

# INTRODUCTION TO BRAIN SCIENCE FOR BUSINESS

MKTG 237/737, Spring 2019 Q3

The Wharton School, University of Pennsylvania

## COURSE SYLLABUS

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**Instructor:** Michael L. Platt

office: 745 Jon M. Huntsman Hall

phone: (919) 280-8876

email: [mplatt@wharton.upenn.edu](mailto:mplatt@wharton.upenn.edu)

**Office hours:** by appointment

### Overview

Can brain science help business? At first blush, this might seem like a bridge too far. After all, the efficiencies of the market virtually guarantee accurate asset pricing, marketing research and focus groups can test the efficacy of advertising, effective leadership can stimulate innovation and productivity, and sophisticated analytics can leverage big data to improve organizational structure to maximize return on investment. A deeper look, however, provokes the idea that brain science has enormous potential to inform business. We now know the basic architecture of the decision process in the human brain, from identification of choice options, to the calculation of their utility, to selecting one for consumption, and learning from this experience. We are also beginning to understand how fundamental economic principles like risk, ambiguity, and volatility shape these processes, and why these factors seem to influence different people in different ways and in different choice contexts. Importantly, neuroscience provides a powerful tool for understanding the private reasons, such as emotional responses or the influence of others, people make the choices they do- reasons they themselves may not be aware of or even understand. Brain science offers the potential to unlock the mechanisms underlying what many people consider to be the keys to the future of business, including creativity and innovation, empathy and connecting with others, social awareness and the common good, how people use information to guide decision making, and the experience and impact of online vs. live interaction and pedagogy. New developments, including biometrics, implantable and wearable brain interfaces, genomics, proteomics, metabolomics, and the human microbiome, offer the opportunity for enhanced precision not only in marketing and finance, but also in the talent identification and the development of full human potential.

### Goals:

This course will provide an overview of contemporary brain science and its applications to business. Students first will be introduced to the basic anatomy and physiology of the brain and become familiar with important techniques for measuring brain function. The course will then survey major findings in neuroscience with applications to business, including selective attention and advertising; valuation and marketing; decision making and the tyranny of choice; learning, innovation and creativity; and social influence, team-building, and leadership. The course will end with a discussion of ethics, brain-machine interactions, and artificial intelligence.

**Format:**

The course will meet twice weekly. Generally, the first half of each class will be an interactive lecture, followed by demonstrations and discussion.

**Requirements:**

Evaluations will be based on two take-home quizzes (25% each) and a team-based poster-presentation of a “pitch” applying brain science to business (50%).

**Readings:**

There is one required text for the course, “Neuroscience” edited by Purves et al., 2017, Sinauer Press (henceforth NS), Unit V as a downloadable e-book. There are also a number of additional readings, including primary scientific articles and popular media, which will be posted on Canvas.

**Academic Integrity:**

Please re-familiarize yourself with the students’ guide to Academic Integrity at Penn (<http://www.upenn.edu/academicintegrity/index.html>) and the Code of Academic Integrity: ([http://www.upenn.edu/academicintegrity/ai\\_codeofacademicintegrity.html](http://www.upenn.edu/academicintegrity/ai_codeofacademicintegrity.html)).

You may and are encouraged to discuss class topics with other students in the class. However, your individual and group assignments, responses, and contributions to class are to be your own original work and must truthfully represent the time and effort you apply.

Consult with the instructor if you have any questions about academic integrity expectations for this class. If you are unsure whether your work constitutes a violation of the Code of Academic Integrity, it is your responsibility to clarify any ambiguities.

**Policies:**

*Use of Electronics:* To help promote learning, retention, and engagement with the course, all phones, tablets, computers, and other electronics for all classes must be turned off and put away out of sight during the entire session (unless you are instructed to do otherwise). This policy will be strictly enforced.

*Accommodations:* The University of Pennsylvania provides reasonable accommodations to students with disabilities who have self-identified and been approved by the office of [Student Disabilities Services](#)(SDS). If you have not yet contacted SDS, and would like to request accommodations or have questions, you can make an appointment by calling SDS 215-573-9235. The office is located in the [Weingarten Learning Resources Center](#) at Stouffer Commons 3702 Spruce Street, Suite 300. All services are confidential.

