

UNIVERSITY OF GUELPH
Department of Marketing and Consumer Studies

MCS 6000 Consumption Behaviour Theory
Course Outline
Fall 2008

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OFFICE: MINS 201C

Class Meetings: Wednesday, 8:30-11:20 am
MACS 301

Office Hours: by appointment

Course Objectives

Consumption behaviour is an interdisciplinary field of study which applies theories from multiple cognate disciplines to the activities and processes people engage in when choosing, using and disposing of goods and services. The purpose of this course is to provide a review of the theoretical foundations of aspects of consumption and consumer behaviour and to demonstrate their applicability to marketing management. The course is designed to allow participants to bring their own background and interests to bear on the review and application of the theories underlying consumer behaviour.

Course Readings and Materials

Reference Textbook:

Sternthal and Craig (1982), Consumer Behaviour: An Information Processing Perspective, Prentice-Hall Inc. Chapters are available on BLACKBOARD as they are assigned weekly.

Several journal articles/additional and case readings are noted throughout the course outline and are available on BLACKBOARD.

Appeals Procedure: Refer to Graduate Calendar, online

Drop and Add Dates: Refer to Graduate Calendar, online. See the instructor if you decide to drop this course, so in-class reassignments can be made.

Academic Misconduct: Refer to Graduate Calendar, online;
<http://www.webapps.ccs.uoguelph.ca/lc/AcademicIntegrity/>
includes a tutorial on plagiarism, how to cite sources correctly, etc.

Course Format

Concepts will be studied, integrated and applied through a combination of lectures, student presentation, in-class discussions, and case analyses.

Grades in the course will be assigned on the following basis:

Class Participation	15%
Seminar Leader	25%
Case Write-up and Presentation	25%
Major Theory Paper (including presentation)	35%

The appended overall marking scheme will be used (Appendix 1). Grade assessment sheets for the Class Presentation/Seminar Leadership and Case Analysis are provided in Appendices 2 & 3 respectively.

Each of these requirements is discussed below.

Class Participation

You will be assessed for your contribution to the discussion of course concepts from all required readings and all case analyses. You are expected to have read assigned chapters of texts and required readings. You are further expected to have prepared cases (even if you are not handing them in) prior to the class meeting in which they are discussed. You are expected to be active in your participation of class discussions. Students will be graded by the instructor after each class.

For classes where you are not handing in a formal case analysis, you will not benefit from the case discussion unless you have a good understanding of the case and have thought about key issues. Thorough preparation is expected for all cases.

Seminar Leadership

Students are required to conduct a 45-minute presentation to the class using handouts or transparencies on one pre-assigned topic that should be designed with generous opportunities for in-class discussion. Topics will be sourced from the assigned and additional readings listed in the course outline. Content of the presentation should be discussed with the instructor prior to the class meeting where the presentation will be made. Presentation assignments for all class members will be made during the first two weeks of classes.

Although some flexibility will be permitted with respect to the specific content of the

presentation, as a guideline, students should strive to achieve a 60/40 balance in content that is theory-oriented versus application-oriented respectively. For example, 60% of a presentation could concentrate on the concise summation, comparison and critique of 2 alternative theories in a given topic area, while the remaining 40% of the presentation could either a) hypothetically discuss its application to the realm of consumer behaviour, or b) review and critique a specific application that has already been made (e.g. an experiment which tested the application) . Students are encouraged to avoid reading their remarks and to solicit discussion on the concepts being discussed.

