

Course Outline

RSM 353H1F-L0101 Consumer Behaviour Fall 2016 Th 2:00–4:00 pm WO 25 RSM 353H1F-L0201 Consumer Behaviour Fall 2016 Th 4:00–6:00 pm WO 25

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Office Hours: Th 6:00-7:00 pm or by appointment

Course Scope and Mission

The design of effective marketing strategies requires an understanding of consumer needs and desires, company strengths and weaknesses, and competitive threats and opportunities. Successful managers have the ability to design and deliver unique consumer value in ways that efficiently utilize the company's resources. This course focuses on the analysis of consumer thoughts, feelings, and behaviours by providing a detailed account of the theory of consumer behaviour. We will examine the personal, psychological, social, and cultural aspects of the marketing environment, and explore the nature of these influences on the buying behaviour of individuals and groups. The conceptual material will draw on an information processing view of consumer behaviour. Research from marketing will be supplemented with material from social and cognitive psychology, sociology, and economics.

A complete understanding of consumer behaviour requires a combination of analytic skills in market research and discipline-based skills of consumer analysis. In order to facilitate the development of these skills, the course will include a balanced mix of lectures and discussions. The assigned readings from the required text provide a comprehensive treatment of many of the topics covered in the course. Lectures will be used to highlight, clarify, or expand on selected theories about consumers and suggest relevant implications and applications. Readings will convey current business practices and provide illustrations of the conceptual material.

Course Objectives

 To encourage appreciation for the value of consumer behaviour in determining successful marketing strategies.

- To review recent conceptual, empirical, and methodological developments in research on consumer behaviour.
- To provide a coherent framework for interpreting consumer reactions to marketing stimuli.
- To provide experience in applying behavioural principles to the analysis of marketing problems and the design of marketing strategy.
- To refine analytical and decision making skills and the ability to express conclusions orally and in writing.

Course Co-requisites

RSM350H1/RSM251H1

If you drop RSM251H1 (the co-requisite) during the academic term, you must also drop this course. Contact Rotman Commerce Academic Program Services for academic advising if needed.

Course Exclusions

RSM451H

Required Readings

The required text for the course is *Consumer Behaviour: Buying, Having, and Being, Sixth Canadian Edition*, (Toronto, Ontario: Pearson) by Michael R. Solomon, Katherine White, & Darren W. Dahl. Additional required readings are available at the Harvard Business School Publishing website (see *Online Resources* below), which will allow you to purchase and access the files electronically. All other required readings are available electronically through the <u>University of Toronto Libraries</u>. You can view and/or print these articles online by clicking on the article titles on the Course Sessions page for this course on the portal (see *Online Resources* below). Daily reading assignments are listed in the <u>Class Schedule</u> (see below). The readings that you will need to purchase from the HBS website are marked with an HBS superscript (article title HBS).

Online Resources

All Harvard course material can be purchased by accessing the <u>Harvard Business School Publishing website</u>. You should access this site *as soon as possible* in order to log in and purchase all of the Harvard material for the course. Once you provide your contact information and pay the fees indicated, you will be able to view and download that material from the Harvard website.

Additional course resources including announcements, required readings, handouts, and links to relevant websites and videos are available on the *University of Toronto Portal*. You must log in to this website using your UTOR id and password before the first class and regularly during the course in order to access required reading and case material. Once you have logged in, look for the My Courses module where you'll find the link to all your course websites. If you don't see this course listed there but you are properly registered for the course in ROSI, wait 48 hours. If the course does not appear, go to the Information Commons Help Desk in Robarts Library, 1st floor, for help, or explore the <u>Portal Information and Help</u> and review the Frequently Asked Questions.

The website <u>Writing at the University of Toronto</u> includes many specific files on academic writing that may be helpful.

It is expected that students in the classroom will use technology responsibly, with consideration for their fellow students and other members of the University community. Students are encouraged to use laptops for note taking, in-class activities, and course-related portal and web access. Laptops are not to be used for email, instant messaging, web browsing, or any other activity that is disruptive to other students, the instructor, or the classroom environment.

