

University of Guelph
Department of Marketing and Consumer Studies

MCS*2600: Fundamentals of Consumer Behaviour

Winter 2013
COURSE OUTLINE

Instructor: Karen Gough (Finlay)

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Class times: Section: 01 Tuesdays and Thursdays 1:00-2:20pm, MACS 209

 Section: 02 Tuesdays and Thursdays 8:30-9:50am, MACS 209

Office hours: by appointment

TA: Sean Hingston, Justin McManus

Course Description

The American Marketing Association defines *consumer behaviour* as "the dynamic interaction of affect and cognition, behavior, and environmental events by which human beings conduct the exchange aspects of their lives." More generally, consumer behaviour is a marriage between psychology and marketing. Understanding the psychology and behaviour of the consumer can help marketers determine whether new products are likely to be adopted or expect reactions to changes in the marketing mix.

This course has two main objectives: 1) introduce students with the classic concepts and theories of consumer behaviour; and 2) enable students to apply the concepts and theories to real world marketing problems and develop their own ideas about their future research.

Appeals Procedure: Refer to Undergraduate Calendar on the U of G website

Drop and Add: Refer to Undergraduate Calendar on the U of G website

Academic Misconduct: Refer to the following:

<http://www.webapps.ccs.uoguelph.ca/lc/AcademicIntegrity/>

Independent work is required on all individual assignments; Read the definition of academic misconduct and what constitutes academic misconduct in the online undergraduate calendar.

Instructor's Background

Karen Gough completed an MBA after which she was employed by Bristol-Myers Products Canada as a brand manager. She then spent 8 years in an advertising company in Toronto (VP in Client Services, responsible for \$12 million of client business; clients included Kellogg's (brands, Kellogg's Corn Flakes, Special K, and others; Procter and

Gamble (brands, e.g.: Head and Shoulders, Secret deodorant); Pillsbury Canada (Green Giant, Pillsbury); Seagrams.

Karen returned to pursue her love for teaching marketing strategy and her interest in academic research 11 years ago as a Ph.D. candidate (now full Professor) and member of the MCS department at UoG. She has held several administration positions for the MCS department (Graduate Co-ordinator for 6 years) and is a productive researcher in the area of problem gambling (you will learn a lot about this as it relates to strategies around the consumer in the course of this class).

Course Format

A variety of methods to present the materials (e.g., lectures, cases, discussion, group project) will be utilized. Students are expected to complete the required readings before coming to class each week.

Textbook

Schiffman, Kanuk, & Wisenblit (2010), Consumer Behaviour, Tenth Edition, Prentice Hall

Not all chapters of the textbook can physically be covered in-class. Nevertheless the list of scheduled readings (to follow) should be adhered to. Students are responsible for all the material in the textbook. Please keep to the schedule of readings and their timing. You will get SO much more out of the course if you do so.

Courselink

To access Courselink, go to the homepage - <http://courselink.uoguelph.ca>, you will see the login links using your university ID and password.

Course materials for MCS*2600 will be posted on Courselink. You will find course reminders and updates there. It is recommended that you download lecture notes from Courselink prior to class to assist in your note-taking. You should check the website regularly for course reminders and updates.

Evaluation

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| 1. Exams | | 55% |
| Midterm Exam | 40% | |
| Final Exam | 15% | |
| 2. Case Report (individual) | | 8% |
| 3. Successful Positioning Assignment | | 2% |
| 4. Group Brand Strategy Project | | 27% |
| Presentation | 12% | |
| Paper | 15% | |

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| 5. Attendance at final Group Presentations (weeks 10, 11, 12) | 5% |
| 6. Research Participation | 3% |
| Total | 100% |
| Individual component | 73% |
| Group component | 27% |

This course follows the University grading scheme outlined in the University Calendar:

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| A+ | 90-100% | Excellent: An outstanding performance in which the student demonstrates a superior grasp of the subject matter, and an ability to go beyond the given material in a critical and constructive manner. The student demonstrates a high degree of creative and/or logical thinking, a superior ability to organize, to analyze, and to integrate ideas, and a thorough familiarity with the appropriate literature and techniques. |
| A | 85-89 | |
| A- | 80-84 | |
| B+ | 77-79 | Good: A more than adequate performance in which the student demonstrates a thorough grasp of the subject matter, and an ability to organize and examine the material in a critical and constructive manner. The student demonstrates a good understanding of the relevant issues and a familiarity with the appropriate literature and techniques. |
| B | 73-76 | |
| B- | 70-72 | |
| C+ | 67-69 | Acceptable: An adequate performance in which the student demonstrates a generally adequate grasp of the subject matter and a moderate ability to examine the material in a critical and constructive manner. The student displays an adequate understanding of the relevant issues, and a general familiarity with the appropriate literature and techniques. |
| C | 63-66 | |
| C- | 60-62 | |
| D+ | 57-59 | Minimally acceptable: A barely adequate performance in which the student demonstrates a familiarity with the subject matter, but whose attempts to examine the material in a critical and constructive manner are only partially successful. The student displays some understanding of the relevant issues, and some familiarity with the appropriate literature and techniques. |
| D | 53-56 | |
| D- | 50-52 | |
| F | 0-49 | Fail: An inadequate performance. |

Successful Positioning Assignment

Assignment: Outline two companies you think have been successfully positioned (NOT ones discussed the powerpoint lectures posted in Courselink) Provide details why.