Major Theory Paper

The topic of the major theory paper must be different from that of a given students' class presentation topic. Topics must be pre-approved by the instructor before work on the paper begins. Again, students should strive to achieve a healthy emphasis on the practical application of the concepts being discussed to the realm of consumer behaviour. Suggestions for types of theory papers that would be acceptable include but are not limited to the following:

- 1) A literature review of a specific aspect of consumer behaviour. The literature review should attempt to provide a new framework that organizes research in the area or it might attempt to analyze research in the area from a new perspective. The literature review should conclude with a thorough discussion of directions for future applications of the theories being discussed. In the extreme, the literature review could be a metanalysis, summarizing the various findings of different researchers of a specific phenomenon. A metanalysis requires some statistical analysis of data presented in the papers of the different researchers. More information on metanalysis is available from the instructor.
- 2) Discussion and comparison of two competing theories in a specific area of consumer behaviour. The merits of each should be discussed from both a theoretical and an applied point of view. The paper could outline the means by which a critical test of the two theories could be conducted.
- 3) Development of a new theoretical perspective for a specific area of consumer behaviour (perhaps on the basis of cited perceived inadequacies with an existing theory). The interest in and merits of the new theory should be discussed from both a theoretical and an applied point of view. The paper could outline the means by which a critical test of the new and existing theories could be conducted.

Theory papers should be no longer than 12 pages (excluding appendices), double-spaced on standard 8.5 x 11 inch paper with .75 inch margins. Cases will be graded on style as well as content. Minimum type size is 12 point.

A 2-page, typed outline of the paper is due to the instructor by Week 8. Final papers are due Week 12. A one-grade penalty will be assigned to late papers.

Case Analysis

Case analyses will provide the opportunity to apply central concepts in consumer behaviour. Critical review of case materials and other examples will facilitate understanding of how consumer research can (and can not) be used to gain insights into decision making.

Each student will individually write up and hand in their analysis of one of the cases discussed in class. Individual by-student assignments will be discussed and agreed upon during the first class. Students will also be required to present their cases (possibly in groups, depending on course enrolments), on the week they are discussed. Emphasis should be placed on leading discussion of case issues among class members.

Formal written analyses of these cases are due at the class during which they are to be discussed. Late assignments or assignments that have not been typed will not be accepted.

Case submissions should be no longer than 7 pages (excluding appendices), double-spaced on standard 8.5 x 11 inch paper with .75 inch margins. Cases will be graded on style as well as content

There are two phases to formal case analysis: preparation of the analysis of the case and the writing of the formal document that summarizes your analysis. The last 2 pages of this course outline contains suggestions for case preparation. 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.

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.

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 executional plan, appropriate estimated budgets, 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.

CLASS SCHEDULE

Corresponding
Reading from
Sternthal and Craig (1982)

Week 1 Early Theories of Consumer Behaviour
September 10

Chapters 1, 3

Case & Seminar Assignments

Research Methods
Case & Seminar Assignments

Chapter 2

Carlsmith, J. Merrill, Phoebe Ellsworth and Elliot Aronson, Methods of Research in Social Psychology, Reading, Mass.: Addison-Wesley Pub. Co. (Chapter on Experimental Design)

Week 2 Competing Frameworks
TO BE SCHEDULED

Chapter 4

Information Processing:
Sternthal and Craig (1982) - Chapter 4

Anthropological Approach

McCracken, Grant (1988), Culture and Consumption, Bloomington, Indiana: University Press -Chapter 5 - Meaning, Manufacture and Movement in the World of Goods. (photocopy)

McCracken, Grant (1989), Who is the Celebrity Endorser? Cultural Foundations of the Endorsement Process, Journal of Consumer Research, Vol. 16.

Applbaum, Kalman, Jordt, Ingrid (1996), Notes toward and application of McCracken's "cultural categories" for cross-cultural consumer research, Journal of Consumer Research. 96. Vol. 23, Iss. 3; p. 204-218.

McCracken application presentation

Week 3 Information Acquisition
September 24

Chapter 5

Models of Selective Attention
Solso (1998) - Chapter 6

Comprehension and Encoding
Explicit Memory Processing
Memory Storage
Solso (1998) – Chapters 8 & 9

Anderson, John R., "Human Memory, Basic Concepts and Principles"

Kim, Minjeong and Sharron, Lennon, (2008), The effects of visual and verbal information on attitudes and purchase intentions in Internet shopping. *Psychology & Marketing*, 25, 2 146-178.

