

COURSE INFORMATION

Course title:	Consumer Behaviour	Credits:	1.5
Course code:	BAMA506	Class location:	Online
Session, term, period:	2020W, Term 2, Period 3	Class times:	Mon/Wed 4:00pm-6:00pm
Section(s):	001		
Course duration:	Apr 26 – May 28, 2021		
Division:	Marketing and Behavioural Science		
Program:	MBA		

INSTRUCTOR INFORMATION

Instructor:	Yann Cornil
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Teaching assistant:	Sid Mookerjee
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ZOOM LINKS

Zoom link for our class (synchronous lectures): <https://ubc.zoom.us/j/65737655037>
Passcode: 564115

Zoom link of my virtual office (by appointment): <https://ubc.zoom.us/j/62474479921>
Passcode: 879543

COURSE DESCRIPTION

Uncovering real insight into how consumers perceive, choose, consume, and evaluate products is the foundation of the success of virtually all business organizations. All decisions involved in developing an effective marketing mix rely on in-depth understanding of the consumers who comprise the target market. Thus, a clear understanding of the principles and processes of consumer behaviour is critical to evaluating and developing effective marketing strategies.

This course examines the science of understanding the consumer. The focus of this course will be on uncovering “consumer insights” and interpreting these through the lens of consumer behaviour principles. The term “consumer insight” refers to more than the simple observation and description of what consumers are doing, to moving towards explaining why consumers behave the way that they do. A meaningful consumer insight will drill deeper than surface observations of behavioural patterns into the realm of the underlying psychological processes and social influences.

LEARNING OBJECTIVES

After completing the course, students will be able to apply analytical frameworks and methods to:

- Understand the functional and psychological dimensions of customer value
- Analyze psychographic and behavioural data to segment markets and position products
- Generate customer insights based on qualitative and quantitative methods
- Design online experiments (Facebook) to test customer insights

- Understand cross-cultural psychology and marketing
- Understand the psychology of status-related consumption (e.g., luxury)
- Understand the psychology of influence to create impactful and persuasive marketing messages
- Understand the psychology of influence to promote more sustainable consumption
- Understand the key problematics in the food industry to find strategic solutions that align pleasure and health

ASSESSMENT SUMMARY

<i>Component</i>	<i>Weight</i>
Participation <ul style="list-style-type: none"> • In-class individual participation • In-class group activities • Completing short online surveys 	30%
Case Study Assignments (students can choose to work individually or in pairs) <ul style="list-style-type: none"> • Case LOréal in China (20%) • Case Unilever in Brazil (20%) 	40%
Group project (Facebook Experiment)	30%
<i>Total</i>	<i>100%</i>

PARTICIPATION

In-Class Individual Participation

For effective class participation you need to have read the assigned materials before the class session, as indicated on the Schedule. A significant portion of class time will be devoted to in-class discussions, applying concepts you have uncovered via the readings, and analysing assigned cases. We all have unique business experience and knowledge, and drawing on this in class is actively encouraged. Please note that I will be looking for quality, not mere quantity in terms of class participation.

Grading Scale for Class Participation:

- 0 – Absent or late to class.
- 5 – Present but does not participate.
- 6 – Participates with basic information such as case facts.
- 7 – Offers an opinion or asks/answers a basic question.
- 8 – Engages in a meaningful discussion with other members of the class.
- 9 – Shares an analysis using data or evidence from the case or reading.
- 10 – Provides insight or asks a question that is instrumental in advancing understanding.

Short Online Surveys

For some of the sessions, you will complete short online surveys due two hours before class (see Canvas & Schedule). There are usually no right or wrong answer, but your participation in the surveys will be

taken into account in your participation grade. If you miss an online survey during the add/drop period, please contact me.

In-Class Group Activities

In some of the sessions, you will work with your study group on in-class group activities. Your participation in these activities will be taken into account in your participation grade.

CASE STUDY ASSIGNMENTS

The deliverable for each case is a 3-page write-up (12-point font, double spaced, one-inch margins, the 3-page limit does not include ad concept and appendix), to be uploaded on Canvas. Please answer each question provided below. Always justify your answers with elements from the case and exhibits (no external research is needed). You can choose whether to work individually or in pairs (2 students) for one or both cases, and if you work in pairs you can work with different partners across cases. There will be no peer evaluation.

