GENERAL COURSE INFORMATION

Class Timing: W  4:00-6:50am

Class Location: COBA 245E¹

Instructor: Ritesh Saini

Office: COBA 219

Email: saini@uta.edu

Office Hours: Wed 11-1pm, or just walk in.

Preferred mode of contact: E-Mail

¹ In the first half of the semester (Jan 20-Mar 6), we will also meet every Friday (11am-1pm) in COBA 154.
COURSE OVERVIEW AND LEARNING OBJECTIVES

This course is designed to familiarize you with a wide variety of theoretical models and issues related to consumer behavior – specifically focusing on how psychological factors act upon individual consumers and make them deviate from “rational” behavioral or “optimal” decisions.

It is impossible to cover all relevant topics in just one course. Moreover, what is “relevant” is itself a subjective assessment. However, I have tried my best to provide a very broad collection of research papers, all of which have been published in the top journals in marketing, psychology or economics. Some of these articles have been historically relevant (e.g., very well cited); these ones are important because they provide insights into the foundational theories of the field. Others are very recent; these ones are important because they suggest the direction in which consumer research is headed. When you read these articles, you will get a broad sense of the theories that are used in consumer behavior, the research techniques that are employed, and the writing style that is adopted. A student who satisfactorily completes this course will learn the following aspects pertaining to consumer-behavior research: (1) knowledge about several foundational streams of literature, (2) familiarity with the style and content of recent research, and (3) ability to generate and test new research ideas. While this course covers various different aspects of Consumer Behavior, the key focus is on Behavioral Decision Theory (BDT). Finally, while the course will cover specific areas related to consumer psychology, an overarching theme of the course will be to inculcate a rigorous scientific approach towards defining and investigating ideas.

BEHAVIORAL DECISION THEORY

The consumer behavior literature as divided into two major subgroups: (a) the consumer information processing segment, and (b) the behavioral decision theory (BDT) segment. The first subgroup, consumer information processing, includes consumer cognition and affect, and is not the key focus of this course. The BDT literature, which includes topics such as choice models, economic psychology, and consumer search strategies, draws largely from the interaction of psychological/sociological theories with economics/decision theory.

The major focus of behavioral decision theory is whether, and/or under what conditions, people deviate from normative rules of decision making. Consideration of these questions leads to a more general concern with rational behavior — how does one define rationality, and to what degree do people deviate from rationality in their decisions? In recent years, BDT research has seen enhanced revitalization thanks to the emergence of cognitive perspective of looking at classic BDT phenomena. This has led to, not just a listing of, but also the examination of the psychological underpinnings of the judgment and choice phenomena. Such a perspective leads to an added nuance in our examination of the BDT phenomena – What contextual, task related or personality factors influence deviations from rational behavior?

While the focus of this course is largely going to be the application of BDT concepts in the context of consumer behavior, the students will get a through grounding with the core BDT literature from all areas which include managerial decision making, public policy, financial decision making and social psychology. Much of the foundational work of BDT was conducted outside marketing, but the theoretical propositions have been expansive and rich enough to lend themselves to several interesting marketing domains. This has

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2 A few notable exceptions to this rule are topics related to Affect/Emotions and Personality Traits that bear upon consumer susceptibility to various BDT phenomena.
led to a growing number of consumer behavior papers published in premier marketing journals which take the core BDT principles and then extend them to various marketing and consumption situations.

At the end of this course, the expectation is that each student will possess the contextual familiarity, the ideation skills, and the methodological knowledge to author an experimental BDT article aimed for publication in a premier marketing journal.

**CLASS FORMAT**

This is not a lecture class in which I will “teach” articles. A discussion format will be used in which we will share our interpretations of different theoretical concepts, clarify our understanding of those concepts, generate new ideas and, hopefully, rise to a higher level of thinking. To accomplish this kind of learning, it is imperative that you do the assigned work diligently and participate enthusiastically in class.

