

## TEACHING PLAN FOR

### ● Strategic Consumer Insights

#### 1. Basic Description

**Name of the course:** Strategic Consumer Insights

**Academic year:** 2017–2018

**Term:** 1st

**Degree / Course:** International Business Program

**Code:** 80131

**Number of credits:** 6

**Total number of hours committed:** 150

**Teaching language:** English

**Lecturer:** Roger Pagà ([roger.paga@prof.esci.upf.edu](mailto:roger.paga@prof.esci.upf.edu))

**Timetable:** Monday and Wednesday 3.30 – 5.45 pm

**Office hours:** by appointment

#### 2. Course Overview

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 contexts 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 contexts of product choice and brand loyalty.
- 3) In the third block, students will learn about online consumer behavior and neuromarketing. These topics are a testament to how consumer behavior and marketers' ability to understand it have changed in today's technology-driven societies.

*Advised Prerequisite:* Introduction to Marketing

### 3. Competences to Be Worked on in the Course

General competences	Specific competences
<p><i>Instrumental competences</i></p> <p>G.I.1. Ability to search, analyse, assess and summarise information.</p> <p>G.I.2. Ability to relate concepts and knowledge from different areas.</p> <p><i>General personal competences</i></p> <p>G.P.2. Ability to manage behaviour and emotions.</p> <p>G.P.4. Critical attitude.</p> <p>G.P.5. Ability to empathise.</p> <p>G.P.6. Ability to foresee events.</p> <p><i>Generic systemic competences</i></p> <p>G.S.1. Ability to apply creativity.</p> <p>G.S.7. Promotion of and respect towards multicultural values: respect, equality, solidarity and commitment.</p> <p>G.S.8. Promotion of and respect for gender, environment and safety-at-work issues.</p> <p><i>Competences for applicability</i></p> <p>G.A.2. Ability to use quantitative criteria and qualitative insights when taking decisions.</p> <p>G.A.3. Ability to search and exploit new information sources.</p> <p>G.A.4. Ability to understand and apply the network concept.</p>	<p><i>Professional competences</i></p> <p>E.P.1. Ability to understand the decisions taken by economic agents and their interaction in the markets.</p> <p>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 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**

- What is a brand? Several perspectives.
- Brand adoption factors.
- Brand management strategies throughout the product life cycle: market leaders vs. market underdogs, acquisition strategies vs. retention strategies.

#### **Unit 10: Online consumer behavior**

- The boom of electronic word of mouth and consumer-generated advertising.

- Consumer empowerment and the blooming of relationship marketing.

### **Unit 11: How to learn more about the consumer? The Neuroscience revolution**

- The neuroscience toolkit: from EEG to fMRI.
- Current results and exciting new avenues.

### **5. Assessment**

The course assessment comprises:

- Final exam
- Weekly assignments for practical sessions
- Class participation

Description of assessment	Frequency	Type of assessment	Assessment agent	Type of activity	Grouping	Weight (%)
Final Exam	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%

Doing the final exam is a necessary condition to receive a quantitative grade. In case of non-attendance to the final exam, the student will receive an "N.A." grade.

#### Supplementary evaluation:

For those students who during the regular term evaluation obtain a weighted final grade below 5.0, but have obtained at least a 4.0 in the continuous evaluation items (assignments and participation), there will be a supplementary evaluation according to the ESCI-UPF calendar and academic regulations. This supplementary evaluation will imply a re-take of the final exam. This remedial exam will account for 60% of the final grade just as the regular final exam did. The assignment and participation grades will carry over and account for the remaining 40% of the new final grade.

#### **Working competences and assessment of learning outcomes:**

	GI1	GI2	GP2	GP4	GP5	GP6	GS1	GS7	GS8	GA2	GA3	GA4	EP1	EP5	Learning outcomes
Final exam				X		X				X			X	X	X
Weekly assignments	X	X		X		X				X	X	X	X	X	X
Participation			X	X	X		X	X	X						X

**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.**

## **6. Bibliography and Reaching 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., & Lamberton, 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 those applications out 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 on the ESCI aula before the specified deadline. Reports will also need to respect 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 important for the 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. Timetable of 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	<p><b>Class 1:</b> Lecture: The Perceptual Process</p> <p><b>Class 2:</b> Lecture: Learning and Memory</p>	4	<p>Assignment 1: Humour and Advertising</p> <p>Assignment 2: Experimental Designs &amp; Placebo Effects</p>	16
Week 2	<p><b>Class 3:</b> Discussion of assignments 1 and 2</p> <p><b>Class 4:</b> Lecture: Motivation &amp; Emotion</p>	4	Assignment 3: 'Prms are not just for babies'	8
Week 3	<p><b>Class 5:</b></p> <ul style="list-style-type: none"> <li>- Discussion of assignment 3.</li> <li>- Lecture: Motivation &amp; Emotion (continuation)</li> </ul> <p><b>Class 6:</b> Lecture: Belief &amp; Attitude Formation</p>	4	<p>Assignment 4: Bare Mettle Entertainment and the Risks of Innovation</p> <p>Assignment 5: Diamonds and De Beers</p>	16
Week 4	<p><b>Class 7:</b> Discussion of assignments 4 and 5.</p> <p><b>Class 8:</b> Lecture: Self-concept &amp; Personality.</p>	4		5
Week 5	<p><b>Class 9:</b> Lecture: Decision Making</p> <p><b>Class 10:</b> Lecture: Decision Making (continuation).</p>	4	Assignment 6: 'Holiday Decision Making'	13
Week 6	<p><b>Class 11:</b></p> <ul style="list-style-type: none"> <li>- Discussion of assignment 6</li> <li>- Lecture: Decision Making (continuation)</li> </ul> <p><b>Class 12:</b> Lecture: Persuasion techniques</p>	4	Assignment 7: 'An influence agent at work'	13

Week 7	<p><b>Class 13:</b></p> <ul style="list-style-type: none"> <li>- Discussion of assignment 7</li> <li>- Lecture: Persuasion techniques (continuation)</li> </ul> <p><b>Class 14:</b> Lecture: Self-regulation</p>	4	Assignment 8: 'Should I - or shouldn't I?	13
Week 8	<p><b>Class 15:</b></p> <ul style="list-style-type: none"> <li>- Discussion of assignment 8</li> <li>- Lecture: Self-regulation (continuation)</li> </ul> <p><b>Class 16:</b> Lecture: Branding strategies</p>	4	Assignment 9: 'A New Style' Assignment 10: 'McDonald's Japan Goes Gourmet'	16
Week 9	<p><b>Class 17:</b> Discussion of assignments 9 and 10</p> <p><b>Class 18:</b> Lecture: Online consumer behaviour</p>	4		5
Week 10	<p><b>Class 19:</b> Lecture: Neuroscience</p> <p><b>Class 20:</b> Course summary and preparation for the final exam</p>	4		5
Final exams week	Final exam (2h)			
<b>Total time</b>		<b>40</b>		<b>110</b>