

**PENN STATE ERIE, THE BEHREND COLLEGE
SAM AND IRENE BLACK SCHOOL OF BUSINESS**

**MKTG 330
Consumer Behavior
SPRING 2009**

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|-------------------|---|
| Instructor | Dr. M. B. Pinto |
| Class Times | Sec. 001 – Tues. and Thurs. 11-12:15 PM Sec. 002 – Tues. and Thurs. 1-2:15 PM |
| Class Location | 102 REDC |
| Office | 294 REDC |
| Phone | 898-6348 |
| Email | mvp49@psu.edu |
| Office Hours | Tues. and Thurs. 10-11 AM; 12:15-1PM; 2:15-2:30 PM or by appointment |
| Required Readings | <i>Consumer Behavior: Building Marketing Strategy</i> by Hawkins, Mothersbaugh, and Best, Boston, MA: McGraw-Hill, 2007 |
| Prerequisite | MKTG 301 or BA 303 |
| Website | This course will be managed using the Angel system. You can access ANGEL at the following URL – http://cms.psu.edu |

What This Course is All About (...and why you have to take it!):

The purpose of this course is to acquaint students with the field of consumer behavior and its major concepts, research techniques, and research findings. Students will be exposed to individual and psychological factors, as well as the social and cultural factors, that influence consumer behavior. There will be a group project focusing on the development of a new product concept for a specific target market. Throughout the course students will be exposed to how firms utilize consumer behavior research to develop marketing strategies. Consumer behavior is presented as an actionable and strategic discipline. A deliberate attempt will be made throughout the course to tie consumer behavior concepts with “real world” illustrations. Case analysis and experiential exercises will be relied on to help accomplish this objective.

Course Philosophy

I try to construct a learning environment which challenges students to be creative, to question, and to think independently. I believe that students should be active participants in the classroom learning experience. Therefore, this class will rely on active learning in which the responsibility for learning is shared between the students and the professor. Students will be involved in higher-order thinking activities such as analysis, synthesis, and evaluation. A variety of pedagogical methods will be used including lectures, videos, cases, group work, guest speakers (when available) and class debates/discussions to explore marketing concepts and to create a unique experience throughout the semester. The course material will be challenging and will demand your time and creativity. YOU are in charge of your own learning. It is YOUR responsibility. I sincerely hope that this course will turn out to be one of the BEST courses you have ever taken!

Course Content: YOUR Responsibilities

Examinations: There will be three examinations in this course that will cover text material, lectures, and any other additional information specified by the instructor. The format of the exams will be mostly short answer essay; however, there may be a short section of multiple choice questions. Students are encouraged to visit the text’s website at www.mhhe.com/hawkins10e for study quizzes. The questions will provide a good review of the text material.

Attendance: Attendance is mandatory. After the first week of class, attendance will be taken every class period. A seating chart will be used for taking attendance. By week 2, please find a comfortable seat where you will be for the rest of the term. You are allowed three (3) absences during the semester. Consider these absences to be like “freebies.” You may miss class for any reason. These absences require no documentation or prior notification to the instructor. It is NOT necessary to call Dr. Pinto to explain why you will be absent. Dr. Pinto suggests that you consider “banking” a few of your freebies to be used later in the semester or if some emergency should arise. **FOUR OR MORE ABSENCES WILL REDUCE YOUR FINAL GRADE BY 10 POINTS.**

Consumer Letter: Each student is responsible for sending a letter to a company that they have had either a very positive or very negative experience with. Think back over the last 6 month when you were very satisfied or very dissatisfied with a product, service, or retail experience? This assignment will allow you to see the consumer relations process from a personal point of point. Please submit a typed letter that is written in PROPER BUSINESS LETTER FORMAT to me. Include a stamped business envelope. Get on the web to determine where and whom to send the letter. Make sure the letter is of professional quality with no typos, grammatical errors, etc. Students whose letter does not meet this requirement will NOT be given the opportunity to revise their letter. We will be following your letters throughout the term to hear the responses you receive. DUE: January 22nd.

Quizzes: There will be six (6) pop quizzes (10 points each) given throughout the term covering material in the various chapters. The quizzes may be given *at the beginning* of class covering material that was to have been prepared for the class period or *at the end* of class covering material that was covered during class. Students will be allowed to drop their lowest quiz. The total number of points allocated to the pop quizzes will be 50 points. No re-takes will be offered on the quizzes. IF you are absent and miss a quiz, it will count as a “0.” Please read your chapters and BE PREPARED! Students are encouraged to visit the text’s website at www.mhhe.com/hawkins10e for study quizzes. It is also suggested that students study the KEY TERMS located at the end of each chapter.