I have assigned around 4-7 articles for each class. Typically, 1-2 of these will be omnibus overview articles. The remaining will be regular journal articles. I expect you to have a deep understanding about the (a) conceptualization of the proposed theory, (b) how it was tested, (c) the article’s incremental contribution to the literature, and (d) the aspects that could have been improved upon. Along these lines, each student will be assigned a paper every 1-2 week. Please prepare summaries for each assigned article (1-page handout for each article3; bring copies for the entire class). You will be given 15 minutes in class to explain the article. Be prepared to answer questions from me and other students. Besides this, you are also expected to read the remaining articles each week which are assigned to other students. For these remaining articles, the emphasis should be on developing a broad understanding of the key theories and results, without necessarily going into the minute specifics of the methodological aspects (data collection, stimuli, etc). Besides just discussing each article individually, a key goal of each class will be to adopt a gestalt view of all the articles together and see how each of the individual findings relate to each other, as well as to the previous articles we have discussed in past sessions.

In addition, in some of the sessions you are expected to present a 1-page handout (bring copies for everyone) of a new research idea related to the topics being discussed in the class that day. The idea may or may not stem from the article(s) assigned to you. You will be given 10 minutes to explain your new idea. This idea can be simple (e.g., just one hypothesis) but you should have clarity on the (a) underlying basis for your proposed hypothesis, (b) how it will be tested, and (c) the contribution that it would make to the literature4. Again, be prepared to answer questions from me and other students. Special attention should be paid to clearly justifying your core hypothesis on the basis of current literature and logical argumentation.

Finally, you will submit a fully-developed research article (11 pt. font; single-spaced; 4-6,000 words). This research report should read like a brief JCR paper. Ideally it should consist of 3-4 proposed studies, with complete details of the empirical methodology and the results you would predict (e.g., graphs of expected results). Final experimental stimuli should also be a part of the submission. This proposal can be based on one of the ideas that you presented in class, or can be a new idea altogether. In other words, it should be a completed paper without the data (except for one study). You will develop this on your own, but I will provide feedback during the initial stages. The quality of the idea should be such that, if empirically

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3 1-page is a strict limit. However there are no font size, margin or line-spacing limitations. You can choose these options to ensure that you do not exceed the strict page limit. Brevity is a virtue, but so is comprehensiveness.

4 In the process of coming up with a “new” idea, it is important for you to vet the extant literature to ensure that the idea has not already been investigated in an existing paper. One way to do this vetting is to do a forward citation search (on Google Scholar, etc) of related articles. Another is to consult recent overview articles in the area.
validated, it can be successfully presented at the ACR/SCP conferences. You will present a brief proposal of your idea to the class in the middle of the semester and make the final presentation and report submission at the semester end.

Please note that I will arrange running one of your studies on an online subject pool and provide you real data to include in your paper. This study should aim to test your principle hypothesis, and should be positioned as “Study 1” in your submission. Further details about this data collection will be provided in the initial weeks of the course.

**GRADING**

The following grade components add up to 100 points; there are no extra-credit opportunities.

- **Foundational Concepts Exam** 100 points
- **Quality of article summaries & in-class discussion:** 150 points
- **Quality of new research ideas:** 100 points
- **Research project (due at end of semester)** 500 points
- **Final Exam** 150 points

Your points from each component will be summed. The final course grade will be as follows.

- Greater than or equal to 900 points = A
- Greater than or equal to 800 points, but less than 900 points = B
- Greater than or equal to 700 points, but less than 800 points = C
- Greater than or equal to 600 points, but less than 700 points = D
- Less than 600 points = F

**OTHER NOTES**

1) Deviations from the syllabus are unlikely. If they do occur, I will announce them in class and/or communicate them over e-mail.

2) Extraordinary circumstances might sometimes force you to miss a class. I will make grade adjustments if verifiable documentation is presented.

3) If any disability affects your ability to participate fully in class or meet course requirements, please bring this to my attention so that I can make appropriate accommodations.

