



MKT 7230 (A01) (3.0 CH)
CONSUMER BEHAVIOUR
Fall 2008

INSTRUCTOR

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COURSE DESCRIPTION

Intensive study of consumer behaviour as it relates to the marketing function.

Contemporary approaches to business emphasize the importance of adopting a consumer focus. Marketing, in particular, begins and ends with the consumer – from determining consumer needs to providing consumer satisfaction. The primary goal of this course is to enhance your understanding of consumer behaviour. Of course, the ultimate goal is for you to develop effective marketing techniques. By the end of the term, you should have learned quite a bit about consumer psychology as well as its relevance for marketing researchers and managers.

Understanding how consumers will behave helps marketers anticipate reactions to changes in the marketing mix, or to the adoption of new products. While many students feel like they already have good intuition about the psychology of consumers, it is clear that people do not always behave in the way we might guess. In fact, there are often differences between the beliefs consumers have about their own behaviour and what they actually do in the marketplace. For instance, when asked, a consumer might say that Tide is the best buy, but this same customer may actually purchase a different detergent. Indeed, consumer behaviour tends to be significantly more complicated than our intuition might suggest. Given the same purchase situation, different consumers behave differently; the same consumer can make very different decisions on separate occasions. Only by systematically examining the attitudes, beliefs, motives, and decisions that comprise consumer behaviour can we hope to have an accurate understanding of our target consumers. This information can then be used to help guide the kinds of decisions that marketing managers must make on a daily basis.

This course begins by looking at the consumer on an individual level, through an examination of the internal components of consumer behaviour. This includes consumer perceptions, motivation, attitudes, and decision-making. Topics addressed later in the course will focus on the interdependent aspects of consumer behaviour by examining its social and cultural context, including the influence of group members on decision-making and perception, differences between sub-cultures within North America, and the adoption and diffusion of culture.

LEARNING OUTCOMES

The following outcomes are expected on course completion:

- Exposure to the main perspectives on consumer research within the field of marketing.
- Ability to integrate consumer theories and understand their inter-relationships with each other within the overarching consumer research framework.
- Ability to apply consumer theories within real life marketplace settings.
- Understanding the main methods of conducting consumer research
- Understanding the relevance of consumer psychology within strategic decision making.
- Understanding of the fundamental difference between labeling people as ‘consumers’ as opposed to mere ‘customers’.

COURSE MATERIALS

Readings that include: case studies, magazine articles, journal articles, book chapters, etc. will be distributed in class, and 2 copies will be kept on reserve in the library at the Drake Centre. Some of these readings are required. These required readings must be read before class in order to facilitate in-class activities. Other readings are additional/suggested and are intended to provide further knowledge on specific topics.

Please read the required articles listed for October 1st in order to be prepared for our first class.

LEARNING ASSESSMENT

Student progress will be assessed through:

Class participation:	25%
Thought papers (4):	40%
Term paper:	35%

Class Participation/Assignments

We all bring experience and knowledge into the classroom, and I expect all class participants to share this and benefit by it. For effective class participation you need to have read the assigned materials **before** the class session. Effective class participation includes 1) asking questions about concepts from lectures or readings that you agree or disagree with; 2) sharing your experience or point of view with the class; 3) building on points raised by others; 4) clarifying issues or 5) relating topics discussed to previous class discussions. Direct student-student interaction is encouraged. Such interaction should be both positive and courteous even when your opinions differ. Class attendance is important. Regular and punctual attendance is a necessary but not sufficient criterion for good class participation grades.

You should also submit a 4”×5” index card that includes a passport size photo, your name, e-mail address and a contact phone number. You should also include a short statement that describes your marketing experience and what your future plans and goals are. I will use this card to keep track of your class participation grade so please get it to me as soon as possible.

During the term, a number of individual and group assignments will be given in class. These assignments include practice exercises, case analysis, and research problems. The assignments will facilitate understanding of course material and provide opportunity for participation.

Thought Papers

Each week I have assigned readings that relate to the assigned class topic. Over the course of the term you are required to complete 4 separate thought papers (4 weeks out of 10) that relate to the assigned readings. Thought papers are to be a maximum of 3 double-spaced pages and should deal with one or more of the assigned readings. A thought paper can be a written critique of an article, an expansion on the ideas related in an article, an application of the ideas expressed in an article to an industry problem, etc. Thought papers will be evaluated according to the following criteria: logical development of thoughts and ideas, originality, and quality of the writing.

