# AMITY UNIVERSITY HARYANA Amity Education Valley, Gurgaon (Manesar)



# **Course Manual**

Name of Institution: Amity Business School Programme: MBA-General Batch : 2016-18 Prerequisite: Principles of Marketing

Course/ Course Credit : Consumer Behavior/ 3 credits	Course code:MGT-4313
Faculty Name: Dr Deependra Sharma	Semester: III
Designation: Associate-Professor	Email:dsharma@ggn.amity.edu

# **1.** Course Overview: (About the Course)

This course not only exposes the students to the theory of consumer behavior but also discusses how this knowledge influences the marketing strategy. It will made available the pertinent material borrowed from anthropology, sociology, psychology and even from economics within the scaffold of the consumer decision making process and factors influencing it. The content of the course will also speak about the significance of opinion leaders, subculture and global consumer culture as marketing opportunities.

## 2. Course Coverage:

Module 1: Introduction.

Module 2: Consumer as an individual.

Module 3: Environmental influences on CB.

Module 4: Consumer Decision Process.

## 3. Learning Outcomes: (of the Course)

- To define the conception of consumer behavior and reveal its importance in the context of marketing.
- To identify factors that influence consumer behavior.
- To examine the consumer decision-making process.
- To describe the target market and determine the positioning strategy according to consumer characteristics and behavior.

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# 4. At the end of the course students will be able to: (Definitive Outcomes)



On completion of this course, students should -

- Be in a position to classify the dynamics related to human behavior and the elementary factors those influence the consumer's decision making process.
- Be in a position to demonstrate how concepts may be applied to marketing strategy.

# 5. Resources: (APA Style)

## a) Main text:

• Schiffman, L.G., Wisenblit, J, J.& Kumar, S.R.(2016). *Consumer Behavior* (11<sup>th</sup> ed.). Noida, India: Pearson

# **b) Additional Texts:**

- Loudon, D. L. & Bitta, A. J.(2002). Consumer Behavior. N. Delhi, India: Tata-McGraw-Hill
- Blackwell, R.D., Miniard, P.W. & Engel, J.F. (2007). *Consumer Behavior*. Kundli, India: Thomsons South-Western.
- Gupta, S.L. & Pal, S (2006). Consumer Behavior. N. Delhi, India: Sultan Chand & Sons.

## c) Other readings:

- Sood, A., & Tellis J.G.(2005). Technological Evolution and radical innovation . *Journal of Marketing*, 69 (July), 152-168.
- Kietzmann, J.H., Hermkens, K., Mc Carthy, I.P., & Silvestre(2011). Social Media? Get serious! Understanding the functional building blocks of social media. *Business Horizons*, 54, 241-251.

## d) Web Resources:

- http://www.strategicbusinessinsights.com/vals/presur vey.html
- http://www.worldvaluessurvey.org
- http://www.youtube.com/watch?v=8oHuJESFaeY

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# 6. Detailed Session Plan:

7. Total No of Sessions – 36

# **Module-1: Introduction**



Session	Topics	Pedagogical Technique/s Used	Additional Readings/ Assignments/Websites/Links to online resources	Assessment criteria (based on specific Pedagogical Technique)	
1	Introduction to CB. Consumer buying Decision Making Model. Participants in buying process.	Lecture	Assignment 1- How can marketers use technology to improve customer retention and enhance their bonds with the customers?	On the basis of performance in Assignment-1	
	Ind v/s org buying behavior		Harvard Case 1-My Diary		
2	Concept of consumer Research. Consumer Research Process. Consumer Research Design.	Lecture	Katherine Rosman, "Test marketing a modern Princess" www.online.wsj.com,April 9,2013 <b>Case 2</b> – Pima Air and Space Museum		
3	Discussion of Case-1 and Case-2	Case Study	Softcopy and hard copy of analysis to be submitted before next scheduled class.	On the basis of participation in case discussion and written analysis.	
4	Identifying segments. Addressing the needs of market. Profitability of segmentation. Criteria of segmentation. Bayesian Analysis.	Lecture	Assignment 2-Does your lifestyle differ significantly from your parent's lifestyle? If so, how are the two lifestyles different? What factors cause these differences?	On the basis of performance in Assignment-2. ekali Baneyee.	