Lecture week 1 discusses issues around successful positioning.

Maximum 2 typed pages; be sure to reference your name!

Reference how you think consumers process information about these companies to help their success (week 1 lecture in class)

What is their positioning ? Is it unique in their category?

This is an independent assignment

Hand in a paper copy to the instructor or the instructor by January 29 in class.

Case Report

A case study is designed to give you a chance to apply concepts and theories you have learned in this course to a “real world” marketing context. A case study allows you to practice: (1) determining the facts of the case; (2) making inferences from the facts to

more fully understand the dynamics of the situation; (3) defining the problem facing the organization in the case; (4) determining optional solutions; (5) determining decision criteria; (6) analyzing and assessing the optional solutions based on the decision criteria; and (7) making an optimal decision.

The case material will be announced in class by Week 4. You are required to write a 4-5 page case report. The report should be typed with one-inch margin, double-spaced, using a 12-point font. A paper copy of the case report is due to the instructor by 5pm on March 12. **Late submissions will NOT be accepted for grading.**

The following framework should be used as a guideline for formal written reports of case analyses:

1. Statement of the central problem

Clearly define the basic problem in the situation. Subsidiary problems or related issues may also be concisely referenced in this section.

2. Analysis of the situation

The information and the facts provided in the case should be used to analyze the situation. The discussion should consider the following for relevance to the situation: the effects of environmental and/or market conditions, the consumer (trends, patterns of consumption, preferences, attitudes, etc.), competitive effects, internal and external company strengths and weaknesses.

The facts of the case should not be merely restated. The situation analysis should be well-organized (according to the issues faced in the situation), and only information specifically relevant to the problem at hand should be included. Students should go beyond the facts available in the case to demonstrate why this information is relevant to the problem at hand.

2. Identify alternative strategies

Based on your analysis, alternative strategies should be identified which provide a solution for the problem you have defined. Evaluate the pros and cons of each alternative. Make sure your alternatives are rational, specific, and creative, but able to be implemented. Identify your decision criteria.

3. Recommended course of action

Propose a course of action (should fall out of one of the alternative strategies you discussed above) comprising recommendations concerning marketing goals, strategies, an executional plan, impact on profitability, further research if needed, etc. Provide a succinct summary rationale for your recommendation. Include

some specifics regarding how and when these recommendations may be implemented.

Midterm Exam and Final Exam

The midterm exam will include multiple choice questions and short answer questions. Even though the final exam covers the entire course, major emphasis will be on material since the mid-term.

Note: *Appropriate medical or compassionate documentation is required to receive academic consideration for being unable to take a midterm or final exam at the designed time, and you must notify the professor **at least one day in advance** that you will be unable to attend. Consideration with regard to the final exam will involve taking a make-up exam that you will arrange with your Academic Advisor.*

Research Participation

Students will sign up to participate in **one** research study offered by the Department of MCS. Available studies will be posted on Courselink. The purpose of this study is to help students understand the research process underlying consumer decision-making in different situations. It is worth 3% of your final grade.

Group Brand Strategy Projects

Students will work in groups to undertake a major integrative project analyzing the consumer behaviour principles underlying a current product or brand and present their findings in the class. Groups of 5 should be formed by the end of the second week (the instructor will be taking group names or forming groups in the first week). Groups should schedule a meeting with the instructor by the 5th week to seek approval for their final presentation project. Each group is responsible for submitting a formal write-up of their group project, which will be graded by the instructor. Groups are encouraged to produce some execution of their recommended strategy, i.e., a form of advertisement or promotion that demonstrates adherence to their recommended strategy for the brand or service. Powerpoint, Windows Movie Maker or Windows Paint or desktop publishing software can be used for this purpose. Final reports including an electronic link or an electronic file attachment of the proposed advertisement or promotion is due by April 2 in class. This submission **MUST** include 5 individual sheets for the peer assessments of each group member.

You will have the opportunity to evaluate your group member's contribution to the group work at the end of semester. This also means that your contribution will be evaluated by your peers. If it turns out that your contribution is substantially lower than your peers, you may not receive full credit for group work. For example, if your group assesses your effort to be 65% and the group's grade for the project is 85%, your grade for this assignment will be $.65 \times 85 = 55\%$.

