Consumer Behavior: “Glocalization in Latin America”
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Professor:

Claudio Darin
cdarin@udesa.edu.ar

Coordinator and member of the Academic Committee of the BA in Business Administration, and Marketing Professor at San Andrés Management and Business School.

Claudio Darín holds an MBA from ESIC Business School in Spain for which he received a scholarship awarded by the Fundación Carolina. He is PhD candidate in Higher Education at the Universidad de Palermo – UNESCO Chair in Buenos Aires and has two separate BA degrees in Administration and Accounting from Universidad de Buenos Aires (both Cum Laude).

He is an experienced executive with an international background in several industries, both in product and service markets. He has a deep knowledge of new technologies and digital marketing as well as field experience in Latin America focused on business analysis and development, sales distribution, new product introduction, marketing research, integrated marketing communications and branding strategies.

1 The term Glocal is characterized by both local and global considerations.
Content Overview

Consumer behavior has become one of the main topics in marketing as a critical driver of business growth and innovation. Understanding how consumers build value and how this process causes willingness to pay and differentiation from the competition (thus creating a unique positioning) is one of the main topics of this course. Models and frameworks to understand the way people and organizations make decisions and behave in different situations will be analyzed from a practical viewpoint, with a clear focus on Latin America and its particularities. The integration of customer understanding into the broader focus of marketing strategy will be discussed as will be the link to business development. The latest trends in Market Research and customer insights will be presented to deliver a complete vision of the practice today. In a broader sense, the economic, social and political background particular to Latin America will be explored in order to draw a complex picture of the business and organizational environment which customers and corporations share.

Objectives

• Present the core concepts of consumer behavior in a Latin American context;
• Develop an understanding of the processes that shape consumer cognition, perception and purchase behavior;
• Offer a practical view through cases from Latin America that showcase the concepts provided during the course;
• Understand the Marketing Research methods that can help the generation of insights to drive business growth and innovation;
• Understand the social, economic and political processes that are shaping consumer behavior in Latin America today and the years to come.

By the last class, participants will understand how and why consumers process information, make decisions, construct meaning and create social systems around consumption symbols and branded goods.

In summary, the aim of this course is to enable students to have a better understanding of the ways in which consumers differ in Latin America and the ways in which their behavior is similar to people in developed countries, to allow organizations to profit from both when doing business in the region.
Methodology

Each class will be open and participative, welcoming the views and opinions of the participants. This course applies the active learning model in which all students are active participants. It provides a balance between theory and practice, in terms of time and intensity. Every class will be based on the idea of involved, explorative learning in an open classroom environment. It deploys a mixture of lectures, presentations, debates, group work, discussions, and performances. Examples will be offered to show how the different concepts and frameworks apply to real consumer situations in Latin America. Cases will also be used and will have to be prepared in advance to move the discussion forward. Finally, academic readings, research papers, market research studies and articles from the press will be used to offer vivid examples of each situation. Guests will also take part of the classes, so that participants have the chance to be exposed to the views of real people doing real business in the country.

Final grades will be based on participation in discussion (30 %), a field work in groups (20%), and a final exam (50 %) to be taken during the last class of the course.

Class Attendance is mandatory. More than one absence will affect the student’s class participation grade. Students with 3 or more unjustified absences by the end of the class will have an F in their class participation grade.

Course Contents

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<td>Introduction: what has Consumer Behavior to do with my business?</td>
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This session introduces students to the strategic roots of Consumer Behavior. How Consumer Behavior shapes innovation and differentiation and why all leaders in business are discussing customer-centricity.

Required readings:

2 Cognition and Perception: how do we shape our attitudes and beliefs?

This session offers a framework to understand how we perceive the context and how we construct our view of the world, which in turn drives consumption choices. Today, consumer insights are driving research efforts, and neuroscience is showing the strategic role of emotions when we purchase.

**Required readings:**
2. “Understanding the Irrational Customer” by Dan Ariely.

3 Urban C Class in Latin America: the new driver of consumption

This class will be focused on some crucial issues regarding social changes which occurred in the last 15 years in Latin America (and in other parts of the world as well). A new segment with renewed purchasing power is entering mainstream consumption allowing for growth and new revenue streams for companies.

**Required readings:**
2. Article WSJ: “Middle Class Brazil Lifts Voice”.
3. Case: “Arcos Dorados: how to lead and from where” (114059-PDF-ENG).

4 Base of the Pyramid: examples from the field

During this class we will discuss nontraditional challenges that companies are facing when trying to serve the almost 400 hundred million people that live with less than 3 dollars in Latin America. Creativity, innovation and different business models are showing that markets can thrive in this environment which has long been disregarded.
Required readings:
1. The Next 4 Billion – Executive Summary.

5 Retailing and new formats

New formats in retail are growing in Latin America that move beyond the traditional hypermarket and shopping centers from the past. Convenience and smart buying and digital are setting the agenda inretailing in the region.

Required readings:
1. Case: Magazine Luiza: Courting the Poor in Brazil. (606048-PDF-ENG)

6 Digital Shopper: integrating off and online in a single experience

This unit offers a framework to understand customer experience with brands and purchasing behavior when consumers choose different channels with no established pattern of behavior. Omnichannel and multichannel integration (pre, in, and post-store experience) are the discussion of the day.

Required readings:
2. ZMOT: Why it matters more than ever.

7 E-Commerce: when the customer comes to you online

This session will show how the leaders in several categories that are seeing an impressive growth in digital purchases are profiting from the changing pattern of behavior of online customers and the ubiquity of digital.
Required readings:
1. Nielsen Global E-Commerce Report: Evolution or Revolution?
2. Case: MercadoLibre (IB105-PDF-ENG)

8 Corporate and Enterprise behavior in Latin America.

This unit examines how companies make decisions and shape their choices in Latin America. The discussion focuses on how the decision making processes have changed as the role of these companies has shifted from a peripheral one to the Multilatinas that succeed today.

Required readings:
1. Internationalization Patterns of Multilatinas (Castro Olaya et al.)
2. Case: Globant (811059-PDF-ENG).

9 Individual Exam (based in a business case)

Required readings:
Case: Netshoes (TB0353-PDF-ENG).

10 Examination debrief and course ending discussion.

Bibliography (optional)