



Rotman School of Management
UNIVERSITY OF TORONTO

RSM3051: CONSUMER BEHAVIOR

COURSE SYLLABUS: Fall 2017

Instructor: PANKAJ AGGARWAL

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Classroom: 470, Fridays 1pm-4pm

Course Objectives

1. To familiarize you with research in consumer behavior with special focus on social psychology to help you appreciate some of key psychological processes that potentially influence consumer behavior.
2. To give you a strong foundation for critical thinking in the area of consumer behavior.

The focus of this course is on understanding current theoretical and methodological approaches to various aspects of consumer behavior, as well as advancing this knowledge by developing testable hypotheses and theoretical perspectives that build on the current knowledge base. For each topic considered, a range of articles from “old classics” to new research will be assigned. In each session we will discuss three to five articles in depth. All of the required readings should be read carefully by everyone attending the class.

All students must write a ‘summary’ for each class. The summary must address the following issues:

1. What is the key contribution of this research?
2. Are there any confounds? Can you explain the results in a different way?
3. What would you have done differently to test the hypotheses?
4. When reading multiple papers on the topic, how do the different papers relate to each other, or are different? Is there a way to integrate the ideas?
5. What is the single most interesting future research direction? Just pick one.

The summaries are to be submitted by EACH student every week. The summaries will count towards (but not substitute for) the class participation for that week.

However, one student will be responsible to lead the discussion each week. Discussion leaders can ask questions of the other students, focus on central theoretical or methodological issues, or think about additional questions that are raised by the readings. The purpose of this is to get all students to really think carefully about the papers and take responsibility for discussion in the class. Note that those who are not selected to lead the discussion are also responsible for participating, and either the discussion leader or the instructor may call on them with questions at any time. For those who are

leading the discussion, make sure to examine the stated objective and positioning of the research, the hypotheses, the methodology, and the results, before getting into the more interesting aspects such as the paper's contribution, critiques, and future research directions. In addition to getting a good understanding of the topic of interest, my goal is that **each week you should generate a new 'idea' for at least one new study in the focal topic.** Therefore, we will spend a fair bit of time brain-storming on research ideas on the topic.

In addition to summarizing, leading discussions and of course class participation, students are responsible for THREE additional elements as part of the course deliverables.

One, each student must submit a 'Thought Paper' and present their thoughts to the class (around the middle of the semester).

Two, to help you get 'practice' of writing a review and critically evaluating a manuscript, you will be expected to write a review of a First Round Submission of a JCR manuscript, and submit your 'review' one week before the class. Once your review is submitted to me, you will get access to the actual reviews, and the multiple rounds of submissions. We will discuss these actual reviews, and your reviews in one of the sessions.

Three, each student must submit a written paper and present it as your Final Research Paper at the end of the semester. The paper must be submitted one week before the presentation date so that everyone has had a chance to read everyone else's paper.

Together, with your class participation these three components will comprise the course grade for the students alongside the class participation.

See grading scheme below for more details.

Grading Scheme:

1. **Class participation (30%).** All students are required to *read all papers* scheduled for each session, ready to discuss them. In addition, in every class, each participant shall read one article in depth and summarize this for the rest of the class: orally (driven by the questions 1-5 above) as well as in writing.
2. **A "Thought" paper (10%).** You will develop a research idea and "position" it within the context of one of the topics under discussion in the previous weeks, or a different topic within the Consumer Behavior domain. Your idea paper could build on your paper summary. It should either extend the original paper theoretically (maybe through developing boundary conditions), empirically (conceptual replication research or methodological replication research by tackling the same problem using a more appropriate research approach), or lead to a reversal of the findings of the original research. We will discuss these ideas in class. The idea paper should be of **approximately 2 pages** in length, and read like the front end of a JCR article - with the motivation for the idea, brief description of prior research, and the proposed hypothesis. Importantly, however, this idea piece should not be the same as your research paper - although the topic could be related, please make this research idea distinct.
3. **Paper Review (10%).** To help you better experience the review process of a journal, you will write a review for a paper, and subsequently read the actual reviews received from the journal - multiple rounds. We will discuss your reviews and the actual reviews in class. The reviews will count for 10% of the grade.
4. **Research paper (50%).** You will develop a research idea, collect data for it (if possible but not necessary) and submit the final written paper as an end-of-the-semester assignment. This is an opportunity to conduct in-depth reading in your selected area, and gaining knowledge

