

# HUMAN PREFERENCES AND BEHAVIOR

## International MBA IMBA-EN SEP-2024 S-PS

Area Marketing and Communication

Number of sessions: 15

Term: Concentrations

Category: regular

Language: English

Professor: **JUAN DE RUS GUTIÉRREZ**

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Juan is a behavioral science expert focused on influence and persuasion in the private sector. Currently Managing Partner at Neovantas, international consulting company focused on behavioral science and data. He is a specialist in the banking, telecoms, and insurance industries. In recent years, he has led a range of projects in Spain, Europe, and Latin America, primarily focused on increasing revenue (sales, retention, and collection) in branch networks and remote channels. Juan has previously worked at Deloitte and Unicaja.

Juan achieved an MSc with distinction in Behavioral Science from the London School of Economics & Political Science (LSE), an MBA from Carlos III University in Madrid, and a master's degree with distinction in Arts & Social Sciences from the University of Dundee (UK).

Juan also works with Carlos III University in Madrid as an adjunct professor of Marketing, Consumer Behavior and Influence on various programs, including their MBA program and Master's programs in Marketing. Additionally, he collaborates with Universidad de Barcelona as an adjunct professor of Behavioral Science and Marketing.

Juan is also a certified member of GAABS, the Global Association of Applied Behavioral Scientists.

### Office Hours

Office hours will be on request. Please contact at:

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## SUBJECT DESCRIPTION

The field of consumer behavior attempts to explain and predict the ways in which consumers think and behave in given situations. How do consumers interpret advertising information? Why do people buy? Why not? Who and what are consumers relying upon for information? How can marketers predict behaviors from attitudes? How do consumers make decisions? How do we consume and dispose of products? To answer these questions, consumer behavior draws heavily on the disciplines of psychology, economics, sociology and anthropology. In this course, you will survey the relevant theory and learn how to apply these concepts to real world marketing situations. Class-time discussion of theory always will be supported with examples drawn from past and current business practices as well as consumers' everyday lives; we will be considering the social, ethical, regulatory, environmental and technological contexts in which consumers think and act.

This course stresses understanding, application, and generalization rather than memorization. In every field that you are studying, the body of accepted knowledge is growing and changing at an increasingly rapid rate. Because your success as a marketer will depend in part on your ability to find out about new knowledge and apply it to your own marketing problems, your performance in this course will be evaluated in terms of how well you are able to integrate textbook theory with business facts to arrive at explanations and recommendations.

## LEARNING OBJECTIVES

At the end of this course, students will be prepared to:

1. Reasonably understand and recognize the psychological processes at work in human behavior
2. Understand how this knowledge can be applied to consumers
3. Design marketing interventions (e.g., product design, pricing, communications) that leverage this knowledge to benefit both the firm and consumers.

## TEACHING METHODOLOGY

IE University teaching method is defined by its collaborative, active, and applied nature. Students actively participate in the whole process to build their knowledge and sharpen their skills. Professor's main role is to lead and guide students to achieve the learning objectives of the course. This is done by engaging in a diverse range of teaching techniques and different types of learning activities such as the following:

<b>Learning Activity</b>	<b>Weighting</b>
Lectures	20.0 %
Discussions	20.0 %
Exercises in class, Asynchronous sessions, Field Work	20.0 %
Group work	25.0 %
Individual studying	15.0 %
<b>TOTAL</b>	<b>100.0 %</b>

## AI POLICY

#2 – Specific use cases of GenAI are encouraged

Generative artificial intelligence (GenAI) tools may be used in this course for [describe acceptable use cases, e.g. research, ideation, generating an outline, proofreading, grammar check, coding, image generation] with appropriate acknowledgement. GenAI may not be used for [describe the limitations, e.g. assignments, group submissions, exams]. If a student is found to have used AI-generated content inappropriately, it will be considered academic misconduct, and the student might fail the respective assignment or the course.

If you are in doubt as to whether you are using GenAI tools appropriately in this course, I encourage you to discuss your situation with me.

Below, a suggested format to acknowledge the use of generative AI tools. Please note that acknowledging AI will not impact your grade.

I acknowledge the use of [AI systems link] to [specify how you used generative AI]. The prompts used include [list of prompts]. The output of these prompts was used to [explain how you used the outputs in your work]

If AI was permitted to use in your assignment, but you have chosen not to include any AI generated content, the following disclosure is recommended:

No content generated by AI technologies has been used in this assignment.

## **PROGRAM**

### **SESSION 1 (LIVE IN-PERSON)**

Course Introduction

Human Preferences and Behavior

- 1) What is Consumer Behavior and Why Should I Care?
- 2) Are We in Control?