L'Oréal in China: Marketing Strategies for Turning Around Chinese Luxury Cosmetic Brand Yue Sai

1. Given the situation facing Yue Sai and the current portfolio of brands of L'Oréal China, what should be the right value proposition? (1) keep its new lifestyle positioning as the brand of "confident, modern Chinese women", (2) be positioned as a Chinese luxury icon symbolizing the nation's long history and rich heritage, (3) adopt a more affordable value proposition, or (4) try something totally different? Please choose one option, justify your answer, and write the positioning statement.
2. Choose and justify a brand architecture in line with the value proposition: (1) sub-branding (e.g. "Yue Sai by L'Oréal"), (2) acknowledgement (e.g. "Yue Sai, a Chinese brand of L'Oréal"), or (3) independence (no mention of L'Oréal)?
3. Given the value proposition, who/what should be the "face" of Yue Sai? Du Juan? Another celebrity? Madam Yue Sai? No celebrity at all?
4. What should be the right channel(s) of distribution?
5. Ad concept: please propose an ad concept (download template here: <https://tinyurl.com/adconceptcb>) and include your ad in your write-up (the ad concept is not included in the 3-page limit).

Note that questions 1 is the most important question, please allocate about half of your write-up to it.

Unilever in Brazil 1997-2007: Marketing Strategies for Low-Income Consumers

1. Should Unilever invest in a lower-income segment? Why?
2. Now, assume Unilever enters:
 - a. Would you invest in a soap or a detergent powder? Why?
 - b. Would you: (1) develop a new brand / use one from their international portfolio, or (2) reposition one of their existing brands (which one?), or (3) launch a brand extension from one of their existing brands (which one? How would you name the brand extension?) ?
 - c. Write a positioning statement for your brand.
 - d. Briefly explain how you would implement the 4Ps for your brand.
3. Ad concept: please propose an ad concept (download template here: <https://tinyurl.com/adconceptcb>) and include your ad in your write-up (the ad concept is not included in the 3-page limit).
4. Compute the break-even cannibalization rate (BECR) for your brand. The BECR is the maximum percentage of sales of the new/repositioned product that can come from existing Unilever products in order to break even. In order to compute the BECR, please use the excel sheet (to download here:

<https://tinyurl.com/cannibrate>): it already contains all the necessary formulas. Include the output as an appendix in your write-up (not included in the 3-page limit).

GROUP PROJECT (FACEBOOK EXPERIMENT)

The goal of the group project is to tie together themes, frameworks, and skills that we have focused on during the course. This assignment will provide you with first-hand experience using tools for marketing experimentation (or “A/B testing”). You will do the experiment via Facebook Ads (which features specific tools for experimentation). Please spend a maximum of \$50 (\$10 per group member) on Facebook Ads. The data that you collect, structure, and interpret will be used to inform high-level recommendations that can be strategically acted upon by a firm, organization, or industry. Detailed instructions on the group project are provided in the document “GROUP PROJECT DETAILED GUIDELINES” uploaded on Canvas. This document also contains a link to a video tutorial on how to use Facebook Ads. Information will also be given in class.

You will be evaluated based on a 15-minute presentation during exam week and on your powerpoint slide deck to be submitted on Canvas (you slide deck should contain a detailed appendix with all necessary details about your project, such as research materials, Facebook Ads specifications, and additional statistics). You don’t need to write a full paper.

Although this is a group project, your individual grade will be adjusted based on peer evaluations. Each member of your team will assess the overall contribution of each individual group member’s performance in the final group project. This will be done using a confidential peer evaluation form distributed at the completion of the project. Please note that if there is consensus among the team that an individual has contributed less than their peers to the project, your team project grade will be weighted to reflect this. Be proactive with your team members and make your expectations of one another clear from the start of the team project. Any problems that arise with team members must be brought to my attention well before the projects are due.

LEARNING MATERIALS

Online Readings

Some of the course readings will be available free of charge on Canvas. The rest of the readings will need to be purchased as explained below.

