



School of Business Administration

GSBA 551 - Spring 2008
SEMINAR IN CONSUMER BEHAVIOR

Dr. T. (Soma) Somasundaram

OFFICE	Olin 322
OFFICE HOURS	Tue 4:30- 7:00 pm Wed 12:00-2:30 pm or by appointment. I encourage you to contact me by e-mail first so as to maximize our productivity.
PHONE	260-4889, e-mail: soma@sandiego.edu
TEXT	CONSUMER BEHAVIOR 7th Edition-Peter and Olson. Case packet provided by HBS

1. Course Objectives.

The satisfaction of consumer needs lies at the very core of the marketing concept. Thus, the successful management of the marketing function requires a clear understanding of consumers buying behavior.

The purpose of this course is to introduce you to the study of consumer behavior. We will adopt the view of the marketing manager who requires the knowledge of consumer behavior in order to develop, evaluate and implement effective marketing strategies. We draw upon concepts and theories from the behavioral sciences and investigate their usefulness for developing marketing strategies.

Our goal is for you to:

- 1] Learn key concepts.
- 2] Develop the intellectual ability to apply them in analyzing marketing situations and developing appropriate marketing strategies

Ideally, we should strive to create an open atmosphere in which we can

creatively and imaginatively try out our ideas. It is hoped that at the end of the course, we will be better thinkers, not memorizers.

We encourage students to become familiar with various topics, including the design of more effective campaigns for socially- or environmentally-beneficial behaviors (for instance, a “stop smoking” or “don’t litter” advertising campaign). Students also learn about corporate societal marketing initiatives that earn profits and promote social welfare, antitrust issues, and public policies that protect consumers from making poor marketplace choices and encourage vigorous competition for customers. Students acquire skills and an improved ability to market socially and to assess government and corporate social initiatives.

2. Course Evaluation.

The text provides the bulk of the material you will study. These will occasionally be supplemented with handouts. It is vital that you read and think about the assigned chapters PRIOR to each class. This will make each meeting an interesting learning experience.

- Discussion.

The success of this class is heavily dependent on our ability to create an atmosphere conducive to collaborative and participant centered learning. It is my belief that each of you has the intellect and life experiences that could be of value to others in the class. You need, therefore, to take responsibility to share your ideas and insights and help move the class forward in a substantial and meaningful way. You also need to be able to listen, respond and where appropriate challenge ideas and views being proffered by me or other class members.

On each class day we will begin with a general discussion of current events in marketing. To aid the discussion, each class session, one of you will be assigned to lead the discussion on a topic of relevance to the subject matter of the class. You should post some background material on the class Google Groups page by the prior Monday and be prepared with a brief presentation of 5-8 slides that sets the discussion in proper context.

Your discussion leadership will be worth 15% of your course grade. Your general contribution to class discussions will be worth 10% of your course grade.

- Analysis of Harvard cases

Four comprehensive cases from the Harvard Business School cases have been selected for in-depth class discussion. The cases are: Product

Team Cialis: Getting Ready to Market, Burberry, Marketing Antidepressants: Prozac and Paxil, and Starbucks: Delivering Customer Service.

Each of these cases will be discussed rigorously in class on assigned dates. Your contributions to these class discussions will be worth 25% of your final course grade. Your contributions will be valued for the quality and incisiveness of your comments, evidence of your ability to listen to fellow class members and build on their statements to move the discussion forward and less for sheer volume of input. In advance of each case I will provide you with a list of questions to help frame your analysis.

- Chapter Assignments.

You are required to write a paper covering each of several assigned topics. You must select any five of a total of nine possible topics. These assignments are worth 50% of your course grade. The due dates for these papers are noted on the schedule. Papers are due on the due date - no exceptions. The paper should not exceed seven double-spaced typed pages in length. The writing style should be simple even blunt - you may use bullets where appropriate. The paper should reflect an understanding of the relevant theoretical constructs and should form the basis of your input in the class discussion.

The topics and a general idea of what is expected in each assignment are described later in this document. You are, however, strongly encouraged to examine the topic in substantially greater depth as your particular interests and motivation warrants. You are also encouraged to volunteer to share your topic and investigation with the rest of the class.

