B8607 Strategic Consumer Insight
Professor Pham
Spring 2016

Professor: Michel T. Pham
Office: 515 Uris Hall
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Fax: 212-854-7647
Class times: Wednesdays 2:15-5:30PM (Uris 331)
Office Hours: Mondays 1:00-2:00PM
or by appointment

TA: Noah Castelo
E-mail: nc2609@columbia.edu

Short video introduction of the course
Short video example of company project

Course Objectives

The success of many companies and nonprofit organizations—whether they be Coca-Cola, Procter & Gamble, Samsung, BMW, Apple, Disney, or the Metropolitan Opera—lies in genuine insights into the minds, hearts, and behaviors of consumers. Which product is going to be a hit? Which one is going to “flop”? Which aging brand can be revived? Which one is doomed to die? Which product positioning is going to work? What price will consumers be willing to pay? What’s the next big market trend? How does a business become more relevant to consumers? These are just a few of the many questions that businesses constantly face and that require genuine consumer insights. While it is tempting to rely on intuition to answer these questions—are we all consumers, after all?—history has taught us that intuitions about consumers are often mistaken.

The purpose of this course is therefore to help students become disciplined and astute discoverers of strategic consumer insights. The course provides a rigorous coverage of a broad range of theories, frameworks, concepts, and tools to truly get into the hearts and minds of consumers and uncover insights that are relevant for business and policy. Topics include: 1) how consumers make decisions; (2) why and how consumers shop; (3) how to uncover consumers’ true motivations, needs, and wants; (4) unconscious drivers on consumer behavior (e.g., cultural archetypes and evolutionary forces); (5) feelings and emotions in consumer behavior; (6) an introduction to qualitative market research for consumer insight; (7) how consumers’ minds work (e.g., how to attract their attention, how consumers perceive things, how to influence their memory); and (8) social and cultural determinants of consumer behavior.

The course is targeted at intellectually motivated students interested in pursuing careers in general management, consulting, marketing, entrepreneurship, media and advertising, or consumer-oriented nonprofit organizations. An important part of the course is a real-life consumer insight project for a client company. Past clients include Coca-Cola, Macy’s, Novartis, Best Buy, Rolodex, ESPN, Men’s Health, Wrigley, Ann Taylor, and Perry Ellis/Original Penguin. This year’s clients will be Verizon Ventures and Wyndham Hotels (see appended project briefs).
The course also includes a variety of in-class and out-of-class exercises, in addition to standard lectures, readings, and case analyses.

**Deliverables and Grading**

Final grades will be determined as follows:

- **Class Participation (including in-class exercises)**: 20% (Individual)
- **Online Case Surveys**: 20% (Individual)
- **Group Assignments**: 10% (Group)
- **Company Field Project**: 50% (Group)

**Class Participation**: Because each of us brings to the classroom a unique set of knowledge and experiences about consumers, a significant part of the learning will come from tapping into this collective knowledge and experience. We will devote a significant portion of class time to discussions, analyzing cases, and various in-class exercises. It is therefore essential that you come fully prepared for case discussions and participate actively in the discussions and various in-class exercises and activities. This means that you need to have read the assigned material (e.g., cases) before the class session. Effective participation includes: (1) sharing relevant experiences; (2) being on point and moving the discussion forward; (3) being able to clearly articulate and justify particular points of view; (4) asking insightful questions that help clarify concepts and benefit the rest of the class; and (5) relating examples and experiences to course concepts and case discussions, including those covered in earlier classes. (Note that while class attendance is not mandatory, it will be reflected in the overall participation grade since one cannot participate if one is not there. Excessive absences may result in an overall failing grade for the entire course.)

**Online Surveys.** To facilitate in-class discussions, especially of cases, students will be asked to complete a series of short online surveys pertaining to the cases and other session materials to be discussed in class. All surveys should be completed individually on Canvas. To receive full credit, responses to the survey questions do not need to lengthy—typically 2-3 sentences per questions will suffice. However, the responses have be thoughtful. Completing a survey can help compensate for necessary class absences: However, in order to receive full credit, a survey entry must be submitted by 8:00 AM on the day of the session. Entries submitted after that will receive no credit.

**Group Assignments.** In addition to a various in-class exercises throughout the term, a series of more formal workshops will be conducted, mostly in relation to the project. Two of these will be the subject of written assignments to be submitted as a group the Friday following the workshop. Their due dates are marked on the course schedule and reproduced below. Detailed instructions will be provided later in the term.