Course Reader (Copyrighted documents)

1. Go to the Ivey Publishing website at www.iveycases.com
2. [Log in](#) to your existing account or click "[Register](#)" to create a new account and follow the prompts to complete the registration. If registering, choose the "Student User" role.
3. Click on this link or copy into your browser: <https://www.iveycases.com/CoursepackView.aspx?id=27628>
4. Click "Add to Cart".
5. You may choose to order in either print or digital format.
 - To order the material in digital format, check "digital download" and click "OK".
 - To order a printed copy for delivery, enter the print quantity required and click "OK". Please note that shipping charges will apply.

6. Go to the Shopping Cart (located at the top of the page), click "Checkout", and complete the checkout process.
7. When payment has been processed successfully, an Order Confirmation will be emailed to you immediately and you will see the Order Confirmation screen.
 - If you ordered digital copies: Click "Download your Digital Items" or go to "My Orders" to access the file.
 - If you ordered printed copies: Your order will be printed and shipped within 2 to 3 business days.

IMPORTANT: Access to downloadable files will expire 30 days from the order date, so be sure to save a copy on your computer. The downloadable file is a PDF document that can be opened using Adobe Reader.

Additional suggested readings

- Kahneman, D.: Thinking Fast and Slow.
- Thaler and Sunstein: Nudge: Improving Decisions about Health, Wealth, and Happiness.
- Heath and Heath: Made to Stick: Why Some Ideas Survive and Others Die.
- Belsky and Gilovich: Why Smart People make Big Money Mistakes.
- Cialdini, R. Influence: Science and Practice.

COURSE-SPECIFIC POLICIES AND RESOURCES

Missed or late assignments

Late submissions will not be accepted and will receive a grade of zero.

Academic Concessions

If extenuating circumstances arise, please contact the RHL Graduate School program office as early as reasonably possible, and submit an [Academic Concession Request & Declaration Form](https://webforms.sauder.ubc.ca/academic-concession-rhlee) <https://webforms.sauder.ubc.ca/academic-concession-rhlee>. If an academic concession is granted during the course, the student will be provided options by RHL, or by the instructor in consultation with RHL, per [UBC's policy on Academic Concession](#).

POLICIES APPLICABLE TO COURSES IN THE ROBERT H. LEE GRADUATE SCHOOL

Attendance

Excepting extenuating circumstances, students are expected to attend 100% of their scheduled class hours. Absent students limit their own academic potential, and that of their classmates, and cause unnecessary disruption to the learning environment. Students missing more than 20% of the total scheduled class hours for a course (including classes held during the add/drop period) without having received an academic concession will be withdrawn from that course. Withdrawals, depending on timing, could result in a "W" or an "F" standing on the transcript.

Punctuality

Students are expected to arrive for classes and activities on time and fully prepared to engage. Late arrivals may be refused entry at the discretion of the instructor or activity lead. Students arriving later than halfway through a scheduled class will be treated as absent for that class.

Electronic Devices

During online lectures, students are not permitted to use any electronic devices other than the primary one used for attending the online lecture (e.g. laptop or desktop). Only Zoom should be open during the online lecture unless an instructor advises the use of another for an in-class activity. Feedback from students indicates that personal devices is the number one distraction from effective learning and participation in the online learning environment.

Citation Style

Please use the American Psychological Association (APA) reference style to cite your sources.

Details of the above policies and other RHL Policies are available at:

<http://www.calendar.ubc.ca/vancouver/index.cfm?tree=12,199,506,1625>

UNIVERSITY POLICIES AND RESOURCES

UBC provides resources to support student learning and to maintain healthy lifestyles but recognizes that sometimes crises arise and so there are additional resources to access including those for survivors of sexual violence. UBC values respect for the person and ideas of all members of the academic community. Harassment and discrimination are not tolerated nor is suppression of academic freedom. UBC provides appropriate accommodation for students with disabilities and for religious observances. UBC values academic honesty and students are expected to acknowledge the ideas generated by others and to uphold the highest academic standards in all of their actions. Details of the policies and how to access support are available on the UBC Senate website at <https://senate.ubc.ca/policies-resources-support-student-success>.

