MARK 3420 – Consumer Behavior

School:	**School of Business and Management**
Subject Area:	**Marketing**
Course Credit:	**4**
Instructor:	**SALVACRUZ Joseph**
Pre-requisite/co-requisite:	**Details Here**

Notes:

- The syllabi provided here is for reference only and may be subject to changes and adjustments as determined by the course instructors.

L1: Monday 1:30pm and Friday 9 am, LSK 1001

L2: Monday 4:30pm and Friday 12 noon, LSK 1003

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By appointment   By appointment
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*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 emphasized 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", 8th edition, CENGAGE Learning, 2024.

The textbook purchase link will be posted on Canvas.

I will not lecture on every topic included in the textbook. However, you are expected to read all the assigned chapters. Please let me know 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 who 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. Please contact the TA if you have trouble logging in or accessing the materials.

COURSE REQUIREMENTS AND GRADING

Course Components	Weighting	Individual/Group
Class Participation	8%	Individual
Research Credit	2%	Individual
Exam	35%	Individual
Group Exercises	10%	Group
Project Presentation	20%	Group
Project Report	20%	Group
Peer Evaluation	5%	Individual
TOTAL	100 %	

Scores on each of the above components will be summed to arrive at an overall score for each student. Based on this overall score, letter grades will be assigned.

CLASS PARTICIPATION

Regular and punctual class attendance is a necessary but not a sufficient criterion for good class participation grades. There will be marks given for answering questions asked in class, making comments, offering your perspectives, etc. The assessment will take into account both the quantity and quality of comments.

RESEARCH CREDIT

HKUST is a research institution. We, therefore, encourage students to earn 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. 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). Questions about this component of the grade should be sent to markexpt@ust.hk.

EXAM

The exam will primarily consist of multiple-choice, fill in the blanks, and short essay questions. All the questions will be based on assigned chapter readings and class lectures. The exam will be held simultaneously for all sections on April 25. There will be no lectures on that day.

GROUP EXERCISES

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 get some time (10-15 minutes) to discuss the assignment with one another and then submit the solution prior to the class discussion. Following that, I will ask one or two group(s) to talk about their solution to questions. The other groups will be expected to add their comments and join in the discussion. All members of the same group will receive the same marks for the in-class exercises.

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 **5pm on Feb 18 (Tuesday)**, upon which each group will be assigned a number.

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 (if situation allows) 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.

<u>Project Presentation</u>. 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. <u>Attendance is mandatory at all presentations</u>.

PEER EVALUATION

Group work is an important component of the course. The purpose is to expose you to the real business environment where teamwork skills such as dividing workload, communicating effectively, resolving conflicts, and leveraging each person's strength are very valuable. As in the real world, teamwork can sometimes be a frustrating experience. It might be difficult to pick times to meet, you may not see eye to eye with another group member on some issues, or the division of workload may not seem equitable to all group members. As frustrating as it might be, it is important for you to learn how to manage teamwork. *Try to resolve disputes between group members internally.*

Having said that, to ensure equal participation in and contribution to group work, a peer evaluation system will be in place. You will be asked to evaluate your team members' (excluding your own) performance /contribution to the team at the end of the semester.

RE-EVALUATION

In case you are not satisfied with your scores on a particular segment of the evaluation (an examination, exercise 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 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 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.

GENERATIVE AI

Restricted use is permitted. For the group exercises and projects, you are allowed to use generative artificial intelligence (AI) such as ChatGPT to aid your analysis. However, you are obligated to duly acknowledge and credit any usage of generative AI. You must state clearly which part of your solution/report is generated by AI and which part is purely based on your own analysis

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.
  b) **Come to class on time**. 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.
  c) Please ensure that your **mobile phones** are switched off /set in silent mode during class.
  d) **All deadlines will be strictly enforced**. Late submissions will not be accepted.

TENTATIVE COURSE SCHEDULE *

Class	Date	Topic	Readings
1	3 Feb	Course Introduction	
2	7 Feb	Consumer Behavior: An Overview	Chapter 1
3	10 Feb	Motivation, Ability and Opportunity	Chapter 2
4	14 Feb	Problem Recognition and Information Search	Chapter 7
5	17 Feb	High- and Low-Effort Judgment and Decision Making	Chapter 8 and 9
6	21 Feb	High- and Low-Effort Judgment and Decision Making	Chapter 8 and 9
7	24 Feb	Post-Decision Processes	Chapter 10
8	28 Feb	Exposure, Attention, Perception and Comprehension	Chapter 3
9	3 Mar	Memory and Knowledge I	Chapter 4
10	7 Mar	Memory and Knowledge II	Chapter 4
11	10 Mar	Attitudes based on High Effort I	Chapter 5
12	14 Mar	Attitudes Based on High Effort II Attitudes Based on Low Effort I	Chapter 5, 6
13	17 Mar	Attitudes Based on Low Effort II	Chapter 6
14	21 Mar	Social Influence I	Chapters 11-14
15	24 Mar	Social Influence II	Chapters 11-14
16	28 Mar	Social Influence III	Chapters 11-14
17	31 Mar	Innovations	Chapter 15
18	7 Apr	Project Consultation	
19	11 Apr	Symbolic Consumer Behavior	Chapter 16
20	14 Apr	Marketing Ethics and Social Responsibility	Chapter 17
21	25 Apr	*Exam*	

22	28 Apr	Group Presentations	
23	2 May	Group Presentations	
24	9 May	Group Presentations	

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