**Course Schedule (1/17/19 - 3/14/19)**

Thursday	Tuesday
<b>Introduction</b> <b>1/17/19</b>	<b>What brains look like and how they work</b> <b>1/22/19</b>
<p>TOPICS: Overview of the history of neuroscience, evolutionary psychology, and neuroeconomics</p> <p>READINGS: NS, Chapter 1; Glimcher</p>	<p>TOPICS: Introduction to brain anatomy; neurons, synapses, and circuits; neurotransmitters; in-class anatomy and physiology demos</p> <p>READINGS: NS, Chapters 27 and Appendix "Survey of Human Neuroanatomy"</p>
<b>Measurement and manipulation</b> <b>1/24/19</b>	<b>Evidence, value, and the tyranny of choice</b> <b>1/29/19</b>
<p>TOPICS: Brain imaging, EEG, animal models, pharmacology, eye-tracking, pupillometry, brain stimulation, optogenetics; in-class demos and discussion of applications to business</p> <p>READINGS: NS, Chapter 1</p>	<p>TOPICS: Evidence accumulation, value scaling, divisive normalization, and the physiological basis of choice overload</p> <p>READINGS: Gold and Shadlen, Louie and Glimcher</p>
<b>Vision, attention, and advertising</b> <b>1/31/19</b>	<b>Learning, valuation, and consumption</b> <b>2/5/19</b>
<p>TOPICS: The visual system, salience, attention, and eye movements; effects of attention on evidence accumulation; applications to ad development, product design, and user experience; in-class demos and discussion</p> <p>READINGS: NS Chapter 29</p>	<p>TOPICS: Reinforcement learning, dopamine, serotonin, valuation, and the drive to consume</p> <p>READINGS: NS, Chapter ??; Otto et al. 2016</p> <p>TAKE HOME QUIZ 1</p>
<b>Invited Speaker Carl Marci, Nielsen Inc.</b> <b>2/7/19</b>	<b>The physiology of preferences. Using brain data to predict market behavior</b> <b>2/12/19</b>
<p>TOPICS: Leveraging Neuroscience for Marketing in the Age of Distraction</p> <p>READINGS: None.</p>	<p>TOPICS: Subjective preferences, internal states, functional localization of brand preferences and marketing actions. Neuroscience as a tool for out of sample predictions of market level behavior.</p> <p>READINGS: NS, Chapter 32; Genevsky and Knutson, 2016; Boksem and Smidts, 2015; Falk et al., 2016; Cerf et al. 2016</p>
<b>Innovation, exploration, and the brain</b> <b>2/14/19</b>	<b>Neuroscience and Whealthcare</b> <b>2/19/19</b>
<p>TOPICS: The default mode network, norepinephrine, exploration, and creativity; promoting innovation in the brain and in organizational structure</p> <p>READINGS: Pearson et al 2014; Barack and Platt, 2017; Hills XXXX</p>	<p>TOPICS: Variation in cognition, financial decision-making, and associated brain circuitry across individuals and across the lifespan. Implications for wealth management and the potential use of financial behavior in detection and diagnosis of underlying mental and neurological disorders.</p> <p>READINGS: Kable et al. 2018; NEFE executive summary; Ramakrishnan et al. in prep</p>

<p><b>The “social brain”, team-building, brand loyalty, theory of mind, strategy, markets</b> 2/21/19</p>	<p><b>Building brand equity through neuroscience</b> 2/26/19</p>
<p><b>TOPICS:</b> The social brain, social networks, social hierarchy, plasticity, social hormones. Social cognition and contagion, the “mind in the market.”</p> <p><b>READINGS:</b> Tremblay et al., 2017; Yoon et al. 2006; Smith et al. 2013; Hutten and Platt in prep; <b>MORE HERE</b></p>	<p><b>TOPICS:</b> Brand equity, Using neuroscience tools to understand brand equity, brand recall, brand loyalty, and brand extension. Discussion of the use of these tools to improve marketing.</p> <p><b>READINGS:</b> Sheng and Platt, 1, 2, and 3</p> <p><b>TAKE HOME QUIZ 2</b></p>
<p><b>Ethical, legal, and society implications (ELSI) of applied neuroscience in business</b> 2/28/19</p>	<p><b>Group poster session preparation</b> 3/12/19</p>
<p><b>TOPICS:</b> Ethical, legal, and societal implications of neuroscience applications to business; wearables, implantables and brain-machine interface; individual variation and human capital; artificial intelligence; personality and targeted advertising</p> <p><b>READINGS:</b> Robertson et al. 2016; Prehn et al. 2015</p>	<p><b>TOPICS:</b> Student teams will have this time to work together to finalize their poster presentations.</p> <p><b>READINGS:</b> None</p>
<p><b>Poster session: Pitching brain-to-business applications</b> 3/14/19</p>	
<p><b>TOPICS:</b> A festive poster session will conclude the course. Student teams will pitch their idea for a brain-to-business application.</p> <p><b>READINGS:</b> None</p>	