Term Paper

The term paper should be completed individually. The term paper topic should be selected by early to mid-November, in consultation with the instructor. All projects must be initiated and completed exclusively for this course, and they must be directly relevant to the study of consumer behaviour. Several approaches are appropriate. You may choose any of the following, or you may suggest one of your own, in which case you should discuss it with me first to make sure it will be acceptable and realistic.

Library Paper – A topic that was raised in the readings or the lectures may catch your interest and you may wish to know more about it. This approach involves going to the library and finding other books and academic research reports on the subject, distilling the information, developing your own ideas, and reporting your findings. Sample topics may include, but are not limited to: demographic factors in promotion, the importance of colour in advertising, ethics and consumer behaviour, classical conditioning and marketing, social marketing, etc.

Case Study – Two different kinds of case studies are acceptable for this course. First, you may choose an interesting problem or opportunity that has been encountered by a firm or industry, such as the New Coke disaster or the disappearance of the LP and its effect on the recording industry. Information for a case of this type may be obtained from trade journals, newspapers, business magazines, and sometimes from previously prepared cases; all of which are available in the library. The second kind of case study involves a focused investigation of a single firm. Usually, a local firm is chosen, managers are interviewed, the industry as a whole is researched, etc. For both approaches it is important to focus the case study on consumer behaviour, bringing theoretical issues and insights into the analysis.

Original Research – You may want to conduct original research to investigate a theoretical or practical problem. This will involve defining the problem, designing the research, collecting data, analyzing it, and reporting your findings and conclusions. This approach is not recommended unless you have research experience and the necessary skills.

Term papers will be evaluated according to the following criteria: careful and complete research, logical development of conclusions and implications, originality, and quality of the written report. The final report should not exceed 20, double-spaced, and typed pages of text. This page limit does not include the title page, executive summary, table of contents, references, and appendix materials. The final report is due at noon on December 10th. Late papers will not be accepted.

Final grades will be assigned as follows:

Cumulative Marks	Grade	GPA	Performance
90-100	A+	4.5	Excellent
80-89	A	4.0	Very Good
76-79	B+	3.5	Good
70-75	B	3.0	Satisfactory
66-69	C+	2.5	Marginal
60-65	C	2.0	Unsatisfactory
50-59	D	1.0	Unsatisfactory
Below 50	F	0.0	Unsatisfactory

DISABLED STUDENTS

Students are encouraged to contact Disability Services at 474-6213 or the instructor should special arrangements need to be made to meet course requirements.

COURSE CONDUCT

Hardcopies of required and suggested readings for each class will be handed out a week ahead of time during the preceding class. Two copies of these readings will be kept on reserve in the library at the Drake Centre. Handouts of class lectures will be handed out at the start of each class and will also be posted online.

Readings for the **first day of class** are being emailed to you and put on reserve in the library. If you wish to have hard copies please pick them up from outside my office.

COURSE SCHEDULE

Required and suggested readings are listed below. You will be informed before-hand if readings listed here are modified.

