



Consumer Behavior

University of Missouri Kansas City
Henry W. Bloch School of Management

Course specifics:

MKT # 335 Spring 2011
Consumer Behavior in Marketing
LEC 16077
Tuesday Thursday
12:30-1:45
Room 101

Text: Consumer Behavior Building
Marketing Strategy 11th Ed
By: Del I. Hawkins, David Mothersbaugh
ISBN: 978-0-07-338110-7

Available as an E-Text

[Http://mhhe.com/hawkins11e](http://mhhe.com/hawkins11e)

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Course description:

Consumer Behavior studies why and how consumers decide to buy certain goods or services, or buy certain ideas or concepts. Consumer behavior builds on the concepts in marketing. Emphasis is on the consumer's behavior, motivation, decision-making processes and the impact of cultural differences on consumer decisions. One of the most complex aspects of marketing is to understand the mind and buying motivation of the consumer. If consumer behavior were easy to explain then all products would sell as projected, all advertising would be effective, economics would be efficient and marketing would be a simple discipline. In actuality, consumers are frustrating and irrational and difficult to predict. This course focuses on providing you with the basic tools to better understand consumer behavior. The fundamental premise of the course is that a consumer's sense of who they are should relate to what they buy. One of the course objectives is to study the process the consumer chooses, its determinants and its implications for marketing programs. The approach to the study of consumer behavior is both micro and macro focused. The micro-orientated focus will examine the psychological process individuals use to make buying and consumption decisions. The macro-orientated examination studies the cultural and societal (sociological) influences affecting decision making. Marketing makes an attempt to anticipate consumer response

(behavior) and better understanding consumer behavior can aid in making more effective strategic marketing decisions about segmentation, targeting and positioning.

Course objective:

Upon successful completion of this course, students will be able to do the following:

Apply buyer behavior concepts to what consumers do in the real world.

Improve skills in the research and analysis of customer segments, demand and market potential.

Utilize knowledge of consumer behavior to enhance strategic decision making

Define market-driven factors as a consumer and a marketer of products and services.

Conduct a consumer audit to determine the effectiveness of an organization's market plan on the behavior of retail, intermediate, government, and industrial buyers.

Understanding and apply existing theory and data relevant to consumer behavior from a psychology, economic and social science perspective

Acquire a framework to analyzing consumer behavior problems that marketing organization are confronted with as a regular challenge

Compare how consumer research is used to study consumer behavior during the decision making process.

Teaching philosophy:

It is my goal to introduce the students to the concepts of consumer behaviors in a practical manner with connections to consumerism in the real market place. The student is the customer, and it is my intention to insure that the customer gets value out of the class. To that end I am available by E-mail, phone or student meetings to encourage students to bring issues to the forefront so that we can discuss and resolve any concerns the student might have in completing the course successfully.

Course format:

The instructor will use a combination of **any or all** of the following instructional methods, lecture, discussion, student case analysis, student presentations, and projects. Videos dealing with various business related topics which "bring to life" some of those topics covered in the textbook will be included.

Teaching method:

Class participation in a comfortable and relaxed atmosphere will be used to facilitate free thinking and interactive dialogue. The purpose of this method is to have students bring real world experiences from the work place, as well as their experiences in consumerism into the discussion.

Out of class assignments

Expect to have 6 out of class graded assignments. The expectations of the assignments will be to respond to a question relating to the discussion topic and text assignment for

the week. The purposes of the assignments are to offer you the experience of **researching** your responses to the question or case. You will be required to read the chapter, and then comment in a written typed **3** page double spaced document (12 pt font 1 inch margins) on the specific questions that are asked. There are no right or wrong responses. You are expected to use the internet (**Do not use Wikipedia**), or any other available resource to assist you in formulating your response. We will start each class with a class discussion on your findings and conclusions. Preparation for discussion with your fellow students enhances the learning process. Many of the assignments will be designed to fit into the consumer buying plan that is due at the end of the semester. There is a score of 10 points assigned to work completed and turned in on time. **I will not accept late assignments or e-mails for assignments.** I fully expect that the assignments will be written using appropriate marketing language and using correct grammar and use of spell check. You will need to provide your research resources that support your argument or position.

Articles:

Periodically articles will be distributed for student review. These articles will connect with the chapters we will be discussing per the schedule. The purpose of the articles is to bring to life real world marketing situations that are happening around us right now. The article will be used to show how marketing situations are relevant to consumer behavior and our economic and business practices in corporations today.