- **A1. Emotional Planning Analysis based on Workshop 2** is due on Friday, March 4
- **A2. Hierarchical Value Mapping Analysis based on Workshop 3** is on Friday, April 1

**Company Field Project**: The field project is a hands-on opportunity to analyze and address specific issues about consumers that are of particular interest to an existing company. Early in the semester (during the second class), the client companies will describe their projects. Students will work in groups of **four to five** on their projects throughout the course of the semester. The groups should be formed and the project chosen by Class 3 (Feb. 10). Responsibility for forming the groups is left to the students. A project proposal based on the first
workshop is due on Friday, February 19. A progress report, to be reviewed by the client, should be submitted by Class 7 (Mar. 23). The project should go beyond standard library research and involve the collection and analysis of primary data (e.g., in-depth interviews, focus groups, online surveys). When making recommendations, students should engage in “big-picture” yet analytically sound thinking, taking into account both the pros and cons of alternative solutions, as well as short-term and long-term implications of the proposed recommendations. At the end of the course, each group will summarize its investigation, findings, and recommendations in a report to be presented in the final class on Apr. 27 with the clients in attendance. Final written reports are to be submitted to the professor and the clients on May 4 (to ensure a timely evaluation and submission of the overall course grades).

Field projects will be evaluated based on (a) the breadth and depth of the research, (b) appropriate application of consumer behavior tools and concepts, (c) logical development of conclusions and implications, (d) originality of consumer insights, (e) quality of business recommendation; and (f) quality of the written report and oral presentation. (Input from the client company will be incorporated into these evaluations.) More details on the project will be provided later in the term.

Course Materials

Lecture Notes. As lecture notes, hardcopies of most of the slides will be distributed at the beginning of each session. Use these lecture notes as a support for your own note taking, not as a substitute for it. If you are unable to attend a session, please have a classmate collect a set for you. While the lecture notes will be posted on Canvas after each session, they will not be sent individually.

Required Readings. Two types of readings will be made available. The first are a variety of consumer-focused business cases, which students are expected to prepare prior to the relevant sessions and complete a short survey before the class discussion. Most of these cases will be distributed as a packet in hardcopy. Thorough preparation of these cases will be reflected in the class participation grade. The second type of readings are various consumer-behavior-related articles culled from various sources including industry reports, academic journals, business news, and popular press. These will be posted (in electronic form) on Canvas. Although students will not be explicitly quizzed on these latter readings, in-class lectures and discussions will generally assume that these readings were completed.

Suggested Additional Readings. Students who are interested in additional background on consumer behavior or wish to go deeper into certain topics may also find the following books useful:

1. Consumer Behavior (5th Edition) by Wayne D. Hoyer and Deborah J. MacInnis, South-Western, 2008. This is an excellent, if somewhat encyclopedic, text on consumer behavior. It covers many of the topics and concepts that will be covered in class. Several copies are available on reserve in the Business School’s Watson Library in Uris.

2. Influence: The Psychology of Persuasion (Revised Edition) by Robert B. Cialdini, Collins Business, 2006. This is a short but classic reference on the science of persuasion. It was named by the Journal of Marketing Research one the most important books written for marketers.
Columbia Business School


Contact

Whenever possible, I prefer real-time, in person communication over e-mail (to which I may not be able to respond promptly). If you have any questions regarding the class, please come to speak to me after class, or drop by my office (515 Uris) or call me (212-854-3472) during my office hours. If you can’t visit or call during these hours, please schedule an appointment.

Canvas

Course-relevant materials and additional important information (about readings, assignments, etc.) will be posted on the school’s CANVAS system. Because some of the readings are provided by an external site, please use Mozilla’s Firefox to access the course materials on Canvas, as Microsoft’s Internet Explorer tends to create problems when accessing external sites. Please consult the course’s site regularly (at least twice a week) because important announcements may be posted. It will be assumed that any announcement that has been posted at least 24 hours prior to a class (e.g., on Monday night) has been read prior to that class (on Wednesday).

Logistics and Course Conduct

- Time is a very precious commodity for all of us. Please help us ensure that classes start and finish on time by being punctual.
- In addition, as a courtesy for everybody and to avoid distraction (of yourself, your neighbors, and the instructor), please put away your laptops, cell phones, and other mobile devices when the class is in session.
- So that I can remember who is who and address you properly, please always have your name card in front of you. (If you forget to bring it, just make a temporary one.) In addition to facilitating classroom discussions, having your name in front of you will ensure that your class participation is recorded properly.