3. Attendance Policy

Class attendance is required. If you need to miss a class, please contact me in advance if possible.

4. Academic Integrity

USD's policy on academic integrity is explicitly a part of this course. Any deviations from the standards of this policy will result in a grade of F for the course.

Your work in this course must be your own. Any unauthorized assistance will be considered a violation of the academic integrity policy. If you have any doubts about actions of your own or other students concerning this course, see me for

an interpretation of this policy.

CHAPTER ASSIGNMENTS

1. Consumer Analysis Project

This project is intended to give you practice in thinking about and applying Peter & Olson's Wheel of Consumer Analysis.

- * First, think of a purchase decision you recently made. The purchase could be as simple as buying a soda from a vending machine, or as complex as shopping for and buying an item of clothing or a new stereo system. Just make sure that your memory of the events surrounding the purchase is relatively clear and vivid.
- * Then, make a list of the *major behaviors* that you performed during this purchase situation. Try to identify each specific behavior that you think was relevant to the purchase outcome. Place a check mark next to the two or three most important behaviors.
- * Likewise, identify the key *environmental* factors and the relevant *affective and cognitive states and processes* that were present in your purchase situation. Present these in three separate lists. Place a check mark by those factors that you think had the most important influences on the purchase outcome.
- * Briefly describe how the three Wheel factors (behavior, environment, affect and cognition) interacted with each other, over time, to produce the purchase outcome.
- * Finally, briefly describe the elements of *marketing strategy* that were present and how they influenced the three elements in the Wheel of Consumer Analysis.

2. Product Positioning

This project is intended to give you practice in thinking about some of the concepts and principles involved in product positioning.

- * Identify alternative product or brand positioning strategies for two or more brands within the same product class. You are certainly welcome to select additional product classes and brands within for additional analysis.
- * Describe these positioning strategies in terms of the concepts covered in the text (type of positioning). Attach ads or other materials that illustrate each positioning strategy to your paper.
- * What is your evaluation of their relative effectiveness? What criteria did you use to assess the effectiveness of the positioning approaches you have witnessed?

3. Product Involvement

Find someone (a friend is OK) who you can talk to for about 10 minutes in a quiet place where you won't be interrupted. Identify a product that *a priori* you expect to be relatively highly involving for that person.

- * Elicit the decision criteria that person would use if they were considering buying a brand in that product category. You might say ...

"Imagine you were going to buy_____. What characteristics would you consider in selecting a brand of _____ to buy for yourself?"

- * Then ask the person...

"What are the two or three most important characteristics you would consider."

- * Next, ladder off each of these characteristics.

" why is_____ important to you?"

"What does_____ get for you?"

- * Keep asking these "why." questions until the consumer "stops." Be sure to ask for an explanation if you do not understand what the person means by an answer.

- * Draw out the means-end chains that you have identified for the "high" involvement product. NOTE: PLEASE DO NOT SUBMIT A TRANSCRIPT OF YOUR INTERVIEWS!

- * Now do the same thing for a "low" (your *a priori* expectation) involvement product, like eye shadow, socks, guitar strings, or tennis balls.

- * Discuss the differences you see in this consumer's meanings for the high and low involvement products. Did you notice any differences in the measurement process? Were you're a priori expectations supported by the means-ends chains?

- * Assume that a substantial number of consumers shared these meanings for the high involvement product. What implications would your data have for developing marketing strategies

4. Understanding Cognitive Processes

Identify a recent purchase decision that you made.

- * List the key knowledge, meanings and beliefs and cognitive processes that occurred in this situation.
- * Describe the flow of reciprocal interactions between your stored knowledge

and cognitive processes.

- * Which had the greatest influence on your eventual purchase behavior?
- * Describe how environmental factors and your own behavior influenced these cognitive processes.

5. Associative Knowledge Structures: Schemas and scripts

Select a product that you recently purchased.

- * Draw out an associative network of the declarative knowledge that you have in memory for this product. Identify and label (semantic, episodic, procedural, affective reactions) the different types of meanings in your knowledge structure.
- * Select a recurring situation that you commonly experience. It could be a product purchase situation or a product use situation. Think about the typical sequence of behaviors that you perform in that situation. Draw out the script you have in memory that guides how to generally behave in that situation.

