CONSUMER BEHAVIOR
COURSE OUTLINE AND READING LIST

PROF. DR. DANIEL WENTZEL

School of Business and Economics
TIME Research Area | Marketing Group (MAR)

Contact:
Marcel Grein | grein@time.rwth-aachen.de
Stefan Rose | rose@time.rwth-aachen.de

SEPTEMBER 2015
1 COURSE OVERVIEW

<table>
<thead>
<tr>
<th>Course Name:</th>
<th>Consumer Behavior</th>
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| Degree Programmes: | 1. Master BWL  
2. Master Wirtschaftsingenieurwesen  
3. Master Wirtschaftswissenschaften |
| Lecturer: | Marcel Grein, M.Sc. & Stefan Rose, M.Sc. |
| Contact: | Marcel Grein (grein@time.rwth-aachen.de)  
Stefan Rose (rose@time.rwth-aachen.de) |
| Location and Time: | Wednesday 14:15-15:45, Kackertstr. 7, Room: 3011|037 (B037)  
Friday, 8:30-10:00, Kackertstr. 7, Room: 3011|037 (B037) |
| Content Description: | This course aims to provide students with a fundamental understanding of how consumers decide and behave in the marketplace. Specifically, the course will focus on understanding (a) how consumers choose between competing options, (b) how emotions influence consumers' decision processes, (c) how consumers are (unconsciously) affected by the order and presentation of different product options, and (d) how decisions are influenced by situational and social cues. Importantly, the course will follow a psychological approach for understanding consumer behavior and will be mostly based on scientific journal articles. Furthermore, students are expected to take an active part in class discussions. |
| Qualification Objectives: | The course aims to provide students with a fundamental understanding of how consumers decide and behave in the marketplace and how they form their preferences for products and services. Specifically, the course intends to familiarize students with current research in consumer behavior and to help them understand how and to what extent this research can be used to address practical, real-life marketing problems.  
Another aim of the course is to enable students to critically reflect on and to develop the current theoretical discourse related to consumer behavior. To this end, students will develop their own research projects in small groups that focus on a specific aspect of consumer behavior. These research projects will be presented and discussed in class and will also be documented in a final report. Thus, the course also aims to help students improve their methodological skills and their communication abilities. |
| Literature: | See readings below |
| Course Examination: | 1. Group work (50%)  
2. Individual written exam (50%) |
| Participation Requirements: | 1. Solid command of English  
2. Basic knowledge in marketing |
| Group Size: | 45 participants (max) |
| Type of Teaching Event: | Lecture with integrated exercise and group coaching sessions |
| Language: | English |
2 COURSE ORGANISATION

The course consists of two different parts. The first part will be held at the beginning of the semester and will follow an interactive lecture format. After an initial introduction into consumer behavior (session 1) and into the mechanics of experimental design (sessions 2 and 3), the course will move into discussing a number of advanced consumer behavior topics (sessions 4 to 12). These sessions will focus on the discussion of selected articles (typically 3-4 per session) from top-tier marketing and psychology journals. It is strongly recommended that students prepare for these sessions by reading at least one of the articles scheduled for the respective session in advance (see reading list). The second part of the course will focus on the group works where students will develop and present a consumer behavior experiment of their own. The table below depicts the preliminary schedule.

Preliminary schedule

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<tr>
<th>Session 1</th>
<th>Session 2</th>
<th>Sessions 3</th>
<th>Session 4</th>
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<th>Session 7</th>
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Introduction and Basic Concepts  Experimental Design I  Experimental Design II  Trivial Differentiation  Variety and Choice  Endowment Effects  Competitive Relations

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<tr>
<th>Session 8</th>
<th>Session 9</th>
<th>Session 10</th>
<th>Session 11</th>
<th>Session 12</th>
<th>Session 13</th>
<th>Session 14</th>
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Default Effects  Variety Seeking  Regulatory Focus  Construal Levels  Processing Fluency  Self-Regulation  Group Presentations

This course will be managed via the e-learning platform L2P. All lecture slides, student presentation slides and readings will be deposited here. In addition, we will communicate all important pieces of information (e.g. group allocation, room changes, course and exam preparation) only via L2P. It is hence essential for you to sign up for our L2P course by 21/10/2015 (11:00 am) at the very latest.

All lectures, discussions and student presentations will be in English language. Please note that the exam questions will be in English and that you will be required to answer in English.