Semantic Organization and Memory Structure

Kahle, Lynn R. and Chung-Hyun Kim, (2006), Creating images and the psychology of marketing communication. *Advertising and Consumer Psychology*. Associates Publishers. (2006), 405.

Week 4 Implicit Memory

October 1

McDermott, Kathleen B. and Henry L. Roediger III (1996), Exact and Conceptual Repetition Dissociate Conceptual Memory Tests: Problems for Transfer Appropriate Processing Theory, *Canadian Journal of Experimental Psychology*, 50 (1) 57-77.

Ap Smith, Pamela K. Smith, Rich B. van Baaren and Daniel Wigboldus (2005), The Unconscious Consumer: Effects of Environment on Consumer Behaviour, *Journal of Consumer Psychology*, 15(3), 193-202.

Dijksterhuis, Ap and Pamela K. Smith (2005), What Do We Do Unconsciously? And How?, *Journal of Consumer Psychology*, 5(3), 2005, pp. 225-229

Post-It® Note Persuasion: A Sticky Influence
Garner, Randy, *Journal of Consumer Psychology*. Vol 15(3), 2005, pp. 230-237

Janiszewski, Chris, Stijn M. J. van Osselaer (2005), Behavior Activation Is Not Enough, *Journal of Consumer Psychology*., 15(3), 2005, 218-224

Week 5 October 8	Attitude Formation and Attitude-Behaviour Consistency Chapter 8 Multi-attribute models
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Ajzen, Icek and Martin Fishbein (1980), Understanding Attitudes and Predicting Social Behaviour, Chapter 1 and Chapter 2.

Olsen, G. Douglas and John W. Pracejus (2004), Integration of Positive and Negative Affective Stimuli, *Journal of Consumer Psychology*, 14 (4), 374-384.

Batra, Rajeev and Pamela Miles Homer (2004), The Situational Impact of Brand Image Beliefs, *Journal of Consumer Psychology*, 14 (3), 318-330.

Menon, Geeta, Lauren G. Block, and Suresh Ramanathan (2002), We're at as Much Risk as We Are Led to Believe: Effects of Message Cues on Judgments of Health Risk, *Journal of Consumer Research*, 28, 533-549.

Week 6 October 15	Moderator Variable Perspective and the Mode Model
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Fazio, Russell (1989), On the Power and Functionality of Attitudes: the Role of Attitude Accessibility, in *Attitude Structure and Function*, A.R. Pratkanis, S.J. Beckler and A.G. Greenwald (eds.), Hillsdale, NJ: Erlbaum, p. 153-179.

Sanbonmatsu, David and Russell H. Fazio (1990), The Role of Attitudes in Memory-Based Decision-Making, *Journal of Personality and Social Psychology*,

Vol. 59, No. 4, p. 614-622.

Reed, Americus II, David B. Wooten, and Lilsa E. Bolton (2002), The Temporal Construction of Consumer Attitudes, *Journal of Consumer Psychology*, 12 (4), 375-388.

case: Toyota: Driving the Mainstream Market to Purchase Hybrid Electric Vehicles

Week 7 October 22	Individual Differences	Chapter 9,10
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Cotte, June, S. Ratneswaren and David Glen Mick (2004), The Times of Their Lives: Phenomenological and Metaphorical Characteristics of Consumer Timestyles, *Journal of Consumer Research*, 31, 2, 333.

Balabanis (2002), The Relationship between Lottery Ticket and Scratch-card Buying Behaviour, Personality and other Compulsive Behaviours, *Journal Of Consumer Behaviour*, 2, 1, 7-22.

Second session

Case: Walt Disney Internet Group Japan's Domo Project

Theory paper 2-page outline due

Week 8 October 29	Decision Strategies: Information Abstraction and Aggregation	Chapter 7
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Johnson, Eric J. and John W. Payne (1985), Effort and Accuracy in Choice, *Management Science*, Vol. 31, No. 4, p. 395-414.

Thaler, Richard (1985), Mental Accounting and Consumer Choice, *Marketing*

Science, Vol. 4, No. 3, p. 199-214.

