

CONSUMER BEHAVIOR
MARK3420
Spring 2019

L1: Tuesdays and Thursdays 3pm-4:20pm LSK 1005
L2: Tuesdays and Thursdays 1:30am-2:50pm LSK 1005
L3: Tuesdays and Thursdays 4:30am-5:50pm LSK 1005

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By appointment

*Students are expected to read this course outline very carefully. Please consult this note before raising any questions about the course.

COURSE DESCRIPTION

The purpose of this course is to study the process of consumer decision making, its determinants, and the resulting implications for marketing strategy. Concepts and theories covered in this course are essential for consumer analysis and the development of effective marketing strategies. A strategic orientation will permeate most facets of this course. At the same time, knowledge of consumer behavior requires an understanding of important theoretical concepts borrowed from fields such as psychology, sociology, economics etc. Accordingly, while marketing applications will be stressed throughout, you may expect this course to be a little heavier on theory than other marketing courses.

LEARNING OBJECTIVES

A student who has taken this course should be able to:

- 1) Attain a thorough understanding of the mental processes that guide consumer perceptions, attitudes, memory and choices
- 2) Analyze how these processes might differ as a consequence of social, cultural and group influences
- 3) Apply this knowledge to generate integrated and effective marketing strategies and tactics
- 4) Provide recommendations if needed for public policy to protect consumer rights

TEXTBOOK

Wayne Hoyer, Deborah MacInnis, and Rik Pieters, “Consumer Behavior”, 7th edition, CENGAGE Learning, 2018.

The textbook is now available in campus bookstore. A few copies are also put on reserve at the library.

I will not lecture on every topic included in the textbook. However, you are expected to read all the assigned chapters. Please approach me in case you have any problems or questions while reading the assigned chapters.

COURSE MAILING LIST AND WEB PAGE

I use e-mail extensively to disseminate information and make early announcements. For this purpose, I have set up a class mailing list. All students that have enrolled in this course are automatically included in this list.

The course webpage is on CANVAS. Lecture slides (for downloading), announcements and other material will be regularly posted to this page. Students are advised to check the page from time to time.

COURSE REQUIREMENTS AND GRADING

Best 2 Quizzes	25% each
Project Report	20%
Project Presentation	15%
Class Participation	8%
In-Class Group Exercises	5%
Research Participation	2%

Scores on each of the above components will be summed to arrive at an overall score for each student. Based on this overall score, grades will be assigned as per a *relative grading system*.

QUIZZES

There will be 3 quizzes (closed book) at various points during the semester. Each student’s **best two out of three quizzes** will be considered for grading purposes. The quizzes will primarily consist of objective questions, such as multiple-choice and fill in the blanks. All the questions will be based exclusively on assigned chapter readings and class lectures. Quizzes will consist of between 30 and 40 questions each. There will typically be no carry over of substantive topics for the quizzes. However, it should be kept in mind that most topics in the course are interrelated; thus, answering questions relating to a particular topic may require some knowledge of topics discussed earlier. In order to get a convenient time for all the students, quizzes have tentatively been scheduled on the following dates. There will be no lectures on quiz dates. The venue for the quizzes will be announced later.

Quiz Dates:

Quiz 1	March 5 (<u>Tuesday</u>) 19:00-20:10pm
Quiz 2	March 28 (<u>Thursday</u>) 19:00-20:10pm
Quiz 3	Apr. 30 (<u>Tuesday</u>) 19:00-20:10pm

Note 1: **No separate make-up quiz will be scheduled.** However, since only marks from your best two quizzes will be considered for your grade, you can afford to miss one of the three quizzes that will be held. If you miss a second quiz, there will be no make-ups.

Note 2: Once the quiz dates have been decided, they cannot be changed! If you have schedule clashes later, it is up to you to resolve the clash and attend the quiz on time.