6. Attitude Change Strategies

This project concerns marketing strategies designed to change consumers' attitudes by changing their salient beliefs. The text described four strategies--add new positive beliefs, increase strength of existing positive belief, increase evaluation of strongly held belief, or increase salience of existing positive belief.

- * First, find an ad (or other type of promotional strategy) that corresponds to one of these attitude change strategies.
- * Identify the target attitude (Is it A_o or A_{act} ?). What is the focal attitude object (the precise object or act)? What types of consumers are in the target audience for the attitude change strategy?
- * Describe the attitude change strategy in detail. What are the intended effects of the ad on the target belief(s) and the related means-end chains? How do these effects influence the overall attitude?
- * For ads that attempt to change the e_i of a belief, show the means-end chain that would produce the desired e_i .
- * Analyze and evaluate the attitude change strategy. Give your opinion as to the likely effects of the strategy on consumers' belief structures. Do you think the attitude change strategy was/would be successful? Why?

7. Vicarious Learning/Modeling

- * Describe a marketing strategy you have experienced that made use of modeling.
- * What factors were most relevant in the success (or failure) of this modeling attempt.
- * Provide a theoretical explanation for how this modeling strategy worked to influence behaviors in this situation.

OR 7 (alternate) Conditioning Examples

- * From your personal experience, select a marketing strategy that is based on principles of classical or instrumental conditioning.
- * Describe the strategy in one or two pages. Also include an analysis of the key factors that were operating in that situation to affect consumers' behaviors.
- * Critically evaluate the marketing strategy, and make suggestions for improvement.

8. The Marketing Environment

This project is intended to give you experience in analyzing aspects of the marketing environment.

- * Describe the various components of the marketing environment for a retail business of your choice.
- * Pick a store that you are familiar with--perhaps a stereo shop, a clothing store, or a favorite restaurant.
- * Discuss the information, shopping, purchasing, and consumption environments in this overall marketing environment.
- * Then, describe and evaluate the stores' marketing strategies for each part of the marketing environment. What is the store doing and what do you think about it?

9. Reference Group Influences

This project is intended to give you experience in thinking about and analyzing reference group influences.

- * Find an example of a marketing strategy that uses a reference group appeal.

- * Next, identify, the target consumer
- * Then, identify the type of reference group influence that is involved--informational, utilitarian, or value-expressive--and describe that influence in detail.
- * Then, critique and evaluate the strategy as to its likely effectiveness.

9. (alternate) Family Decision-Making

This project is intended to give you experience in thinking about some of the issues concerned with family decision-making.

- * First, select a recent decision in which several of your family members were involved.
- * Then, describe the family, decision-making process you observed and/or participated in. How did the members of your family interact during this decision process? What family members did what? What types of conflict occurred? How were these resolved?
- * Describe how your current household (perhaps a group of friends living together) made a recent "family" decision.
- * Write up your description and speculate as to some of the causal factors that were involved (environmental factors, influence strategies, marketing strategies). For instance, stage in the family life cycle might be an influencing factor.

SCHEDULE

Date	Day	Read Chapters	Assignment Due	Discussion Leader
Jan 30	WEDNESDAY	INTRODUCTIONS, Chapter 1		
Feb 6	WEDNESDAY	2		
Feb 13	WEDNESDAY	15	Assignment 1	
Feb 20	WEDNESDAY	3 HBS Case: Starbucks		
Feb 27	WEDNESDAY	4	Assignment 2	
Mar 5	WEDNESDAY	5, 6	Assignment 3	
Mar 12	WEDNESDAY	HBS Case: Product Team Cialis		
Mar 26	WEDNESDAY		Assignment 4	
Apr 2	WEDNESDAY	7, 8	Assignment 5	
Apr 9	WEDNESDAY	9, 10	Assignment 6	
Apr 16	WEDNESDAY	HBS Case: Prozac and Paxil		
Apr 23	WEDNESDAY	11, 12	Assignment 7	
Apr 30	WEDNESDAY	13	Assignment 8	
May 7	WEDNESDAY	14, 16 HBS Case: Burberry	Assignment 9	