Grading

All assignments in this course must be completed individually. Each assignment for this course will be given a numerical score based on the University of Toronto's University Assessment and Grading Practices Policy (see http://www.governingcouncil.utoronto.ca/Assets/Governing+Council+Digital+Assets/Policies/PDF/grading.pd f).

| Letter Grade Scale | Numerical Scale of Marks |
|--------------------|--------------------------|
| A+ | 90-100 |
| A | 85-89 |
| A- | 80-84 |
| B+ | 77-79 |
| В | 73-76 |
| B- | 70-72 |
| C+ | 67-69 |
| C | 63-66 |
| C- | 60-62 |
| D+ | 57-59 |
| D | 53-56 |
| D- | 50-52 |
| FZ | 0-49 |

The final grade for the course will be computed by multiplying the numeric mark on each assignment by the corresponding weight for that assignment.

| Course Component | Due Date | Weight |
|-------------------------|-----------------|------------|
| Class Participation | Ongoing | 15% |
| Short Paper | October 13 | 12% |
| Midterm Examination | October 27 | 35% |
| Research Requirement | November 25 | 3% |
| Final Examination | TBA by FAS | <u>35%</u> |
| Total | | 100% |

Class Participation

Thoughtful questions, rigorous analysis, strong oral presentation skills, and the ability to critically evaluate alternative perspectives are crucial skills for any successful manager.

Participation grades will be assigned based on each student's comments during each session. In order to benefit from the course material you must read and analyze the assigned readings before each class session. Thorough preparation before each session will help you to consistently offer high-quality comments during the class discussions. You are encouraged to regularly contribute relevant facts, questions, interpretations, examples, terminology, frameworks, and alternative points of view during the class discussions. It is important

to understand that the class participation grade is intended not just to provide me with information about your preparation and understanding of the assigned material and your persuasive abilities, but to provide you with an incentive to get involved in discussions and share your unique perspective.

Keep in mind that the participation grade is not a function of the quantity of participation, but the quality of participation.

The following questions will be considered in grading participation:

- Does the student arrive promptly for class and participate in discussions? Do the questions and comments move the discussion forward and contribute to a learning environment?
- Is the student prepared to report facts, analyses, and conclusions? Do comments interpret and integrate case facts using marketing theories, concepts, and analytical tools.
- Does the student take a defensible position on the recommended course of action? Are the arguments and answers to questions persuasive?
- Is the student able to communicate effectively? Are comments presented in a concise, compelling, and convincing manner?
- Does the student listen to other comments? Is the student able to build upon and evaluate other comments? Does the student learn from and show respect for other speakers and their points of view?

Your discussion performance will be assessed on a scale from 0 to 5 following each class session based on the considerations above. In order to insure that you receive credit for your participation you must bring a name card to every class session. Failure to bring a name card may preclude any participation credit for that day.

You must notify me by email if you plan to use a name in class that is different from the name submitted to the registrar.

Students are expected to attend every class. Frequent and/or unapproved absences could result in an FZ (failing grade) for class participation. In the event of widespread student or instructor absence due to illness, it is at the discretion of the instructor to modify the class participation grade assessment to ensure that students are not penalized for absences that are a direct result of an emergency situation.

Short Paper

You are required to submit a short paper that examines the role of culture in persuasive marketing communications. In order to complete this paper you should identify two or more distinct cultural or subcultural groups of consumers, and analyze at least one marketing communication (print, video, billboard, internet, mobile, etc.) that is directed to each of these specific cultural audiences. You can choose to compare communications targeting consumers in different countries, different regions of a country, different time periods, different age groups, different ethnicities, etc. Your analysis should discuss the cultural significance of specific elements of the communication in persuading the target audience. How is the culture of the target consumer either reflected in and/or influenced by the ads? In addition, you should attempt to identify important similarities and differences among the ads selected for analysis.

You are encouraged to compare and contrast marketing communications for the same brand. If you choose to use communications from different brands, you should insure that the brands are comparable and pursue similar marketing strategies (the similarities and differences across ads should reflect primarily cultural or subcultural differences). You should carefully choose ads that will offer an opportunity to explore the role of

culture in persuasive communications. For example, you might compare and contrast how the same brand is advertised in different countries, how the advertising of a brand in a specific culture has evolved over time, or how the advertising of a brand distinctly targets different age sub-cultures.

