



Course **Consumer Behavior**
MARK 60550, CRN 26960
Meetings: MW 3:00-4:50, Mendoza 158

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Office Hours: MW 1:00-3:00, or by appointment

Catalog Description Managers wishing to serve customers' needs can build effectively upon an understanding of the field of consumer behavior. This seminar offers an in-depth exposure to this interesting area. Prior work in consumer behavior is not required; the course will begin at an introductory level. Illustrative topics include the consumer marketplace, consumer motivation, consumer perception, consumer attitudes, consumer decision-making, cultural and social influences, advertising and salesperson influences, market segmentation and marketing and advertising regulation. The seminar will include the examination of a number of significant academic research studies as well as marketing applications.

- Objectives
1. Understand current theories and models of consumer behavior
 2. Understand the customer journey and customer experience in consumption
 3. Apply such theories and models to segment-target-position the marketing mix
 4. Analyze primary and secondary data to understand consumer behavior
 5. Create managerial useful insights by studying real consumption

Books, Resources *Consumer Behavior, 1st ed.*,
Donavan, Minor, Mowen
Chicago Business Press, 2017
Print ISBN: 9780997117110, 0997117117
[buy at: <https://www.vitalsource.com/referral?term=9780997117110>]



Sakai will house the slides for the class, the prep-work for in-class workshops, guidelines for the project, locations to submit work-product, and discussion threads.

Grading	10%	Class Engagement	In-class, online discussion and preparation
	20	Midterm Quiz	Approximately 30-40 multiple choice, 4-6 short-answer
	30	Final Exam	40-60 multiple choice, 6-8 short-answer questions
	30	Live Project	Formal submission, In-class updates as <i>anti-presentations</i>
	10	Book Analysis	Individual analysis

Details Engagement: Previously known as class participation, engagement is about making useful contributions to the class, either during the sessions or online. Unexcused absences and not making up work for excused absences can result in negative points, as can unprofessional conduct. A good habit would be to keep a running list of each time you make a contribution (e.g., a dedicated page in your notebook would ease this).

Engagement Rubric: Negative behaviors, absences: 0-3 points; 'Bump on a log' - 3-6 points; Made significant contributions to the discussions of concepts, and shared new ideas: 7-10 points.

Midterm Quiz, Final: A mix of multiple choice and short-answer questions. Multiple choice questions can be drawn from *any part of the chapters and readings assigned for the test*, whether discussed in class or not. The short-answer questions will ask you to analyze (e.g., compare and contrast), apply (e.g., apply model to project), and evaluate (e.g., judge and argue) issues discussed.

Quiz/Final Rubric: Roughly 1 point per multiple choice question, 5 points for each short answer. So, typical quiz total is out of 60 points, then prorated to 20%; similarly, the final total is out of 80 points, then prorated to 30.

Project-Customer Journey/Experience/Insights: Select a few members of a subgroup that is extreme in consuming something (e.g., sports team fanatics, foodies, etc.); perhaps this includes a close relative or friend who is willing to be questioned at length over the term. Similarly, select someone who is considerably less intense in consuming this product. Trace their customer journey in as much detail as is indicated by examples given in class. For each stage, identify managerial insights and levers.

Project Rubric: Poor description of journey and insights: 0-7 points; moderately good description/insights and following the template closely: 8-15 points; exceptionally good description/insights, going beyond: 16-20 points. Presentation to class: 10 points.

Book Analysis, Application: Each book summary uses the insights from a recent chapter, and there could be several directions for a good analysis—e.g., updating the content, critiquing the content, finding better expositions, etc. Additionally, each student can apply elements from the book brief to their team project and present to the class or lead a discussion (10 minutes).

Book Analysis Rubric: Did not relate to chapters or to case; poor use of prior materials: 0-3 points; Moderate use of insights from chapter to explain solutions/strategies in the case problem: 3-7 points; Outstanding use: 7-10 points.

Grading Policy "The grade point average for all undergraduate sections should fall in the range of 3.0 to 3.5." This is the grading policy for the Mendoza College of Business and the Marketing Department. Grading will use the +/- system. If you turn in work that simply completes assignments as described your maximum score will be equivalent of a B+; to earn an A you must significantly go beyond the requirements set out in the assignments. Discuss these improvements with me.

Honor Code Please read the university honor code completely and discuss elements that are unclear in class or during office hours (honorcode.nd.edu). Especially note that the honor code allows for severe penalties (and stringent appeal processes).

In principle, perhaps it is doubly egregious to engage in any form of dishonesty in a Catholic university. In a pragmatic sense, because of the expected class GPA of 3.5, it is not productive to help a peer earn higher points than you do on any assignment or quiz, or to allow free-riding and social loafing.

Disabilities If you have any physical or learning disabilities that make it difficult for you to complete the class work assigned please alert me early in the semester and complete the proper paperwork.

We will work with you and the learning disability center to configure appropriate accommodations (disabilityservices.nd.edu) and we will protect your privacy in this regard. In the past, such students have been given extra time on quizzes, etc.