Meyers-Levy, Joan and Prashant Malaviya (1999), Consumers' Processing of Persuasive Advertisements: An Integrative Framework of Persuasion Theories, *Journal of Marketing*, 63, 45.

Case: Canadian Tire Corporation, Bicycle Category: The Schwinn Assortment Decision

Week 9
November 5

Application to Product Strategy

Chapter 12

MacInnis, Deborah J. and Gustavo E. De Mello (2005), The Concept of Hope and Its Relevance to Product Evaluation and Choice, *Journal of Marketing*, 69, 1-14.

Matta, Shashi and Valerie S. Folkes (2005), Inferences about the Brand from Counterstereotypical Service Providers. *Journal of Consumer Research*. Vol 32, 2, 196-206.

Miller, Elizabeth G. and Barbara E. Kahn (2005), Shades of Meaning: The Effect of Color and Flavor Names on Consumer Choice, *Journal of Consumer Research*, 32, 1, 86.

Case: Levis Strauss Canada Holding an Ember: The GWG Brand

Week 10
November 12

Application to Message Strategies

Chapter 13

Escalas, Jennifer Edson, Marian Chapman Moore and Julie Edell Britton (2004), Fishing for Feelings? Hooking Viewers Helps, *Journal of Consumer Psychology*, 14, 1&2, 105-114.

Priester, Joseph R., John Godek, DJ Nayakankuppum and Kiwan Park (2004), Brand Congruity and Comparative Advertising: When and Why Comparative

Advertisements Lead to Greater Elaboration, *Journal of Consumer Psychology*, 14, 1&2, 115-123.

Finlay, Karen, Harvey H.C. Marmurek and Rachel Morton (2005) Priming Effects in Explicit and Implicit Memory for Textual Advertisements, *Applied Psychology: An International Review*, 54(4), 442– 455

Case: IONA Appliance Inc. (A).

Week 11 November 19	Application to Source and Modality Strategies	Chapters 14, 15
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Unnava, H. Rao, Sanjeev Agarwal and Cutis, P. Haugtvedt (1996), Interactive Effects of Presentation Modality and Message - Generated Imagery on Recall of Advertising Information, *Journal of Consumer Research*, 23, 1 81-88.

Costley, Carolyn, Samar Das & Merrie Brucks (1997), Presentation Medium and Spontaneous Imaging Effects on Consumer Memory, *Journal of Consumer Psychology*, 6, 3, 211-232.

15 minute presentations of major theory papers

Week 12 November 26

15 minute presentations of major theory papers

** Final theory paper due **

GUIDELINES FOR PREPARING CASES

The case method is one of the most effective means for developing decision-making capabilities for problems. The method requires the student to be an active participant in a marketing decision. The case method will be used to demonstrate consumer analysis, decision-making and the planning and implementation of marketing programs.

All of the cases assigned are comprehensive accounts of problems and/or situations which have faced real world business firms and institutions.

Most cases require input on specific decisions on both strategies and action plans, following an analysis of the consumer influences on these processes. This will require you to express diverse insights based on your experience, knowledge and skills acquired from the text as well as from other business courses. As different people have different skills and experience, diversity of opinion is expected. For this reason, you should not feel uncomfortable expressing your ideas in class.

Use of the case method calls first for you to individually read and think about each case. There is no single way which works for everyone. Some general guidelines are offered, however, and you can adapt them to the method that works best for you.

1. Read the first few paragraphs, then go through the case almost as fast as you can turn the pages, asking yourself what broadly is the case about and what types of information are you being given to analyze?
2. Read the case very carefully, underlining key facts as you go. Then ask yourself what are the basic problems the manager has to resolve? Try hard to put yourself in the position of the manager in the case. Develop a sense of involvement in the manager's problems.
3. Note the key problems on scratch paper. Then go through the case again, sorting out the relevant points of consideration for each problem area.
4. Use a problem solving model which contains the following steps:
 - a) What are the objectives of the organization?
 - b) What is the decision or the problem the manager faces? How does it relate to the organization's objectives?
 - c) What are the key relevant issues involved? What are the facts relevant to these issues?
 - d) What are the organization's internal and external strengths and weaknesses with respect to the problem or decision it faces?; with respect to its objectives?
 - e) What are competitive influences on the problem or decision?