in that particular area. You are encouraged to discuss a brief outline of the research 'idea' with the instructor for feedback as well as formal approval. Conducting literature review, identifying the research question, developing the theory, framing the hypotheses, conducting a study, reporting the results as well as writing the general discussion would be key components of the paper. Please follow the *JCR* style-sheet (<http://wiscinfo.doit.wisc.edu/jcr/stylesheet.pdf>) in preparing this paper. (You could also use APA Formatting if you prefer). The paper should not exceed 15 pages of text (you can exceed this limit with only references, tables and/or figures). Your final paper is due at the end of the semester ONE WEEK BEFORE your in-class presentation.

Course Outline

Sep 15: **Course Introduction.** Overview of the course, readings, format.
Sign up for papers to be presented each week by you.
What is Consumer Behavior Research?

Sep 22: **Culture**

Sep 29: **Time**

Oct 06: **Money**

Oct 13: **Self and Relationships**

Oct 20: **Anthropomorphism**

Oct 27: **No Class – ACR**

Nov 03: **'Thought paper' and Presentations**

Nov 10: **Choice**

Nov 17: **Morality**

Nov 24: **Mental Accounting and Endowment Effect**

Dec 01: **Review Process**

Dec 07: **Final Paper and Presentations**

Sep 15: Course Introduction.

Introductions about each other including research interests.

Overview of the course.

General discussion about academic research, esp. in marketing.

What is good research?

What is Consumer Behavior Research?

Sign up for papers to be presented each week by you.

Readings:

Holbrook, Morris B. (1987), "What is Consumer Research?" *Journal of Consumer Research*, 14 (June), 128-132.

Simonson, Itamar, Ziv Carmon, Ravi Dhar, Aimee Drolet and Steven Nowlis (2001), "Consumer Research: In Search of Identity," *Annual Review of Psychology*, 52: 249-275.

Mick, David (2003), "Appreciation, Advice and Some Aspirations for Consumer Research," *Journal of Consumer Research*.

Deighton, John (2007), "The Territory of Consumer Research: Walking the Fences" (*Journal of Consumer Research*, Editorial)

Sep 22: Culture

Required Readings:

Markus, Hazel R. and Shinobu Kitayama (1991), "Culture and the Self: Implications for Cognition, Emotion, and Motivation," *Psychological Review*, 98, 224-253.

Aaker, Jennifer and Angela Lee (2001), "I Seek Pleasures and We Avoid Pains: The Role of Self Regulatory Goals in Information Processing and persuasion," *Journal of Consumer Research*, 28 (June), 33-49.

Other Readings:

Aaker and Maheswaran (1997), "The Effect of Cultural Orientation on Persuasion," *Journal of Consumer Research*, 24 (3), 315-328.

Briley, Donnel, Michael Morris, and Itamar Simonson (2000), "Reasons as Carriers of Culture: Dynamic versus Dispositional Models of Cultural Influence on Decision Making," *Journal of Consumer Research*, 27 (September), 157-178.

Hong, Y-y, M. Morris, C-y Chiu and Veronica Benet-Martínez (2000), "Multicultural Minds: A Dynamic Constructivist Approach to Culture and Cognition," *American Psychologist*, 55 (7), 709-720.

Iyengar, Sheena S.; Lepper, Mark R. (1999), "Rethinking the value of choice: A cultural perspective on intrinsic motivation," *Journal of Personality and Social Psychology*, 76(3), 349-366

Luna, David; Ringberg, Torsten; Peracchio, Laura A. (2008), "One individual, two identities: Frame switching among biculturals," *Journal of Consumer Research*, 35(2), 279-293

Mazar and Aggarwal (2011), "Greasing the Palm: Can Collectivism Promote Bribery?" *Psychological Science*, 22 (7), 843-848.

Nisbett, R. E., I. Choi, et al. (2001). "Culture and Systems of Thought: Holistic Versus Analytic Cognition," *Psychological Review*, 108(2), 291-310.

