

NEUROMARKETING

Course code	<i>MNG238</i>
Compulsory in the programmes	<i>Bachelor of Business Management</i>
Level of studies	<i>Undergraduate</i>
Number of credits and	<i>6 ECTS (48 contact hours + 6 consultation hours, 106 individual work hours)</i>
Course coordinator (title and name)	<i>Dr. Dalia Bagdžiūnaitė, Dovilė Daukšaitė-Andriulaitė</i>
Prerequisites	<i>Basic understanding of the Marketing subject</i>
Language of instruction	<i>English</i>

THE AIM OF THE COURSE:

This course will introduce contemporary approaches and their application to the marketing mix and design processes. The course literature will cover various topics related to consumer decision-making, attention, emotion, motivation, habit formation, and the senses, providing a deeper understanding of the underlying conscious and unconscious processes that ultimately drive consumer choices. Relevant theories will be analyzed in reflection on different marketing cases. Furthermore, neural, physiological, and behavioral measurement methods such as eye-tracking, electroencephalography, fMRI, and others will be introduced and discussed regarding their application to solving different marketing challenges. This understanding will provide a deeper insight into how brand, product design, advertising, and in-store information are processed in consumers' brains and how this knowledge can be used to inform marketing strategy.

To provide students with the fundamental knowledge of neuromarketing principles, methods, and their application to seek more effective marketing solutions.

MAPPING OF COURSE LEVEL LEARNING OUTCOMES (OBJECTIVES) WITH DEGREE LEVEL LEARNING OBJECTIVES (See Annex), ASSESSMENT AND TEACHING METHODS

Course level learning outcomes (objectives)	Degree level learning objectives (Number of LO)	Assessment methods	Teaching methods
CLO1. To understand the key concepts of neuromarketing and be able to reflect upon the role of neuromarketing in reaching marketing goals.	BLO1.1.	Lecture, discussions, self-study, group work	Exam, seminars, and group work
CLO2. To discuss processes such as attention, perception, emotion, motivation, habits, senses, and their relevance to marketing-related topics.	BLO1.1.	Lecture, discussions, self-study, group work	Exam, seminars, and group work
CLO3. To be able to reflect upon the course literature and the practical application of the neuromarketing and consumer neuroscience theories and methods to solve	BLO1.1. BLO1.2. BLO2.1	Lecture, discussions, self-study,	Exam, seminars, and group work

specific marketing challenges.		group work	
CLO4. To identify and discuss the limitations of different theoretical and methodological approaches in relation to neuromarketing.	BLO4.2.	Lecture, discussions, self-study, group work	Exam, seminars, and group work
CLO5. To identify and articulate the marketing research objectives and discuss the pros and cons of the traditional approaches in comparison to the modern research approaches to reach those objectives.	BLO1.1. BLO1.2. BLO2.1.	Lecture, discussions, self-study, group work	Exam, seminars, and group work
CLO6. To work in a team, to present work results in written or oral form, and to argue decisions.	BLO4.2. BLO 4.3.	Lecture, discussions, self-study, group work	Exam, seminars, and group work

ACADEMIC HONESTY AND INTEGRITY

The teaching and testing methods are chosen to minimize cheating opportunities. Individual tasks are assigned. Tasks rotate year by year, from student to student. The ISM regulations on academic ethics will be fully applied in the course.

COURSE OUTLINE

Topic	In-class hours	Readings
UNDERSTANDING CONSUMER DECISIONS & BEHAVIOUR		
Session 1: Introduction to Neuromarketing and Consumer Neuroscience - Introduction to the course structure, objectives, and expectations - Overview of individual and group assignments, exams, and reporting requirements Foundations of Neuromarketing - What is neuromarketing? Definition and scope - Ethical boundaries and controversies - Current and emerging trends in applied neuroscience Seminar Discussion: The value of Neuromarketing in business Decision-Making Models - Genco's decision-making model - Dual processing theory: System 1 and System 2 processes - Common cognitive biases influencing consumer behavior Seminar Discussion: Nudging consumers into action	4	See: Session 1
Session 2: Behavioral Change Models and Habit Building Product Design - Introduction to key behavioral change models - What makes a product "habit-forming"? - The Hooked Model framework - Ethical concerns Seminar Workshop: Applying the Hooked Model for habit-building products	4	See: Session 2