	Value of brand.			AUH + G
	Brand Loyalty.			Tugie
	Seven R's of marketing mix.			
	Inter-market segmentation			
5	Segmenting a market	Workshop on CLUSTER Analysis	<b>Case 3</b> - Porsche-How Porsche created new relevance for the revered icon.	Assessment will be on the basis of performance in Exercises based on workshop.
6	Discussion of Case-3	Case Study	Softcopy and hard copy of analysis to be submitted before next scheduled class.	On the basis of participation in case discussion and written analysis.

# Module-2: Consumer as an Individual

Session	Topics	Pedagogical Technique/s Used	Additional Readings/ Assignments/Websites/Links to online resources	Assessment criteria (based on specific Pedagogical Technique)
7	Consumer demographics Analysis Consumer life styles and lifestyle marketing VALS, LOV.	Lecture	Assignment 3- Find three print advertisements directed at three different clusters, each one belonging to one of the framework i.e. PRIIZM, P\$YCLE and ConneXions. Explain your choices.	On the basis of performance in Assignment-3.
	Retailing implications of consumer demographics and			nhi Banerjee.

			6	University
	lifestyle		6	Curugram
8	The owner of a local health food restaurant has asked you to prepare a psychographic profile of families living in the community surrounding the restaurant's location. Construct a 10- item psychographic questionnaire that measures a family's dining out preferences and collect data.	Mini-survey	Malhotra, N.K., & Dash, S.(2009). <i>Marketing Research</i> . Delhi, India: Pearson Education	Assessment will be made on the basis of the steps followed in the questionnaire preparation and its appropriateness
9	<ul> <li>Motivation</li> <li>Types of Needs and Goals.</li> <li>Nature and role of motive.</li> <li>Classifying motives.</li> <li>Motive arousal.</li> </ul>	Lecture		
10	Motivation Motive structuring. Motivation Research.	Lecture	<b>Case 4</b> -What motivates Men and Women to buy?	

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11	Find three advertisements that illustrate the needs of power, affiliation and achievement and discuss their effectiveness.	Qualitative survey	Malhotra, N.K., & Dash, S. (2009). <i>Marketing Research</i> . Delhi, India: Pearson Education	* Gurugtan
12	Discussion of Case-4	Case Study	Softcopy and hard copy of analysis to be submitted before next scheduled class.	On the basis of participation in case discussion and written analysis.
13	<b>Personality</b> Measuring Personality. Personality theories.	Lecture	https://www.youtube.com/ watch?v=nTfmiVWKFX0	
14	Personality How self concept develops. Consistency of Self.	Lecture	https://www.youtube.com/watch?v= xYYzheM9S4U https://youtu.be/WNTuiEts0RM	Quiz-1 in the next lecture
15	PerceptionActive Search.Passive reception.Concepts relatedto perception.	QUIZ -1 Lecture		
16	PerceptionStages in encoding processInfluences on EncodingMarketing Implications	Lecture	An Harvard article by Robert J Dolan Analyzing Customer Perception.	nhi Banenjee.

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	(product factors, price consideration company and store image)			AUH S
17	Session on Perception delivered by students	Teach Back		Assessment will be on the basis of feedb.ack of students and adeptness with which session was conducted
18	Learning Cues. Response.	Lastura	Split brain theory(https://www.youtube.com/watch? v=eMFSu0iPm_g)	
	Reinforcement. Characteristics of Memory systems	Lecture	https://youtu.be/w8f34-DZlm8	
19	Learning Behavioral Learning. Cognitive Learning	Lecture	Assignment-4: How does information overload affect the consumer's ability to comprehend an ad and store it in his or her memory?	On the basis of performance in Assignment-4.
20	Attitude         Characteristics of         attitude.         Functions of         attitude.         Sources of         attitude         development.	Lecture	https://www.youtube.com/watch?v= 0yzRqEISwuk	
21	Attitude Sources of attitude development Attitude theories	Lecture	Attitude and Behavior(https://www.youtube.com/ watch?v= 7okBIVEgYKc)	nhi Banerjee.