Date	Topic
Oct 1	<ul style="list-style-type: none"> ▪ <u>Course Overview</u> ▪ Understanding Consumer Behaviour ▪ The Dark Side of Consumption <p><u>Required Readings:</u></p> <ol style="list-style-type: none"> (1) Holbrook, Morris B. (1987), “What is Consumer Research?” <i>Journal of Consumer Research</i>, 14 (June), pp. 128-132. (2) Wilkie, William L., Dennis L. McNeill, and Michael B. Mazis (1984), “Marketing’s “Scarlet Letter”: The Theory and Practice of Corrective Advertising,” <i>Journal of Marketing</i>, 48, 11-31. (3) Klingbeil, Abigail (2003), “Pepsi Cola Learns Lessons from Pepsi Blue.” (4) Carmichael, Mary (2006), “Neuromarketing: Is It Coming to a Lab Near You?” accessed from: http://www.pbs.org/wgbh/pages/frontline/shows/persuaders/etc/neuro.html <p><u>Suggested Reading:</u></p> <ol style="list-style-type: none"> (5) Mazis, Michael B. (2001), “FTC v. Novartis: The Return of Corrective Advertising?” <i>Journal of Public Policy and Marketing</i>, 20 (1), 114-122.
Oct 8	<ul style="list-style-type: none"> ▪ Data Collection Techniques for Consumer Research <p><u>Required Readings:</u></p> <ol style="list-style-type: none"> (1) Hoyer, Wayne D. and Deborah J. MacInnis (2007), “Developing and Using Information about Consumer Behaviour,” in <i>Consumer Behaviour</i>, Fourth Edition, 21- 36, Houghton Mifflin: New York, NY. (2) Boston Fights Drugs (A) and (B) – <i>Harvard Business Case</i> <p><u>Suggested Reading:</u></p> <ol style="list-style-type: none"> (3) Peacock, Peter R. (1998), “Data Mining in Marketing: Part 1,” <i>Marketing Management</i>, 6 (4), 8-18.
Oct 15	<ul style="list-style-type: none"> ▪ Motivation, Ability and Opportunity ▪ Values <p><u>Required Readings:</u></p> <ol style="list-style-type: none"> (1) Maslow, Abraham H. (1970), “A Theory of Human Motivation,” <i>Motivation and Personality</i>, 2nd Edition, New York, NY: Harper and Row, 35-58. (2) Bruch, Heike and Frank Walter (2005), “The Keys to Rethinking Corporate Philanthropy,” <i>Sloan Management Review</i>, 47 (1), 49-55. (3) Wechsler, Pat (1997), “This Lesson Is Brought to You by...; Corporations are Flooding Schools with Teaching Aids and Propaganda Galore,” <i>Business Week</i>, June 30, Iss. 3533, pp 68.

Oct 22	<ul style="list-style-type: none"> ▪ Exposure, Attention, Perception ▪ Brand Positioning <p><u>Required Readings:</u></p> <ol style="list-style-type: none"> (1) Key, Wilson Bryan (1973), "The Language within a Language," <i>Subliminal Seduction</i>, Engelwood Cliffs, NJ: Prentice Hall, 11-38. (2) Wansink, Brian (2003), "Bottoms Up! The Influence of Elongation on Pouring and Consumption Volume," <i>Journal of Consumer Research</i>, 30 (3), 455-463. (3) Peters, Jeremy W. (2007), "In Small Packages, Fewer Calories and More Profit," the <i>New York Times</i>, July 7. (4) Jana, Reena (2006), "The Revenge of the Generic," <i>Business Week</i>, December 27.
Oct 29	<ul style="list-style-type: none"> ▪ Attitude Formation and Change <p><u>Required Readings:</u></p> <ol style="list-style-type: none"> (1) Friestad, Marian and Peter Wright (1994), "The Persuasion Knowledge Model: How People Cope with Persuasion Attempts," <i>Journal of Consumer Research</i>, 21 (1), 1-31. (2) Pechmann, Cornelia and Ellen T. Reibling (2006), "Antismoking Advertisements for Youths: An Independent Evaluation of Health, Counter-Industry, and Industry Approaches," <i>American Journal of Public Health</i>, 96 (5), 906-913.
Nov 5	<ul style="list-style-type: none"> ▪ Information Search and Decision Making ▪ Signals of Product Quality <p><u>Required Readings:</u></p> <ol style="list-style-type: none"> (1) Simonson, Itamar (1993), "Get Closer to Your Customers by Understanding How They Make Choices," <i>California Management Review</i>, Summer, 68-84. (2) Rao, Akshay R. and Robert W. Ruekert (1994), "Brand Alliances as Signals of Product Quality," <i>Sloan Management Review</i>, 36 (1), 87-97.
Nov 12	<ul style="list-style-type: none"> ▪ Purchase and Post-decision Processes ▪ Service Quality Perceptions ▪ Retail Environment <p><u>Required Readings:</u></p> <ol style="list-style-type: none"> (1) Parasuraman, A., Leonard L. Berry, and Valarie Zeithaml (1991), "Understanding Customer Expectations of Service," <i>Sloan Management Review</i>, 32 (3), 39-48. (2) Service Quality: SERVQUAL Scale handout.

