# 80237 - Consumer Behaviour

### **TEACHING PLAN**

## 1. Basic description

Name of the course: Consumer Behavior

Academic year: 2022–2023

Term: 2nd

**Degree / Course:** International Business Programme

**Code:** 80237

Number of ECTS credits: 6

Total number of hours committed: 150

Teaching language: English

**Lecturer:** Roger Pagà (<u>roger.paga@prof.esci.upf.edu</u>)

Timetable: Sigma schedule

Office hours: Wednesdays, from 7:15 to 8:15 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.

Consumer Behavior 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 brand awareness, brand recall, and product/brand 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/brand 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.

## 3. Competences to be worked in the course

General competences

Instrumental competences

G.I.1. Ability to search, analyse, assess and summarise information.

G.I.2. Ability to relate concepts and knowledge from different areas.

General personal competences

G.P.2. Ability to manage behaviour and emotions.

G.P.4. Critical attitude.

G.P.5. Ability to empathise.

G.P.6. Ability to foresee events.

Generic systemic competences

G.S.1. Ability to apply creativity.

G.S.7. Promotion of and respect towards multicultural values: respect, equality, solidarity and commitment.

G.S.8. Promotion of and respect for gender, environment and safety-at-work issues.

Competences for applicability

G.A.2. Ability to use quantitative criteria and qualitative insights when taking decisions.

G.A.3. Ability to search and exploit new information sources.

G.A.4. Ability to understand and apply the network concept.

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.

Specific competences

Professional competences

E.P.1. Ability to understand the decisions taken by economic agents and their interaction in the markets.

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.

- 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.

The competences, the learning outcomes, the assessment elements and the quality of the learning process included in this Teaching Plan will not be affected if during the academic trimester the teaching model has to switch either to an hybrid model (combination of face-to-face and on-line sessions) or to a complete on-line model.

### 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.
- Measuring product beliefs and attitudes.
- The Theory of Reasoned Action: how product attitudes and subjective norms influence purchase intentions.

#### Unit 5: Self-concept and Personality

- Self-concept: understanding how consumers define themselves.
- Self-esteem: what it does and what it does not.
- Self-concept, self-esteem, product attitudes, and marketing
- Extended-self and 'loved objects': when the line between a consumer and his possessions blurs.
- Personality: just one of the many factors that influence consumer purchase decisions.
- Consumer personality: how to measure it and how to design persuasion strategies around it.
- Understanding the notion of brand personality.

#### **Unit 6: Consumer Decision Making**

- Different types of decisions: classifying consumer decision mindsets based on cognitive effort and involvement.
- The 'brand laziness' mindset; when consumers keep buying out of habit
- The 'brand loyalty' mindset: what makes consumers loyal to a brand?
- The 'variety seeking' mindset
- The 'problem solving' mindset: from problem recognition to post-purchase evaluation.

#### Unit 7: Consumer Decision Making, part 2: Heuristics-based choice

- What are heuristics and when are they used?
- Persuasion heuristics, choice heuristics and prediction heuristics: advantages, pitfalls, and marketing implications.

#### **Unit 8: Persuasion techniques**

• Seven psychological principles to manipulate consumer behavior.

#### 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
- Assignments
- Class participation

Description of	Frequency	Type of	Assessment	Type of activity	Grouping	Weight
assessment		assessment	agent			(%)
Final Exam (minimum required score: 4/10)	Once	Compulsory	Lecturer	Multiple choice + short-answer questions	Individual	60%
Assignments	Weekly	Compulsory	Lecturer	Case studies + other activities	In groups	30%
Participation	Every class	Voluntary	Lecturer	Comments that do not involve clarification questions	Individual	10%

**Notice**: 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. The participation grade is calculated as such: at the end of each session, the names of all the students who participated in that session will be recorded. At the end of the course, the instructor will count in how many sessions each student participated. Students who participate in at least 10 sessions will have full participation marks. Participating in less than 10 sessions will result in a proportionally lower participation grade.

### 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:

	GI	GI	GP	GP	GP	GP	GS	GS	GS	GA	GA	GA	EP	EP	Learning
	1	2	2	4	5	6	1	7	8	2	3	4	1	5	outcomes
Final exam				Х		Х				Χ			Χ	Χ	Х
Weekly assignmen ts	Х	Х		Х		Х				Х	Х	Х	Х	X	Х
Participati			Χ	Χ	Χ		Χ	Χ	Χ						X
on															

## 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.
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- 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 available at AULA ESCI-UPF.
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# 7. Methodology

The eleven topics outlined above will be covered in class with the aid of PowerPoint presentations. 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. Group composition will be decided by the instructor and posted on the ESCI aula before the first assignment. Assignments will have requirements such as deadlines and word limits. Failure to meet those requirements will result in a qualification of zero in that assignment. 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 covered topics.

The very last session of the course will be devoted to summarizing the topics seen throughout the course and discussing the format, length etc. of the final exam. The final exam will feature a combination of multiple-choice and open-ended questions. Regarding the multiple-choice questions, incorrect answers will be penalized but blank answers will not. Regarding the open-ended questions, neither incorrect nor blank answers will be penalized. Mock questions of both types will be provided to the students during the last session of the course to help them study. 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: lectures, assignment preparation and/or discussion
- Outside the classroom: assignment preparation, independent study

Week	Class activity	Duration	Out-of-class activity	Duration
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	Grouping/type of activity	(hours)	Grouping/type of activity	(hours)
Week 1	Class 1: Course Introduction Lecture: The Perceptual Process  Class 2: Lecture: The Perceptual Process (Continued) Discussion Assignment 1	4	Self-study + assignment preparation	10
Week 2	Class 3: Lecture: Learning and Memory  Class 4: Lecture: Learning and Memory (continued) Discussion Assignment 2	4	Self-study + assignment preparation	10
Week 3	Class 5: Lecture: Motivation and Emotion  Class 6: Lecture: Motivation and Emotion (continued) Discussion Assignment 3	4	Self-study + assignment preparation	10
Week 4	Class 7: Lecture: Motivation and Emotion (continued) Discussion Assignment 4  Class 8: Lecture: Belief and Attitude Formation	4	Self-study + assignment preparation	10
Week 5	Class 9: Lecture: Self-concept and Personality	4	Self-study	7

	Class 10: Lecture: Self-concept and Personality (continued)			
Week 6	Class 11: Discussion Assignment 5	4	Self-study + assignment preparation	12
	Class 12: Lecture: Decision Making			
Week 7	Class 13: Lecture: Decision Making (continued)	4	Self-study + assignment preparation	12
	Class 14: Discussion Assignment 6			
Week 8	Class 15: Lecture: Decision Making, part 2: Heuristics	4	Self-study	7
	Class 16: Lecture: Persuasion Techniques			
Week 9	Class 17: Lecture: Persuasion Techniques (continued) Discussion Assignment 7	4	Self-study + assignment preparation	16
	Class 18: Lecture: Consumer Behavior and Branding Strategies. Lecture: Contemporary Strategies to Reach Consumers.			

Week 10	Class 19: Lecture: Online Consumer Behavior Discussion Assignments 8-10  Class 20: Course summary and preparation for the final exam	4	Self-study + assignment preparation	16
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.