Triandis, H. C., R. Bontempo, et al. (1988). "Individualism and Collectivism: Cross-Cultural Perspectives on Self-Group Relationships." *Journal of Personality and Social Psychology* 54(2): 323-338.

Sep 29: Time

Required Readings:

Trope, Yacoov and Nira Liberman (2003), "Temporal Construal," *Psychological Review*, 110, 403-421.

Zauberman, Gal, Jonathan Levav, Kristin Diehl, and Rajesh Bhargave (2010), "1995 Feels So Close yet So Far: The Effect of Event Markers on the Subjective Feeling of Elapsed Time," *Psychological Science*, 21 (1), 133-39.

Other Readings:

Ariely, Dan (1998), "Combining experiences over *time*: The effects of duration, intensity changes and on-line measurements on retrospective pain evaluations," *Journal of Behavioral Decision Making*, 11(1), 19-45

Bilgin, Baler and Robyn A. LeBoeuf (2010), "Looming Losses in Future Time Perception," *Journal of Marketing Research*, 47(June), 520-530.

Faro, David, Ann L. McGill, and Reid Hastie, (2010) "Naïve Theories of Causal Force and a Compression of Elapsed Time," *Journal of Personality and Social Psychology*, 98, 683-701.

Gorn, Gerald J., Amitava Chattopadhyay, Jaideep Sengupta, and Shashank Tripathi (2004), "Waiting for the Web: How Screen Color Affects Time Perception," *Journal of Marketing Research*, 41 (2), 215-25.

Kellaris, James J. and Robert J. Kent (1992), "The Influence of Music on Consumers' Temporal Perceptions: Does Time Fly When You're Having Fun?" *Journal of Consumer Psychology*, 1 (4), 365-76.

Morwitz, Vicki G. (1997), "It Seems Like Only Yesterday: The Nature and Consequences of Telescoping Errors in Marketing Research," *Journal of Consumer Psychology*, 6 (1), 1-29.

Loftus, Elizabeth F., Jonathan W. Schooler, Stanley M. Boone, and Donald Kline (1987), "Time Went by So Slowly: Overestimation of Event Duration by Males and Females," *Applied Cognitive Psychology*, 1 (1), 3-13.

Soman, Dilip (2003), "Prospective and Retrospective Evaluations of Experiences: How You Evaluate an Experience Depends on When You Evaluate It," *Journal of Behavioral Decision Making*, 16 (1), 35-52.

Van Boven, Leaf and Laurence Ashworth (2007), "Looking Forward, Looking Back: Anticipation is More Evocative than Retrospection," *Journal of Experimental Psychology: General*, 136 (2), 289-300.

Yeung, Catherine W. M. and Dilip Soman (2007), "The Duration Heuristic," *Journal of Consumer Research*, 34 (3), 315-26.

Oct 06: Money

Required Readings:

Vohs, Kathleen, Nicole Mead and Miranda Goode (2006), "The Psychological Consequences of Money," *Science*, 314, 1154 - 1156.

Zhou, Xinyue; Vohs, Kathleen D.; Baumeister, Roy F.(2009), "The symbolic power of money: Reminders of money alter social distress and physical pain," *Psychological Science*, 20(6), 700-706

Quoidbach, Jordi; Dunn, Elizabeth W.; Petrides, K. V.; Mikolajczak, Moïra (2010), "Money giveth, money taketh away: The dual effect of wealth on happiness," *Psychological Science*, 21(6), 759-763

Briers, Barbara; Pandelaere, Mario; Dewitte, Siegfried; Warlop, Luk (2006), "Hungry for Money: The Desire for Caloric Resources Increases the Desire for Financial Resources and Vice Versa," *Psychological Science*, 17(11), 939-943

Mogilner, Cassie and Jennifer Aaker (2009), "The Time vs. Money Effect: Shifting Product Attitudes and Decisions through Personal Connection," *Journal of Consumer Research*, 36 (August), 277-291.

Other Readings:

Aaker, Jennifer, Kathleen Vohs and Cassie Mogilner (2010), "Nonprofits are seen as warm and For-Profits as Competent: Firm Stereotypes Matter," *Journal of Consumer Research*, 37 (August), 224-237.

DeVoe, Sanford and Sheena Iyengar (2010), "The Medium of Exchange Matters: What's Fair for Goods is Unfair for Money," *Psychological Science*, 21, 159-162.