Nov 19	<ul style="list-style-type: none"> ▪ The Self ▪ Psychographics: Values/Personality/Lifestyle <p><u>Required Readings:</u></p> <ol style="list-style-type: none"> (1) Capizzi, Michael T. and Rick Ferguson (2005), “Loyalty Trends for the Twenty-First Century,” the <i>Journal of Consumer Marketing</i>, 22 (2/3), 72-80. (2) Sharkey, Joe (2006), “Will Better In-Flight Movies Buy Brand Loyalty?” the <i>New York Times</i>, July 25. (3) A Case for Brand Loyalty – <i>Harvard Business Case</i> (4) Bhatnagar, Namita, Kiersten Maryott, and David Bejou (2007), “Customer Selection and Prioritization: The Optimal Resource Allocation Approach to Maximizing Customer Value,” <i>Journal of Relationship Marketing</i>, Forthcoming.
Nov 26	<ul style="list-style-type: none"> ▪ Social Influences and Reference Groups ▪ Social Class <p><u>Required Readings:</u></p> <ol style="list-style-type: none"> (1) Muniz Jr., Albert M. and Thomas C. O’Guinn (2001), Brand Community,” <i>Journal of Consumer Research</i>, 27 (4), 412-432. (2) Kwan, Andy C. C. and John A. Cotsomitis (2006), “The Usefulness of Consumer Confidence in Forecasting Household Spending in Canada: A National and Regional Analysis,” <i>Economic Inquiry</i>, 44 (1), 185-197. (3) Gross, Daniel (2006), “To Chav and Chav Not: Can Burberry Save Itself from the Tacky British Yobs Who Love It?” accessed from: http://www.slate.com/toolbar.aspx?action=print&id=2145165 on 13 July 2006.
Dec 3	<ul style="list-style-type: none"> ▪ Symbolic Consumption ▪ Adoption of, Resistance to, and Diffusion of Innovations <p><u>Required Readings:</u></p> <ol style="list-style-type: none"> (1) Rust, Roland T., Debora Viana Thompson, and Rebecca W. Hamilton (2006), “Defeating Feature Fatigue,” <i>Harvard Business Review</i>, February, 98-107. (2) Hanson, Ward A. and Daniel S. Putler (1996), “Hits and Misses: Herd Behavior and Online product Popularity,” <i>Marketing Letters</i>, 7 (4), 297-305.
Dec 10 – noon	Term papers due

Notes:

1. All readings will be available in the library for your reference.
2. Readings may be modified as necessary.



ACADEMIC INTEGRITY

I.H. Asper School of Business—Faculty of Management, The University of Manitoba

It is critical to the reputation of the I. H. Asper School of Business and of our degrees that everyone associated with our faculty behaves with the highest academic integrity. As the faculty that helps create business and government leaders, we have a special obligation to ensure that our ethical standards are beyond reproach. Any dishonesty in our academic transactions violates this trust. The University of Manitoba Graduate Calendar addresses the issue of academic dishonesty under the heading “Plagiarism and Cheating.” Specifically, acts of academic dishonesty include, but are not limited to:

- using the exact words of a published or unpublished author without quotation marks and without referencing the source of these words
- duplicating a table, graph or diagram, in whole or in part, without referencing the source
- paraphrasing the conceptual framework, research design, interpretation, or any other ideas of another person, whether written or verbal (e.g., personal communications, ideas from a verbal presentation) without referencing the source
- copying the answers of another student in any test, examination, or take-home assignment
- providing answers to another student in any test, examination, or take-home assignment
- taking any unauthorized materials into an examination or term test (crib notes)
- impersonating another student or allowing another person to impersonate oneself for the purpose of submitting academic work or writing any test or examination
- stealing or mutilating library materials
- accessing tests prior to the time and date of the sitting
- changing name or answer(s) on a test after that test has been graded and returned
- submitting the same paper or portions thereof for more than one assignment, without discussions with the instructors involved.

Many courses in the I. H. Asper School of Business require group projects. Students should be aware that group projects are subject to the same rules regarding academic dishonesty. Because of the unique nature of group projects, all group members should exercise special care to insure that the group project does not violate the policy on Academic Integrity. Should a violation occur, group members are jointly accountable unless the violation can be attributed to a specific individual(s).

