The Theory of Buyer Behavior
# TENURED FACULTY

<table>
<thead>
<tr>
<th>Name</th>
<th>Year</th>
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<tbody>
<tr>
<td>Don Lehmann</td>
<td>1969</td>
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<tr>
<td>Noel Capon</td>
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<tr>
<td>Bernd Schmitt</td>
<td>1987</td>
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<td>Gita Johar</td>
<td>1990</td>
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<td>Michel Pham</td>
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<td>Eric Johnson</td>
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<td>Morris Holbrook</td>
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<td>Kamel Jedidi</td>
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<td>Sunil Gupta</td>
<td>1992</td>
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<tr>
<td>Rajeev Kohli</td>
<td>1992</td>
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<tr>
<td>Asim Ansari</td>
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Ran Kivetz, 2000 (Stanford)
Oded Koenigsberg, 2002 (Duke)
Natalie Mizik, 2002 (U. of Washington)
Jonathan Levav, 2003 (Duke)
Olivier Toubia, 2004 (MIT)
Oded Netzer, 2004 (Stanford)
### Customer Behavior
- Memory, attitudes, language
- Behavioral Decision Research & Econ.
- Experience
- Rewards
- Emotions

### Quantitative Modeling
- Customer Preference & Choice models
- Marketing Models
  - Product
  - Price
  - Promotion
  - Distribution
  - Services
- Customer Relationship Management
- Resource Allocation

### Methods
- Bayesian Modeling
- Psychometrics
- Meta-analysis
- Econometrics
- Optimization

### Marketing Management
- Marketing Assets- Lifetime customer value
- Strategic account management
- Branding
- New Products- Innovation & idea generation
- Marketing Metrics- Valuation of mktg assets
- Market Segmentation
Centers and Programs

- Global Brand Leadership
- Strategic Customer Management
- Excellence in E-Business
- Center for the Decision Sciences
- The Behavioral Lab

Leadership Positions

- President, Association for Consumer Research, 1989, 1995
- President, Society for Judgment and Decision-Making Society, 2002
- Honorary Fellow, DeSantis Center of Business & Econ. National Advisory Board
KNOWLEDGE TRANSLATION

The Marketing Case Collection - 18 Cases

CONFERENCES

American Marketing Association
Marketing Science Institute
The Chief Sales Executive Forum
Association of National Advertisers
<table>
<thead>
<tr>
<th>Marketing Electives</th>
<th>Summer 2006</th>
<th>Fall 2006</th>
<th>Spring 2007</th>
<th>Summer 2007</th>
<th>Fall 2007</th>
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<tr>
<td>B7506 Global marketing</td>
<td>Anthony Romeo</td>
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<td>Anthony Romeo</td>
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<tr>
<td>B7602 Advertising &amp; integrated communications</td>
<td>Gita Johar (Block)</td>
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<td>B7604 New product development</td>
<td>Rajeev Kohli (Global)</td>
<td>Olivier Toubia</td>
<td>Rajeev Kohli</td>
<td>Olivier Toubia</td>
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<td>B7610 Strategic marketing planning</td>
<td>Natalie Mizik</td>
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<td>B7617 Marketing research</td>
<td>Oded Netzer</td>
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<td>B7633 High-tech marketing &amp; entrepreneurship</td>
<td>Ran Kivetz</td>
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<td>B7640 Customer acquisition &amp; retention</td>
<td>Ruth Stevens</td>
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<tr>
<td>B7699-037 Pricing strategies</td>
<td>Hitendra Wadhwa</td>
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<tr>
<td>B7699-039 Retailing: marketing of luxury products</td>
<td>Ketty Maisonrouge (1/2 course)</td>
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<td>B7699-052 Health care marketing: from start-up to multinationals</td>
<td>Francoise Simon</td>
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<td>Francoise Simon</td>
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<tr>
<td>B7699-062 Strategy/marketing consulting skills</td>
<td>Hitendra Wadhwa</td>
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What is the course about?

The study of how marketing activities can and should be coordinated across multiple country markets.

