CONSUMER BEHAVIOR COURSE  
B70.2345.10

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Required Readings:

2. Additional journal articles, 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 textbook’s conceptual framework to current real-world marketing problems. The readings and assignments will be handed out in class and/or posted on the class website.

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

Course Grades:

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Class participation</td>
<td>20%</td>
</tr>
<tr>
<td>Written assignments (2)</td>
<td>40%</td>
</tr>
<tr>
<td>Final individual exam</td>
<td>40%</td>
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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.

Length: 3 pages (double spaced), plus any appendices, graphs, etc

The assignments involve a case analysis. Students 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 assignment is due at the beginning of the class it is assigned.

Course Website

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. 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

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.

- **Be honest**: Cheating and plagiarism will result in a grade of “F” for the assignment/test for all parties involved.
## Schedule for consumer behavior

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Readings (warning: other readings will be added)</th>
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| 1. M Sep 27| Consumer behavior and market-orientation  
Case discussion: Tetra Pak (A) and (B) | Syllabus  
Case: Tetra Pak (A)  
Tetra Pak (B) will be handed out in class |
| 2. M Oct 4 | Consumer response to marketing actions  
Case discussion: Reagan-Bush | Case: Reagan Bush  
Article: Analyzing Consumer Perceptions (9-599-110) |
Case: Levi’s (video case) | |
| 4. M Oct 18| Consumer information processing and choice  
Case discussion: L’Oreal of Paris: Bringing “Class to Mass” with Plenitude (9-598-056) | Case: L’Oreal of Paris: Bringing “Class to Mass” with Plenitude (9-598-056)  
Article: “Spend a Day in the Life of Your Customers” |
| 5. M Oct 25| Segmentation and targeting  
| 6. M Nov 1 | Targeting and positioning  
Case discussion: “Re-Positioning Unilever’s European ice Cream Business” | Case: “Re-Positioning Unilever’s European ice Cream Business” |
| 7. M Nov 8 | Consumer behavior and pricing strategy  
Case Discussion: “Medi-Cult” | “Medi-Cult” case  
Article: “Pricing and the Psychology of Consumption” (HBR-OnPoint #1814) |
| 8. M Nov 15| Promotion and consumer behavior  
Case discussion: “Red Bull: the Anti-Brand Brand.”  
Guest speaker | Case: “Red Bull: the Anti-Brand Brand.” |
| 9. M Nov 22| Product, place strategy and consumer behavior  
Case discussion: Tofu | Case: Tofu |
| 10. M Nov 29| Ethics  
Case discussion: Uptown, Dakota, and Powermaster | Case: Uptown, Dakota, and Powermaster |
| 11. M Dec 6| Expanding the consumer concept  
Case: Security Capital Pacific Trust | Case: SCPT |
| 12. M Dec 13| Exam | |

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The schedule includes a mix of topics such as consumer behavior, marketing strategies, consumer information processing, and case discussions. Each topic is accompanied by specific readings and case discussions to enhance understanding and application of consumer behavior concepts.