Successful marketing campaigns are able to tap into and reflect dominant cultural values, language, beliefs, and norms. That is, culture has a strong impact on the success or failure of individual products. In addition, a successful marketing campaign can actually influence and change the culture by propagating beliefs, values, and symbols from one cultural group to another. Some marketing campaigns tap into cultural mythology in order to convey their messages. You should discuss the specific elements of the selected ads that reflect or influence values, beliefs, language, and norms. You should also identify the target audience for the ads and whether you believe the ads successfully appeal to those consumers (i.e., Do the ads successfully encourage purchase of or loyalty to the product? How do they work? What are the risks and benefits of using the ads?). You are strongly encouraged to apply concepts, theories, and terminology from the lectures and assigned readings.

The paper should be no more than 4 double-spaced pages of text, and you must include a copy of your selected ads as an appendix in your paper. If you choose to analyze video ads, you must make the ads available with your paper (either on a CD or by providing valid URLs). If you choose to analyze ads with foreign language content, you must provide an English translation. Please do not use any of the ads reproduced in your textbook in the chapters on "Cultural Influences on Consumer Behaviour" or "The Creation and Diffusion of Culture."

Please note that clear, concise, and correct writing will be considered in the evaluation of this short paper. That is, you may lose points for writing that impedes communication: poor organization, weak paragraph development, excessive wordiness, hard-to-follow sentence structure, spelling mistakes and grammatical errors. Students who require additional support and/or tutoring with respect to their writing skills are encouraged to visit the Academic Success Centre (www.asc.utoronto.ca) or one of the College Writing Centres (www.writing.utoronto.ca/writing-centres). These centres are teaching facilities – not editing services, where trained staff can assist students in developing their academic writing skills. There is no charge for the instruction and support.

Normally students will be required to submit their course essays to Turnitin.com for a review of textual similarity and detection of possible plagiarism. In doing so, students will allow their essays to be included as source documents in the Turnitin.com reference database, where they will be used solely for the purpose of detecting plagiarism. The terms that apply to the university's use of the Turnitin.com service are described on the Turnitin.com website.

You will be required to submit the Short Paper before class on October 13, 2016. An electronic copy should be submitted to the University of Toronto Portal (a link is available in the Course Material section for the week the assignment is due) and a printed copy should be submitted at the beginning of class.

Examinations

There will be two closed-book exams during the course: a midterm and a final examination. The midterm exam will take one hour and fifty minutes and will be administered during the class session indicated in the Class Schedule. The final exam will take two hours. The location, date, and time of the final examination will be provided by the Registrar's Office later in the semester. You are allowed to bring a standard, non-electronic dictionary to the exams, which you may consult to clarify the meaning of a word or question.

The exams will consist of a series of short-answer essay questions covering material from the lectures, textbook, and readings. You are responsible for all required reading material and all material covered during class sessions. The midterm exam will cover material from the first half of the course while the final exam will cover material only from the second half of the course (i.e., the final exam is not comprehensive). If you are unable to attend a class session, you should obtain the relevant lecture material and handouts from the

online course syllabus and consult a classmate for details on the discussion. Please feel free to contact me if you have any specific questions about material covered in your absence.

You will be required to complete the Midterm Examination on October 27, 2016. The date for the Final Examination will be provided by the Faculty of Arts & Sciences at a later date.

Research Requirement

Marketing researchers develop hypotheses and run experimental studies to test these hypotheses against actual behaviour. The research requirement in this course is intended to supplement the material on marketing and organizational behaviour by giving you more direct exposure to research in marketing and organizational behaviour. Once you complete this research requirement, you will be given 3 points toward your grade in this course. In order that you might better understand the research process, you may fulfill this requirement by:

- 1. participation in three research studies **OR**
- 2. analysis of three articles that report research studies.

