavior to automatic behavior: what happens when mentally-fatigued

consumers have to make a decision? Why do marketers like that?

- How can self-regulation be conserved, restored and strengthened?

Unit 9: Consumer behavior and branding strategies

- Brand adoption factors.
- Brand equity management: how can brand image be measured and strengthened?
- Brand management strategies throughout the product life cycle: acquisition vs. retention strategies, market leaders vs. market underdogs.

Unit 10: Contemporary strategies to reach consumers

- Word of mouth
- Consumer-generated advertising
- Celebrity and athlete endorsers
- Product placement

Unit 11: Online consumer behavior

- Online marketing vs. traditional marketing
- The core of online marketing: the website
- Consumer empowerment: reduced search costs, the consumer advocacy paradigm, and the two-way communication between consumers and brands.

5. Assessment

The course assessment comprises:

- Final exam
- Weekly assignments
- Class participation

Description of assessment	Frequency	Type of assessment	Assessment agent	Type of activity	Grouping	Weight (%)
Final Exam (minimum required score: 4/10)	Once	Compulsory	Lecturer	Multiple choice + essay questions	Individual	60%
Assignments	Weekly	Compulsory	Lecturer	Short questions + Marketing cases	Groups of 3-5	30%
Participation	Every class	Voluntary	Lecturer	Comments that do not involve clarification questions	Individual	10%

Simple attendance does not count as class participation. Participating means answering the instructor's questions or bringing new insights into the discussion. In other words, it requires students to make a contribution. At the end of each session, the names of all the students who participated will be recorded. At the end of the course, the instructor will have a list indicating in how many sessions each student participated. Students who participate in at least 10 sessions will receive a 10/10 in participation. Participating in less than 10 sessions will result in a proportionally lower participation grade. For example, students who participate in 4 sessions will receive a 4/10 in participation.

Final exam and passing conditions

Students must sit the final exam in order to obtain a grade for the course. Students who do not sit the final exam will receive a "No Show" grade.

Students who obtain less than a 4/10 in the final exam will automatically fail the course regardless of their assignment and participation grades. In that case, the overall grade for the course will be

equal to the grade obtained in the final exam.

Students who obtain at least a 4/10 in the final exam will have their assignment and participation grades included in the calculation of the course's overall grade (using the weights specified in the table above). Students who obtain an overall course grade of at least 5/10 will pass the course.

Resits

Only students who have obtained at least a 3/10 in the final exam may retake it. Students who obtained less than a 3/10 or who did not show up the day of the final exam may not retake it. For those students who retake the final exam, their assignment and participation grades will carry over.

Any students found copying and/or plagiarising work, in whole or in part, will fail the subject. They will receive a final grade of zero and will not be allowed to take the make-up exam. In accordance with the UPF Disciplinary Rules and Regulations for Students, other additional sanctions may apply depending on the seriousness of the offence.

Working competences and assessment of learning outcomes:

	GI1	GI2	GP2	GP4	GP5	GP6	GS1	GS7	GS8	GA2	GA3	GA4	EP1	EP2
Final exam				X		X				X			X	X
Weekly assignments	X	X		X		X				X	X	X	X	X
Participation			X	X	X		X	X	X					

6. Bibliography and teaching resources

Core bibliography:

- Kardes, F.R., Cline, T.W., Cronley, M.L. (2011), Consumer Behavior: Science and Practice. South-Western: Cengage Learning.

Supplementary bibliography:

- Kenrick, D.T., Griskevicius, V. (2013), *The Rational Animal: How Evolution Made Us Smarter Than We Think*. New York: Basic Books.
- Norton, M. I., Rucker, D. D., & Lambertson, C. (Eds.). (2015). *The Cambridge Handbook of Consumer Psychology*. Cambridge University Press.
- Solomon, M.R., Bamossy, G., Askegaard, S., Hogg, M.K. (2014), *Consumer Behaviour: A European Perspective*. London: Pearson Education.

Teaching resources:

- PowerPoint files made available on AULA ESCI-UPF.