Group Project: During this semester you will be involved in a group project that focuses on a new product introduction or product reformulation. We will watch a video entitled, “Last Call for Guinness?” With 250 years of history behind it, Guinness is one of Britain’s best-loved brands-yet sales of the famous black stout have fallen year after year. This video analyzes the Guinness strategy for survival in today’s market, one currently dominated by lighter sweeter drinks. The video will examine the company’s new product introduction – Guinness Red.

Each year thousands of new products are introduced to the marketplace, yet many never last for long. According to your text, ten factors determine the success of innovations (p. 259). For example, see the TOTO – in Illustration 7-10 (p.258). How do you think this innovation will fare based on these 10 factors?

In the grocery market, over 30,000 new products hit the supermarket shelves each year, and only about 1,500 of them make it. Visit www.supermarketguru.com to see recent “Hits and Misses” in the supermarket industry.

For another example, consider the ABC News Story on Living Large: Products for the Obese. This company has developed several new product ideas for “America’s growing heavysset population.”

This semester, you are being called in as industry consultants to predict the success of a new product concept that has recently been introduced into the market. Your final deliverable will be a presentation at a marketing conference on the 10 Best Product Concepts to Hit the Market! Your task this semester is to find a new product concept that has been recently introduced in to the market place and analyze the strategy being used to market the product. Here are the specifics:

1. **Innovation/Product Concept.** Why is this product idea an innovation? Justify your answer, See information on Product Development in your text, p. 423-424. The new product concept MUST be classified as an innovation – and fit into one of the Categories of Innovations listed on page 250-251. In class we will talk about examples such as *FortiFido*, *Gogurt* and *Aqua Blast*.
2. **Positioning.** How is this product positioned in the marketplace? Develop a positioning grid/perceptual map that illustrate its positions in terms of the competition.
3. **Target Market.** Who is the target market for this product? Justify your answer. How did you arrive at your conclusion? Rely on market segmentation variables to describe your target customer. Be sure to include a needs/benefits analysis for your product/target market.

4. **Exploratory Research.** How successful is this product concept in meeting the needs/wants of this target market? What is being done right? What needs to be changed? Groups are required to conduct one focus group (or a set of personal interviews) with respondents from their target market as exploratory research on their product concept. The Raimy Lab is available for focus groups. See Dr. Pinto for scheduling. All data collection must be explained in your presentation.
5. **Analysis of 4P's.** Analyze the 4P's (product, place, promotion, and price) being used to market this product. What is being done right? Why is it working? What needs to be changed? How should it be changed? Justify your conclusions.
6. **Promotion.** Develop an alternative promotional element that could be added to the existing campaign or substituted for an element of the existing campaign. Be sure to consider all elements of the promotion mix. I expect that you will fully execute your ideas and present them in your presentation. For example, if you plan to have radio spots, I want to hear an actual commercial that you taped. Or if you plan to do a TV spot then show me a storyboard of the commercial. (See information on Communication in your text, pages 411-422).

Presentation Outline: Groups will be required to complete an outline to document and explain their work. The outlines should represent the material that will be shared in your presentation. It should also have a list of sources used for reference. All outlines will be checked for quality of the type-written material in terms of spelling, typos, grammatical errors (see course policies). *The outline will contain the following:*

- **Product Concept/Innovation Description** (Note: Positioning grid/perceptual map must be attached.)
- **Exploratory Research Conducted** (Note: Attach questions/survey)
- **Target Market Description**
- **Analysis of 4P's**
- **Alternative Promotional Element**
- **References**

Team Charter: Each team will be required to develop and submit group guidelines to Dr. Pinto that will help the group function effectively over the course of the semester. Please see Team Charter information at the end of the syllabus. The Team Charters must be type-written and signed by EACH member of the team. The Team Charters are due by January 20, 2009.

Product Presentation: Each group will be required to make a formal presentation to class on their project. Each group may earn up to 112 points for their final presentation. The following guidelines should be met for a successful presentation:

- Twenty minutes will be allotted for each presentation. The actual presentation itself should be NO MORE THAN 15 minutes in length with 5 additional minutes for questions..
- The presentation must include PowerPoint slides. Copies of the slides must be submitted on the day of your presentation.
- Presentation Outlines must be submitted on the day of your presentation.
- **GROUPS SHOULD BE CREATIVE!** The presentation grade will be based on the quality and substance of the presentation. See the Presentation Evaluation Form in the syllabus packet.