This will include:

• The context for global marketing: cultural, economic, strategic

• The key decisions: entry, branding, pricing, product development, distribution, communications
How will we proceed?

*Lecture, class discussion, project work*

- Classroom time will be used to highlight and discuss key issues and their application
- Text will support with basics
- Case studies – most led by student teams – will demonstrate further applications of principles
- Guest speakers will bring additional real world context
- Student projects will help develop abilities to apply principles

*Grading: 20% class participation; 30% case study presentations; 50% term projects*
COURSE OBJECTIVES
To increase your understanding of the communication process
To increase your understanding of the important issues in planning and evaluating integrated marketing communications.
Help you to apply the appropriate theories and tools to plan, develop, and evaluate marketing communications
To apply your knowledge to construct a complete advertising campaign

COURSE ORGANIZATION
The course is organized around the marketing communication decisions that must be made in four main areas: communication objectives, message strategies, advertising research, and media planning. These sessions address "who, what, when, where, how, and why" types of questions. Who are the targets of the communication program? What are the objectives of the communication program? What is to be communicated? How should it be communicated? What is the impact of the communications program? Which means of communication are to be used?
Course objectives:

- Master the basic tools used in new product development.

- Gain exposure to state of the art methods and concepts that are still diffusing to the business world.

- Perfect your ability to critically analyze new ideas and tools, and assess their fit with your particular needs.
Course organization:
(For Toubia’s course)

- Lectures
- Cases
- Guest speakers
- Project meetings

There are slight differences in Kohli and Toubia. See the syllabi on the Marketing website:

www.gsb.columbia.edu/marketing/academics/emba
B7610 Strategic marketing planning
Natalie Mizik
Fall 2006, Fall 2007

Core Topics:

1. Analysis of Market Information
   hands-on experience analyzing market information with SPSS, 3 data-driven case studies

2. Marketing Strategy Formulation
   analyzing case studies, competing in MarkStrat, developing marketing strategy for a new product

3. Designing Plans for Strategy Implementation
   implementing strategy in MarkStrat, developing a marketing plan for a new product
B7610 Strategic marketing planning

Natalie Mizik
Fall 2006, Fall 2007

Course Process:

• Lectures plus a Speaker
• Marketing Analytics Tools
  in-class Exercises: 3
• Cases (traditional HBR and data-driven): 6
• MarkStrat: 7 Decisions (like cases) and 1 final report and 1 presentation to the class (group)
• Homework assignments: 5 (individual / group)
• Final Project: 1 Marketing Plan for a New Product report and 1 presentation (group)
• Objective – to develop a critical eye for marketing research

• Who is it for?
  • Consumers of marketing research
    Individuals working or seeking careers in:
      o Consulting
      o Product, service and brand management
      o Media and communication
      o Entrepreneurs
How and What You Will Learn:

• Hands-on approach
  o You will learn how to do rather than learn about something
  o Exposure and experience with marketing research tools (SPSS)
  o In class experience - analyzing real-world data, case studies
  o Group project
  o Guest speakers

• Class requirements
  o Attendance and participation
  o Four assignments
  o Group project
B7612 Managing brands, identity & experiences

Bernd Schmitt
International Seminar Fall 2006 (Sep. 17-23) and Fall 2007 (Dates TBD)

Core topics:

• Brand strategy
• Visual identity
• Experience management
• Internal branding
• Brand research
• Internet branding

www.meetschmitt.com
Course layout:

This course will take place in Munich, Germany over one week during Oktoberfest.

The curriculum will consist of a combination of lectures, guest speakers from German industry, and interactive class exercises, and will culminate with the “Oktoberfest Experience.”

Deliverables will consist of a few graded written assignments.