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	and models			AUH
22	Attitude Peripheral route to developing attitudes Strategies for changing attitude. Source factors. Message/Reciever factors.	Lecture	Assignment-5: How can the marketer of a 'nicotine patch' (a device that assists individuals to quit smoking) use the theory of trying-to-consume? Using this theory, identify two segments of smokers that the marketer should target and explain how to do so?	On the basis of performance in Assignment-4.

# Module-III: Environmental influences on CB

Group Dynamics Importance of group dynamics in decision making.23Characteristic of group.23Types of groups.Reference groups.Types of reference groups.Application of reference	Lecture	Qureshi, M.A. & Stormyhr,E, E.(2012). Group Dynamics and Peer-Tutoring a Pedagogical Tool for Learning in Higher Education. International Education Studies, 5(2), 118-124
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	group in CB.			AUH * Gunugte	N.
24	Family Significance of family in CB. Family life cycle. Family purchasing decision	Observational Study	your vicinity. C	ditional family and one non-traditional family in ompare the characteristics and consumer wo households on the basis of living	Based on the quality of findings.
25	Social Class Meaning of social class. Process of social stratification Nature of social class. Social class measurement. Role of social class in segmenting markets. Social class and consumer behavior.	Lecture			
26	Presentations of the findings made during observational study.	Student led Presentations		Paduakali Banez	jeu.

27	Culture What is culture The content of culture Culture as a process	Lecture	McDonald's TV Advertisements in different countries. https://www.youtube.com/watch?v=_d3SXLxzP3E 10 Surprising Ways To Offend People In Other Countries(https://www.youtube.com/watch?v=UTE0G9amZNk)
28	Sub Culture Defining subculture. Analyzing subculture	Lecture	https://youtu.be/-wUJ9Acf970 https://youtu.be/7H5weNKnLRw
29	Personal Influence & Diffusion of innovation Nature and significance of personal influence. Who are opinion leaders? Why opinion leader attempts to influence others? Why followers accept personal influence? The market maven. What is an innovation?	Lecture	Assignment 6-Identify a product, service, or style that was recently adopted by you or some of your friends. Identify what type of innovation it is and describe it diffusion process upto this point in time. What are the characteristics of the people who adopted it first? What type of features of the product is likely to determine its eventually success or failure?

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	The Adoption process. The Diffusion process.		E AUH	No.
30	Marketing Implications of Personal influence Identifying and using opinion leaders directly. Creating opinion leaders. Simulating opinion leadership.	Lecture by Industry Expert (2hr session)	Quiz-2	Assessment will based upon the performance in QUIZ -2
31	Stimulating opinion leadership Stifling opinion leadership.	Contd Lecture by Industry Expert	Quiz-2	Assessment will based upon the performance in QUIZ -2
32	Identifying OL	Field work in rural area	Valente, T.W., Pumpuang, P. (2007). Identifying Opinion Leaders to Promote Behavior Change. <i>Health Education &amp; Behavior</i> , <i>34</i> (6), 881-896.	Based upon the report submitted.

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	Module-IV: Cons	sumer Decisio	on Making Process	AUH
33	Decision Process Buying decision process Types of buying behavior Steps in buying decision process. Impulse purchase and customer loyalty.	Lecture	Decision Making Process: How Consumers Make Buying Decision? (https://www.youtube.com/watch?v=Rn5a03Xp0Kc)	Ugram
34	Revision of First two modules	Class Discussion		
35	Revision of third module.	Class Discussion		
36	Class test			Performance in test.