- Course Basics
1. We are all consumers, so we know the subject matter very intimately and implicitly, but we may not be able to explain exactly why things happened. In almost no other class in the business school are you likely to be the subject matter and the student of the subject. This brings up a difficult managerial issue: it is easy to believe that consumers behave in the same way that we behave, and this may or may not be true based on the product category, income levels, and myriad other factors.
 2. As supply exceeds demand, the understanding of customers and their consumption processes become the critical competitive advantage. That supply will exceed demand in almost all industries is guaranteed because the fundamental dynamic in any industry is this: competitors flood in as long as there are manageable barriers to entry and profits to be made—this will go on even when industry supply exceeds demand. When that happens, every sale made will have to push aside competitors, which can only be done by understanding consumers better.
 3. Another core marketing strategy is to segment-target-position the marketing mix. The key to good segmentation is the understanding of consumer behavior and consumption journey. Almost everything a consumer does in the journey to consuming (and disposing) a product can become a basis for segmentation: those who check social media for information versus those who read consumer magazines are different segments; those who select the final product peremptorily versus those who spreadsheet their decision matrices are different segments; and so on.
 4. The Theory of the Long Tail suggests that online businesses have made it possible to be profitable even with small segments. The theory states that, as storage and distribution costs go extremely low, the products that are not best-sellers can also be profitable. In fact, most of the sales for online retailers does not come from blockbusters and bestsellers, but from niche products that sell very items each but collectively beat the popular products. What this suggest for marketing is that it is worthwhile for large companies to understand, segment, target and position to even small segments.
 5. New technologies are helping understand consumers in very detailed and intricate ways. Academia and industry have often turned to neuromarketing, which is often based on study of brain functions. Other techniques allow marketers to infer the consumers deeply help beliefs and biases, even if they want to suppress or disguise them. With a growing arsenal of high-tech tools marketers are able to investigate consumer in ways that were not possible before, using simple surveys and interviews. Furthermore, there is a dark side to consumption and consumer behavior which we will also explore.

Week	Date/Day	Chapter/Topic	Activity
1	1/15 M	Syllabus, Project, Ch1: Introduction	Teaming, Project Scoping (read ZA0)
	1/17 W	Segment-Target-Position-Journey	A1: McKinsey Report on Insurance 2012
2	1/22 M	Ch9: Consumer Decision Processes	B0: X (Experience), Project Talk (also ZA1)
	1/24 W	Ch8: Persuasive Communications	B1: 7 Secrets of Persuasion (also ZA2)
3	1/29 M	Ch10: Loyalty and Satisfaction	B2: Brandwashed
	1/31 W	Ch11: Situational Influences	B3: Invisible Influence
4	2/5 M	Mid-Term Quiz	
	2/7 W	Ch12: Social Influences	B4: Social Physics
5	2/12 M	Ch13: Pop Culture	B5: The Next America
	2/14 W	Ch14: Subcultures & Demographics	B6: Buyer Personas (also ZA3)
6	2/19 M	Ch15: Consumer Neuroscience	B7: Brainsell
	2/21 W	Ch16: The Dark Side of CB	B8: Phishing for Phools
7	2/26 M	Presentations	
	3/1 Thu	Final: Mendoza 159	

Class Norms: More will be generated through class discussion; here are some starters for discussion:

1. Prepare for class; please do not try to wing it.
2. No cellphone, tablet or laptop use during class except when allowed by the professor.
3. No late arrivals, early departures, wandering in-and-out, or other disruptive behaviors.
4. If you are unwilling to participate in class discussions, consider online class forums.
5. Feel free to disagree with the professor or peers; just don't be disagreeable about it.
6. Every observation or comment you offer should have a 'because' attached to it.
7. Citing mere exceptions do not disprove any 'statistically' true statement.
8. If you miss a class, do not ask 'did you cover anything important when I was gone?'
9. Do not expect to turn in work late. If you arrive late for a quiz you get no extra time.
10. All written assignments are to be turned in on Sakai.
11. Set up your favorite method of being contacted via Sakai.
12. Check for additional materials and copies or links on Sakai.

Other Resources: Sampling of Internal Resources:

- library.nd.edu/business ~ Truly a world-class library, with extensive resources
- library.nd.edu/subjects/marketing/all ~ A curated list of marketing resources on campus ~ Browse often, and start by looking at: SimplyMap, Simmons National Consumer Study, Mintel Oxygen, MarketResearch.com, MRI+, ABI/INFORM, Business Source Complete, and Ad\$ponder

Sampling of External Resources:

- goo.gl/3ujZLj ~ Inc. Magazine list of top 16 blogs for marketers
- mckinsey.com/featured-insights ~ McKinsey&Company's take on experience (search)
- nielsen.com/consumerneuroscience ~ Nielsen insights on neuroscience
- goo.gl/fSD33r ~ ScienceDaily has consumer insights