GROUP PROJECT

Students are required to form groups consisting of **either six or seven members each**. Each group needs to send a list of its members (names, student ID's and email addresses) to CANVAS by **5 pm of February 18**, upon which each group will be assigned a number. **Group members are required to sit together in each class.**

The project is briefly described below. More detailed instructions will be provided later.

Project Details. Select a product category that is likely to be relevant to a group of consumers that you have easy access to. For example, if it is easy for you to interview students, you could select jeans, fast food restaurants, cell phones, etc. If it is easier for you to interview housewives, you could select detergent, shampoo, vacuum cleaners etc. Assume that your group has been hired as a consultant to the marketer of a particular brand within this product category, to evaluate the strengths and weaknesses of the brand relative to the competition. In order to do so, you decide to utilize the **Fishbein model of attitudes**. Spend a few hours observing the behavior of consumers who are or may potentially be in your target segment. Then conduct depth interviews with five different consumers in order to identify five different attributes that consumers use to evaluate brands in that product category. Next, construct a questionnaire containing scales to measure: a) beliefs about the brand under study and one other competitive brand (which should have a good market position); and b) the importance of each attribute. While questions relating to the Fishbein model form the core of this assignment, your questionnaire should also contain other questions, such as product involvement measures, as well as demographic questions relating to age, marital status, occupation, etc. Administer the questionnaire to two distinct segments of 20 people each (total number of questionnaires = 40). How you choose the segments is up to you – you can use classifications such as gender; age; education; lifestyle etc. What is important is that you have a good prior reason for believing that these two segments differ in some important respect in terms of their preferences or opinions about the product category you have chosen. Analyze the responses to the questionnaire using simple software such as Excel or SPSS. Analysis will primarily consist of getting average scores for the various responses in your questionnaire (e.g., average attitudes towards a brand). Based on your analysis, prepare a report for the brand manager of your brand. The report should cover the following two major questions:

1) What are your brand's strengths and weaknesses based on a comparison of your brand with the competing brand, for each of the two segments? (Criteria you can use: overall attitude scores; ratings on each individual attribute; recall scores, etc.)

2) Based on your answer to the above question, what recommendations can you make to the brand manager?

Page Limit for Report: 12 double spaced typed pages in Times Roman (12 Point), with 1 inch border on all sides. This limit is to be strictly followed.

Due Date: May 10, 5 pm. No late report will be accepted.

Project Presentation. Each group will be required to make an oral presentation of the project in class. It is up to the group members to decide who will present—the same grade will be given to all members. Each presentation should take about 15 minutes and a further 5 minutes for a question-answer session. Attendance is mandatory at all presentations.

CLASS PARTICIPATION

The classroom experience is very important in your learning process. In addition to lectures, time will be allocated to in-class group exercises. These exercises will be in the form of small caselets (written or video), or discussion questions that will be handed out in class. Each group of students will then get some time (10-15 minutes) to discuss the assignment with one another. Following this, I will ask one or two group(s) to provide the solution to the assignment. The other groups will be expected to add their comments and join in a discussion of the assignment. In order to facilitate this type of discussion, **each group of students is required to sit together for all lectures.** All members of the same group will receive the same marks for the in-class exercises.

There will also be individual class participation points – i.e., marks given for individual comments and answers to questions asked in class.

Since class participation is important, please remember to bring your name card to each class. We will also **take photos for each group** in class on **February 19 (Tuesday)**. Please make sure to attend the class so that you will be in the photo.

RESEARCH CREDIT

Students enrolled in marketing classes are expected to earn 2 research credits (worth 2% of the grade). This can be done through participation in 2 marketing experiments (of 1 hour each) OR by completing 2 research assignments.

Marketing experiments will be scheduled throughout the semester and you can sign up for these experiments. Instructions on how to sign up will be posted on the course website. (It is your responsibility to familiarize yourself with the procedures so you are notified of experiments when they are posted).