Participation. To participate in a research study, sign-up for an account online at http://rotman-credit.sona-systems.com. When you request an account, make sure you fill out all of the information accurately, including selecting the correct course and section, to ensure that you receive credit. Once you have an account, you may read over the descriptions of research studies that are posted online. When you identify a study in which you would like to participate, you may view available timeslots for that study and sign-up online to participate. Participation in the actual research study will take between 45 and 60 minutes. You will be debriefed at the end of the study, and you will be asked to answer a question about some aspect of the study. Once you correctly answer the question you will be given credit for completing one study. You must complete three studies to fulfill your research participation requirement in this course. **OR**

Analysis of Article. To analyze an article, go to the Robarts library and find a copy of one of the approved journals. If you are in a marketing course, you may use the Journal of Consumer Research, the Journal of Marketing, or Marketing Science. Look through the articles from the previous three years until you find one that interests you. Read the article. Write a summary of: 1) the objectives and hypotheses of the article; 2) the importance of the issues to the marketing or organizational behaviour community; 3) the research reported in the article, including the design of the study, the sample, and the materials (stimuli) used in the study, 4) the key results, 5) strengths and weaknesses of the study, and 6) the usefulness of the results to marketers or organizational behaviour practitioners. The analysis will be graded on a pass/fail basis. You will need to review three articles to complete your research requirement.

If you have any questions about participating in research studies or would like to analyze research articles to fulfill your research requirement, please contact Robert Latimer (416-946-5072, Robert.Latimer@rotman.utoronto.ca).

You will be required to complete the Research Requirement by Friday, November 25, 2016.

Missed Assignments/Midterms

If you are unable to attend the midterm or final examination or submit the short paper assignment when it is due because of illness or domestic affliction, you may submit a request for special consideration. Provided that notification and documentation are provided in a timely manner, and that the request is subsequently approved, no academic penalty will be applied.

In such cases, students must notify Rotman Commerce on the date of the missed test (or due date in the case of course work) and submit supporting documentation (e.g. <u>Verification of Student Illness or Injury form</u>) to the

Rotman Commerce Program Office within **48 hours** of the originally scheduled test or due date. Students who do not provide Rotman Commerce or the instructor with appropriate or sufficient supporting documentation will be given a grade of 0 (zero) for the missed test or course deliverable.

Accessibility Needs

The University of Toronto is committed to accessibility. If you require accommodations for a disability, or have any accessibility concerns about the course, the classroom or course materials, please contact Accessibility Services as soon as possible: disability.services@utoronto.ca or http://www.accessibility.utoronto.ca.

Requests for Re-Grading

Requests to have assignments remarked will be considered if all the following conditions are met:

- 1. the assignment is submitted to the instructor no later than two weeks after the marked assignment has been returned to the student;
- 2. the student submits with his/her request a written explanation as to why and where he/she believes he/she is entitled to more marks; and
- 3. the instructor has no reason to believe the student has made any changes subsequent to the assignment being returned.

Academic Integrity

Academic Integrity is a fundamental value essential to the pursuit of learning and scholarships at the University of Toronto. Participating honestly, respectively, responsibly, and fairly in this academic community ensures that the UofT degree that you earn will continue to be valued and respected as a true signifier of a student's individual work and academic achievement. As a result, the University treats cases of academic misconduct very seriously.

The University of Toronto's Code of Behaviour on Academic Matters

http://www.governingcouncil.utoronto.ca/policies/behaveac.htm outlines the behaviours that constitute academic misconduct, the process for addressing academic offences, and the penalties that may be imposed. You are expected to be familiar with the contents of this document. Potential offences include, but are not limited to:

In papers and assignments:

- Using someone else's ideas or words without appropriate acknowledgement.
- Submitting your own work in more than one course without the permission of the instructor.
- Making up sources or facts.
- Obtaining or providing unauthorized assistance on any assignment (this includes collaborating with others on assignments that are supposed to be completed individually).

On test and exams:

- Using or possessing any unauthorized aid, including a cell phone.
- Looking at someone else's answers
- Misrepresenting your identity.
- Submitting an altered test for re-grading.

Misrepresentation:

Falsifying institutional documents or grades.

 Falsifying or altering any documentation required by the University, including (but not limited to), medical notes.

All suspected cases of academic dishonesty will be investigated by the following procedures outlined in the *Code of Behaviour on Academic Matters*. If you have any question about what is or is not permitted in the course, please do not hesitate to contact the course instructor. If you have any questions about appropriate research and citation methods, you are expected to seek out additional information from the instructor or other UofT resources such as College Writing Centres or the Academic Success Centre.

