Course Syllabus

Consumer Behavior (02818710)

Instructor: Jing Xu
Program: Marketing
Semester: Fall 2014
Time: 1-11 weeks, Friday, 13:00-15:50
Credit Hour: 33
Credits: 2
Prerequisite: Marketing Management
Location: Guanghua Old Building 215

Contact Information:
Office: Room 463 (GH II) 
TA: TBA
Office Hours: Tuesday 3:00 – 4:00pm or by appointment
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Brief Course Description

Marketing is customer-driven, concerned with tailoring offerings to consumer needs and ensuring customer satisfaction. Effective marketing decisions require an accurate understanding of customers’ needs, values, judgments, and choices. The focus of this class will be on understanding the psychological processes underlying consumer behavior. Along with its implications for designing effective marketing communications, the course will provide broader practical knowledge on how to create and sustain change in business settings.

Course Objectives

This course is designed to provide knowledge of:
1) the psychological foundations of consumer behavior
2) the specific research tools to generate knowledge about customers
3) how to engage these mechanisms in building persuasive communications and improving marketing decisions
Detailed course plan (Outline of Units)

Week 1
Topics: Course Overview
       Understanding Consumer Behavior
Reading: Chapter 1, Hoyer and MacInnis
       Chapter 1, Kardes
       Experimental Design (HBR, 2002)

Week 2
Topic: Consumer Decision Making Process
Reading: Chapter 9, Solomon (textbook)
       Mini case “Egg”

Week 3
Topic: The Predictably Irrational Consumers
Reading: Heuristics and Biases (Tversky and Kahneman 1974)
       Nudge Your Customers toward Better Choices (HBR 08)
       How Good Leaders Make Bad Decisions (HBR 2009)

Week 4
Topic: Perception and Attention
Reading: Chapter 2, Perception, Solomon (textbook)
         Chapter 1, Influence, Cialdini
         Mind your pricing cues (HBR 2003)
         Group Project Description due

Week 5
Topic: Memory and Learning
       Case Discussion (HBS case: Wang Lao Ji)
Reading: Chapter 3, Solomon (textbook)
         Case material

Week 6
Topic: Motivation, Ability, and Opportunity
Reading: Chapter 4, Solomon (textbook)
         Case Discussion (Sloan case: Synthetic Diamond)

Week 7
Topic: Marketing Research
Reading: “Laddering Theory…” (JAR, 1988)
         “Why buy” (Brand Week, 2005)
         How to Design Smart Business Experiments (HBR 2009)

Week 8
Topic: Social Influences
       Case discussion: (IVEY Case: Hips feel good – DOVE)
Reading: Chapter 11, Solomon (textbook)
         Chapter 4, Influence, Cialdini
         The Buzz on Buzz (HBR, 2002)
Week 9  
**Topic:** Attitude Change and Persuasive Communication  
Case discussion (HBS case: Li Ning)  
**Reading:**  
Chapter 8, Solomon (textbook)  
Chapter 5, Influence, Cialdini  

Week 10  
**Group project presentations**  
**Group projects and evaluation forms due**  

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**Teaching Methods**

We will learn from a variety of methods: readings, lectures, cases, in-class discussions, a group research project, videos, and more. Open class participation and discussion are essential and critical. Because many of the discussions will be based on assigned readings, it is important to have done them carefully in preparation for each session.

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**Course Materials**

2. Readings are posted in my folder in NTServer3  

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**Course Requirements and Grading:**

**Individual Assignments:**

Students need to submit a total of three mini-cases throughout the course. Writing the mini-cases will provide you an opportunity to apply the consumer behavior theories or concepts discussed in class to real world problems. Details regarding the format, structure, and writing guidelines of the mini-cases will be discussed in the first class. The total length of these three mini-cases should not exceed 8 pages, double-spaced, not including appendix or figures, if applicable. The topics suitable for mini-cases are problems facing multi-nationals, Chinese domestic brands, etc. with a focus in the China market. The due date for each mini-case is listed on the course plan. Late submission will not be graded.

**Group Project:**

Students will form teams of four to five people. Each group will do a project that explores a specific consumer behavior issue. The project should include both an analysis of and
strategy recommendations for a consumer behavior-based marketing problem of some product or service from either a company or non-profit organization. The objective is to use research to uncover consumer insights that lead to effective marketing strategies. A detailed description of the group project is presented in Appendix 1.

