University of Guelph Department of Marketing and Consumer Studies Fundamentals of Consumer Behaviour MCS*2600 WINTER 2011

Professor: Lianne Foti Office: MINS 213C

Class Sec 01: 8:30am – 9:50am

Office Hours: Tuesdays and Thursdays 10:30am -12:00pm or by appointment.

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Course Description

Organizations survive and achieve their goals by satisfying the needs and wants of consumers as well as or better than their competitors. This course examines consumer behaviours, the economic, social, cultural and psychological factors related to consumer behaviours, the evolution and change in behaviours and relationships, and the ways in which consumers respond to stimuli employed in the marketing of products, services and ideas.

The American Marketing Association defines *consumer behaviour* as "the dynamic interaction of affect and cognition, behaviour, 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 is designed to have you become familiar with the key concepts and theories of consumer behaviour and it provides you with the opportunity to apply them to real world marketing problems. Theory learning and application experience will enable you to evaluate the effectiveness of current marketing practices and develop your own ideas about their future research.

Required Textbook:		Grading:	
Title:	Consumer Behaviour	Midterm	30%
Author:	Schiffman, Kanuk & Das	Case Report	10%
Edition:	Tenth Edition (2010)	Group Project	22%
ISBN:	9780135053010	Research Participation	3%
Publisher: Pearson/Prentice Hall.		Final Exam	35%

Course Format

Midterm

The midterm is on February 15th and will consist of both multiple choice and short answer questions. Students will be tested on all the material that has been covered from the start of the class to the midterm date.

Case Report

The case report is due on March 17th and is designed to give you a chance to apply concepts and theories you have learned in this course to a "real world" marketing context. The 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 optimal solutions; (5) determining decision criteria; (6) analyzing and assessing the optional solution based on the decision criteria; and (7) making an optimal decision.

The case material will be announced in class by week 6. You are required to write a 3-4 page case report. The report should be typed with a one-inch margin, double-spaced, using a 12-point font. The report is due in class on March 17th. **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 determine why this information is relevant to the problem at hand.

3. 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.

4. 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 execution 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.

Group Project

Students will be assigned to groups for the Group Project. Groups will consist of an average of five students and presentation dates and times will be chosen in class. This major integrative project will analyze the consumer behaviour principles underlying a current product or brand and present their findings in the class. Groups will be formed by the end of the second 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. Referring to the various theories and methods described within the textbook and discussed daily in class, students will develop a project on their chosen topic.

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.

Overall, the group project is worth 22% of your final grade: this grade consists of 8% for presentation and 14% 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. Specific class times have been assigned for this purpose.

Guidelines for Group Project

- 1. Select a current brand of interest.
- 2. Acquire 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.
- 3. You will need to provide some background information relevant to the brand, and its product category.

- 4. Analyse 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/descriptions/URLs, website materials, package photos, and any other relevant marketing artifacts.

Presentation

Present your group project in class: 15 minute oral group presentation followed by a 5 minute question and answer 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 <u>citations</u>, 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.

Peer Evaluation

You will have the opportunity to evaluate your group member's contribution to the group work at the end of the 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. 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 should meet the instructor in person during office hours. (Do not use email for this purpose).

Research Participation

Students will sign up to participate in **one** research study offered by the Department of Marketing and Consumer Studies. Available studies will be posted on D2L. The purpose of this study is to help students understand the research process underlying consumer decision-making in different situations. A one-page summary of your experience as a participant must be submitted to the instructor. In lieu of participating in a study, students may submit a 2-page summary of a research article that has appeared in either the *Journal of Consumer Research* or the *Journal of Consumer Psychology*. The research component for this course is worth 3% of your final grade.

Final Exam

The final exam will be scheduled during the exam period. All material discussed in the class lectures and highlighted in the textbook will be covered. This will include questions related to the guest speaker. Even though the final exam covers the entire course, major emphasis will be on material since the mid-term.