If you choose to do research assignments, these assignments will be available at the Marketing general office (room LSK 4018). They can be turned in on the last day of class to the TA. Please do not give it to me (your instructor) since they are evaluated by the marketing department. Questions about this component of the grade should be sent to markexpt@ust.hk.

RE-EVALUATION

In case you are not satisfied with your scores on a particular segment of the evaluation (an examination, an assignment or a group project), you will need to submit a request to be reevaluated **within one week** of receiving your scores. You will need to attach a sheet of paper to your exam or assignment with your name, student I.D. number and a short note explaining why you feel you deserve more points. Explanations should be precise and specific and should pertain to the content only. Thus explanations like “I worked really hard and deserve more points” or “My answer on this question is better than XYZ’s” will **not** be acceptable.

Please note that a reevaluation request for a particular segment of the course will entail a complete reevaluation of the entire exam, assignment or project. Thus, your score on that segment may go up, stay the same or move down depending on the new evaluation. I will return your reevaluation requests with the necessary changes (if any) within two weeks of receiving your requests.

HINTS, DO’S AND DON’TS

- Come to class prepared to participate. Don’t be afraid to express opinions; there are often no right or wrong answers in marketing classroom discussions.
- Contribute to all group work.
- The things we learn in class will help you in a number of situations. Keep your eyes and ears open for applications of the concepts that you can bring to the classroom.
- Professional behavior will be expected when you are in class:
 - a) No private conversations should be conducted in class. If you feel compelled to share a joke with a friend, please leave the classroom to do so.
 - b) **Come to class on time.** I understand that occasional delays are unavoidable. However, please do not make it a habit as it may cost you a few class participation points.
 - c) Punctuality is especially important when your group is scheduled for a presentation. If a presenting group is not on time, they may lose their turn and forfeit points.
 - d) Please ensure that your **mobile phones** are **switched off** during class.
 - e) **All deadlines will be strictly enforced.** Unless there is an announcement in class or an announcement posted on the course webpage, the deadlines given in this syllabus and on individual assignments are final. Late submissions will not be graded and no make-up assignments will be given in exchange.

TENTATIVE COURSE SCHEDULE *

<u>Class</u>	<u>Date</u>	<u>Topic</u>	<u>Readings</u>
1	31 Jan	Course Introduction	
2	12 Feb	Consumer Behavior: An Overview	Chapter 1
3	14 Feb	Motivation, Ability and Opportunity	Chapter 2
4	19 Feb	Problem Recognition and Information Search	Chapter 7
5	21 Feb	High Effort Judgment and Decision Making	Chapter 8
6	26 Feb	Low Effort Judgment and Decision Making	Chapter 9
7	28 Feb	Post-Decision Processes	Chapter 10
8	5 Mar	<i>Quiz 1</i>	<i>No lecture</i>
9	7 Mar	Exposure, Attention and Perception	Chapter 3
10	12 Mar	Memory and Knowledge I	Chapter 4
11	14 Mar	Memory and Knowledge II	Chapter 4
12	19 Mar	Attitudes based on High Effort I	Chapter 5
13	21 Mar	Attitudes Based on High Effort II	Chapter 5, 6
		Attitudes Based on Low Effort I	
14	26 Mar	Attitudes Based on Low Effort II	Chapter 6
15	28 Mar	<i>Quiz 2</i>	<i>No lecture</i>
16	2 Apr	Social Influence I	Chapters 11-14
17	4 Apr	Social Influence II	Chapters 11-14
18	9 Apr	Social Influence III	Chapters 11-14
19	11 Apr	Innovations	Chapter 15
20	16 Apr	Symbolic Consumer Behavior	Chapter 16

21	25 Apr	The Dark Side of Consumer Behavior: Ethics and Social Responsibility	Chapter 17
22	30 Apr	<i>Quiz 3</i>	<i>No lecture</i>
23	2 May	Group Presentations	
24	7 May	Group Presentations	
25	9 May	Group Presentations	

*Any revisions to the schedule will be announced either in class or through email/course website.