Class Participation:

Class participation is an attempt to account for each student's contribution to the class. A high level of participation means that you are well-prepared, add value to class discussions, listen carefully to others' contributions, and ask appropriate questions (without monopolizing class time or sidetracking discussion from the issues under discussion). Quality of preparation and participation, not quantity, is the relevant issue. You may be asked to serve as a discussion leader for specific assigned articles. As a discussion leader, you must lead the seminar participants in a critical analysis, evaluation and integration of the papers. You should prepare a short written handout for distribution to the participants. (This handout should not be a summary of the articles or an overview. It should selectively focus on key issues.)

Your class participation **evaluation** will be assigned depending on the accuracy of the information you provide in class discussion, whether your contributions are well-supported, whether they are timely and add to our understanding of the issues under discussion, and whether they are novel (as opposed to rehashing case facts or earlier discussion), as well as your performance as discussion leader. Points are not assigned for participation, however if you do not participate you can loose up to 25 points for the semester.

Grading and evaluation:

Final project	Consumer assessment plan	100 points
Research project		25 points
6 out of class assignments	10 points each	60 points
Exams	3 exams x100	300 points
Class participation and attendance:		

Check for understanding	10 points each	TBD
Total		485 points
Grading scale:		
90% of point A		
80% of points B		
70% of points C		
60% of points D		
50% of points F		
Final grade will be based on the percentage of total points achieved in the class		

Attendance and promptness:

Students are expected to attend every class and not come into the class late, or leave early. In the final analysis the student participation along with class attendance is taken into consideration. For each **three classes missed or arrivals** late you can assume your grade will drop one letter grade. Active class participation enhances the learning process, and the dialog between instructor and students, and student to student will draw out the interactive dialog on the text chapters, or lessons of the day. To assist the student in the learning process at the beginning of many of the classes a question will be asked and taken directly from the assigned reading of the day. You will have ten minutes to write your response on a sheet of paper and pass forward. The questions will be graded, and scores will apply to final available points.

Cell Phones:

Please turn off cell phones and do not text message while in the class. If inappropriate phone usage occurs I will ask you to leave the class room. **PLEASE NO TEXTING If you text in class you can expect you will FAIL the class!!!!!!!!!! This is a disruptive and rude display and is distracting to the instructor and the students around you.** If you should use a laptop for note taking in class focus should be on class discussion and lecture. If you should use a laptop please sit in the front row.

Course schedule:

Week		Date	Text reading schedule	
Week # 1	Tuesday	1/11/2011	Introduction Chapter #1	
	Thursday	1/13/2011	Chapter # 1	
Week # 2	Tuesday	1/18/2011	Chapter # 2	Assignment # 1 Cultural concepts
	Thursday	1/20/2011	Chapter # 2	
Week # 3	Tuesday	1/25/2011	Chapter # 3	

	Thursday	1/27/2011	Chapter # 3	
Week # 4	Tuesday	2/1/2011	Chapter # 4	Assignment # 2 Demographics
	Thursday	2/3/2011	Chapter # 4	
Week # 5	Tuesday	2/8/2011		Test # 1
	Thursday	2/10/2011	Chapter # 5	
Week # 6	Tuesday	2/15/2011	Chapter # 5	
	Thursday	2/17/2011	Chapter # 6	
Week # 7	Tuesday	2/22/2011	Chapter # 6	Executive Summary Due
	Thursday	2/24/2011	Chapter # 7	Assignment # 3 Group Influences on consumer behavior
Week # 8	Tuesday	3/1/2011	Chapter # 7	
	Thursday	3/3/2011	Chapter # 8	Assignment # 4 Brand perception in relationship to consumer behavior
Week # 9	Tuesday	3/8/2011	Chapter # 8	
	Thursday	3/10/2011		Test # 2
Week # 10	Tuesday	3/15/2011	Chapter # 9	
	Thursday	3/17/2011	Chapter # 9	
Week # 11	Tuesday	3/22/2010	Chapter # 10	
	Thursday	3/24/2011	Chapter #10	
Week # 12	Tuesday	3/29/2011		Spring Break
	Thursday	3/31/2011		Spring Break
Week # 13	Tuesday	4/5/2011	Chapter # 11	Research project due
	Thursday	4/7/2011	Chapter # 11	
Week# 14	Tuesday	4/12/2011	Chapter # 12	Assignment # 5 VAL analysis
	Thursday	4/14/2011	Chapter # 12	
Week # 15	Tuesday	4/19/2011		Test # 3
	Thursday	4/21/2011	Chapter # 13	Assignment # 6 Situational influences
Week # 16	Tuesday	4/26/2011	Chapter # 13	
	Thursday	4/28/2011		
Week # 17	Wednesday	5/4/2011	10:30-12:30	Final Presentations