If you are forced to miss the Midterm on February 15th, or your given presentation date for the Group Project Presentation, please provide a doctor's note or other valid evidence within one week. If accepted, the weight for that test will be divided between the other graded items.

Courselink

Course related material as well as student grades will be posted on CourseLink. It is the students responsibility to check this website on a regular basis. http://courselink.desire2learn.com

Anticipated Course Schedule

(subject to change)

<u>Dates</u>	Topic	Readings
Jan. 11/11 Jan. 13/11	Introduction to the Course Chains of brand or service for project	Chapters 1, 2, 3
Jan. 13/11	Choice of brand or service for project	Chapter 4
Jan. 18/11	Consumer Perception	Chapter 6
Jan. 20/11	Personality and Consumer Behaviour	Chapter 5
Jan. 25/11	Elements of Consumer Learning	Chapter 7
Jan. 27/11	Information Processing and Consumer Learning	Chapter 7
Feb. 01/11	Consumer Attitude Formation	Chapter 8
Feb. 03/11	Consumer Attitude Change	Chapter 8
	C	1
Feb. 08/11	Communication and Consumer Behaviour	Chapter 9
Feb. 10/11	(Group Project Topics Due)	
reb. 10/11	Midterm Review/ Final Day for Group Project Topic Approval	
Feb. 15/11	Midterm	
Feb. 17/11	The Family and Its Social Class Standing	Chapter 10
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Feb. 21/11	Reading Week	
Mar. 01/11	Cross-Cultural Consumer Behaviour: An International Perspective	Chapter 13
Mar. 03/11	Workshop Session for Case Report	1
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Mar. 08/11 Mar. 10/11	Consumer Decision Making and Beyond Guest Speaker/Workshop Session for Group Project	Chapter 15
Mai. 10/11	Guest Speaker/ workshop Session for Group Project	
Mar. 15/11	Workshop Session for Group Project	
Mar. 17/11	Group Project Presentation / Case Reports Due	
NA 22/11		
Mar. 22/11 Mar. 24/11	Group Project Presentation Group Project Presentation	
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Mar. 29/11	Group Project Presentation	
Mar. 31/11	Group Project Presentation	
April. 05/11	Marketing Ethics and Social Responsibility/ Course Review	Chapter 16
April. 03/11	marketing Etimes and Social Responsionity/ Course Review	Chapter 10

Final exam will be scheduled during the exam period.

Academic Integrity / Academic Honesty

Academic misconduct is behaviour that erodes the basis of mutual trust on which scholarly exchanges commonly rest, undermines the University's exercise of its responsibility to evaluate students' academic achievements, or restricts the University's ability to accomplish its learning objectives.

The University takes a serious view of academic misconduct and will severely penalize students, faculty and staff who are found guilty of offences associated with misappropriation of others' work, misrepresentation of personal performance and fraud, improper access to scholarly resources, and obstructing others in pursuit of their academic endeavours. In addition to this policy, the University has adopted a number of policies that govern such offences, including the policies on Misconduct in Research and Scholarship and the Student Rights and Responsibilities regulations. These policies will be strictly enforced.

The University's Policy on Plagiarism is outlined at http://www.academicintegrity.uoguelph.ca/, along with possible punishments for violations.

University Grading Scheme:

Note: As per University Calendar academic credit for being unable to meet assignment due dates, case participation, or for being unable to attend any quiz, midterm or final exam will only be granted for medical, psychological or compassionate reasons. In all cases, appropriate documentation as outlined in the University Calendar is required. Work Arrangements, vacation or personal arrangements, sleeping in or not following the WebCT calendar are not valid reasons.

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

A+ A A-	90-100% 85-89 80-84	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
B+ B B-	77-79 73-76 70-72	literature and techniques. 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.
C+ C C-	67-69 63-66 60-62	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.
D+ D D-	57-59 53-56 50-52	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.
F	0-49	Fail: An inadequate performance.

http://www.uoguelph.ca/undergrad_calendar/index.shtml