**CONSUMER BEHAVIOR COURSE**

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Office Hours: flexible, call for appointment  
Assistant: TBA

**Optional Readings:**

I highly recommend you go through the readings below. However, please note **we will never refer to the Solomon book in class.** I will merely indicate what chapters are relevant for each class, and you can use the book as a tool to better grasp some of the concepts we will discuss in class.

2. Additional journal articles, suggested books, exercises, and recent news from the popular business press will be provided throughout the semester. The journal articles will provide you with a deeper insight into selected topics and methods of consumer behavior research. The business news articles, cases, and exercises will give you the opportunity to apply the conceptual framework to current real-world marketing problems. The readings and assignments will be handed out in class and/or posted on NYU Classes.
3. Most cases assigned for the class are in the course pack, and some will be briefly introduced during class for immediate discussion.

**Overview:**

Consumer behavior is one of the most interesting and important aspects of marketing management. Virtually all decisions involved in developing an effective marketing mix for a product or service rely on thorough knowledge of the consumers who comprise the target market. Understanding the behavior of the consumer can help marketers anticipate reactions to changes in the marketing mix, or determine whether new products are likely to be adopted. Consumer behavior is also closely related to marketing research. A practical understanding of the consumer can aid in the selection of an appropriate research methodology, question design and selection, as well as in interpreting consumer responses to such questions. In this course we will directly examine the available theory and research concerning the behavior of the consumer in order to understand its most basic principles.

The majority of the course will focus on the consumer as an information processor of one sort or another. We will examine the motivational and perceptual factors upon which buyer behavior is built, as well as look at more complex processes such as persuasion, attitude judgment, and decision-making. In practical terms, we will address the following questions: What kinds of marketing stimuli do consumers notice? How can we get them to notice our marketing messages? What motivates consumers? What do consumers value? What elements can we include in our marketing mix to motivate consumers to learn more about our product or to buy it? What kinds of information are consumers good at remembering? How can we aid consumer memory for our brand name and product features? What makes consumers evaluate products as good or bad, and how can we persuade them that our product is good? How can we get consumers to choose our product over competitors? What features do consumers care about, and how does this influence their decision? What are the main things that determine whether consumers are satisfied with a product or not?
The goals of this class are:
   to acquire a framework for analyzing consumer behavior problems
   to learn how consumer behavior can be affected by different marketing strategies
   to show how behavioral evidence can be used to evaluate alternative marketing strategies
   to learn about and use consumer behavior theories in marketing and social psychology

The course is structured as followed: every week, we will discuss one or two cases, and we will cover a
lecture related to the case(s). Because of the intensive nature of the course, it is imperative that you set
considerable free time aside in-between classes to prepare the assigned cases. There is NO point in
coming to class if you have not thoroughly prepared the case.

Course prerequisites: a solid understanding of your Core Marketing course. In particular, when grading
assignments, it is assumed that you are familiar with developing an internally consistent, rigorous and
clear marketing plan. There will be no time to revisit basic marketing concepts during or after class.

Course Grades:
   Class participation 30%
   Written assignments (2) 40%
   Final exam 30%

N.B. on class participation: Attending all sessions is obviously crucial. It will also give you the
opportunity to actively participate in class discussions and obtain a high class participation grade. Note,
however, that your mere presence is not sufficient to earn points for class participation. What matters is
the quantity and, especially, the quality of your contributions to class discussions.

Assignments

Assignments are due at the beginning of the relevant class. They are to be prepared in groups of 4 or 5
students. Your groups will be formed during the first session of class – make sure you attend the first
session on July 2nd. Once the assignment is ready, one of the group members should email it to me on
the due date, before the beginning of class.

Length: 3 pages (single spaced), no appendices.

The assignments involve a case analysis. Groups will write a brief paper examining the buyer behavior
issues involved in two case readings assigned for the class, and describe the implications these principles
have for the strategy they propose in the case. Each case will have associated questions with it that will
help you structure your answer. Each assignment is due at the beginning of the day where the case will be
discussed. It should be emailed to me prior to 9:00 a.m. the day of class.

The two cases to hand in for the summer intensive are Medi-Cult and Propecia.

Final exam

The final exam will take place during our last class –it will consist of a case involving questions related to
consumer behavior. Please make sure that you attend class that day.
Course Website

This website has many useful things on it, including continuously updated information on assignments, readings, course schedule, etc. Also, we will use it as a platform to discuss consumer behavior issues covered in the press during the semester. Please check Blackboard regularly.

Class Notes

I will hand out hard copies of the slides after the case discussion in every session. In addition, the PowerPoint slides for each class will be available for downloading from the website as of right after class. Note, however, that these slides only present an outline of the class discussion. You will need to take notes to fully capture the material discussed in class.

Additional Literature

You can find additional relevant literature (e.g., for your team project) using the Bobst Business Databases (http://www.nyu.edu/library/bobst/database/d_bus.htm), as well as links on the class website.

Class Policy

Be prepared: Make sure that you have read the readings assigned for each class. This will help you to better understand the material discussed in class and to actively participate in class discussions.

Attend regularly: Regular attendance will provide you with more opportunities to contribute to class and thus increase your participation grade. Please note that you are responsible for knowing any changes or assignments announced in class.

Arrive on time: Late-comers are very disturbing. Systematic tardiness will have a negative impact on your participation grade.

Respect assignment deadlines: Late assignments will not be accepted without a prior agreement. Due to the intensive nature of the course, the final cannot be taken outside of the three-day period immediately following the last class.

Be honest: Cheating and plagiarism will result in a grade of “F” for the assignment/test for all parties involved. Also, peer-evaluation forms will be circulated at the end of class.
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<th>Readings (other readings will be added)</th>
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<td>Syllabus</td>
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<td>Case discussion: Tetra Pak (A) and (B)</td>
<td>Case: Tetra Pak (A)</td>
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<td>Consumer response to marketing actions I</td>
<td>Tetra Pak (B) will be discussed in class</td>
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<td>Case: Reagan Bush</td>
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<td>Article: Analyzing Consumer Perceptions (9-599-110)</td>
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<td>Case discussion: L’Oreal.</td>
<td>Case: “L’Oreal of Paris”</td>
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<td>Segmentation, targeting and positioning</td>
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<td>Consumer behavior and pricing Strategy</td>
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<td>July 24</td>
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<td>Case discussion in class (no prep): Tofu</td>
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<td>July 26 and 31</td>
<td>Hot topics in Consumer Behavior</td>
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<td>August 2</td>
<td>Expanding the consumer vision – happiness and consumer behavior</td>
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<td>August 7</td>
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**Case questions for our first day:**

**1. Tetra Pak (A) - Case preparation questions:**
   1. What are the important features of the Italian milk market?
   2. What is Tetra Pak’s strategy towards this market?
   3. How well did Tetra Pak diagnose Pontero’s market share problems?
   4. How viable was Fortina’s “enriched milk” solutions? Why did Pontero reject them?
5. What, if anything, should Tetra Pak propose next to Pontero?
6. How would you respond to the Managing Director’s question on page 7: “What else do we need to do to stay close to this most important customer?”

2. Reagan – Bush:
   1. What are the strengths and limitations of the hierarchical value map presented in the case?
   2. Using the map, what recommendations would you make as to what advertising messages need to be developed for Reagan to convince soft voters?

For other cases, questions will be announced at the end of the previous class.