Preparation for the First Class

- Download and prepare the Segway case. (See discussion questions on Canvas.)
- Fill out Survey 1 (regarding Segway case) by 8:00AM
- Complete the readings
- Remember to bring your name card
<table>
<thead>
<tr>
<th>Session</th>
<th>Topics &amp; Cases/Activities</th>
<th>Assignments</th>
<th>Readings (subject to updates on Canvas)</th>
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<tr>
<td>3 Feb. 10</td>
<td>- How Consumers Make Decisions (II) &amp; Consumer Behavior  &lt;br&gt; - Case 2: Microsoft Office: Insight into the Life of a College Student</td>
<td>- Complete Survey 3  &lt;br&gt; - Submit Project Choice and Group Composition</td>
<td>- Get Closer to Your Customers by Understanding How they Make Choices</td>
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<td>4 Feb. 17</td>
<td>- Qualitative Market Research for Consumer Insight  &lt;br&gt; - Project Planning Workshop 1</td>
<td>- Submit Project Proposal by Friday, Feb 19. at 8:00PM</td>
<td>- The Research Process  &lt;br&gt; - Developing and Using Information about Consumer Behavior</td>
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<td>5 Feb. 24</td>
<td>- Understanding the Role of Feelings &amp; Emotions in Consumer Behavior  &lt;br&gt; - Case 3: Introducing New Coke</td>
<td>- Complete Survey 4</td>
<td>- Emotional Cue that Work Magic on Customers  &lt;br&gt; - Product Emotions  &lt;br&gt; - The New Science of Customer Emotions</td>
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<td>6 Mar. 2</td>
<td>- Project Planning &amp; Customer Insight Workshop 2  &lt;br&gt; - Guest Speaker: Gizem Ceylan-Hopper, Director Global Consumer Insights at The Estée Lauder Companies Inc.</td>
<td>- Submit Group Assignment 1 by Friday, March 4 at 8:00PM</td>
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| 7 Mar. 23 | Understanding and Analyzing Consumer Motivations (I)  
| | Case 4: Saxonville Sausage | Complete Survey 5  
| | | Submit Progress Report on Field Project | A Theory of Human Motivation  
| | | | Laddering Theory, Method, Analysis, and Interpretation  
| | | | Individual Differences: Tools for Theory Testing and … |
| 8 Mar. 30 | Understanding and Analyzing Consumer Motivations (II)  
| | Case 5: Diamonds are Forever  
| | Project Planning & Customer Insight Workshop 3 | Complete Survey 6  
| | | Submit Group Assignment 2 by Friday, April 1 at 8:00pm | Excerpts from Dichter’s Handbook of Consumer Motivation  
| | | | Does the Smell of Coffee Remind you of your Mother  
| | | | The Culture Code  
| | | | The Hero and the Outlaw |
| 9 Apr. 6 | Understanding Shopping Behavior  
| | Guest Speaker: Robert Tomei, President, Consumer & Shopper Marketing, IRI | | Why Do People Shop  
| | | | The Science of Shopping |
| 10 Apr. 13 | Understanding Consumer Culture  
| | Case 6: Harley Davidson | Complete Survey 7 | The Globalization of Markets  
| | | | Values and Culture  
| | | | Getting Brand Communities Right |
| 11 Apr. 20 | More on Consumer Culture: Evolutionary Drivers of Consumer Behavior  
| | Project Customer Insight Workshop 3  
| | Course Conclusion | Complete Survey 8 | Consumers Born and Made |
| 12 Apr. 27 | Project Presentations to Clients | Upload presentations by 11:00AM | |

May 4: Submit Final Reports for Field Project by 5:00PM
Michel Tuan Pham is the Kravis Professor of Business in Marketing at Columbia Business School, whose faculty he joined more than 20 years ago. At Columbia he teaches in the MBA, EMBA, Ph.D., and Executive Education programs. He is also the Research Director of the Columbia Center on Global Brand Leadership and Co-Director of Columbia’s Brand Leadership program for executives. Professor Pham has a Licenciate degree in Applied Economics from the Catholic University of Louvain-Mons, Belgium and M.A. and Ph.D. degrees in Business-Administration/Marketing from the University of Florida. He has held visiting professorships at various international institutions, including the University of Chicago, where he was the Ford Foundation Visiting Professor of Marketing, the Catholic University of Leuven in Belgium, the China Europe International Business School in Shanghai, the Hong Kong University of Science and Technology, Singapore Management University, and the Institut d’Administration des Entreprises (IAE) of the University of Paris I - Sorbonne.

