

Business 134A – Consumer Behavior
Spring 08
Prof. Steven Silver

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Office Hrs: TR 3:20 PM-4:20 PM 8:45-10:45 p.m. and by appointment

TEXTS:

1. Consumer Behavior: Implications for Marketing Strategy. (Tenth edition) D.I. Hawkins, D.L. Mothersbaugh and R.J. Best, McGraw Hill, 2007.
2. Source Readings for an Introduction to Consumer Behavior, S. Silver (available as a packet from Maple Press, 481 E. San Carlos St). (Video cases will be provided.)

COURSE DESCRIPTION:

A study of the behavioral processes involved in marketing exchange. Concepts of consumer behavior from psychology, sociology and cultural anthropology supplement traditional economic approaches in considering marketing objectives and strategy.

OBJECTIVES

Primary learning objectives of this course are:

Understand how the customer behavior course differs from its counterparts in microeconomic courses; e.g., emphasizes the limits of rationality, and the importance of selective processing and the influence of others.

Understand how membership in groups influences agency that consumers have; concept and exemplification of normative influence.

Understand the contemporary importance of mere exposure and vicarious reinforcement for consumer socialization and adult learning.

Understand how consumers are selective in their information processing and decision making; processes of selective attention and filtering.

Be able to think through empirical and ethical arguments that integrate the working of markets with the working of consumers (Case of low involvement learning and oligopolies; the ideas of “reasonable person” standard in FTC rulings on truth in advertising and its international applications.)

CLASS CONDUCT:

Class meetings will be primarily based on a lecture discussion format. Selected research studies and cases will be reviewed in detail to exemplify: (1) types of source materials that develop insight into consumer behavior and (2) the application of course concepts to real world problems. Examinations cover both the text and the lecture discussions.

Additionally, case assignments -will involve student-generated explanations, applications

and questioning of course concepts. In the case assignments, students will participate as members of four person groups.

EXAMINATIONS:

Two midterms and a final examination are scheduled. The midterms are based on 60 to 70 objective questions each. The final exam generally has 80 to 90 objective questions. Additionally, three group projects will contribute to the overall grade.

GROUP PROJECTS:

There are three group projects. One of these will be an assigned case; the second will be based on the content of television ads; the third one will be on company that the group selects itself.

MAKE-UP EXAMINATIONS:

Provision is not ordinarily made for make-up exams. In extraordinary and verifiable circumstances when students are unable to complete a scheduled exam, a make-up exam (frequently of essay form) will replace the class exam.

GRADING CRITERIA:

The intent of the present course is for students to acquire both a conceptual foundation in consumer behavior and some knowledge of efforts at practical implementation of course concepts. Grades therefore are based on assessments of these competencies as calculated from the following weighting of course requirements.

Midterm I	20%
Midterm II	20%
Final	25%
Case/Research Assignments	25%
Participation	10%

Exam results and relative grade standings of individual scores will be generally provided within the class following the exam. Class members are encouraged to record and track their exam performance.

TENTATIVE ASSIGNMENT SCHEDULE

Readings listed by chapter refer to the text, Hawkins, Best and Coney (2004, HBC). Other readings are in course packet (Source Readings ...) at Maple Press.

Week of:

January 24: Introduction to, and overview of consumer behavior. Theories and models; consumer decision processes.

1. Read HBC: CH 1

January 31: Theories and models; consumer decision processes.

1. Stigler, G., “The Early History of Empirical Studies of Consumer Behavior” (JPE 1954) (only read p. 95–103 for exam questions).
2. Nicholson, W., “Marginal Utility” (Intermediate Microeconomics).
3. Rossiter, J., “ ‘Spending Power’ and the Subjective Discretionary Income (SDI) Scale” in *Advances in Consumer Research XXII* (ed. F. Kardes and M. Sujan) (Provo, UT: ACR 1995), pp 236–240.
4. McMahon, T., “What buyers buy and sellers sell: Implications for marketing managers,” *Journal of Professional Services Marketing* 13. (1996)

February 7: Group Processes: Social and Cultural Influences, Demographics

1. Read Text: HBC: Chapter 2–4
2. Stisser, P., “A Deeper Shade of Green,” *American Demographics*, March 1994.
3. Jaffe, L.J. and Berger, P.D., “The Effect of Modern Female Sex Role Portrayals on Advertising Effectiveness,” *Journal of Advertising Research*, July 1994, pp. 32-42.

February 14 & 21: Social Organization and Reference Groups, social stratification and the family.