STUDYING CONSUMER DECISIONS & BEHAVIOUR		
Session 3: Traditional Research Methods and Research Strategy Design - Understanding the value of research in marketing at the tactical/strategic levels - Introduction to traditional research methods: attitudinal vs. behavioral approaches - Strengths and limitations of different methods - Selecting appropriate methods for marketing and consumer studies - Ethical approach Designing an Effective Research Strategy - Key considerations when defining a research strategy - Aligning research goals, methods, and data collection - Identifying and addressing research gaps Seminar Workshop: Mapping the user journey and developing a research strategy to explore identified gaps	4	See: Session 3
Session 4: Neuromarketing Research Methods - Introduction to neuromarketing and consumer neuroscience research methods - Strengths and limitations of traditional vs. neuromarketing tools - Overview of neuromarketing tools - Considerations for testing environments: laboratory, online, and real-life contexts - Integrating AI and emerging technologies in neuromarketing research Seminar Workshop: Applying neuromarketing research tools to design and test the effectiveness of product solutions or ads	4	See: Session 4
UNDERSTANDING THE CONSUMER ENGAGEMENT		
Session 5: Attention, Consciousness, and Consumer Choice - The role of attention in shaping consumer choices - Visual attention and visual saliency in marketing stimuli - Processing fluency and cognitive load - Measuring attention - Conscious vs. unconscious processing in decision-making Seminar Workshop: Evaluating good and bad product designs/ads	4	See: Session 5

Session 6: Emotions, Feelings, and Motivation to Act - Defining emotions and their role in human behavior - Key emotion dimensions: valence, arousal, and motivational relevance - How emotions influence consumer decision-making - Principles of emotional design for products, packaging, and advertising Seminar Workshop: Analyzing good and bad product designs/ads from an emotional design perspective.	4	See: Session 6
UNDERSTANDING WHAT STICKS IN CONSUMER MEMORY		
Session 7: Senses, Perception, and Sensory Marketing - Hedonic consumption and motivational conflicts in decision-making - Introduction to sensory marketing - The five senses in marketing: smell, touch, sight, hearing, and taste - Psychology of color: how consumers perceive and interpret colors - Stages of perception: exposure → attention → interpretation - How sensory cues influence consumer choice and brand experience Seminar Workshop: Designing a product campaign that effectively incorporates at least one of the five senses	4	See: Session 7
Session 8: Learning, Memory, and Consumer Engagement Learning in Consumer Behavior - Behavioral learning theories (e.g., classical and operant conditioning) - Cognitive learning theories and their applications in marketing - Gamification as a modern approach to enhancing learning and engagement Memory Processes and Marketing Implications - How the brain encodes, stores, and retrieves information - Memory systems and mechanisms of forgetting - Leveraging memory in marketing: nostalgia marketing and emotional recall Seminar Workshop: Designing a marketing campaign that uses learning principles and memory cues to enhance brand recall (e.g., gamification or nostalgia-driven campaigns)	4	See: Session 8
UNDERSTANDING THE PRICING PSYCHOLOGY		

Session 9: Neuropricing and Consumer Perception of Price - How consumers perceive and emotionally respond to price (the “pain of paying”) - Key behavioral effects in pricing: anchoring, framing, and decoy effects - Overview of different pricing strategies and their psychological impact Seminar Workshop: Designing a pricing strategy for a product or service that leverages behavioral insights	4	See: Session 9
UNDERSTANDING THE DIGITAL INFLUENCE		
Session 10: The Self, Identity, and Consumer Behavior The Self – Mind, Gender, and Body - Self-concept: understanding real vs. ideal selves - Embodied cognition and its influence on perception and behavior - The digital self and online identity expression - Gender identity and implications for gendered marketing - The body and societal ideals of beauty Personality, Lifestyles, and Values - Trait theory and key personality dimensions - How personality traits influence consumer behavior - Brand personality and consumer-brand alignment - Lifestyles, psychographics, and the construction of consumer identity - Values and their role in shaping preferences and decisions Seminar Workshop: Developing a marketing or branding strategy tailored to different self-concepts, personality traits, and consumer values.	4	See: Session 10
Session 11: Social Media Marketing and Online Consumer Behavior - The role of online social networks in shaping consumer behavior - Building and managing brand communities - E-word of mouth (eWOM) and its influence on purchase decisions - Customer loyalty and emerging trends in neuromarketing Seminar Workshop: Designing a social media campaign that leverages brand communities and eWOM to enhance engagement and loyalty.	4	See: Session 11
Session 12: Group Assignment Presentation and Feedback	4	See: Group assignment
Final exam	Total: 48 hours	Topics from sessions 1-11 included
FINAL EXAM	2	

FINAL GRADE COMPOSITION

Type of assignment	%
Group Components 40%	
Group work and presentation	40
Individual Components 60%	
Final exam	60
Total:	100

DESCRIPTION AND GRADING CRITERIA OF EACH ASSIGNMENT

GROUP WORK ASSIGNMENT

Group work assignment consists of practical tasks that are performed in out-of-class and in-class environments to strengthen skills in the theoretical material covered in the class. During the semester, each group must prepare **one** group work assignment. The size of a group is determined by the lecturer when the final group participant list is available.