Leclerc, France; Schmitt, Bernd H.; Dubé, Laurette (1995), "Waiting time and decision making: Is time like money?" *Journal of Consumer Research*, 22(1), 110-119

Rick, Scott I.; Cryder, Cynthia E.; Loewenstein, George (2008), "Tightwads and spendthrifts," *Journal of Consumer Research*, 34(6), 767-782

Saini, Ritesh and Ashwani Monga (2008), "How I Decide Depends on What I Spend: Use of Heuristics is Greater for Time than for Money," *Journal of Consumer Research*, 34 (April), 914-922.

Vohs, Kathleen D., Nicole L. Mead and Miranda R. Goode (2007), "Merely activating the concept of money changes personal and interpersonal behavior," *Current Directions in Psychological Science*, 17(3), Jun 2008, pp. 208-212

Wertenbroch, Klaus; Soman, DiIip; Chattopadhyay, Amitava (2007), "On the perceived value of money: The reference dependence of currency numerosity effects," *Journal of Consumer Research*, 34(1), 1-10

Oct 13: Self and Relationships

Required Readings:

Aggarwal, Pankaj (2004), "The Effects of Brand Relationship Norms on Consumer Attitudes and Behavior," *Journal of Consumer Research*; 31 (June); 87-101

Fournier, Susan (1995), "Consumers and Their Brands: Developing Relationship Theory in Consumer Research," *Journal of Consumer Research*, 24 (March), 343-373.

Other Readings:

Aaker, J., Fournier, S., & Brasel, S. A. (2004). When good brands do bad. *Journal of Consumer research*, 31(1), 1-16.

Aggarwal, Pankaj and Sharmistha Law (2005), "Role of Relationship Norms in Processing Brand Information," *Journal of Consumer Research*, 32 (December), 453-464

Bartels, D. M., & Rips, L. J. (2010). "Psychological connectedness and intertemporal choice," *Journal of Experimental Psychology: General*, 139(1), 49-69.

Belk, Russell (1988), "Possessions and the Extended Self," *Journal of Consumer Research*, 2 (September), 139-168.

Martin, Reimann, Sandra Nunez, Raquel Castano (2017), "Brand-Aid," *Journal of Consumer Research*, 44 (3), 673-691.

Muniz, Jr., Albert M. and Thomas C. O'Guinn (2001), "Brand Community," *Journal of Consumer Research*, 27 (4), 412-432.

Yoon, C., Gutchess, A. H., Feinberg, F., & Polk, T. A. (2006), "A functional magnetic resonance imaging study of neural dissociations between brand and person judgments," *Journal of Consumer Research*, 33(1), 31-40.

Oct 20: Anthropomorphism

Required Readings:

Epley, Nicholas; Waytz, Adam; Cacioppo, John T (2007), "On seeing human: A three-factor theory of anthropomorphism," *Psychological Review*, 114(4), 864-886.

Aggarwal, Pankaj and Ann L. McGill (2007), "Is That Car Smiling at Me? Schema Congruity as a Basis for Evaluating Anthropomorphized Products," *Journal of Consumer Research*, 34 (4), 468-479.

Other Readings:

Aggarwal, Pankaj and Ann L. McGill (2012), "When Brands Seem Human, Do Humans Act Like Brands? Automatic Behavioral Priming Effects of Brand Anthropomorphism," *Journal of Consumer Research*; August, 307-323

Ahn, Hee-Kyung, Hae Joo Kim, and Pankaj Aggarwal (2014), "Helping Fellow Beings: Anthropomorphized Social Causes and the Role of Anticipatory Guilt," *Psychological Science*, 25 (1), 224-229

Chandler, J., & Schwarz, N. (2010) "Use does not wear ragged the fabric of friendship: Thinking of objects as alive makes people less willing to replace them," *Journal of Consumer Psychology*, 20(2), 138-145.

Fitzsimons, Grainne M., Tanya L. Chartrand, and Gavan J. Fitzsimons (2008), "Automatic effects of Brand Exposure on Motivated Behavior: How Apple Makes You "Think Different"," *Journal of Consumer Research*, 35 (1), 21-35.