Consumer Behavior Final Project: Consumer Behavior Audit

The primary objective of this project is to answer the question, "How can I use the concepts, applications and information from Consumer Behavior # 335 and design a strategic marketing plan that is targeted to the correct customers thus design a strategy

that is consistent with the product/service objectives. The focus of this project is the application of consumer behavior concepts to a specific marketing strategy problem facing your organization (or one you are familiar with). Secondary and primary research is expected. Your analysis of data, and the ultimate conclusion you draw should be grounded in theories that are extracted from this course, and any additional intelligence derived from previous marketing and business classes.

The report should begin with a one-page executive summary. **Week 7 you will turn in a rough draft of your executive summary.** This will lock in your topic to continue working on through the semester. The executive summary will be the starting point in articulating what the topic will be for your final project.

The report will consist of **5** main sections, and is not to exceed 15 pages, plus a list of references.

Background

The Background section provides the context and focus for the consumer analysis. Secondary research is expected for this section, drawing on information from company reports, online sources, (Not Wikipedia) news articles, etc. The section should include:

Marketing Strategy Problem:

In **2** pages, describe the current situation, and identify the specific marketing strategy problem. Use course concepts in your explanation. For example, from the organization's perspective and the consumer's perspective, explain whether this problem is one of affect and cognition, behavior, environment, or a combination.

Customer segmentation

In **2** pages, describe the customer segment that is most relevant to the marketing problem you identified. Explain the segment's current or potential value. You will need to define and analyze the current target markets, and specifically who is the current targeted customer. Having the basis of who the customer is, now create a profile of who the customer should be, and how do you define, target, and segment that customer. I fully expect that the paper will approach this from a different position than is currently being used.

Consumer Analysis

Use a form of primary research to gain information on and understanding of the consumer. This may involve observation research, a focus group, interviews; survey monkey is a good tool to use for this part of the paper. Describe your research objectives, method and findings in **4** pages. What did you want to know? How did you study it? What did you learn?

Recommendations

Conclude the report with **3** pages of recommendations, based on the secondary and primary research you conducted. The recommendations should address the marketing problem you identified, and may involve aspects of segmentation, positioning, and marketing mix decisions. Be specific. Suggest how your recommendations could be implemented. Also, identify what additional research you recommend.

This is intended to be an individual project, and provide the student the opportunity to demonstrate their understanding of consumer behavior, and the relevancy to the marketing environment that we are exposed to every day.

Customer Analysis Components:

Consider using this list as a check list to insure you are including relevant detail in your final project for your consumer behavior audit.

The Challenge

Provide a brief description of product to be marketed and associated goals, such as sales figures and strategic goals.

Situation Analysis

Company Analysis

- * Goals
- * Focus
- * Culture
- * Strengths
- * Weaknesses
- * Market share

Customer Analysis

- * Number
- * Type
- * Value drivers
- * Decision process
- * Concentration of customer base for particular products

Competitor Analysis

- * Market position
- * Strengths
- * Weaknesses
- * Market shares

Macro-environmental PEST analysis:

- * Political and legal environment
- * Economic environment
- * Social and cultural environment
- * Technological environment

SWOT Analysis

A SWOT analysis of the business environment can be performed by organizing the environmental factors as follows:

- * The firm's internal attributes can be classed as strengths and weaknesses.
- * The external environment presents opportunities and threats.

Market Segmentation

Present a description of the market segmentation as follows:

- * Description
- * Percent of sales
- * what customers want from the product
- * How customer uses the product
- * Support requirements

- * How to reach the customer
- * Price sensitivity

Alternative Marketing Strategies

List and discuss the alternatives that were considered before arriving at the recommended strategy. Alternatives might include discontinuing a product, re-branding, positioning as a premium or value product, etc.

