





# UNIVERSITY OF HAIFA SCHOOL OF BUSINESS ADMINISTRATION COURSE: CONSUMER BEHAVIOR (with an emphasis on Marketing Strategy) HUMAN RESOURCES MANAGEMENT MBA PROGRAM

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### **COURSE DESCRIPTION**

In this class we will explore research and theory on consumer psychology to help us understand more about consumer behavior in the marketplace. Topics studied include human values, attitudes and persuasion, decision-making, culture, and research methodology. We will additionally examine ethical principles in marketing.

### **OBJECTIVES**

- 1. Understand the basics of research methodology in behavioral research.
- 2. Deepen our understanding of psychology and consumer psychology.
- 3. Use case studies and real world examples to analyze real-world marketing problems that involve issues related to consumer behavior. We will then extract principles from those specific instances that can be applied to novel marketing problems.

### LEARNING METHODS

In this course, we will learn about experiments that have been conducted on the topic of human behavior and consumer psychology to give us insight into consumer behavior in the marketplace. We will be using a variety of case studies, in class examples, and real world research examples to review, reinforce, and build on the theories and principles of consumer psychology with an eye toward how they are relevant to marketing. We will also be reading some Business School Case studies. These cases are used to give us a window into how consumer behavior principles play out in real world marketing settings. Our goal will be to attempt to extract general principles that may be applicable as well to other cases in the future.

### **READING MATERIALS**

Readings for class will be consist of chapters from textbooks, research articles, articles from the popular press, and Business School cases. Please do the reading for each week *before* the class session in order to be prepared to discuss the material in class.







### **GRADING**

Attendance and participation: 10%

Case summaries: 30% (15% each)

**Group paper:** 40% **Group presentation:** 20%

### CLASS ATTENDANCE AND ACTIVE PARTICIPATION

Class attendance and participation is an important component of this course. Your thoughtful contributions to class discussion and constructive responses to others' discussion points are particularly important. Students are expected to do the assigned readings before class and come ready to discuss them. The grading for this component will depend on the quality and not just quantity of contributions in class.

## **CASE SUMMARIES**

We will be preparing assignments for two Business School cases in class this semester: Nike Football: World Cup 2010 South Africa and Maersk Line B2B Social Media: It's Communication not Marketing. Each student should read each case carefully and prepare a preparation sheet of each case as a group prior to the relevant class. These will be graded depending on the quality of the analysis. If your group is not able to turn in a case preparation assignment before class on the date the case is due please contact me before the due date. We will also be reading additional cases that will be assigned throughout the period, but no written assignment on these will be given. Given the situation with the coronavirus I am planning on being flexible with due dates as much as possible so please do not hesitate to let me know if you need an extra extension or accommodation on any of the assignments.

### **GROUP PAPER AND PRESENTATION**

For the final paper, you will form groups of 2-5 people. Your goal in this project is to design a digital marketing presence for a product / cause / or idea of your choice that currently has a suboptimal digital presence. For the purpose of this assignment, the "product" can be a forprofit product or a brand (either B2C or B2B) (e.g., a clothing brand, a sports team, a country or city where you want to encourage tourism), or it could also be an "entity" (e.g., an attorney, doctor, business consultant, expert in a field, college professor), or an idea (e.g., reducing screen time among children, conserving water, promoting recycling), or a cause (e.g., encouraging donation to nonprofit organization, encouraging blood donation, promoting volunteering). Please choose something that is of interest either in your own current or past business life or of intrinsic interest to the members of your group. For this project you will first closely examine the digital marketing practice of at least two companies or entities with successful digital strategies and summarize the main points you learned from these in 1.5 single spaced pages. You will then describe your proposed digital presence for your chosen topic, including preparing a section on the general company background as well as your proposed digital marketing plan. In this plan you will integrate as many principles of consumer behavior and consumer engagement as possible. A group project information sheet describing the project in greater detail will be available on Moodle during class week 2.