This is a 1.5 credit class with the option to present an independent study after the conclusion of the class worth an additional 1.5 points.
Main Focus: Launching & Marketing high-technology companies & products

(NOT about using Internet to market low-tech products)

What you learn:

- Strategy, Marketing, and Entrepreneurship in Innovative Environments
- New venture ideation and launch (hands-on projects)
- Conceptual frameworks & analytical tools (e.g., creating a B-model for a technology intensive company; analyzing tech-intensive industries)
- Insights into both emerging and established high-tech industries (e.g., robotics, biotech, software, Internet, multimedia)
Course Method:

- Cases
- Readings & current examples
- Hands-on projects (e.g., new venture proposal & VC pitch; retention exercise)
- “Real-time” cases w/ leading industry guests

Past Guest Speakers:

Peter Barrett,
*Ph.D., Senior Investment Principal, Atlas Venture [Co-Founder and former Executive Vice President & Chief Business Officer, *Celera Genomics* (NYSE: CRA)].*

Bill Campbell,
*Chairman of the Board and former CEO, *Intuit* (NASDAQ: INTU).*

Philippe Chambon,
*MD, Ph.D., Managing Director, New Leaf Venture Partners, LLC.*

Howard Morgan,
*Ph.D.; President, Arca Group Inc., Director, *idealab!*, Director, First Round Capital*

Eli Singer,
*Chief Executive Officer & Co-founder, WebCollage.*
B7640 Customer acquisition & retention

Stevens

Topics covered in the course:

• calculating customer lifetime value
• data capture and data modeling
• segmentation by customer value and behavior
• buying process analysis
• direct response communications
• customer contact management
• customer experience marketing
• marketing metrics and testing
• customer retention tactics
Course process:

- Lecture, cases, guest speakers, student presentations

- Individual assignments:
  - Lifetime value analysis
  - Data strategy paper (3-5 pages)

- Team assignments:
  - Issues presentation outline (10-15 slides)
  - “Be acquired” project paper (5-10 pp.)
B7699-037 Pricing strategies
Hitendra Wadhwa
Spring 2007

Course topics

Pricing Foundations

Customer Behavior
- Assessing customers’ price sensitivity
- Shaping customers’ perceptions of price and value

Managing Competition
- Gathering competitive intelligence
- Strategies for managing price competition
- Competitive signaling

Costing & Financial Analysis
- Which costs matter in pricing decisions
- Setting profit-maximizing prices
- How cost structures should affect pricing decisions

Negotiated Pricing
- Best practices for managing negotiated pricing situations

Advanced Pricing Strategies

Segmented Pricing
- Techniques for segmenting customers vis-à-vis pricing
- Creating “fences” to avoid cannibalization of high-margin product sales

Pricing Structures
- How customers respond to different elements of a pricing structure
- Quantity discounts, bundling, 2-part pricing and performance-based pricing

Price Bands & Pocket Price

Promotions
- Rationalizing pricing across product line and across accounts
- Designing consumer and trade promotions to achieve specific business objectives

Organization
- Institutionalizing best practices in pricing within organizations

Course will include a combination of lectures, cases, guest lectures and student presentations
Grades will be based on four areas:

1. Class participation: 20%
2. Four (4) case analyses (team): 10% each, total = 40%
3. Two (2) mini-case analyses (team): 7.5% each, total = 15%
4. Class presentation (team): 25%

TOTAL 100%

Class Presentation
- Students will form teams of 3 or 4.
- Each team will select a pricing topic to investigate.
  - Suggested topic will be provided.
  - Can focus on one of their own organizations or an external content.
- Teams will present their key findings, data and insights to class at the end of the course, drawing linkages with course concepts and tools.
1. - Introduction to the class: Marketing of Luxury Products

2. - Overview of Luxury Tabletop Industry (this topic will change next semester)
   - Panel Discussion with CEOs

3. - Importance of Luxury Brand Identity.
   - Promotion of Luxury Products.