8. Assessment Scheme(more columns may be added for assessment):

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Components	Atten dance	Case Study	Mini surve y	Teach Back	Expert Lecture	Work shop	Assign ment	Extern al	Total
Weightage	5	6	5	4	2	3	5	70	100

**9.Components to Choose From** – MOOCS, Day with Expert, Case Study, Teach Back, Quiz, Mini Survey, Simulation/Games, Brain Storming/Argumentation, Flipped Classroom. However, this list is not exhaustive. Faculty may use any other suitable pedagogical technique to ensure optimal learning.

#### 9. Detailed Session Plan:

#### **Module I: Introduction**

#### Learning Outcome/s:

- To understand the evolution of the marketing concept, the relationship between value and customer retention.
- To understand consumer behavior as an interdisciplinary area and consumer decision making.
- To understand the interrelationship among market segmentation, targeting, and positioning.
- To understand how to differentiate, how to position, and how to reposition products.

## **Question**(s) for discussion in class:

Q1- Select at least two segmentation bases that should be used jointly to segment the market for each of the following products and explain your choices: (1) men's denim pants (2)women's cocktail dresses (3)hybrid cars (4) E-readers.

Q2-How can a marketer for a chain of health clubs use the VALS<sup>TM</sup> segmentation profiles to develop an advertising campaign? Which segments should be targeted ? How should the health club be positioned to each of the segments targeted?

## Module II: Consumer as an individual.

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#### Learning Outcome/s :



- To understand the dynamics of motives, needs, and goals and how they share behaviour.
- To understand motivation theories and their applications to consumer behaviour.
- To understand the scope of personality and theories of its development.
- To understand the elements of perception and their role in consumer behaviour.
- To understand the elements of learning in the context of consumer behavior.
- To understand behavioral learning, classical conditioning, and the roles of stimulus generalization and discrimination in developing and branding new products.
- To understand what attitudes are, how they are formed and their role in consumer behavior.
- To understand the tri-component attitudes model and its applications.

# **Question(s) for discussion in class:**

Q1-How would you explain the fact that, although no two individuals have identical personalities, personality is sometimes used in consumer research to identify distinct and sizable market segments?

Q2- Research has found that the target market selected by the marketer of a digital camera consists primarily of individuals who are other-directed and also have a high need of cognition. How can the camera's marketer use the information in promoting its' product?

Q3- Why is it more difficult for consumers to evaluate the effective quality of services than quality of products?

Q4-Why are both attitudinal and behavioral measures important in measuring brand loyalty?

Q5-How can marketers use measures of recognition and recall to study the extent of consumer learning?

Q6- Explain how situational factors influence the degree of consistency between attitudes and behavior.

Q7-Explain a person's attitude toward visiting Disney world in terms of tri-component attitude model.

Module III: Environmental influences on CB.

Learning Outcome/s:

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- To understand the credibility of reference groups and their influence behavior.
- To understand the persuasive power and credibility of spokespersons, endor celebrities, and media.
- To understand the family as a consumer socialization agent.
- To understand the cultural aspects of Emerging Trends.
- To understand how innovative offerings gain acceptance within market segments and how individual consumers adopt or eject new products and services.

# **Question**(s) for discussion in class

Q1- How can companies strategically use the buzz agents and vital marketing? Illustrate with examples.

Q2-Compare the advantages and disadvantages of methods of measuring opinion leadership.

Q3-Why do marketing researchers use objectives rather than subjective measures of social class?

Q4-How did consumers react to green products?

Q5-How can Apple use its knowledge of customers' expectations in designing a market strategy for anew iPad?

# **Module IV: Consumer Decision Process**

## Learning Outcome/s :

• To understand the consumer's decision making process.

## **Question(s) for discussion in class**

Q1a) What are the differences among the three problem solving decision making approaches?

b) What type of decision process would you expect most consumers to follow in each of the following areas—

- (1) Chewing gum
   (2) Sugar
   (3) Men's aftershave lotion
   (4) Carpeting
   (5) Smartphone, and
- (6) Luxury Car?
- Explain your answers.

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