Professor Pham’s business expertise and consulting activities are in the areas of marketing strategy and management, branding strategy, consumer psychology, trademark psychology, and the psychology of decision making. He has worked on these issues with companies from a variety of industries. An acclaimed executive teacher, he has also taught these subjects to executives and companies around the world. Recent training and consulting clients include Bayer Healthcare, Adidas, Brighton Collectibles, The Walt Disney Company, Bath & Body Work, Federal Home Loan Bank of New York, Nike/Converse, Coca-Cola, DNAinfo, Gucci, Singapore Airlines, and Lonza. His comments on current business issues have been widely publicized, including in the New York Times, Forbes, Wall Street Journal, AdWeek, BBC’s World Business Report, and CNN’s Headline News.

His current research focuses on the role of affect (moods, feelings, and emotions) in judgment and decision-making and consumer self-regulation. His numerous scientific articles are widely cited, have received several awards and have appeared in many leading academic journals in marketing, management, and psychology, including the Journal of Consumer Research, Journal of Marketing Research, Psychological Science, Organizational Behavior and Human Decision Processes, Journal of Consumer Psychology, Review of General Psychology, Personality and Social Psychological Review, Psychology and Marketing, Marketing Letters, Journal of Economic Psychology, and Recherche et Application en Marketing. He is a scientific advisor for numerous academic journals, and serves or has served on the Editorial Boards of Journal of Consumer Research, Journal of Marketing Research, Journal of Consumer Psychology, International Journal of Research in Marketing, and Recherche et Application en Marketing. He is a past President and lifetime Fellow of the Society for Consumer Psychology, the leading professional organization for the advancement of the psychological science of the consumer.

On the personal front, Professor Pham is an avid traveler, curious reader, happy eater, foreign movie admirer, former judo competitor, and wine lover (not necessarily in that order). He is a Belgian citizen of Vietnamese descent, permanent resident of the US, who was born in Congo. He lives in Manhattan, with his wife, a Taiwanese citizen (whom he married in Spain), and their two children, both US citizens.
### Field Project on Consumer Insight

#### Verizon – Mobile Gaming

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<thead>
<tr>
<th>Sponsoring Company / Division / Brand</th>
<th>Contact Person</th>
<th>Contact Title</th>
<th>Contact Email</th>
<th>Contact Phone number</th>
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<tr>
<td>Verizon Open Innovation</td>
<td>Adler Merveille</td>
<td>Senior Consultant, Open Innovation</td>
<td><a href="mailto:adler.merveille@verizon.com">adler.merveille@verizon.com</a></td>
<td>(914) 439-2208</td>
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### Project Background

The Product and New Business Organization within Verizon is tasked with developing and delivering the products and businesses that will represent the future of Verizon. Leveraging the power of university researchers, startups and other partners, we are creating and developing the technical innovations that will carry Verizon into the next phase of its success.

### Project Description

Mobile gaming presents a valuable opportunity for Verizon. We believe that we are uniquely positioned to give consumers better access to the mobile games they love, whether through enhanced connectivity that unleashes dynamic consumer experiences or through the development of platforms that maximize the experience for developers, broadcasters or advertisers.

Our initial research has uncovered five key themes around gaming (listed below). We are looking to better understand the consumer and customer landscape around these themes in order to develop and execute a strategy for entering this market.

- **Discovery**: Mobile game discovery is a pain point, with a cluttered market of games and no recommendation tool for discovery.
- **Social**: Gaming is a unique way to connect with family as well as friends.
- **Emotions**: People choose different games based on their emotions at the time.
- **Spectating**: Watching others play games can be a form of entertainment, learning and discovery.
- **Rewards**: Gamers love ‘gamified’ platforms and love being rewarded for playing games.

Conduct a qualitative study of millennial men and women 18-35. Screen for people who are avid or casual gamers, both via computer and mobile. Recommend an entry strategy for Verizon within mobile gaming.

- Who are the consumers that we should be focused on (demographic, psychographic, behavioral)? Why?
- What opportunities exist to deliver a truly great experience to these consumers?
- What type of products/services would best address these gaps in their experiences?

### Questions of Particular Interest (in order of importance)

1. How should we prioritize the various themes around mobile gaming?
2. How important are the selected themes to gaming consumers/customers?
3. What do we stand to lose by not delivering on the selected themes?