Haslam, Nick. "Dehumanization: An integrative review." *Personality and social psychology review* 10, no. 3 (2006): 252-264.

Kim, Sara, and Ann L. McGill. "Gaming with Mr. Slot or gaming the slot machine? Power, anthropomorphism, and risk perception." *Journal of Consumer Research* 38, no. 1 (2011): 94-107.

Puzakova, Marina, Hyokjin Kwak, and Joseph F. Rocereto. "When humanizing brands goes wrong: The detrimental effect of brand anthropomorphization amid product wrongdoings." *Journal of Marketing* 77, no. 3 (2013): 81-100.

Oct 27: No Class – ACR Conference

Nov 03 – ‘Thought paper’ and In-Class Presentations

Nov 10: Choice and Preference

Required Readings:

Dhar, Ravi; Wertenbroch, Klaus (2000), "Consumer choice between hedonic and utilitarian goods," *Journal of Marketing Research*, 37(1), 60-71

Iyengar, Sheena S.; Lepper, Mark R. (2000), "When *choice* is demotivating: Can one desire too much of a good thing?" *Journal of Personality and Social Psychology*, 79(6), 995-1006

Other Readings:

Ariely, Dan and Jonathan Levav (2000), "Sequential Choice in Group Settings: Taking the Road Less Travelled and Less Enjoyed," *Journal of Consumer Research*, 27 (Dec), 279-290.

Dhar, Ravi; Nowlis, Stephen M. (1999), "The effect of time pressure on consumer choice deferral," *Journal of Consumer Research*, 25(4), 369-384

Hsee, Christopher K.; Yu, Fang; Zhang, Jiao; Zhang, Yan, (2003), "Medium Maximization," *Journal of Consumer Research*, 30(1), 1-14

Hsee, Christopher K.; Loewenstein, George F.; Blount, Sally; Bazerman, Max H. (1999), "Preference reversals between joint and separate evaluations of options: A review and theoretical analysis," *Psychological Bulletin*, 125(5), 576-590

Johnson, Michael (1984), "Consumer Choice Strategies for Comparing non-comparable Alternatives," *Journal of Consumer Research*, 11, 741-753.

Luce, Mary Frances (1998), "Choosing to Avoid: Coping with Negatively Emotion- Laden Consumer Decisions," *Journal of Consumer Research*, 24(March), 409-33.

Ratner, Rebecca K., Barbara Kahn, and Daniel Kahneman (1999), "Choosing less-preferred experiences for the sake of variety," *Journal of Consumer Research*, 26 (1), 1-15.

Shiv, Baba; Carmon, Ziv; Ariely, Dan (2005), "Placebo effects of marketing actions: Consumers may get what they pay for," *Journal of Marketing Research*, 42(4), 383-393

Simonson, Itamar (1999), "Choice based on reasons: The Case of Attraction and Compromise Effects," *Journal of Consumer Research*, 16, 158-174.

Nov 17: Morality

Required Readings:

Sachdeva, Sonya, Rumien Iliev, and Douglas L. Medin. "Sinning Saints and Saintly Sinners: The Paradox of Moral Self-Regulation." *Psychological science* 20.4 (2009): 523-528.

Zhong, Chen-Bo and Liljenquist, Katie (2006), "Washing Away Your Sins: Threatened Morality and Physical Cleansing," *Science*, 313(5792), 1451-1452

Khan, Uzma, and Ravi Dhar. (2006), "Licensing effect in consumer choice," *Journal of Marketing Research*, 43 (2), 259-266.

Other Readings:

Belk, Russell W.; Wallendorf, Melanie; Sherry, John F. (1989), "The sacred and the profane in consumer behavior: Theodicy on the Odyssey," *Journal of Consumer Research*, 16(1), 1-38

Caruso, Eugene M. (2010), "When the future feels worse than the past: A temporal inconsistency in moral judgment," *Journal of Experimental Psychology: General*, 139 (4), 610-624.

Haidt, J. (2001), "The emotional dog and its rational tail: A social intuitionist approach to moral judgment," *Psychological Review*, 108, 4, 814-34

Jordan, Jennifer, Elizabeth Mullen, and J. Keith Murnighan. "Striving for the moral self: The effects of recalling past moral actions on future moral behavior." *Personality and Social Psychology Bulletin* 37.5 (2011): 701-713.