If you have difficulty working with your group members during the semester, you are encouraged to attempt to resolve these issues within the group. As a last resort, you can arrange a meeting with the instructor.

Details of the project requirements are provided in Appendix A of this course outline. The peer assessment sheet is also provided in this Appendix. Please review these details **early in the semester** so you can be honing your analyses according to the theories and concepts of Consumer Behaviour. Set up a meeting with your instructor if you would like to discuss your proposed analysis of available information.

Course Evaluation

Course and instructor evaluation will be conducted by paper and pencil in-class at some point during the last 2 weeks of the course.

Class Schedule (Subject to change)

| Week | Tuesday | | Thursday | |
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| | Topic | Reading | Topic | Reading |
| Week 1 | January 8 Course introduction Group formation | | January 10 Introduction to Consumer Behaviour FINAL group formation | Chapters 1, 2, 3 |
| 2 | January 15 Motivation and involvement Personality | Chapters 4, 5 | January 17 Library resource presentation: M.J. D’Elia; attendance at this session is critical to completion of the capstone assignment in this course : the Group Brand Strategy Project Bring your laptops to this class for hands-on information search experience | Chapter 6 |
| 3 | January 22 Guest speaker: Katie Stewart, Youth Gambling Awareness Program, YMCA; she will talk on the use of social media to reach teens (with implications for consumer behavior) Please read posted article on Courselink, “Ontario could pay a heavy price for | Chapter 7 | January 24 Perception Learning Memory and relationship marketing | Chapter 9 |

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| | OLG's gambling bonanza" prior to coming to class | | | |
| 4 | January 29 Decision making Brand successful positioning assignment due (paper due in class) | Chapters 10,11 | January 31 Memory and relationship marketing * Case material made available *Discussion of cases and case choices | Chapters 12, 13 |
| 5 | February 5 Cultural influences Choice of brand or service for project – one page summary due to instructor from each group outlining project choice | | February 7 * Midterm review <i>* Meet with instructor by this date for approval of project topic</i> | Chapters 1- 13 Except NOT chapter 8 for midterm |
| 6 | February 12 * Midterm exam | | February 14 * Workshop session for case report – no formal class; instructor will be available in classroom during class time for questions | |
| Reading week February 18-22 | | | | |
| 7 | February 26 Attitude formation and social influences Decision making | Chapters 8, 15 | February 28 | Chapter 14 |
| 8 | March 5 * Workshop session for case report – no formal class; instructor will be available in classroom during class time for questions | | March 7 Communication and Consumer Behaviour | |
| 9 | March 12 Consumer Decision-making Marketing ethics and social responsibility * Case reports due – hard copy by 5pm | Chapter 16 | March 14 <i>* Workshop session for project – no formal class; instructor will be available in classroom during class time for questions</i> | |

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| 10 | March 19 <i>Group presentations and Discussion</i> | | March 21 <i>Group presentations and Discussion</i> | |
| 11 | March 26 <i>Group presentations and Discussion</i> | | March 28 <i>Group presentations and Discussion</i> | |
| 12 | April 2 <i>Group presentations and Discussion (overflow only)</i> <i>Final written report of project due to instructor by 5pm (includes 5 copies of peer assessments)</i> | | April 4 Final exam review | |
| Final Exam | April 8 7-9pm Location TBD | | | |

Group Brand Strategy Project

Overview

The Group project is meant to have you synthesize and apply concepts learned from class to real-world phenomena. This assignment is designed to show some evidence of significant learning that takes place beyond the classroom.

The rationale for this assignment is two-fold: (1) students should learn more from the directed study of a topic in which they have expressed a personal interest, and (2) it encourages the expression of creativity—a critical characteristic of a good marketer. Groups are encouraged to produce some form of advertisement or promotion that demonstrates adherence to their recommended strategy for the brand or service (see below).

Overall, the group project is worth 27% of your final grade: this grade consists of 12% for presentation and 15% for the final paper.

It is suggested that you consult with the instructor while preparing your group project. Getting feedback, while you are preparing the project, is likely to produce better results. A specific class time has been assigned for this purpose in week 9.

Guidelines for Group Project

1. Select a current brand of interest. The brand should not be large and sophisticated (e.g., Coca-cola, Nike, Molson Canadian, Dove); these franchises have so much money expended on marketing research and marketing expertise that it is hard to find a “chink in their armor”/a relevant strategic change that the group can propose.
2. Acquire background information on this brand. You can find background information from applied/commercial publications (e.g., *The Globe and Mail*, *National Post*, *Maclean's*, *Marketing*, *Advertising Age*, *Business Week*, *Forbes*, *Fortune*, *The New York Times*, *Wall Street Journal*, etc.), or information available on corporate websites. In addition, you may want to consider contacting companies asking for the information you need.