4. - Distribution of Luxury Products.
   - Issues of counterfeiting for Luxury Products

5. - Luxury Industry in Asia
   - Family owned versus publicly traded Luxury firms (Guest Speaker: F. Kress, pres. Bulgari):
   - Review of Preliminary findings

6. Students Final Presentation - Discussion with Luxury Tabletop CEOs
Guest Speakers who came Spring 2006:
- Robert Chavez, President of Hermès USA
- Charles-Henri Cousin, President of Bernardaud USA
- Francois Kress, President of Bulgari USA
- Dale Dewey, President of Fauchon USA
- Safa Hummel, President of Lladro USA
- Victor Luis, President of Baccarat USA

Student Projects: The Future of Luxury Tabletop
In order to solve the project, students work together in four different teams. Each team’s first task will be to analyze one aspect of today’s Luxury Tabletop market in the USA:
1 - Evolution of the US Luxury Tabletop Industry
2- Consumer Behavior
3- Distribution of Luxury Tabletop in the USA
4- Luxury Bridal Tabletop Market

Then each team will come up with a creative solution to the problem

Grading Criteria:
- 10 % Class Attendance
- 10 % Students’ Peer Evaluation
- 15 % Class Participation
- 20 % Presentations to faculty during the semester
- 20 % February 16th Mid-Term Presentations
- 25 % March 16th Final Presentations
Objectives

• Present powerful models and tools to develop marketing strategies for all healthcare players (startups, Big Pharma and service providers)
• Apply these to current cases and customize them for personal business situations

Key Questions

• How is health care changing? Key success factors for startups/market leaders?
• How are consumers and physicians changing in the US and ex-US?
• Who are our competitors? How can we differentiate ourselves?
• How will personalized medicine change marketing models?
• How do we brand globally? How do we balance price and access?
• How do we communicate effectively?

Course Criteria

• Term project (30%): Team consulting assignment for startup or leading company
• Class participation (25%): Interactive format including executive guest speakers
• Case presentation (20%): Done in teams (no paper)
• Midterm exam (25%)
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<thead>
<tr>
<th>SESSION</th>
<th>TOPIC</th>
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<tbody>
<tr>
<td>1.</td>
<td>Introduction: Marketing Strategy Framework</td>
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<tr>
<td>2.</td>
<td>Industry Analysis. Case: Strategic Dealmaking at Millennium</td>
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<td>5.</td>
<td>Competitive Analysis. Case Genzyme</td>
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<td>6.</td>
<td>Marketing Nonprofits. Case: Beijing Toronto Hospital</td>
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<td>7.</td>
<td>Segmentation and Positioning. Case: Gleevec</td>
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<td>12.</td>
<td>Term Project Presentations</td>
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Course topics

**Problem-Solving**

- **Problem Definition**
  - Concretely define the scope of a strategy engagement

- **Problem Structuring**
  - Break up a complicated problem into logical pieces that can be individually addressed

- **Data Collection & Analysis**
  - Efficiently gather the right data to build a relevant fact base
  - Synthesize information to drive key conclusions

- **Recommendations Development**
  - Develop specific recommendations that provide the highest value to the client among feasible alternatives

**Communication**

- **Structuring Ideas**
  - Organize issues, facts and conclusions for maximum communication effectiveness

- **Data Collection Interviews**
  - Effectively extract information from internal and external experts

- **Presentation**
  - Present recommendations and conclusions in a persuasive manner to gain buy-in

- **Gaining Buy-in**
  - Tactics to gain the support of key constituencies

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- **Course will be taught over 4 full-day class sessions**
  - Day 1: Introduction, Problem Definition, Problem Structuring
    ---- 1 week gap between Day 1 and Days 2/3 -----
  - Day 2: Student Presentations, Data Collection/Analysis, Data Collection Interviews
  - Day 3: Recommendations Development, Structuring Ideas, Presentation, Gaining Buy In
    ---- 3-4 weeks gap between Days 2/3 and Day 4 -----
  - Day 4: Student Presentations, Course Wrap-up
Grading

1. Class Participation: 25%

2. Consulting Engagement:
   - Five (5) Engagement Reports
     each report = 5%, total = 25%
   - Presentations:
     Problem Definition & Structuring 20%
     Major Issue Resolution 10%
     Recommendations & Supporting Data/Analysis 20%

TOTAL 100%
Columbia Business School

EMBA Marketing Seminar

Group versus individual brainstorming: which one works better and why?

Professor Olivier Toubia  
Friday, May 19, 2006  
11:40-12:25  
Warren Hall Room TBA  
(EMBA students only)