The group work assignment should be submitted to the lecturer and presented in class (PPT or other presentational technique). Each group will be given a maximum of 5-10 minutes for presentation during seminar sessions. All members of the group should be involved in presentations. The cumulative weight of the group assignment is **40%**

The group assignment will consist of these parts:

1. Introduction to a problem: problem definition through neuroscience, behavioral insights (e.g., decision-making principles, user orientation), and the definition of the target group.
2. Situation analysis: application of the theories (e.g., including senses; catching attention; affecting emotions; inducing memory; building a habit, motivating action).
3. Research proposal: research approach and methods (e.g., argumentation for specific research methods, neuromarketing tools, target group, hypotheses)
4. Conclusions and neuromarketing recommendations

Criteria for the assessment:

- KPI1 – Completeness of problem presentation from a Neuromarketing and Behavioral Perspective (clear formulation of the problem, selection of target group, theoretical argumentation)
- KPI2 – Depth of situation analysis (critical use of neuromarketing theories, clear argumentation, relevant theories application for the case)
- KPI3 – Logic and completeness of the research proposal (appropriate selection of research methods, logic, and specificity of hypotheses)
- KPI4 – Depth and purposefulness of recommendations (targeted description of recommendations, clarity, relevance to the formed problem area)
- KPI5 – Originality and creativity in project presentation

Written assignments are due to the professor NO LATER than the beginning of class on the day the presentation is scheduled. Students cannot redo their homework assignments or resubmit them after the deadline. Students can indicate group mates who were not contributing to the particular assignment. In this case, the grade for the assignment for the non-contributing group mate is not entered and equals 0.

END-SEMESTER INDIVIDUAL WRITTEN FINAL EXAM

The end-of-semester individual written final exam is given to students to check on the scope (theoretical and practical) of *the course as a whole*. The exam will include all the material covered during the lectures and seminars. The cumulative weight of the Final Exam is **60%**.

The final grading for the course is calculated according to the cumulative formula as indicated in the Regulation of Studies at ISM. Negative grades (below 5) are not included in the cumulative grading system!

Students who receive a failing final grade shall have the right to **re-take the exam** during the re-sit week, which will comprise **60% of the final grade** and will include all semester material. Home assignments cannot be retaken later.

MISCELLANEOUS

The lecturer reserves the right to minor changes in the course program (for example, changing the order of topics without harm to the overall course logic). Also, the lecturer might decide to invite guest speakers – practitioners for a deeper presentation of some practical aspects of marketing. When changes in schedule/program prevail, students will be informed in advance.

READINGS

Recommended to buy: Genco, S. J., Pohlmann, A. P., & Steidl, P. (2013). *Neuromarketing for dummies*. John Wiley & Sons.

Sessions	Required readings	Supplemental readings
Session 1	Genco, S. J., Pohlmann, A. P., & Steidl, P. (2013). <i>Neuromarketing for dummies</i>. John Wiley & Sons. • Chapter 1: What Neuromarketing Is and Isn't for? • Chapter 2: What We Know Now that We Didn't Know Then? • Chapter 8: Why We Buy the Things We Buy? • Chapter 23: Ten Mistaken Beliefs about Neuromarketing Brain structure & functions tutorial (videos): • https://www.youtube.com/watch?V=kmkc8nfpati • Neuromarketing: Inside the Mind of the Consumer: • https://www.youtube.com/watch?V=zbkyv6axdc0	Phan, V. (2010). Neuromarketing: Who decides what you buy. <i>The Triple Helix</i>, 2010, 14-16. Plassmann, H., Ramsøy, T. Z., & Milosavljevic, M. (2012). Branding the brain: A critical review and outlook. <i>Journal of consumer psychology</i>, 22(1), 18-36.