# **COURSE CONTENT**

| 1              |  |
|----------------|--|
| Introduction:  | Outline of the course  |
| What is        | Why do we buy?   |
| consumer       | Foundations of human motivation  |
| behavior and   | Hierarchy of needs   |
| how is it      | Product positioning strategies   |
| related to     | Formation of groups  |
| marketing      | 8 1  |
| strategy       |  |
| 2              | Case + case report due: Nike Football World Cup 2010                     |
| Human wants    | Human values   |
| and needs:     | <ul> <li>What is the basic psychological structure underlying</li> </ul> |
| Marketing      | marketing segmentation and positioning strategies                        |
| segmentation + | <ul> <li>Identifying segments and targets</li> </ul>                     |
| positioning    | ■ Effective targeting: where, when, how to reach target                  |
|                | audience   |
|                | <ul> <li>Differentiation strategies</li> </ul>                           |
|                | <ul> <li>Business versus consumer targets</li> </ul>                     |
| 3              | Consumer decision making   |
| Consumer       | <ul> <li>Judgment and decision making</li> </ul>                         |
| behavior:      | <ul> <li>Defaults</li> </ul>   |
| Insights from  | <ul> <li>Cognitive dissonance</li> </ul>                                 |
| research       | <ul> <li>Rationality</li> </ul>  |
|                | Decision making under uncertainty  |
| 4              | Case + case assignment due: Maersk Line B2B: It's                        |
| Social         | Communication not Marketing  |
| influence:     | Social influence   |
| online and     | Social comparison  |
| offline        | Brand communities  |
|                | Social networks  |
|                | <ul> <li>Weapons of Influence</li> </ul>                                 |
|                | <ul><li>Persuasion</li></ul>   |







| 5                      | Case: Building Brand Communities on the Harley Davidson                      |
|------------------------|--|
| Brand                  | Posse Ride (read before class – no assignment due)                           |
| communities            | Brand communities  |
|                        | <ul> <li>Collectivism and individualism and consumer behavior</li> </ul>     |
|                        | <ul> <li>Interdependent and independent construal</li> </ul>                 |
|                        | ■ East vs. West  |
| 6                      | Decision making  |
| <b>Decision making</b> | <ul><li>Information processing</li></ul>                                     |
| II                     | ■ Logos  |
|                        | <ul><li>Metaphors</li></ul>  |
|                        | <ul> <li>Consumer attention and inattention: Breaking through the</li> </ul> |
|                        | noise  |
| 7                      | Designing communications   |
| Integrated             | <ul> <li>Joint and separate evaluation</li> </ul>                            |
| Marketing              | ■ The endowment effect   |
| Communications         | <ul><li>Emotions and appraisal</li></ul>                                     |
|                        | <ul> <li>Heuristic / systematic processing</li> </ul>                        |
|                        | <ul> <li>Incidental vs. integral emotions</li> </ul>                         |
|                        | <ul> <li>Group project presentations</li> </ul>                              |
| 8                      | How do we measure marketing outcomes?  |
| Assessment +           | <ul> <li>Evaluating return on investment</li> </ul>                          |
| <b>Metrics:</b>        | <ul> <li>Group project presentations</li> </ul>                              |
| Measuring              |  |
| marketing              |  |
| outcomes               |  |

### **Summary**

Meeting 1 (19/5/20): Introduction: Consumer wants and needs Meeting 2 (26/5/20): \*Due: Case write up Nike World Cup 2010

**Human values** 

Meeting 3 (2/6/20): Consumer decision making

Meeting 4 (9/6/20): \*Due: Maersk Case

Word of mouth and social influence + branding

Meeting 5 (16/6/20): Case: Building brand community on the Harley Davidson

Posse Ride (read case before class, no assignment due)

Meeting 6 (23/6/20): Consumer decision making II

**Meeting 7 (30/6/20):** Group project presentations / Marketing

communications

**Meeting 8 (7/7/20):** Group project presentations / Assessment + Metrics:

**Measuring marketing outcomes**