

### MODULE SPECIFICATION FORM

Module Title: The Psychology of Selling	Level: 7	Credit Value: 10
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Module code: BUS770	Cost Centre: GAMP	JACS2 code: N520
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Semester(s) in which to be offered: N/A	With effect from: July 2013
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<b>Office use only:</b> To be completed by AQSU:	Date approved: July 2013 Date revised: November 2015 Version no: 2
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Existing/New: Existing	Title of module being replaced (if any): N/A
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Originating Department: Business and Management	Module leader: Tracey Powell
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Module duration (total hours): 100	Status: core/option/elective (identify programme where appropriate): Option
Scheduled learning & teaching hours: 25	
Independent study hours: 75	
Placement hours: 0	

Percentage taught by Departments other than originating Department (please name other Department):	0%
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Programme(s) in which to be offered: Executive Master of Business Administration	Pre-requisites per programme (between levels): None	Co-requisites per programme (within a level): None
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## **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, marketers approach towards selling has predominantly focused on communicating the rational benefits of a product. Yet over the last two decades psychologists, economists, and others behavioural 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 customer'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 content is divided into two parts. Firstly, candidates will be introduced to the complexities of human decision making, exploring the latest research explaining how individuals and consequently consumers make a decision. The second half of this module will build on this knowledge and seek to apply this in a marketing context. By understanding the complexities (and more importantly the biases and quirks) in the human decision making process, we will explain how marketers can develop more effective sales tactics. This will investigate selling in its broadest sense, ranging from direct selling of a product to the designing of a pricing structure for a range of products.

## **Expected Learning Outcomes**

At the end of this module, students should be able to:

### **Knowledge and Understanding:**

1. Demonstrate an advanced understanding of the mental processes that guide consumer perceptions, attitudes, memory and choices.
2. Apply their knowledge of the mental process that influences consumer behaviour to develop effective marketing tactics.

### **Transferable/Key Skills and Other Attributes:**

- Use information and knowledge effectively in order to abstract meaning.
- Solve complex problems using appropriate decision-making techniques.
- Communicate effectively using listening, oral, written and media techniques.
- Effectively use Communications Information Technology tools and packages.
- Demonstrate effective performance within a team environment.
- Select appropriate leadership styles for different situations.
- Recognise and address ethical dilemmas and corporate social responsibility issues.
- Manage creative processes, organise, synthesise and critically appraise.

## Assessment

The assignment for this module is an oral presentation. This is intended to examine the students' understanding of the key content covered in the module. This discussion will be divided into two parts. Initially it will explore the theoretical psychological concepts behind selling. The second section of this discussion will explore how these techniques can be applied in a marketing context. This one-on-one presentation will occur at least one month after the taught element of this course at a time convenient for both the tutor and the candidate.

Assessment number	Learning Outcomes	Type of assessment	Weighting	Duration (if exam)	Word count (or equivalent if appropriate)
One	1,2	Oral Presentation	100%	20 minutes	n/a

## Learning and Teaching Strategies

This module will comprise of a combination of lectures, supplemented by practical work. Each session will be approximately two hours in duration, which will cover the main theoretical content of the course. Part of the session will use a lecture style, which will include a strong element of dialogue where students will be expected to contribute. The remainder of the session will include mini discussion points, breakout activities, presentations, creative pattern-breaking tools and student led debates. The students will be asked to provide real-life examples from their own businesses for other group members to critique.

## Syllabus Outline

### Part A – Theory: The Science of Decision Making

1. An Introduction to Consumer Psychology
2. Models of Decision Making
3. Perception, Memory & Context
4. Individual Decision Making, System 1 vs. System 2
5. Prospect Theory
6. Heuristics & Biases

### Part B – Applied: Techniques to Influence Decision Making

7. Liking
8. Scarcity
9. Reciprocity
10. Commitment & Consistency
11. Social Proof
12. Authority

## **Bibliography**

### **Essential reading:**

Cialdini, R.B. (1993). *Influence: Science and Practice*. London, Harper Collins.

Newell, B.R., Lagnado, D.A., & Shanks, D.R. (2010). *Straight Choices: The psychology of decision making*. London, Psychology Press.

### **Other indicative reading:**

Baron, J. (2007) *Thinking and deciding* (4<sup>th</sup> edn.) Cambridge, U.K.: Cambridge University Press.

Gigerenzer, G., Hertwig, R., & Pachur, T. (2011). *Heuristics: The foundations of adaptive behaviour*. New York, U.S.: Open University Press, USA.

Hardman, D. (2009) *Judgement and decision making: Psychological perspectives*. New Jersey, U.S.: Wiley.

Hastie, R., & Dawes, R.M. (2010). *Rational choice in an uncertain world: The psychology judgement and decision making* (2<sup>nd</sup>. Edn.) California, U.S.: Sage.

Kahneman, D., & Tversky, A. (2000) *Choices, Values and Frames*. Cambridge, U.K.: Cambridge University Press.

Plous, S. (1993) *The psychology of judgement and decision making* Philadelphia, U.S.: Temple University Press.

### **Journals:**

- Journal of Applied Psychology
- Journal of Business and Psychology
- Journal of Business Research
- Journal of Consumer Psychology
- Journal of Consumer Research
- Journal of Experimental Social Psychology
- Journal of Personality and Social Psychology
- Personality and Social Psychology Bulletin
- Psychological Science
- Psychology and Marketing

### **Popular Science:**

Adcock, P. (2011) *Supermarket Shoppology: The science of supermarket shopping and a strategy to spend less and get more*. Tamworth, England: Shopping Behaviour Xplained.

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

Damasio, A. (2006) *Descartes' error: Emotion, Reason and the human brain*. New York, U.S.: Vintage Books.

Gladwell, M. (2005) *Blink: The power of thinking without thinking*, New York, N.Y.: Little, Brown and Co.

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