Session 2	Eyal, N. (2014). <i>Hooked: How to build habit-forming products</i>. Penguin. Workbook: https://www.nirandfar.com/download/hooked-workbook.pdf How to Break Bad Habits - Hooked: How to Build Habit-Forming Products by Nir Eyal: https://www.youtube.com/watch?V=hvdn2mjpb8	Wood, W., & Neal, D. T. (2009). The habitual consumer. <i>Journal of Consumer Psychology</i>, 19(4), 579-592.
Session 3	Genco, S. J., Pohlmann, A. P., & Steidl, P. (2013). <i>Neuromarketing for dummies</i>. John Wiley & Sons. • Chapter 15: Traditional Approaches Types of User Research Methods: https://www.userinterviews.com/ux-research-field-guide-chapter/user-research-types	Nielsen Norman Group, When to Use Which User-Experience Research Methods: https://www.nngroup.com/articles/which-ux-research-methods/
Session 4	Genco, S. J., Pohlmann, A. P., & Steidl, P. (2013). <i>Neuromarketing for dummies</i>. John Wiley & Sons. • Chapter 16: Neuromarketing Measures: Listening to Signals from the Body and the Brain • Chapter 18: Picking the Right Approach for Your Research Needs • Chapter 19: Five Things You Need to Know about Neuromarketing Studies and Measures • Chapter 22: Neuromarketing Ethics, Standards, and Public Policy Implications	Ariely, D., & Berns, G. S. (2010). Neuromarketing: the hope and hype of neuroimaging in business. <i>Nature reviews neuroscience</i>, 11(4), 284-292. Noble, T. (2013). Neuroscience in practice: The definitive guide for marketers. <i>Admap</i>, 48(3), 28-45. Neurons Inc. Blog post: • Which brain measure is best: https://www.neuronsinc.com/in-sights/neuromethod-2-which-brain-measure-is-best

Session 5	Deangelus, M. & Pelz, J. (2009). <i>Top-down control of eye movements: Yabus revisited</i>, Visual Cognition, 17(6-7), pp. 790-811. Milosavljevic, M., & Cerf, M. (2008). First attention then intention: Insights from computational neuroscience of vision. <i>International Journal of advertising</i>, 27(3), 381-398. Karremans, J. C., Stroebe, W., & Claus, J. (2006). Beyond Vicary's fantasies: The impact of subliminal priming and brand choice. <i>Journal of experimental social psychology</i>, 42(6), 792-798 Top-down and bottom-up processing: https://www.youtube.com/watch?V=ajy5_p_lahq Gestalt Principles: https://www.youtube.com/watch?V=20n53kharxa	Chartrand, T. L., Huber, J., Shiv, B., & Tanner, R. J. (2008). Nonconscious goals and consumer choice. <i>Journal of Consumer Research</i>, 35(2), 189-201 Clement, J., Kristensen, T., Grønhaug, K. (2013). <i>Understanding consumers' in-store visual perception: The influence of package design features on visual attention</i>. <i>Journal of Retailing and Consumer Services</i>, 20, (234-239) Dijksterhuis, A., Smith, P. K., Van Baaren, R. B., & Wigboldus, D. H. (2005). The unconscious consumer: Effects of environment on consumer behavior. <i>Journal of consumer psychology</i>, 15(3), 193-202 Milosavljevic M., Navalpakkam V., Koch Ch., Rangel A., 2011, <i>Relative visual saliency differences induce sizable bias in consumer choice</i>. <i>Society for Consumer Psychology</i> 22, (67-74).
Session 6	Genco, S. J., Pohlmann, A. P., & Steidl, P. (2013). <i>Neuromarketing for dummies</i>. John Wiley & Sons. • Chapter 6: The Central Role of Emotions in Consumer Responses • Chapter 10: Creating Products and Packages That Please Consumers' Brains Berridge, K. C., & Robinson, T. E. (2003). Parsing reward. <i>Trends in neurosciences</i>, 26(9), 507-513.	Dolan, R., (2002). <i>Emotion, Cognition, and Behaviour</i>. <i>Neuroscience and Psychology</i>, 298 (8)., (1191-1194). Groeppel-Klein (2005), Arousal and consumer in-store behaviour. <i>Brain Research Bulletin</i> 67, (428-437).
Session 7	5 Examples of Sensory Branding in Retail – https://blog.hubspot.com/marketing/sensory-branding Behavioral science brand building - https://www.research-live.com/article/news/behavioural-science-brand-building-/id/5049912	P. Kotler. (2017). <i>Consumer Neuroscience</i>. The Mit press. • Chapter 3 – Sensation and Perception