Email

At times, the course instructor may decide to communicate important course information by email. As such, all UofT students are required to have a valid UTmail+ email address. You are responsible for ensuring that your UTmail+ email address is set up AND properly entered on the ROSI system. For more information please visit http://help.ic.utoronto.ca/category/3/utmail.html

Forwarding your utoronto.ca email to a Hotmail, Gmail, Yahoo or other type of email account *is not advisable*. In some cases, messages from utoronto.ca addresses sent to Hotmail, Gmail or Yahoo accounts are filtered as junk mail, which means that important messages from your course instructor may end up in your spam or junk mail folder.

Recording Lectures

Lectures and course materials prepared by the instructor are considered by the University to be an instructor's intellectual property covered by the Canadian Copyright Act. Students wishing to record a lecture or other course material in any way are required to ask the instructor's explicit permission, and may not do so unless permission is granted (note: students who have been previously granted permission to record lectures as an accommodation for a disability are, of course, excepted). This includes tape recording, filming, photographing PowerPoint slides, Blackboard materials, etc.

If permission is granted by the instructor (or via Accessibility Services), it is intended for the individual student's own study purposes and does not include permission to "publish" them in anyway. It is absolutely forbidden for a student to publish an instructor's notes to a website or sell them in any other form without formal permission.

Class Schedule

| Session | Date | Topic and Assignment |
|---------|--------------|--|
| 1 | September 15 | Introduction to Consumer Behaviour Solomon, Ch. 1 Martin, "The Age of Customer Capitalism," Harvard Business Review ^{HBS} Gladwell, "The Science of Shopping," The New Yorker |
| 2 | September 22 | Cultural and Social Influences on Consumer Behaviour Solomon, Ch. 14, 15 De Mooij, "Tailoring Your Stratey to Fit the Culture," <i>IESE Insight</i> PBS, "Merchants of Cool," online video (PBS) |
| 3 | September 29 | Cultural and Social Influences on Consumer Behaviour Solomon, Ch. 11 Knox et al., "Harnessing the Power of Advocacy Marketing" Boston Consulting Group Hoffman & Fodor, "Can You Measure the ROI of Your Social Media Marketing?" MIT Sloan Management Review Heath & Heath, "What Sticks?" Made to Stick Godin, "Sliced Bread and Other Marketing Delights," online video (YouTube) |
| 4 | October 6 | Who is the Average Consumer? Demographics and Lifestyles Solomon, Ch. 13, 6 Sultan & Rohm, "How to Market to Generation M(obile)," MIT Sloan Management Review HBS Howe & Strauss, "The Next 20 Years: How Customer and Workforce Attitudes Will Evolve," Harvard Business Review HBS |
| 5 | October 13 | Motivation, Involvement, and Emotion Solomon, Ch. 4 Dobele et al., "Why Pass on Viral Messages? Because They Connect Emotionally," Business Horizons ^{HBS} Short paper must be handed in at the beginning of class |
| 6 | October 20 | Consumer Learning Solomon, Ch. 3 (pp. 63-74) |

HBS Reading material with this notation can be found in the online course package available from Harvard.

| 7 | October 27 | Midterm Examination |
|----|-------------|---|
| 8 | November 3 | Perception Solomon, Ch. 2 Singer, "Your Online Attention, Bought in an Instant," New York Times |
| 9 | November 10 | Product Knowledge and Memory Solomon, Ch. 3 (pp. 75-85) Wansink, " <u>Using Laddering to Understand and Leverage a Brand's Equity</u> ," <i>Qualitative Market Research: An International Journal</i> Zaltman, "Co-Creation: Harvesting the Unconscious to Create Value for Business and Society," <i>Rotman Magazine</i> HBS Brown, " <u>Subliminal Advertising [?]</u> " online video (YouTube) |
| 10 | November 17 | Consumer Attitudes Solomon, Ch. 7 |
| 11 | November 24 | Consumer Persuasion Solomon, Ch. 8 Cialdini, "Harnessing the Science of Persuasion," <i>Harvard Business Review</i> ^{HBS} |
| 12 | December 1 | Decision Making and Product Experience Solomon, Ch. 9, 10 Goldstein, Johnson, Herrmann, & Heitmann, "Nudge Your Customers Toward Better Choices," <i>Harvard Business Review</i> HBS |
| 13 | ТВА | Final Examination |