Multimedia Material: Are we in control of our own decisions? (ted.com) Multimedia Material: Do We Have Free Will? (youtube.com)

### **SESSION 2 (LIVE IN-PERSON)**

How to understand behavior?

- What is a Need?
- The traps of self-reported information

### **SESSION 3 (LIVE IN-PERSON)**

Motivation and personality

Personality, Lifestyles, and Self-Concept

- Dynamics of Motivation
- Needs
- Theories of personality

### **SESSION 4 (LIVE IN-PERSON)**

Segmentation and Behavioral Data

- Segmenting customers

- Creating customer personas
- Behavioral Data & Insights

## **SESSION 5 (LIVE IN-PERSON)**

Understanding consumers' Perceptions

- The elements of perception
- Price, quality and risk

Multimedia Material: Sensing and perceiving (youtube.com)

Multimedia Material: Self-perception (youtube.com)

## **SESSION 6 (LIVE IN-PERSON)**

Learning and Attitudes

- Learning process
- Classic and instrumental conditioning
- Cognitive Learning
- Brand recall and brand recognition

## **SESSION 7 (LIVE IN-PERSON)**

Biases, Heuristics and Nudging

Article: A Practitioner's Guide to Nudging (HBS ROT219-PDF-ENG)

## **SESSION 8 (LIVE IN-PERSON)**

Principles of Influence

Article: The Science of Persuasion (SCIENTIFIC AMERICAN MIND) (CED)

Read the article by Cialdini. His book is one of the references in the topic.

## **SESSION 9 (LIVE IN-PERSON)**

The power of Context: "Context Matters"

- The Power of Situation
- Group and Interpersonal Influence
- Types of Framing

Multimedia Material: The Power of Situation and Framing (youtube.com) Multimedia Material: Kitty Genovese (youtube.com)

## **SESSION 10 (LIVE IN-PERSON)**

Behavioral Science for Online Behavior

- Uncertainty management and Cognitive overload

### **SESSION 11 (LIVE IN-PERSON)**

Ethical and Unethical Behavior

Article: The Psychology Behind Unethical Behavior (HBS H04W3A-PDF-ENG)

Article: Nudge FORGOOD (LADES LK, DELANEY L. Nudge FORGOOD. Behavioural Public Policy. 2022;6(1):75-94. doi:10.1017/bpp.2019.53)

### **SESSION 12 (LIVE IN-PERSON)**

In-class activity – Applying behavioral concepts to a real-life problem

### **SESSION 13 (LIVE IN-PERSON)**

Group Project Presentations

### **SESSION 14 (LIVE IN-PERSON)**

Group Project Presentations

### **SESSION 15 (LIVE IN-PERSON)**

Final Exam

### **EVALUATION CRITERIA**

<b>criteria</b>	<b>percentage</b>	<b>Learning Objectives</b>	<b>Comments</b>
Final Exam	30 %		
Individual presentation	0 %		
Group Presentation	30 %		
Individual work	0 %		
Group Work	20 %		
Class Participation	20 %		
Intermediate tests	0 %		
Other	0 %		

### **FAILING GRADE AND REASSESSMENT**

When students receive a Fail in a course, they have the opportunity to present themselves for reassessment in order to earn the necessary credits toward graduation.

The reassessment of students should be scheduled between 5 and 10 working days after the review session takes place.

Grades for the reassessment are limited to a Low Pass and Fail.

Both, the initial Fail as well as the grade of the reassessment remain on the transcript. For the purpose of calculating the GPA however, only the grade of the reassessment is to be considered. Students receiving a failing grade in the reassessment of a course will not be able to continue in the program.

## **BIBLIOGRAPHY**

### **Compulsory**

- Michael R. Solomon. *Consumer Behavior, Buying, Having and Being*. Pearson Higher Education AU. ISBN 9780134129938 (Digital)

### **OPTIONAL READINGS**

"Thinking Fast and Slow", Daniel Kahneman "Influence: Science and Practice", Robert B. Cialdini "Nudge", Richard Thaler and Cass Sunstein

"To sell is Human", Daniel Pink

"The Smarter Screen", Shlomo Benartzi

"Decoded: The Science Behind Why We Buy", Phil Barden

"The Choice Factory: 25 Behavioral biases that influence what we Buy", Richard Shotton

## **BEHAVIOR RULES**

Please, check the University's Code of Conduct [here](#). The Program Director may provide further indications.

## **ATTENDANCE POLICY**

Please, check the University's Attendance Policy [here](#). The Program Director may provide further indications.

## **ETHICAL POLICY**

Please, check the University's Ethics Code [here](#). The Program Director may provide further indications.