Course Goals

We are all consumers. We buy groceries, computers, and cars. We purchase services ranging from bank accounts to college educations. However, we also know that consumers differ from each other. We buy different clothes, drive different cars, and eat different foods. Even the same consumer can make different decisions depending on the situation. So how are we to construct coherent marketing strategies?

In this class we will try to learn why consumers behave the way that they do. We will explore our intuitions about our own behavior, learn about theories developed in marketing, psychology, and sociology, and learn to use these theories to predict how consumers will respond to marketing actions.

The goals of this class are:

- acquire knowledge of:
  - a framework for analyzing consumer behavior problems
  - relevant psychological and sociological theories
  - methods for studying consumer behavior
- learn to apply this knowledge:
  - to measure consumers’ beliefs, attitudes, and intentions
  - to predict how consumers will react to different marketing strategies
  - to understand real-world consumer behavior problems
Course Resources

Required Course Packet
(available at the NYU Professional Bookstore)

Cases:
1. BMWFilms (HBS 9-502-046)
3. Claiborne Asks Web Surfers to Name New Line (HBS 9-500-055)
4. L’Oreal of Paris: Bringing “Class to Mass” with Plenitude (HBS 9-598-056)
5. Sony AIBO: The World’s First Entertainment Robot (HBS 9-502-010)
7. TiVo in 2002 (HBS 9-502-062)
8. Gillette Fusion: Building a $1 Billion Brand (Kellogg 0841)

Articles:


Other Articles & Exercises

Additional exercises, journal articles, 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 are used to illustrate the conceptual framework with current real-world marketing problems. The articles will be handed out in class and posted on the class website (if an electronic copy is available).

Course Website

http://sternclasses.nyu.edu
This website has many useful things on it, including continuously updated information on assignments, readings, course schedule, etc. Please check regularly.

Class Notes

The PowerPoint slides for each class will be available for downloading from the website and will also be handed out at the start of class. Note, however, that these slides only present an outline of the class discussion. You will still need to take additional notes to fully capture the material discussed in class.

Additional Literature

A special section on the class website will list optional additional readings as well as useful links to resources for the team project.
Student Evaluation

Your evaluation will be based on 2 exams, 8 case study preparations, a group project, and your class participation:

<table>
<thead>
<tr>
<th>Evaluation</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Midterm Exam</td>
<td>25%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>25%</td>
</tr>
<tr>
<td>Group Project</td>
<td>20%</td>
</tr>
<tr>
<td>Case Preparations</td>
<td>16%</td>
</tr>
<tr>
<td>Class Participation</td>
<td>14%</td>
</tr>
</tbody>
</table>

Midterm Exam 25%

The midterm exam will be based on the lectures, class discussions, assigned readings, and case assignments. The exam will primarily consist of short essay questions. The midterm exam is optional. There will be no makeup exam. If you don’t take the midterm exam, the final exam will be cumulative and count for 50% of your course grade.

Final Exam 25%

The final exam is not cumulative, unless you’ve not taken the midterm exam (in which case it is cumulative and counts for 50% of your course grade). The exam will primarily consist of short essay questions. Students who do not attend the final exam and who do not have a prior agreement with me will receive a zero for the exam grade.

Group Project 20%

A significant part of your course grade will be determined by a team project. The objective of this team project is to examine consumers’ reaction to a new company initiative. You can find more information on the group project in the separate handout.

Case Preparations 16%

You will be asked to prepare 9 cases for class discussion. To make sure that you have read and thought about the cases in advance, I will ask everyone to upload a 1-2 page preparation sheet on Blackboard by 8 pm the day before we discuss the case in class. Your eight best case preps will each contribute 2% towards your final grade. For more information on the case preparations, please see the separate handout.

Class Participation 14%

I expect that you all realize the importance of attending the classes. Attending classes is not optional. Not only will it increase your understanding of the assigned readings, but
we will also be addressing many issues that are not covered in the readings. It will also give you the opportunity to actively participate in class discussions and obtain a better class participation grade. Note, however, that your mere presence is not sufficient to earn points for class participation. What matters more is the quantity and, especially, the quality of your contributions to class discussions.

Class Policy

• **Be prepared:** Make sure that you have carefully read the assigned cases and articles.

• **Attend all classes:** I expect everyone to attend all classes. Aside from being an essential part of the learning experience, regular attendance is an obvious prerequisite for contributing to class discussions and receiving a grade for class participation. Please also note that you are responsible for knowing any changes or assignments announced in class.

• **Arrive on time:** Late-comers disturb the class. *Systematic tardiness will have a negative impact on your class participation grade.*

• **Respect assignment deadlines:** Late assignments will not be accepted without a prior agreement.

• **Be honest:** Cheating and plagiarism will result in a grade of “F” for the assignment/test for all parties involved. All students are expected to follow the *Stern Code of Conduct:* [http://www.stern.nyu.edu/uc/codeofconduct](http://www.stern.nyu.edu/uc/codeofconduct)

• Laptops and cell phones are a disturbance to your fellow students as well as the instructor. All electronic devices must be turned off prior to the start of class. This implies:
  - You cannot use your laptop in class.
  - Phones must be turned off – not put on silent or vibrate.