

Nudge Marketing

16 contact hours / 2 ECTS credits

Overview

In the past few years, seminal work in behavioral economics have discussed the “nudge” approach, seeking to design effective actions aimed at encouraging behavioral change in terms of health, wealth, happiness, etc. These changes may concern the benefit of the individuals themselves, or the wider community.

With a famous example, Thaler and Sustein (2008) illustrate a simple nudge that intends to get men stop peeing on the floor: “As all women who have ever shared a toilet with a man can attest, men can be especially spacey when it comes to their, er, aim. In the privacy of a home, that may be a mere annoyance. But, in a busy airport restroom used by throngs of travelers each day, the unpleasant effects of bad aim can add up rather quickly. Enter an ingenious economist who worked for Schiphol International Airport in Amsterdam. His idea was to etch an image of a black house fly onto the bowls of the airport’s urinals, just to the left of the drain. The result: Spillage declined 80 percent. It turns out that, if you give men a target, they can’t help but aim at it.”



In this course, we will cover nudges in a broad range of areas such as tax payment, energy saving, green consumption, health choices, working performance, education and poverty.

We will focus on learning from theory and practice in order to better understand how to be more successful in changing people’s behavior.

Objectives

- Learn from theory (behavioral economics) and practice (existing cases and studies)
- Propose general findings aimed at identifying the key factors for success
- Suggest action plans for effective & innovative change

Course content

The course structure will follow Singler's (2015) book:

- Brief history of the nudge revolution
- Nudge theory: from rationality to behavioral economics
- Nudge practice: applications to public policies
- Nudge future: strategy and method for creating effective change

Course design

This course will deal with lectures as well as case studies. We will encourage interactivity during lectures and in-class exercises. Moreover, case studies will be prepared by teams of 4 students. A case preparation will imply a short oral presentation of the case results and recommendation.

Prerequisites

Students are not required to have taken preliminary courses in marketing or behavioral economics.

Course Assessment

The assessment system for this course is structured according to the following framework:

- 60% individual and team assignments
- 40% participation

Advanced reading

Richard Thaler & Cass Sunstein (2008). *Nudge: Improving Decisions about Health, Wealth and Happiness*, Yale University Press.

Eric Singler (2015). *Nudge Marketing: Winning at Behavioral Change*, Pearson Education.