Peer Evaluations: Each group will conduct peer evaluations (Peer Evaluation Form is attached). Dr. Pinto will take the peer evaluations into account when she assigns individual grades. In some instances there may be adjustments given where certain students do not receive the "group grade" because he/she did not contribute his/her fair share to the group's effort.

Bonus Opportunities: Throughout the term, Dr. Pinto will make available several bonus opportunities such as participating in a focus or watching a video and writing up a short report. Homework will also be periodically collected and counted as bonus. Throughout the term you may earn *Pinto Bucks* for being involved and interested in Consumer Behavior (e.g. bringing in articles, sharing products with the class, etc.). Five *Pinto Bucks* = One bonus point !!! Save your *Pinto Bucks* and bring them in on the last class day.

Grading Policy:

| Course Components | Points |
|------------------------|------------|
| First Exam | 100 |
| Second Exam | 100 |
| Third Exam | 100 |
| Group Presentation | 112 |
| Quizzes | 50 |
| Consumer Letter | 10 |
| Homework/Participation | 20 |
| TOTAL | 492 |

| | |
|---|--|
| Points Adjustment: | |
| Pinto Bucks (5 Pinto Bucks = 1 bonus point) | |
| Bonus opportunities | |
| Attendance | |

Grading Scale

| | | |
|----|---|-------------------------|
| A | ≥ | 93% of 492 Points |
| A- | = | 90-92% of 492 Points |
| B+ | = | 88-89% of 492 Points |
| B | = | 83-87% of 492 Points |
| B- | = | 80-82% of 492 Points |
| C+ | = | 78-79% of 492 Points |
| C | = | 70-77% of 492 Points |
| D | = | under 70% of 492 Points |
| F | ≤ | 62% of 492 Points |

SCHEDULE:

(See Lecture Outline for a sequential description of the topics and a description of all pre-class assignments.)

| TOPIC | TEXT |
|--|---|
| Course Syllabi <ul style="list-style-type: none">➤ Discussion of Class Project➤ Team Assignments➤ Discussion of Consumer Letters | Chap. 1 |
| Introduction to Course <ul style="list-style-type: none">➤ Overall Model of Consumer Behavior (Figure 1-3, p. 16) | Chap. 1 |
| Evolution of the Marketing Concept <ul style="list-style-type: none">➤ Roto Rooter Video➤ Tom's of Maine | Chap. 1 |
| Market Segmentation (p. 16,422) <ul style="list-style-type: none">➤ Case 3-6: Marketing Cosmetics to Men (p. 470)➤ Business Week article on male shoppers➤ Video | Chap. 1 |
| Consumer Spending in Society Today <ul style="list-style-type: none">➤ Outcomes of Consumption (p. 24-26)➤ <u>Overspent American</u>➤ Group exercise | Chap. 1 See Lecture Outlines Video |
| Consumerism, Marketing Regulation and CB <ul style="list-style-type: none">➤ Group Exercise <p>*Consumer Letters are due</p> | Chap. 20 Also see "Regulatory Policy" – p. 9 |
| Motivation, Personality, and Emotion <ul style="list-style-type: none">➤ Guest Presentation on Myers-Briggs: Dr. Jeffrey Pinto➤ Video on "An Army of One" | Chap. 10 |
| Perception <ul style="list-style-type: none">➤ Experiential Exercise➤ Video: "The Eyes Have It"➤ Video: "Surprising Studies of Visual Awareness" | Chap. 8. |
| Learning, Memory and Product Positioning | Chap. 9 |
| Consumer Attitudes: Formation and Change | Chap. 11 (pp. 394-411) |
| Reference Groups and Consumer Socialization Case 2-9: Fighting Obesity in Kids (p. 276) Video | Chap. 6, 7 (only pp. 228-240) |
| Opinion Leadership & Diffusion of Innovation <ul style="list-style-type: none">➤ Marketing maven article on Angel. | Chap. 7 (pp. 241-259) |
| Culture <ul style="list-style-type: none">➤ Case 4-8: The American Egg Board➤ American Core Values | Chap. 2, 3 (only parts of these chapters) |

NOTE: I am trying to arrange another class speaker in the term. Adjustments may be made to schedule.