7. Methodology

The eleven topics outlined above will be covered in class with the aid of PowerPoint presentations. These presentations will be made available in advance so that students can download them. The presentations are by no means a complete account of each topic. Therefore, students are encouraged to take notes during the sessions. When presenting a topic, the emphasis will be on its marketing applications. The lecturer will not reveal those applications immediately but instead guide the students so that they can figure out those applications by themselves. The goal is to achieve a dialogue between the lecturer and the students, rather than a monologue in which the lecturer talks and students passively listen to him.

Most topics will be complemented with an assignment that students will have to do in groups of 3 to 5 people. Students may choose who to work with. The goal of the assignments is to give students an opportunity to apply the knowledge learnt in class or to highlight additional applications/implications of the topics covered. Each assignment will present students with several questions. Students will have to write a report answering those questions and then upload it to the ESCI-UPF aula before the specified deadline. Reports will also need to remain below a maximum word limit. Those reports that exceed the word limit or are submitted past the deadline will receive a qualification of zero. Students only need to submit one copy of the report per group. The work involved in completing the assignments does not end after submitting the report; each assignment will also be discussed in class, and students are expected to participate in those discussions. This will be a good opportunity to improve one's participation grade.

The very last session of the course will be devoted to summarizing the topics seen throughout the course and discussing the format, duration etc. of the final exam. Mock questions will also be provided and discussed. The final exam is worth 60% of the course's final grade, while the assignments are worth 30% and in-class participation is worth the remaining 10%.

8. Scheduled activities

Scheduled curricular activities:

- In the classroom: lecture classes, assignment discussion
- Outside the classroom: assignment preparation, independent study

Week	Class activity Grouping/type of activity	Duration (hours)	Out-of-class activity Grouping/type of activity	Duration (hours)
Week 1	Class 1: Lecture: The Perceptual Process	2	Assignment 1: Humour and Advertising	8
Week 2	Class 2: Lecture: Learning and Memory Class 3: Discussion of assignments 1 and 2	4	Assignment 2: Experimental Designs & Placebo Effects	8
Week 3	Class 4: Lecture: Motivation & Emotion Class 5:	4	Assignment 3: 'Prams are not just for babies'	16

	<ul style="list-style-type: none"> · Discussion of assignment 3. · Lecture: Motivation & Emotion (continuation) 		Assignment 4: Bare Mettle Entertainment and the Risks of Innovation	
Week 4	<p>Class 6: Lecture: Belief & Attitude Formation</p> <p>Class 7: Discussion of assignments 4 and 5.</p>	4	Assignment 5: Diamonds and De Beers	8
Week 5	<p>Class 8: Lecture: Self-concept & Personality.</p> <p>Class 9: Lecture: Decision Making</p>	4		5
Week 6	<p>Class 10: Lecture: Decision Making (continuation).</p> <p>Class 11:</p> <ul style="list-style-type: none"> · Discussion of assignment 6 · Lecture: Decision Making (continuation) 	4	Assignment 6: 'Holiday Decision Making'	13
Week 7	Class 12: Lecture: Persuasion techniques	4	Assignment 7: 'An influence agent at work'	13

	<p>Class 13:</p> <ul style="list-style-type: none"> · Discussion of assignment 7 · Lecture: Persuasion techniques (continuation) 			
Week 8	<p>Class 14: Lecture: Self-regulation</p> <p>Class 15:</p> <ul style="list-style-type: none"> · Discussion of assignment 8 · Lecture: Self-regulation (continuation) 	4	<p>Assignment 8: 'Should I - or shouldn't I?'</p> <p>Assignment 9: 'A New Style'</p>	21
Week 9	<p>Class 16: Lecture: Branding strategies</p> <p>Class 17: Discussion of assignments 9 and 10</p>	4	Assignment 10: 'McDonald's Japan Goes Gourmet'	8
Week 10	<p>Class 18: Lecture: Contemporary strategies to reach consumers</p> <p>Class 19: Lecture: Online consumer behavior</p>	4		5
Week	Class 20: Course	2		5

11	summary and preparation for the final exam			
Final exams week	Final exam (2h)			
Total time		40		110

Note: if time and number of students allow, it is possible that the last three topics of the course involve PowerPoint presentations that students will have to prepare and present in class. Those presentations will be an in-group activity and will count twice as much as a normal assignment. Those presentations, if applicable, would replace assignments 8-10.