Each team will submit the group members’ names and a very brief description of their project by the end of second week. Please feel free to contact me if you would like to talk about your ideas before you choose a project. Teams are encouraged to schedule appointments with me to go over their projects during the term. Your grade for the group project will be based on your final paper and an oral presentation during the last week. Your individual grade will be significantly influenced by your group members' assessment of your relative contribution to the group project. Individual contributions to the group will be assessed using team evaluation forms.

Distribution of Grades:

The final grade will be based on the quality of your class participation and attendance (30%), individual assignments (30%) and the group project (40%).

APPENDIX 1

GROUP PROJECT

The paper should include the items detailed below. It should be no more than 20 double-spaced pages, excluding references, appendices, and exhibits.

1. Executive Summary (one page only)

2. Table of Contents

3. Introduction (description of the problem):
   a. What is the consumer behavior-related issue or problem you are trying to solve?
   b. Why is this an important issue/problem?

4. Literature Review
   a. Existing literature (secondary research): What is already known about the issue? (Recommended database: ABI/Inform) Secondary information is any data originally generated for some purpose other than the present research objectives. It includes findings based on research done by outside organizations, data generated in-house for earlier studies or information based on magazines, newspapers, research journals or Internet.
   b. What is needed: Based on the literature review, what else needs to be understood?

5. Primary Research
   a. Research goals: A carefully thought out statement of objectives helps to define the type and level of information needed.
b. Methods of data collection: You will collect primary data using two different research techniques (e.g., observation, in-depth interviews, projective techniques, experiments, ZMET). Make sure to justify the selected methods. In other words, why did you choose to use these specific methods instead of using other methods?

c. Who is the target population? How many is sampled and why? How are the respondents recruited?

d. Ethical issues regarding respondents’ anonymity

e. Data collection instruments: How did you decide about which questions to ask and how to ask them (e.g., the order of questions, length)?

6. Results: Report your analysis in detail. You will probably want to put in a couple of tables and/or graphs. State clearly what the findings are.

Validity issues: How do you make sure that your findings are valid? For example, multiple coders and multiple methods reduce bias.

7. Marketing Recommendations: What are your recommendations based on your research findings? Please note that it is important to describe the limitations of your research and provide insights accordingly.

8. References

9. Appendices and Exhibits: Any detailed information that will help you support your arguments (e.g., data collection instruments, detailed research results and tables).
Confidential Peer Evaluation Form for GROUP PROJECT

Please evaluate each group member *(excluding yourself)* according to the following criteria. Provide a rating between '1' (Very Low) and '10' (Very High) for each criteria. Refer to the description of each criteria provided on the next page. If a low rating must be given, please provide an explanation in the space provided or attach a new sheet.

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<tr>
<th>Individual (name)</th>
<th>Cooperation</th>
<th>Extent of Contribution</th>
<th>Quality of Contribution</th>
<th>Overall Evaluation</th>
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Group Number _____

Name ____________________

Signature ____________________
Keep in mind that this peer evaluation is completely confidential. You can be assured that no one other than the instructor will be allowed access to the ratings and comments you provide.

**Descriptions of Evaluative Criteria**

**Cooperation**
1. Was the person a good colleague? Was the person dependable in accomplishing tasks and attending group meetings? Did the person accept tasks/responsibilities requested by the group?
2. Did the person readily offer to help other group members and offer constructive criticism of other group member’s ideas and work?

A score of ‘1’ indicates a very low level of cooperation and a score of ’10’ indicates a very high level of cooperation throughout the semester.

**Extent of Contribution**
1. Was the person active in group meetings, activities, and efforts?
2. Did the person offer ideas and make an effort above and beyond what would normally be expected?

A score of ’1’ indicates a very low extent of contribution and a score of ’10’ indicates a very high extent of contribution.

**Quality of Contribution**
1. Did the person offer suggestions and ideas which were well thought-out and worth listening to?
2. Did the person add value to the group's overall performance?

A score of ’1’ indicates a very low quality of contribution and a score of ’10’ indicates a very high quality of contribution.

**Overall Evaluation**

Evaluate each person's overall performance. A score of ’1’ indicates a very low overall evaluation and unacceptably low performance. A score of ’10’ indicates a very high overall evaluation and outstanding performance.