Important Dates/Deadlines for Course:

| DATE | REQUIREMENT |
|--|--|
| January 13th | Introduction to Course Describe Project Split into teams |
| January 20th | Team Charter Due |
| January 22nd | Consumer Letters Due |
| February 17 th | EXAM 1 |
| March 9 th – 13 th | Spring Break |
| March 24 th | Presentation #1 Presentation #2 Presentation #3 |
| March 31 st | EXAM 2 |
| April 7th | Presentation #4 Presentation #5 Presentation #6 |
| April 21 st | Presentation #7 Presentation #8 Presentation #9 |
| April 30th | Last Day of Class |
| May 4 th -8th th (Finals Week) | EXAM 3 |

Additional Course Policies:

1. Turn off all cell phones or put the phones on vibrate. NO TEXTING during class.
2. All students are expected to conduct themselves in an appropriate professional manner during class time that is not disruptive to the learning environment in the classroom.
3. Exams will be given approximately at the middle and end of the semester. Exam dates are in listed in the schedule.
4. Lecture outlines for all chapters are provided with the syllabus. Please use the outlines during class discussion and lecture. The lecture outlines contain homework.
5. Each chapter listed on the schedule may not be covered in its entirety. The instructor will inform students what portions of each chapter will be covered and included on exams. The suggested course schedule is an approximate sequence of course material. Course material may be added or deleted by the instructor. Sufficient notification will be given for examinations and material to submit for evaluation.
6. Late for Class: Coming to class late is disruptive to the whole class. Please make every effort to arrive on time. Class will begin promptly as stated on page 1.
7. Students are responsible for keeping all graded material until after final grades are received.
8. Any written course requirement must be submitted during class to receive credit for the assignment. Please note that no assignments will be accepted late. If for a valid reason (excused absence) a

student must miss class, he/she needs to contact Dr. Pinto prior to class and make arrangements to submit the assignment.

9. E-mail: In addition to classroom contact and office hours, e-mail will be an important communication channel between us. I will assume that you check your e-mail several times per week. I check mine at least once per day. My messages to you may include tasks, assignment hints, exam hints, and occasional administrative minutia. My e-mail address is: mxp49@psu.edu. I will use ONLY your Penn State e-mail account for all correspondence. (If you prefer to use another e-mail account, you should contact the Computer Center to find out how to forward your Penn State e-mail.)
10. Any type-written course requirement that is submitted for evaluation should be of professional quality and devoid of misspelled words, typos, eraser marks, pencil corrections, grammatical errors, and so on. Student will be allowed 3 (THREE) mistakes. Any submitted (typed) document with more than 3 (THREE) of these types of errors will receive a 5% reduction for each error subtracted from the final grade. For example, if the total possible points on the submission are 100 points, then each error (beyond 3) will result in a 5 point deduction from the final grade. Students having problems with English, grammar, etc. are also encouraged to visit the Learning Assistance Center for assistance.
10. Academic Integrity:

Academic Integrity Policy (Policy 49-20)

This course will strictly adhere to the University policies regarding individual academic integrity. Academic integrity comes under two general headings: behavior toward the instructor and other students and general integrity. Violations of any section of Policy 49-20 is punishable by receiving a failing grade, suspension from class, or other actions as outlined in University policies. To review all aspects of this policy, you may visit the website at :

<http://www.pserie.psu.edu/faculty/academics/integrity.htm>

11. Career and Life Planning:

Career Development Center

The Career Development Center (CDC) can assist students with the process of career and life planning through a full range of programs and services. You may schedule appointments with the CDC staff to discuss issues including interests, skills, values, and goal setting, as well as how to find career information, internships, full-time jobs, and graduate schools. You are encouraged to utilize the services of the CDC every year from your first semester to graduation.

Location: First Floor – Reed Building
Phone: 898-6164
Web Site: <http://pennstatebehrend.psu.edu/cdc>

12. Finally, the first responsibility you have in this course is to read the syllabus VERY CAREFULLY.

**PEER EVALUATION
MKTG 330**

NAME: _____

Based on the following scale, please rate your group member's contributions to **researching and developing the ideas/concepts for your group project:**

| <u>Group Member Name</u> | <u>Rating</u> | | | | |
|--------------------------|---------------|---|----------------|---|------------------|
| | <u>Poor</u> | | <u>Average</u> | | <u>Excellent</u> |
| _____ Yourself | 1 | 2 | 3 | 4 | 5 |
| _____ | 1 | 2 | 3 | 4 | 5 |
| _____ | 1 | 2 | 3 | 4 | 5 |
| _____ | 1 | 2 | 3 | 4 | 5 |
| _____ | 1 | 2 | 3 | 4 | 5 |

