

MODULE SPECIFICATION PROFORMA

Module Title:	Behavioural Economics for Marketing	Level:	5	Credit Value:	20
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Module code:	BUS543	Is this a new module?	No	Code of module being replaced:	N/A
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Cost Centre(s):	GAMG	JACS3 code:	N211
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With effect from:	September 17
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School:	Business	Module Leader:	Tracy Powell
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Scheduled learning and teaching hours	33 hrs
Guided independent study	167 hrs
Placement	0 hrs
Module duration (total hours)	200 hrs

Programme(s) in which to be offered	Core	Option
BSc (Hons) Business, Marketing and Consumer Behaviour	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BA (Hons) Retail Management	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BA (Hons) Business Development Management	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Pre-requisites

Office use only

Initial approval: September 14

Date revised: February 17 (to incorporate new programmes)

Version: 2

Module Aims

For the past fifty years marketers have been under the impression that human decision-making is a rational process. Based on this assumption, the marketers' approach towards selling has predominantly focused on communicating the rational benefits of a product. Yet over the last two decades psychologists, economists, and other behavioral scientists have discovered that in most situations, our decisions are based on emotions, hunches and 'gut' instinct rather than any rational cost benefit analysis. This new wave of research has dramatic implications for marketing and the way we try to sell products. Rather than concentrating on the rational appeal of a product, a consumer's decision is more likely to be influenced by factors that at first often appear to be trivial and irrelevant to the decision at hand.

This module will explore recent developments in behavioral economics that provide a greater insight into the human decision-making process, and seek to investigate how marketers can utilize these developments to develop more effective marketing campaigns.

Intended Learning Outcomes

Key skills for employability

- KS1 Written, oral and media communication skills
- KS2 Leadership, team working and networking skills
- KS3 Opportunity, creativity and problem solving skills
- KS4 Information technology skills and digital literacy
- KS5 Information management skills
- KS6 Research skills
- KS7 Intercultural and sustainability skills
- KS8 Career management skills
- KS9 Learning to learn (managing personal and professional development, self-management)
- KS10 Numeracy

At the end of this module, students will be able to

Key Skills

1	Understand and critique a range of theoretical ideas, models and insights from behavioral economics	KS3	KS5
		KS6	KS9
2	Understand and critique a range of experiments testing behavioral economic concepts	KS6	KS9
		KS10	
3	Describe the differences between Homo-economics and Homo sapiens and the ramifications for marketers	KS1	KS4
		KS10	

4	Analyse how principles from behavioral economics can be used to develop interventions in both the private and public sector and assess their effectiveness	KS3	KS5
		KS6	KS9
		KS10	
Transferable skills and other attributes			

Derogations
None

Assessment:					
Indicative Assessment One:					
<p>Assessment 1 will take the form of a computer based exam whereby students are required to complete a partially completed research proposal. This proposal will include the following sections: Introduction, <i>Basic</i> literature review and a detailed method section. Candidates will have access to the internet in order to help complete the literature review.</p>					
Indicative Assessment Two:					
<p>Assessment 2 is a series of four-discussion session and group presentation, which will occur roughly once a fortnight. Two weeks before each discussion session all the students will be e-mailed four articles (a mixture of case studies and journal articles) which they will be expected to read before the session. Once they arrive at the class, they will be split into a group of approximately four, and will be allocated one of the four articles and asked to critique the article and prepare a ten-minute presentation that they will deliver in the last hour. Although the presentation is a group presentation students will be marked individually on a range of factors including: individual performance (presentation style, content etc.) the difficulty of the paper/role, questions asked etc. After the 10-minute presentation, students will have a five-minute question session. Students will be debriefed after each session, although they will not be told their actual mark.</p> <p>Although students are required to deliver four presentations, out of the four presentations the student's worse mark will be dropped so that their final mark is an average of their best 3 grades.</p>					
Assessment number	Learning Outcomes to be met	Type of assessment	Weighting (%)	Duration (if exam)	Word count (or equivalent if appropriate)
1	1,3,4	Examination	50	2 hour	
2	2,4	Presentation	50	2 hours preparation 10 min presentation, 5 min questions	

Learning and Teaching Strategies:

Lectures will be provided to students digitally, a minimum of three working days before the classroom tutorials. The classroom tutorials will facilitate interactive discussion and feedback on the lecture material that forms a basis for group work through practical exercises.

The module is embedded within the values and practices espoused in the Glyndŵr University's Teaching and Learning and Assessment strategy whereby students are encouraged to take responsibility for their own learning and staff facilitate the learning process, with the aim of encouraging high levels of student autonomy in learning and the capacity to apply it within the wider environment.

Syllabus outline:

1. Rationality, irrationality & rationalization,
2. Transaction utility and consumer pricing
3. Mental accounting
4. Status quo bias and default options
5. Representativeness and availability
6. Confirmation and overconfidence
7. Decision under risk and uncertainty
8. Prospect theory and decision under risk or uncertainty
9. Disagreeing with ourselves: projection and hindsight biases
10. Committing and uncommitting
11. Selfishness and altruism
12. Fairness and psychological games
13. Trust and reciprocity

Bibliography:

Essential reading

Just, D.R., (2014). *Introduction to behavioral economics*. Chichester, U.K.: John Wiley & Sons.

Other indicative reading

Textbooks

Kahneman, D., & Tversky, A. (2000). *Choices, values, and frames*. New York: Russell sage Foundation.

Wendel, S. (2013). *Designing for behavior change: Applying psychology and behavioral economics*.

Wilkinson, N., & Klaes, M. (2012). *An introduction to behavioral economics*. Houndmills, Basingstoke: Palgrave Macmillan.

Popular Science

(Not academic textbooks, but factually accurate and very readable. – far more fun than a textbook to read! They will provide you with detailed knowledge about individual topics, just don't cite them in an assignment)

Ariely, D. (2008) *Predictably irrational: The hidden forces that shape our decisions*. New York, N.Y.: Harper.

Kahneman, D. (2011) *Thinking, fast and slow*, New York: Farrar, Straus and Giroux.

Schwartz, B. (2004). *The paradox of choice: Why more is less*. New York: Harper Perennial.

Taleb, N. N. (2007). *The black swan: The impact of the highly improbable*. New York: Random House.

Thaler, R. H., & Sunstein, C. R. (2008). *Nudge: Improving decisions about health, wealth, and happiness*. London: Penguin.

Journals

- *Journal of Consumer Psychology*
- *Journal of Behavioral and Experimental Economics*
- *Journal of Behavioral Economics*

Websites

A Beginner's Guide to Irrational Behavior	www.coursera.org/course/behavioralecon
Consumer Psychology Online	www.consumer-psychology.co.uk
Society for Consumer Psychology	www.myscp.org