### Available Research

Will put together a kit of relevant research to date. Will also provide access to technical experts within Verizon Product and New Business.
Field Project on Consumer Insight

[Wyndham Hotel Group – Design the Hotel of the Future]

| Sponsoring Company / Division / Brand | Wyndham Worldwide/ Wyndham Hotel Group | Contact Person | Jackie DiStasi  
Manager, Market Research & Customer Insights  
Jackie.distasi@wyn.com  
973-753-8622 |
|--------------------------------------|----------------------------------------|----------------|--------------------------------------------------|

Project Background

With more hotels than anyone else in the world, Wyndham Hotel Group (WHG) is an industry powerhouse with sixteen brands and a critically acclaimed rewards program. With the rise of companies like Airbnb and HomeAway, the hotel industry has an increasing pool of competitors who are able to offer local, authentic experiences at competitive rates. To combat this competition, WHG needs to innovate and design for the future, drawing in new guests and making existing guests more loyal to our brands.

What should Wyndham Hotel Group consider and possibly implement as we embark on designing the hotel of the future?

Project Description

What can Wyndham Hotel Group (economy segment hotels, US only) do to stay ahead of the curve and design the “hotel of the future”? What should the “hotel of the future” include that will make the guest experience desirable and increase brand loyalty?

Conduct research among US millennial men and women 18-29 (we recommend 50% men, 50% women). Please analyze only for those who have stayed in a hotel in the past year.

What new amenities/offerings should we consider as we innovate for the future?

- Determine what millennials want in a “hotel of the future”
- Recommend amenities/offerings that will attract guests in future generations. We are interested in low cost, easy to implement changes that will make an impact on customer satisfaction. Think about the following touchpoints and how they can be innovated.
  - Reservation Process
  - Check In/Out
  - Lobby
  - Guest Rooms
  - Amenities
- Recommend how the Wyndham Rewards program could change to better cater to the “hotel of the future”. 
| Questions of Particular Interest (in order of importance) | 1. What amenities should the “hotel of the future” have?  
2. What services should the “hotel of the future” have?  
3. Would guests pay a premium to experience your “hotel of the future” design? |
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<tr>
<td>Available Research</td>
<td>We will put together a kit of resources including:</td>
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<td>o Existing custom market research</td>
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<td>o Syndicated research</td>
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<td>o Operations documentation</td>
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Wyndham Hotel Group – Millennials

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<tr>
<th>Sponsoring Company / Division / Brand</th>
<th>Wyndham Worldwide/ Wyndham Hotel Group</th>
<th>Contact Person</th>
<th>Jackie DiStasi</th>
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<td></td>
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<td>Title</td>
<td>Manager, Market Research &amp; Customer Insights</td>
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<td>Email</td>
<td><a href="mailto:Jackie.distasi@wyn.com">Jackie.distasi@wyn.com</a></td>
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<td></td>
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<td>Phone number</td>
<td>973-753-8622</td>
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Project Background

With more hotels than anyone else in the world, Wyndham Hotel Group (WHG) is an industry powerhouse with sixteen brands and a critically acclaimed rewards program. As the purchasing power of millennials continues to rise, WHG needs to attract this new generation and nurture brand loyalty to secure success in the future. Even with a strong portfolio of brands and offerings, we recognize that attracting millennials continues to be a large under-tapped opportunity for us.

What should Wyndham Hotel Group consider and possibly implement to better target the US millennial generation?

Project Description

How can Wyndham Hotel Group (economy segment hotels, US only) better target the millennial generation, both through physical offerings on properties as well as through creative marketing.

Conduct research among US millennial men and women 18-29 (we recommend 50% men, 50% women). Please restrict analyses to those who have stayed in a hotel in the past year.

Understand how millennial travel needs are changing and how WHG can meet these needs through innovative amenities and offerings.

- Determine what millennials want/expect from their hotels.
- Determine what drives millennials to book with one hotel brand vs. another.
- Determine what frustrates millennials about their current hotel experiences and seek to understand what can rectify these frustrations.
- Determine how brand loyal millennials are and recommend ways to increase engagement in the Wyndham Rewards program.
- Determine the millennial customer journey and provide a customer journey map representative of this generation.
- Recommend new amenities/offerings that would attract the millennial customer and increase customer satisfaction and brand loyalty.
- Recommend a communication strategy to help millennials understand the changes you have recommended in cost effective ways (i.e. not TV advertising).
| Questions of Particular Interest (in order of importance) | 1. What do millennials want in their hotel experience?  
2. What are their must haves in a hotel?  
3. Where do millennials prefer to book their hotels and why? (Online Travel Agents like Expedia and Orbitz? Home website? 800 number?)  
4. Which do millennials prefer—hotels or rented homes (i.e. places available via Airbnb, HomeAway, etc.) |
| --- | --- |
| Available Research | We will put together a kit of resources including:  
  o Existing custom market research  
  o Syndicated research  
  o Operations documentation |