Based on the following scale, please rate your group member's contributions to preparing for your **GROUP PRESENTATION:**

| <u>Group Member Name</u> | <u>Rating</u> | | | | |
|--------------------------|---------------|---|----------------|---|------------------|
| | <u>Poor</u> | | <u>Average</u> | | <u>Excellent</u> |
| _____ Yourself | 1 | 2 | 3 | 4 | 5 |
| _____ | 1 | 2 | 3 | 4 | 5 |
| _____ | 1 | 2 | 3 | 4 | 5 |
| _____ | 1 | 2 | 3 | 4 | 5 |
| _____ | 1 | 2 | 3 | 4 | 5 |

Other Comments:

MKTG 330: Presentation Evaluation Form

GROUP ISSUES

(Poor = 1 to Excellent = 7)

| | |
|---|--|
| 1. Clarity of presentation/development of ideas | |
| 2. Fully addressed project topic | |
| 3. Primary research conducted | |
| 4. Secondary research conducted | |
| 5. Analysis of existing product innovation | |
| 6. "Polished" and well-practiced Presentation, Meets time limit (15 minutes with 5 minutes for questions) | |
| 7. Presentation flow (transition between speakers, time flow) | |
| 8. Quality of presentation materials (slides layout/design, punctuation, typos, crowded) | |
| 9. Level of audience engagement | |
| 10. Creativity | |
| TOTAL GROUP SCORE: | |

INDIVIDUAL ISSUES

(Poor = 1 to Excellent = 7)

| | <u>Student 1</u> | <u>Student 2</u> | <u>Student 3</u> | <u>Student 4</u> | <u>Student 5</u> |
|---|------------------|------------------|------------------|------------------|------------------|
| 1. Professional Business Attire – Professionalism | | | | | |
| 2. Interest/Enthusiasm | | | | | |
| 3. Eye Contact/ Reliance on notes/computer | | | | | |
| 4. Reliance on notes or computer or screen | | | | | |
| 5. Pacing – Speed – Volume – Grammar | | | | | |
| 6. Confidence – Believability | | | | | |
| INDIVIDUAL SCORE: <i>(possible 42 points)</i> | | | | | |
| + GROUP SCORE: <i>(possible 70 points)</i> | | | | | |
| = TOTAL GRADE <i>(112 points)</i> | | | | | |

MKTG 330 Team Charter Information

Although teams usually have some unwritten rules about assigning roles, dividing up the work, deadlines etc., research shows that teams perform better and run more smoothly when they establish agreed upon rules at the beginning of the team's life in the form of a written "contract" which is signed by all members. If conflict arises, the team can then refer back to the team contract as a reference point to help resolve issues.

Drawing up a team contract enables your team to *discuss* and *agree* to your common team goal(s), how you intend to divide the work, the roles of each member, communication channels, deadlines, rewards, grievances procedures etc.

You can use the following suggested areas to draw up your team contract.
Make sure every team member has input into each point.

1. **Establish common goals** – e.g. to get a high grade (specify), to learn from each other, to understand more about international business etc.
2. **Establish roles** – who is the leader, who is the coordinator, who is the researcher/writer/ppt. presentation designer/presenter(s)? **Or** will you decide there are no defined roles in the group?
3. **Establish operating procedures and deadlines**
 - i. **Meetings**
 - a. Where and when?
 - b. How much advanced notice required?
 - c. Acceptable reasons for missing? How many misses allowed?
 - ii. **Communication**
 - a. E-mail/phone call/SMS
 - b. Develop calling tree
 - iii. **Rules of Behavior**
 - a. Attendance
 - b. Participation
 - c. Performance (including submitted materials) – define expectations clearly and specifically
 - d. Interpersonal interaction – expectations for attitudes, listening, respect for other's opinions
 - iv. **Quality Control Processes**
 - a. How will you evaluate each other's work?
 - b. How will you ensure work is completed on time?
 - c. How will you circulate the completed work?
4. **Establish a reward system** – What behavior will be rewarded? How? Rewards can be at group level (e.g. meet up for coffee and cake when each step of the assignment has been submitted) *and* individual level (e.g. a night off for member who contributed above expectations)
5. **Establish a "grievance method"** – Be very *specific* here.
 - i. What behaviors are unacceptable to the team? (e.g. coming late/missing meetings; not replying to communication; not completing work on time etc.; not listening/being respectful to others; etc.).
 - ii. How will you communicate your grievances?
 - iii. Agree upon specific sanctions for each unacceptable behavior (e.g. first violation results in formal written warning. Second violation results in deduction of 5% for individual's assignment grade etc.)

Formalizing the Team Contract

1. After team discussion is completed, write up your agreed **Team Contract** document for every member to then sign.
2. Each member receives a signed copy.
3. Submit the *original signed* copy of the contract to the instructor in class on Tuesday, January 20th.