There will be ample opportunity to fine-tune library search expertise in this course. On January 17, M. J. D'Elia, a librarian at UofG who specializes in information for business, will conduct an information search session. Please bring your laptops to this session as you will receive hands-on information search instruction. This learning regarding information search strategies will be majorly helpful for many of the courses you take at UofG. Attendance and participation at this session will exponentially increase the quality of your group presentation and report.

3. You will need to provide some background information relevant to the brand, and its product category.
4. Analyze the brand by applying 3-4 concepts or theories that you have learned in this course. Your analysis should include an explanation of consumer behaviour concepts or theories and how the brand relates to/applies to these concepts or theories.
5. You are encouraged to demonstrate (in your presentation) and exhibit (with your final paper) items such as sample ads (and/or other promotional materials), TV/radio commercial transcripts in a format that I can review /descriptions/URLs, website materials, package photos, and any other relevant marketing artifacts (See Appendix A).

Presentation

Present your group project in class: 20 minute oral group presentation followed by a 5-minute Q & A session. It is mandatory to attend and participate in your group's project presentation.

Final Papers

Each group is responsible for submitting a formal write-up of their group project (one submission per group). See guidelines below.

Format of Papers

Your written report should be approximately 10 to 12 double-spaced, typewritten pages, excluding title page and exhibits. Be sure to include endnote/source citations and a list of references consulted.

For citations, any standard reference format may be used, but list references alphabetically at the end of the paper using the same format for each. Then, employ an in-text citation format that uses the author(s) names, year of publication). Also, cite the periodical or Website address (URL) and date for each ad, either on the ad's exhibit or in your discussion of the ad.

(*Note:* APA is the suggested reference format. You can find further details about APA style at: http://www.sciencebuddies.org/science-fair-projects/project_apa_format_examples.shtml?gclid=CMfO_o_VwpECFQJRlgodrVxADw)

**** Peer Evaluation**

You will have the opportunity to evaluate your group members' contributions to the project at the end of the semester. This also means that your contribution will be evaluated by your fellow group members. For example, if your group assessed that your participation was 65%, and the project group received 85% for their project overall, your grade would be .65 x 85% or 55%. If it turns out that your

contribution is substantially lower than your peers, you may not receive full credit for group work. If you have difficulty working with your group members during the semester, you are encouraged to work issues out within the group; as a last resort, you should meet the instructor in person during office hours.

Important Dates

Provide the instructor with your choice of brand for your group project by Week 5. A one-page group hand-in is required for this purpose.

Workshop session where you can ask questions of the instructor are provided in class during week 9.

Presentations are scheduled during the last two weeks of class (see course schedule).

The due date for the group project paper is **April 2** (Tuesday) by 5pm. A hard copy of the project is required. Email submissions will not be accepted. Late projects will not be accepted. Included with your submission must be the 5 individual peer assessments for your group members.

Code of Conduct – University of Guelph - The Top Ten

As a student in the Department of Marketing, College of Management and Economics at the University of Guelph, you are a member of a scholarly community committed to improving the effectiveness of people and organizations, and the societies in which they reside, through groundbreaking and engaging scholarship and pedagogy. We seek to promote a comprehensive, critical and strategic understanding of organizations, including the complex interrelationship between leadership, systems (financial and human) and the broader social and political context. And, we prepare graduates for leadership roles in which organizational objectives, self-awareness, social responsibility and sustainability are primary considerations.

In keeping with this commitment to research, we expect all of our students (indeed – all members of our community) to act in a professional and respectful manner to fellow students, staff and faculty, as well as to members of the broader university and local community. This expectation is very much in keeping with your preparation for a professional career.

The following conduct is expected of all of our students:

1. Come to class prepared to learn and actively participate (having completed assigned readings, learning activities etc.).
2. Approach your academic work with integrity (avoid all forms of academic misconduct).
3. Arrive on time and stay for the entire class. If you happen to be late, enter the classroom as quietly as possible. At the end of class, apologize to the faculty member for the interruption. If you have to leave class early, alert the faculty member in advance.
4. While in class, refrain from using any written material (e.g., newspaper) or technology (e.g., the Internet, computer games, smart phones) that is not relevant to the learning activities of that class.
5. Turn off all cellular devices at the start of each class.
6. Listen attentively and respectfully to the points of view of your peers and the faculty member. Don't talk while others have the floor.
7. Raise your hand when you wish to contribute and wait to be called upon. Challenge others appropriately, drawing on reason and research rather than unsubstantiated opinion, anecdote and/or emotion. Keep an open mind and be prepared to have your point of view challenged.
8. When sending emails to faculty, apply principles of business writing; use a professional and respectful style (use a formal salutation, check for spelling and grammatical errors, and avoid slang and colloquial short forms).
9. When making a presentation, wear business dress.
10. Provide thoughtful feedback at the completion of all courses (we are committed to continuous improvement but need your input to help us decide what to focus on).