1. HBC: Ch. 5, 6, 7 (p. 225-240)
2. Kahle, L., “Role-relaxed Consumers,” *Journal of Advertising Research*, 1995, 59-62.
3. Walker, C., “Word of Mouth” *American Demographics* 1995.
4. Meredith, G. and Schewe, C. “The Power of Cohorts,” *American Demographics* 16, (1994) (1–7).
5. Starr, M. A., “Consumption, Identity, and the Sociocultural Constitution of “Preferences”: Reading Women’s Magazines. *Review of Social Economy* Vol. 62. No3. (2004). 291-304

February 28: Midterm I

1. HBC Ch 1-7 (p. 225-240)
2. Articles: Stigler; Nicholson; Rossiter; McMahon; Stisser; Jaffe & Berger; ; Kahle; Walker; Meredith & Schewe; Starr

March 7: Individual Processes: Learning; personality, psychographics and lifestyle.

1. HBC: Ch 8, 10

March 14: Individual Processes: Learning; personality, psychographics and lifestyle.

1. Grossman, R.P., "The Persistence of Classically Conditioned Brand Attitudes," *Journal of Advertising*, Spring 1998.
2. Hawkins, S.A. and Hoch, S.J., "Low-Involvement Learning: Memory Without Evaluation," *Journal of Consumer Research* 19, September 1992, 212–25.
3. Gentry, J., Baker, S.M., and Kraft, F.B., "The Role of Possessions in Creating, Maintaining, and Preserving One's Identity": *Advances in Consumer Research XXII*, ed. F.R. Kardes and M. Sujan (Provo, UT: Association for Consumer Research, 1995), pp. 406–18.
4. Wells, W., "Psychographics: A critical review," *Journal of Marketing Research* 12, 1975, 196–213.

March 21: Attitudes and Attitude change, information processing.

1. HBC: Ch 11, 12
2. Sayre, S. and Horne, D., "I Shop, Therefore I Am," in *Advances in Consumer Research XXIII*, ed. K.P. Corfman and J.G. Lynch (Provo, UT: Association for Consumer Research, 1996), pp. 323–28.
3. Crowley, A.E. and Hoyer, W.D., "An Integrative Framework for Understanding Two-Sided Persuasion," *Journal of Consumer Research* 20, March 1994, 561–74.

March 24-28: Spring Recess

April 4: Midterm II

1. HBC: 8-12
2. Articles: Sayre & Horne; Grossman; Crowley, A.E. & Hoyer; Hawkins, S.A. & Hoch; Gentry, Baker & Kraft; Wells

April 11: Applications to Market Processes: Diffusion of Innovations

1. HBC: Ch 7 (p. 240-256)
2. Instructor Conferences
3. Nabith, M.I., Bloem, S.G., and Poiesz, T.B.C., "Conceptual Issues in the Study of Innovation Adoption Behavior," in *Advances in Consumer Research XXIV*, ed M. Bruck and J. MacInnis (Provo, UT: Association for Consumer Research 1997), pp 190–96.
4. Francese, P., "Cellular Consumers," *American Demographics*, August 1994, 30–56.
5. Haley, R., "Benefit Segmentation: A Decision-Oriented Research Tool," *Marketing Management* 4, Summer 1995, 59–62.
6. Miller, T.E., "Segmenting the Internet," *American Demographics*, July 1996, pp. 48–51.

April 18: Consumer Decision Process: Problem recognition and search

1. HBC: Ch 13, 14
2. Bruner II, G.C. and Pomazal, R.J., "Problem Recognition: The Crucial First Stage of the Consumer Decision Process," *Journal of Consumer Marketing*, Winter 1988, pp. 53–63.
- 3.

April 25: Consumer Decision Process: Problem recognition and search

1. HBC: Ch 14
2. Ellison, G. and Ellison, S., "Lessons about Markets from the Internet". *Journal of Economic Perspective*. Vol. 19. Spring 2005. 139-158
3. Bloch, P.H., Sherrell, D. L., and Ridgway, N.M., "Consumer Search," *Journal of Consumer Research*, June 1986, pp. 119–26.

May 2: Alternative evaluation, purchase and post-purchase processes.

1. HBC: Chapter 16, 18
2. Durgee, J.F. and O'Connor, G.C., "Why Some Products 'Just Feel Right,' " in *Advances in Consumer Research XXII*, ed. F.R. Kardes and M. Sujan (Provo, UT: Association for Consumer Research, 1995), p. 652.
3. Davidow, M. and Dacin, P.A., "Understanding and Influencing Consumer Complaint Behavior," in *Advances in Consumer Research XXIV*, ed. M. Bruck and D.J. MacInnis. (Provo, UT: Association for Consumer Research, 1997), pp. 450–56.

May 9: Review and Conferences

1. Last day of instruction Tuesday, May 13

May 15: Final Exam 6p.m