Selected Marketing Strategy

Discuss why the strategy was selected, then the marketing mix decisions (4 P's) of product, price, place (distribution), and promotion

Product

The product decisions should consider the product's advantages and how they will be leveraged. Product decisions should include:

- * Brand name
- * Quality
- * Scope of product line
- * Warranty
- * Packaging

Price

Discuss pricing strategy, expected volume, and decisions for the following pricing variables:

- * List price
- * Discounts
- * Bundling
- * Payment terms and financing options
- * Leasing options

Distribution (Place)

Decision variables include:

- * Distribution channels, such as direct, retail, distributors & intermediates
- * Motivating the channel - for example, distributor margins
- * Criteria for evaluating distributors
- * Locations
- * Logistics, including transportation, warehousing, and order fulfillment

Promotion

- * Advertising, including how much and which media.
- * Public relations
- * Promotional programs
- * Budget; determine break-even point for any additional spending
- * Projected results of the promotional programs

Short & Long-Term Projections

The selected strategy's immediate effects, expected long-term results, and any special actions required to achieve them. This section may include forecasts of revenues and expenses as well as the results of a break-even analysis.

Conclusion

Summarize all of the above. A final paragraph should be included to summarize if you think your Marketing plan will be successful. Do you need to make changes based on your research, or perhaps this won't work, and you need

to evaluate a different direction.

Analytical tools to consider integrating in your final paper:

Scientific Method
Fishbein Model
ELM Elaborative Likelihood model
Laddering
Adoption production Life cycle
Prizm: Geo lifestyle Analysis
Phenemology: Science of experience
VAL
SAM: Self Assessment Mannequin

General operating policies:

- Class attendance is required?
- Class tardiness is not acceptable
- Class participation is a requirement to successfully complete the class
- There will **not** be any extra credit offered.
- Inclement weather policy—Cancellation of classes because of inclement weather is determined by UMKC central administration. Students should consult the UMKC website should threatening weather conditions exist.
- Use of Blackboard for communication of class announcements, handout distribution, and grades will be used.

Academic honesty:

A student enrolling in any UMKC course is expected to exhibit high standards of academic honesty. In the case of academic misconduct, I will assess the affected work and report the incident to Bloch School administration according to the guidelines printed in the University catalog. See student conduct policies at:

<http://www.umkc.edu/umkc/catalog/html/append/policy/0020.html>

Cheating and plagiarism will not be tolerated. All exams are closed book closed notes, and are to be taken without help or assistance. Persons observed cheating on tests will receive a grade of zero for the exam. Similarly, plagiarism of assignments, projects, and papers is unacceptable, and a grade of zero will be assigned on any such item where plagiarism has been detected.

UMKC currently has a licensing agreement with Turnitin.com, a provider of powerful software that is extremely helpful in detecting plagiarism.

Disclaimer statement:

Time and schedule considerations may prompt modifications of this syllabus (deletion of assignments/topics, modification of examination dates, etc.). The instructor will explain any changes; however, it is the student's responsibility to keep up with any modifications that are made throughout the semester.

Course withdrawal:

All course withdrawals must be initiated in the Bloch School Student Services Office, room 115, and completed through the Registration Center in the UMKC Administrative Center. Students intending to withdraw from the course after the eighth week of class (fourth week in the summer session) are required to obtain a signature of both the instructor and an academic advisor before the course withdrawal is official. *Telling the instructor that you intend to withdraw from the course or ceasing to attend class does not constitute an official withdrawal.* The academic calendar in the class schedule/registration guide lists the official withdrawal dates.

Available support services:

The University and the Bloch School offer several support services. These include the Bloch School Computer Lab, the Bloch School Tutoring Center, the UMKC Writing Lab, and the Office of Disabled Student Services. Possible syllabus language follows.

- Bloch School Computer Lab: The Bloch School Computer Lab is available for your use. It is located in Bloch 110; the lab's website is: <http://www.umkc.edu/is/oa/IS-Lab-Brochure.pdf>
- Bloch School Tutoring Center: The Bloch School Tutoring Center is currently equipped to assist students who need help in the following courses: ACTG 210 and 211; BA 325. The Center is located in Bloch 202; operating hours are posted on the room's door.
- UMKC Writing Lab: Students who desire assistance in written assignments may contact the UMKC Writing Lab at 816-235-1146. The Lab is located at 5201 Rockhill Road.
- Office of Disabled Student Services: If you have any questions about a disability or desire accommodation under the Americans with Disability Act, please contact the Office of Disabled Student Services at 816-235-5696. The Office's website can be accessed at: <http://www.umkc.edu/disability/>