Some courses, while not requiring group projects, encourage students to work together in groups (or at least do not prohibit it) before submitting individual assignments. Students are encouraged to discuss this issue as it related to academic integrity with their instructor to avoid violating this policy.

In the I. H. Asper School of Business, all suspected cases of academic dishonesty are passed to the Dean’s office in order to ensure consistency of treatment.



MEDICAL ABSENTEEISM FORM

I.H. Asper School of Business—Faculty of Management, The University of Manitoba

STUDENT IDENTIFICATION: (PLEASE PRINT CLEARLY)

_____	_____	_____	_____
Last Name	First Name	Middle Initial	U of M Student Identification Number
_____	_____		
Course #	Instructor Name		
_____	_____		
Student's Signature	Date		

TO BE COMPLETED BY THE ATTENDING PHYSICIAN: (after the above section is completed) (PLEASE PRINT CLEARLY)

_____	_____	_____
Physician's Last Name	Physician's First Name	Middle Initial
_____	_____	_____
Street Address	City, Province	Postal Code
_____	_____	
Telephone Number	Fax Number	

To the attention of the physician: Your evaluation of the student's condition is being used for the purpose of determining whether or not the student has a valid reason to miss an important exam or assignment. Your professional evaluation is necessary to ensure that only valid cases are excused.

I certify that the nature of the student's condition is severe enough to prevent the student from taking an exam or completing an assignment. If requested, my associates or I will verify for the above named instructor/administrator that this information is accurate.

The student's condition will likely span the following dates:

_____	until	_____
(Indicate start date)		(Indicate end date)

_____	_____
Physician's Signature	Date

NOTES TO PHYSICIAN:

- Please make a note in the student/patient's file indicating that the student has given the above named instructor/administrator permission to verify with you, your staff, or your colleagues, that the information contained on this form is correct. Thank you for your professional evaluation of this student's condition.
- **PLEASE ATTACH THIS FORM TO YOUR REGULAR OFFICE STATIONERY THAT INDICATES THE STUDENT VISITED YOUR OFFICE.**

NOTES TO STUDENT:

- The use of this form is at the option of the student. However, in order to obtain an excused absence for an assignment or exam the student must obtain a doctor's certification that the student's condition is severe enough to prevent the student from taking the exam or completing the assignment.
- It is **NOT SUFFICIENT** to provide a note that only indicates the student visited the doctor's office.



FACULTY BIOGRAPHY

I.H. Asper School of Business—Faculty of Management, The University of Manitoba

Namita Bhatnagar
Marketing Department

Areas of Research Interest: Consumer behaviour, social marketing, persuasive communications, information processing, and services management.

Areas of Teaching Interest: Consumer behaviour, marketing research, advertising, and marketing management.

Dr. Bhatnagar is primarily interested in exploring issues in consumer processing and dissemination of health messages as well as the cross-section of entertainment consumption and persuasion. She is also interested in the impact of managerial resource allocation decisions on customer acquisition and retention. Dr. Bhatnagar has received her Ph.D. in Marketing from the University of North Carolina at Chapel Hill, and earned a Master of Science (*Honours*) in Economics and a Master of Management Studies from the Birla Institute of Technology and Sciences, Pilani, India.

Dr. Bhatnagar has published in the areas of services management, tobacco control and media effects. She has served as ad-hoc reviewer for the *Journal of Consumer Psychology* and the *Journal of Product and Brand Management*, in addition to the annual conferences of the *North American Association for Consumer Research*, the *European Association for Consumer Research*, the *Society for Consumer Psychology*, and the *Administrative Sciences Association of Canada*. Her research has been presented at the *Association of Consumer Research*, the *Society for Consumer Psychology*, the *Academy for Marketing Sciences*, the *Advertising and Consumer Psychology*, and the *Marketing and Public Policy* conferences.

Dr. Bhatnagar has taught at the doctoral, MBA and undergraduate levels. Her teaching experience includes topics in Branding, Introductory Marketing, and Consumer Behaviour and she is actively involved in advising and mentoring doctoral students within the marketing program.