Academic Integrity

The academic enterprise is founded on honesty, civility, and integrity. As members of this enterprise, all students are expected to know, understand, and follow the codes of conduct regarding academic integrity. At the most basic level, this means submitting only original work done by you and acknowledging all sources of information or ideas and attributing them to others as required. This also means you should not cheat, copy, or mislead others about what is your work. Violations of academic integrity (i.e., misconduct) lead to the breakdown of the academic enterprise, and therefore serious consequences arise and harsh sanctions are imposed. For example, incidences of plagiarism or cheating may result in a mark of zero on the assignment or exam and more serious consequences may apply if the matter is referred to the President's Advisory Committee on Student Discipline. Careful records are kept in order to monitor and prevent recurrences.

Academic Freedom and Students Studying from Outside Canada

During this pandemic, the shift to online learning has greatly altered teaching and studying at UBC, including changes to health and safety considerations. Keep in mind that some UBC courses might cover topics that are censored or considered illegal by non-Canadian governments. This may include, but is not limited to, human rights, representative government, defamation, obscenity, gender or sexuality, and historical or current geopolitical controversies. If you are a student living abroad, you will be subject to the laws of your local jurisdiction, and your local authorities might limit your access to course material or take punitive action against you. UBC is strongly committed to academic freedom, but has no control over foreign authorities (please visit <http://www.calendar.ubc.ca/vancouver/index.cfm?tree=3,33,86,0> for an articulation of the values of the University conveyed in the Senate Statement on Academic Freedom). Thus, we recognize that students will have legitimate reason to exercise caution in studying

certain subjects. If you have concerns regarding your personal situation, consider postponing taking a course with manifest risks, until you are back on campus or reach out to your academic advisor to find substitute courses. For further information and support, please visit: <http://academic.ubc.ca/support-resources/freedom-expression>

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All materials of this course (course handouts, lecture slides, assessments, course readings, etc.) are the intellectual property of the instructor or licensed to be used in this course by the copyright owner. Redistribution of these materials by any means without permission of the copyright holder(s) constitutes a breach of copyright and may lead to academic discipline and could be subject to legal action. Any lecture recordings are for the sole use of the instructor and students enrolled in the class. In no case may the lecture recording or part of the recording be used by students for any other purpose, either personal or commercial. Further, audio or video recording of classes are not permitted without the prior consent of the instructor. Students may not share class Zoom links or invite others who are not registered to view sessions.

ACKNOWLEDGEMENT

UBC's Point Grey Campus is located on the traditional, ancestral, and unceded territory of the xwməθkwəyəm (Musqueam) people, who for millennia have passed on their culture, history, and traditions from one generation to the next on this site.

ONLINE TEACHING TOOL & REQUIREMENTS

For this course, you are required to use a Zoom account during synchronous classes and office hours. If you do not have a Zoom account, you can create one here: <https://zoom.us/signup>. Note: creating a Zoom account requires that you provide a first name, last name, and email address to Zoom. For privacy purposes, you may consent to using your existing email address and your real name. Alternatively, if you prefer, you may sign up using an alternative email address and an anonymized name that does not identify you (i.e. Jane Doe, jane.doe@email.com). If you have trouble creating an account, or accessing a Zoom session, please contact CLCHelp@sauder.ubc.ca. You will be required to provide the email address associated with your Zoom account in a Canvas quiz for identification purposes.

To help replicate the classroom experience, make sessions more dynamic and hold each person accountable, both students and instructors are required to have their cameras on during Zoom sessions. Students who require an accommodation with regard to the "camera on" requirement must contact their instructors in advance of the first class to discuss options. As professional graduate students, students are expected to conduct themselves professionally by joining sessions on time, muting mics when not speaking, refraining from using any other technology when in-session, attending in business casual dress (at a minimum), and participating from a quiet environment. Content from synchronous sessions will be selectively recorded per instructor discretion and made available to students on Canvas for a maximum duration of the course length. This is done to allow students the opportunity to return to lecture content to solidify learnings.