The final grade is composed of two elements:

1) Group work: 50 percent
2) Individual written exam: 50 percent

Please note that both elements need to be passed if the course is to be passed.
3 GROUP ASSIGNMENT

A key component of this course is the group assignment, which will count for 50 percent of the final grade. For this group assignment, each student will be assigned to a group typically consisting of five to six members. Each group will be assigned one of the topics of the advanced sessions and will be asked to develop an experimental design that replicates or extends current theorizing on that topic. Groups will be asked to document their experimental design in a written assignment (10-12 pages without references and appendices, Times New Roman, 12 pt, 1.5 line spacing, 2.5 cm margins). Groups will also be asked to present the current state of their work in class in the second part of the course (see schedule below). In class, 30 minutes will be allocated to each group, of which 20 should be used for the group presentation and 10 for a discussion with the audience. Groups should support their presentation with up to 15 PowerPoint slides and will need to bring their presentation saved on a memory stick in both ppt and pdf format to their respective session. The language for the presentation and the discussion with the audience is English. While the presentations will not be marked separately, they are a valuable opportunity for receiving feedback and polishing the final experimental design.

To help students develop the experimental design and prepare the presentation, each group will be entitled to a 45-minute coaching session with a member of the marketing group at the end of the year. Although this session is optional, groups are encouraged to use this coaching session for receiving critical feedback at an early stage of their projects. Appointments for these sessions will be scheduled individually for each group. The primary goal of the group work is to help students understand how research is generated and how knowledge is developed in marketing and social psychology. A secondary goal of the group work is to help students develop some practical, hands-on research skills that may prove useful in the course of writing a Master or PhD thesis. Students are encouraged to reflect critically on the topic they have been assigned and to go beyond the materials that are handed out and discussed in class.

A sample structure of a written assignment may look as follows:

(1) Introduction and problem orientation
(2) Conceptual development and hypotheses
(3) Experimental design
(4) (Brief) discussion of implications and limitations

Depending on the total number of groups, all presentations will be held on a joint presentation day on 11/12/2015. A more detailed schedule will be provided at the beginning of the semester.
Schedule for group presentations

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<th>#</th>
<th>Date</th>
<th>Group</th>
<th>Topic</th>
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<tr>
<td>S14</td>
<td>11/12/2015</td>
<td>Group 1</td>
<td>Variety and Choice</td>
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<td>Group 2</td>
<td>Variety Seeking</td>
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<td>Group 3</td>
<td>Endowment Effects</td>
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<td>Group 4</td>
<td>Default Effects</td>
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<td>Group 5</td>
<td>Trivial Differentiation</td>
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<td>Group 6</td>
<td>Regulatory Focus</td>
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<td>Regulatory Focus</td>
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<td>Group 8</td>
<td>Construal Level Theory</td>
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<td>Group 9</td>
<td>Construal Level Theory</td>
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<td>Group 10</td>
<td>Processing Fluency</td>
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<td>Group 11</td>
<td>Processing Fluency</td>
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<td>Group 12</td>
<td>Self-Regulation</td>
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4 READING LIST

After the introductory lectures on consumer behavior and experimental design, we will discuss selected articles from top-tier marketing and psychology journals. Each session will focus on one particular topic and will discuss 3-4 articles relating to that topic. Since students are expected to take an active part in class discussion, they are required to read one of the articles (marked by an asterisk) ahead of the respective session. All articles are also directly relevant for the exam and are available for download on L2P.
Reading list (articles students are expected to read before class are marked by an asterisk)


  Ratner, R.; Kahn, B. (2002): The Impact of Private versus Public Consumption on...
Variety-Seeking Behavior, Journal of Consumer Research, 29 (September), 246-257.

Session 10: Regulatory Focus
20/11/2015

Session 11: Construal Levels
26/11/2015

Session 12: Processing Fluency
27/11/2015

Session 13: Self-Regulation
1/12/2014

Some of the optional readings listed below but not available on L2P might be of interest to those who would like to gain a general understanding about consumer behavior. These readings are NOT directly relevant for the exam, but potentially useful during your exam preparations.

Optional Readings

5 COURSE EXAMINATION

The exam for this course, counting for 50 percent of your overall mark, is likely to be structured as follows (obviously, only the structure announced on the exam day will apply). That is, the exam questions are typically of the following nature:

Part 1: Theory Foundations
- Around 20 points - probably one question with several sub-questions
- Explanation of constitutive elements (e.g. assumptions, concepts, propositions) of selected consumer behavior theories

Part 2: Theory Interpretation
- Around 20 points - Hypothetical data (verbal or visual description) with several sub-questions
- Application of theoretical knowledge to explain hypothetical study findings (need to develop a theoretical argument consistent with the data)

Part 3: Theory Transfer
- Around 20 points - Scenario with several sub-questions
- Application of theoretical knowledge to solve real-life marketing challenge (need to develop a theoretical argument for handling a practical problem)

A maximum of 60 points can hence be obtained. A minimum of 30 points will be required to pass the exam. The individual written exam will be formulated in English language and you will also need to answer the questions in English. The exam is currently scheduled to take 60 minutes. Besides non-electronic dictionaries (e.g. German-English) no other aids are permitted and dictionaries are likely to be checked during the exam. Several sample exams will be made available on L2P at the end of the course and will also be discussed in the final session.

We hope you will enjoy the course and look forward to working with you!