Mazar, Nina, On Amir, and Dan Ariely (2008), "The Dishonesty of Honest People: A Theory of Self-Concept Maintenance," *Journal of Marketing Research*, 45 (6), 633-644.

Sunstein, Cass R. (2005), "Moral heuristics," *Behavioral and Brain Sciences*, 28(4), 531-573

Tangney, June Price, Jeff Stuewig, and Debra J. Mashek. "Moral emotions and moral behavior." *Annual review of psychology* 58 (2007): 345.

Tetlock, Philip E.; Kristel, Ori V.; Elson, S. Beth; Green, Melanie C.; Lerner, Jennifer S. (2000), "The psychology of the unthinkable: Taboo trade-offs, forbidden base rates, and heretical counterfactuals," *Journal of Personality and Social Psychology*, 78(5), 853-870

Zhong, Chen-Bo; Strojcek, Brendan; Sivanathan, Niro (2010), "A clean self can render harsh moral judgment," *Journal of Experimental Social Psychology*, 46(5), 859-862

Nov 24: Mental Accounting and Endowment Effect

Required Readings:

Thaler, Richard H. (1999), "Mental accounting matters," *Journal of Behavioral Decision Making*, 12(3), 183-206

Kahneman, D, J. L. Knetsch, and Richard Thaler (1991), "The Endowment Effect, Loss Aversion, and Status Quo Bias," *Journal of Economic Perspectives*, 5, 193-206.

Lerner, Jennifer S.; Small, Deborah A.; Loewenstein, George (2004), "Heart Strings and Purse Strings: Carryover effects of emotions on economic decisions," *Psychological Science*, 15(5), 337-341

Other Readings:

Aggarwal, Pankaj and Meng Zhang (2006), "The Moderating Effect of Relationship Norm Salience on Consumers' Loss Aversion," *Journal of Consumer Research*, 33(3), 413-419

Brenner, Lyle; Rottenstreich, Yuval; Sood, Sanjay; Bilgin, Baler (2007), "On the psychology of loss aversion: Possession, valence, and reversals of the endowment effect," *Journal of Consumer Research*, 34(3), 369-376

Cheema, Amar; Soman, Dilip (2006), "Malleable Mental Accounting: The Effect of Flexibility on the Justification of Attractive Spending and Consumption Decisions," *Journal of Consumer Psychology*, 16(1), 33-44

Heath, Chip and Jack B Soll (1996), "Mental budgeting and consumer decisions," *Journal of Consumer Research*, 23(1), 40-52

Levav, Jonathan; McGraw, A. Peter (2009), "Emotional accounting: How feelings about money influence consumer choice," *Journal of Marketing Research*, 46(1), 66-80

Novemsky, N. & Kahneman, D. (2005), "The Boundaries of Loss Aversion," *Journal of Marketing Research*, 42, May, 119-28

Okada, Erica Mina (2001), "Trade-ins, mental accounting, and product replacement decisions," *Journal of Consumer Research*, 27(4), 433-459

Peck, Joann; Shu, Suzanne B. (2009), "The effect of mere touch on perceived ownership," *Journal of Consumer Research*, 36(3), 434-447

Soman, Dilip (2001), "The mental accounting of sunk time costs: Why time is not like money," *Journal of Behavioral Decision Making*, 14(3), 169-185

Dec 01: Reviewing for a Journal

Review Process

Required Readings:

First Submission: Maeng, Ahreum and Pankaj Aggarwal “Facing Dominance: Anthropomorphism and the Effect of Product Face Ratios on Consumer Preferences”

Reviews + AE Report + Editor’s Letter

Second Submission: First Submission: Maeng, Ahreum and Pankaj Aggarwal “Facing Dominance: Anthropomorphism and the Effect of Product Face Ratios on Consumer Preferences”

Reviews + AE Report + Editor’s Letter

Third Round: First Submission: Maeng, Ahreum and Pankaj Aggarwal “Facing Dominance: Anthropomorphism and the Effect of Product Face Ratios on Consumer Preferences”

Reviews + AE Report + Editor’s Letter

Dec 08: Research Paper + Presentation

Required Readings:

Papers submitted by the students (We read all papers being submitted).