COURSE SCHEDULE (VERSION: 4/8/2021)

(Subject to change)

Class	Date	Topic	Readings	Assessments due
1	April 26	Course Introduction		
2	April 28	Segmentation, Targeting, Positioning and Customer Value	<ul style="list-style-type: none"> • Creating Customer Value. <i>HBS</i> COURSE READER • The Elements of Value. <i>HBR</i> ONLINE READING • Cluster Analysis for Segmentation. <i>Darden Business Publishing</i> COURSE READER 	
3	May 3	Experimental Methods to test insights	<ul style="list-style-type: none"> • A Step-By-Step Guide to Smart Business Experiments. <i>HBR</i> ONLINE READING • The Surprising Power of Online Experiments. <i>HBR</i> ONLINE READING • Experimental evidence of massive-scale emotional contagion through social networks. <i>PNAS</i> ONLINE READING 	✓ Start exploring Facebook Ads' functions (see project guidelines)
4	May 5	Qualitative Methods to gather insights	<ul style="list-style-type: none"> • Using laddering to understand and leverage a brand's equity. <i>Qualitative Market Research</i> ONLINE READING • Boston Beer Case. <i>HBS Case</i> COURSE READER • <u>Optional reading</u>: The ZMET alternative. <i>Marketing Research</i> ONLINE READING 	✓ Answer short survey on Boston Beer case (Canvas), due 2 hours before class.
5	May 10	Heart and Mind in Conflict	<ul style="list-style-type: none"> • Dear Diary. <i>Ivey Case</i> COURSE READER • L'Oréal in China. <i>INSEAD Case</i> COURSE READER • <u>Optional reading</u>: Brand Positioning Statements. <i>HBR</i> COURSE READER 	✓ Submit L'Oréal in China case assignment (Canvas), 2 hours before class ✓ Answer short survey on L'Oréal in China case (Canvas), due 2 hours before class
6	May 12	Influence and Persuasion	<ul style="list-style-type: none"> • Harnessing the Science of Persuasion. <i>HBR</i> ONLINE READING • Understanding the Psychology of Adoption. <i>Rotman Magazine</i> ONLINE READING • <u>Optional reading</u>: Eager Sellers and Stony Buyers: Understanding the Psychology of New-Product 	

			Adoption. <i>HBR</i> ONLINE READING	
7	May 17	Marketing Across Cultures	<ul style="list-style-type: none"> Culture and Consumer Behaviour ONLINE READING Pearl River Piano. <i>LBS Case</i> COURSE READER 	✓ Answer short survey on Pearl River Piano (Canvas), due 2 hours before class
8	May 19	Sustainability Guest: Nicolas Pocard, Vice President Marketing & Strategic Partnerships at Ballard Power Systems	<p>Your choice!</p> <ul style="list-style-type: none"> <u>Short version</u>: The elusive green consumer. <i>HBR</i> ONLINE READING <u>Long version</u>: How to SHIFT Consumer Behaviors to be More Sustainable. <i>JM</i> ONLINE READING 	
9	May 26	Money and Status	<ul style="list-style-type: none"> Luxury Branding Below the Radar. <i>HBR</i> ONLINE READING Competing against bling. <i>HBR</i> ONLINE READING Unilever in Brazil. <i>INSEAD Case</i> COURSE READER 	<ul style="list-style-type: none"> ✓ Submit Unilever in Brazil case assignment (Canvas), due 2 hours before class ✓ Answer short survey on Unilever in Brazil case (Canvas), due 2 hours before class
10	May 28 (make up class 4-6PM)	Food, Health, and Pleasure	<ul style="list-style-type: none"> Candy Crush: Aligning Health, Business, and Pleasure in the Chocolate Industry. <i>INSEAD case</i> COURSE READER <u>Optional reading</u>: Potential Benefits of Calorie Labeling in Restaurants. <i>JAMA</i> ONLINE READING <u>Optional reading</u>: Reducing Sugar Drink Consumption: NYC Approach. <i>AJPH</i> ONLINE READING 	✓ Answer short survey on Candy Crush (Canvas), due 2 hours before class
	TBD	GROUP PROJECT PRESENTATIONS (schedule to be confirmed) Upload your slides on Canvas prior to the presentation		