	Dunkin' Donuts Flavor Radio - https://www.youtube.com/watch?V=v2tp-fan6u8 How Scent Can Influence Your Purchasing Habits Your Brain On Shopping Racked - https://www.youtube.com/watch?V=u6m5ud5_cba	
Session 8	Memory, explained Narrated by Emma Stone - https://www.youtube.com/watch?V=d95doh-7GHM Narrative - <u>What do we mean when we talk about storytelling in advertising?</u> How free games are designed to make money - https://www.youtube.com/watch?v=fKK9nVLvhGM	P. Kotler. (2017). <i>Consumer Neuroscience</i>. The Mit press. • Chapter 6 – Memory
Session 9	How Brands Are Influencing Your Decisions Neuromarketing Spark - https://www.youtube.com/watch?V=svpsr5xjinw&t=420s Pricing Effect: Why A Higher Price Tag Makes Wine Taste Better Why Are We All So Stupid? - https://www.youtube.com/watch?v=Wb3PsQFB3fU How Restaurants Use Psychology to Make You Spend More Money - https://www.youtube.com/watch?v=l4WzImgnP4w	P. Kotler. (2017). <i>Consumer Neuroscience</i>. The Mit press. • Chapter 11 – Pricing
Session 10	Yes, Marketing Is Still Sexist - https://www.nytimes.com/2021/08/26/us/marketing-industry-sexism-brandsplaining.html How Fashion Affects Your Brain ELLE- https://www.youtube.com/watch?v=zqaM7bQFFic Gendered marketing - https://www.youtube.com/watch?v=3JDmb_f3E2c&t=173s	M.R. Solomon (2018). <i>Consumer Behavior: Buying, Having and Being</i>. 12th edition. Pearson. • Chapter 6: The self: mind, gender, and body • Chapter 7: Personality, Lifestyles, and Values
Session 11	Genco, S. J., Pohlmann, A. P., & Steidl, P. (2013). <i>Neuromarketing for dummies</i>. John Wiley & Sons. • Chapter 13: When Consumers' Brains Go Online	P. Kotler. (2017). <i>Consumer Neuroscience</i>. The Mit press. • Chapter 12 – Social Marketing

EXTRA: **Neuromarketing Books: The Ultimate Reading List –**

<https://www.neurosciencemarketing.com/blog/articles/neuromarketing-books-reading-list.htm>

ANNEX

DEGREE LEVEL LEARNING OBJECTIVES

Learning objectives for the Bachelor of Business Management

Programmes:

*International Business and Communication,
Business Management and Marketing,
Finance,
Industrial Technology Management,
Entrepreneurship and Innovation*

Learning Goals	Learning Objectives
Students will be critical thinkers	BLO1.1. Students will be able to understand core concepts and methods in the business disciplines
	BLO1.2. Students will be able to conduct a contextual analysis to identify a problem associated with their discipline, to generate managerial options and propose viable solutions
Students will be socially responsible in their related discipline	BLO2.1. Students will be knowledgeable about ethics and social responsibility
Students will be technology agile	BLO3.1. Students will demonstrate proficiency in common business software packages
	BLO3.2. Students will be able to make decisions using appropriate IT tools
Students will be effective communicators	BLO4.1. Students will be able to communicate reasonably in different settings according to target audience tasks and situations
	BLO4.2. Students will be able to convey their ideas effectively through an oral presentation
	BLO4.3. Students will be able to convey their ideas effectively in a written paper

Learning objectives for the Bachelor of Social Science

Programmes:

*Economics and Data Analytics,
Economics and Politics*

Learning Goals	Learning Objectives
Students will be critical thinkers	ELO1.1. Students will be able to understand core concepts and methods in the key economics disciplines
	ELO1.2. Students will be able to identify underlying assumptions and logical consistency of causal statements
Students will have skills to employ economic thought for the common good	ELO2.1. Students will have a keen sense of ethical criteria for practical problem-solving
Students will be technology agile	ELO3.1. Students will demonstrate proficiency in common business software packages
	ELO3.2. Students will be able to make decisions using appropriate IT tools
Students will be effective communicators	ELO4.1. Students will be able to communicate reasonably in different settings according to target audience tasks and situations
	ELO4.2. Students will be able to convey their ideas effectively through an oral presentation
	ELO4.3. Students will be able to convey their ideas effectively in a written paper