- f) What are environmental influences on the problem or decision?
 - g) What are the alternatives?
 - h) What are the decision criteria?
 - i) What is your analysis of the alternatives in light of the decision criteria?
 - j) Which alternative do you recommend? Why?
 - k) What is your plan of action for implementation and what results do you expect?
5. Set a time limit for yourself and stick to it.
6. Read additional material.

Additional readings covering the theoretical aspects of the course may fall into two categories. The first are required by the instructor and may or may not be directly related to the case at hand. It is often difficult to find text material exclusively relevant to a particular case.

Frequently selected readings from journals, newspapers and other texts can help in case analysis and preparation. It may provide clues to alternatives and practice in the field. This type of reading is best done after the reading of the case.

7. Prepare notes for discussion in class and/or write up the formal case report for submission. Whether you are turning the case in as an assignment or simply preparing for class discussion, the format suggested in the course outline for formal written cases is useful for summarizing your thoughts on the case.

APPENDIX ONE

DEPARTMENT POLICY ON GRADE INTERPRETATION

The Department of Consumer Studies is anxious to have grades interpreted in a consistent and meaningful way. Consequently, faculty have agreed that the following verbal description of each letter/numerical grade category is the correct "message" for students and others to take. There is assumed a body of knowledge, processes and issues against which one can evaluate master's level performance. At the graduate level, there is particular emphasis on processes (e.g. logic, appropriate use of analysis) and issues (e.g. conflicting ideologies, conceptual limitations and strengths)

A+ and A (85-100) 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 logical thinking, a superior ability to organize, to analyze, and to integrate ideas, and thorough familiarity with the relevant literature and techniques.

The student is strongly encouraged to do further study in this area.

A- and B + (77-84) 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 (theoretical and practical), a good ability to organize, analyze and integrate ideas, and a familiarity with the relevant literature and techniques.

The student is encouraged to do further study in this area.

B and B- (70-76) Acceptable

An adequate performance in which the student demonstrates a generally adequate grasp of the subject matter and an adequate ability to examine the material in a critical and constructive manner. The student displays an adequate understanding of the relevant issues (theoretical and practical), an adequate ability to organize, analyze and integrate ideas, and a general familiarity with the relevant literature and techniques.

The student could consider further study in this area.

C (60-69) 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 relevant literature and techniques.

The student may have some difficulty with further study in this area.

F (0-59) Unacceptable

An inadequate performance.

The student is not prepared for further study in this area.

Faculty are encouraged to use the full range of marks as appropriate in order to communicate student deficiencies early in a student's program and to indicate exceptional ability to a student and to various awards bodies.

APPENDIX 2
MCS 6000
Consumption Behaviour Theory
Class Presentation Assessment/Seminar Leadership

Student:

Topic:

		Poor	Good	Fairly Good	Very Good	Excellent
a.	Clarity of issues presented	1	2	3	4	5
b.	Organization of material - ease of following	1	2	3	4	5
c.	Application of course concepts to real world	1	2	3	4	5
d.	Evidence of theoretical development/comparison	1	2	3	4	5
e.	Conclusions clearly stated	1	2	3	4	5
f.	Presentation style	1	2	3	4	5

APPENDIX 3
MCS 6000
Consumption Behaviour Theory
Case Analysis

Student

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Case:

		Poor	Good	Fairly Good	Very Good	Excellent
a.	clarity of issues presented	1	2	3	4	5
b.	Organization of material - ease of following	1	2	3	4	5
c.	Application of course concepts to real world	1	2	3	4	5
d.	Documentation of pro & con 1 arguments	2	3	4	5	
e.	Creativity of strategy solutions	1	2	3	4	5
f.	Appropriateness of points made	1	2	3	4	5
g.	Recommendation clearly stated	1	2	3	4	5