4) Scholastic misconduct is unacceptable. If I observe any such incident, the student will receive a zero for the entire grade component. **Egregious errors, like plagiarism, will directly lead to a failing grade in the course, and a report to the Office of Student Conduct.**

5) Please do not disturb the class environment by chatting, using electronic gadgets, arriving late, or engaging in any other distracting activity.
# TENTATIVE COURSE SCHEDULE

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<thead>
<tr>
<th>Session # (Date)</th>
<th>Topic</th>
<th>Deadlines</th>
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<tr>
<td>Week 1.1 (28 Jan)</td>
<td>Foundational Concepts Exam (4-6pm)</td>
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<tr>
<td>Week 1.2 (30 Jan)</td>
<td>Prospect Theory, Loss Aversion, and Implications</td>
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<td>Week 2.1 (4 Feb)</td>
<td>Heuristics &amp; Biases</td>
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<td>Week 2.2 (6 Feb)</td>
<td>Reference Effects &amp; Relativity</td>
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<td>Week 3.1 (11 Feb)</td>
<td>Dual Processes</td>
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<td>Week 3.2 (13 Feb)</td>
<td>Emotions</td>
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<td>Week 4.1 (18 Feb)</td>
<td>Preferences</td>
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<td>Week 4.2 (20 Feb)</td>
<td>Mental Accounting</td>
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<td>Week 5.1 (25 Feb)</td>
<td>Expectations &amp; Inferences</td>
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<td>Week 5.2 (27 Feb)</td>
<td>Variety, Flexibility &amp; Diversification</td>
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<td>Week 6.1 (4 Mar)</td>
<td>Self-Control &amp; Mis-forecasting</td>
<td>Meeting (Mar 4, 6, 8)</td>
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<td>Week 6.2 (6 Mar)</td>
<td>Psychological Distances</td>
<td>SPRING BREAK (7-15 Mar)</td>
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<td>Week 8 (18 Mar)</td>
<td>Proposal Presentation; Submit Proposal Document</td>
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<td>Week 9 (25 Mar)</td>
<td>No Class</td>
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<td>Week 10 (1 Apr)</td>
<td>No Class; Submit Final Stimuli for AMT Study</td>
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<td>Week 11 (8 Apr)</td>
<td>No Class; Receive Data from Dr. Saini</td>
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<td>Week 12 (15 Apr)</td>
<td>No Class</td>
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<td>Week 13.1 (22 Apr)</td>
<td>Final Project Presentation; Submit Final Report (Class may last upto 8pm)</td>
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<td>Week 13.2 (24 Apr)</td>
<td>Final Project Presentation (contd.)</td>
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<td>Week 14 (29 Apr)</td>
<td>No Class</td>
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<tr>
<td>Week 15 (6 May)</td>
<td>Final Exam (4-7pm)</td>
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5 Please make a prior appointment and meet me sometime during this week. I will be available to meet Mar 4 (11am-4pm), 6 (11am-4pm), and 8 (1-5pm). Bring 2-3 “half-baked” ideas you are considering for your final project to discuss with me. No written submission is required during the meeting. But bring 1-2 reference papers which constitute the relevant literature for your idea. These papers may or may not be from our course reading list.

6 Presentation should be less than 10 min. It should present (i) literature review, (ii) core hypothesis, (iii) rationale for your hypothesis, and (iv) experimental stimuli. Document should be 2-3,000 words (single-space). Email your presentation file and document to me by 2pm on the day of the presentation.

7 Presentation should be less than 15 min. It should present (i) literature review, (ii) core hypothesis, (iii) rationale for your hypothesis, (iv) experimental stimuli, and (iv) experiment results. Document should be 4-6,000 words (single-space). Email your presentation file and document to me by 2pm on the day of the presentation.
FOUNDATIONAL CONCEPTS EXAM
Room COBA 245E (28 Jan 2015, 4-6pm)

Before the course begins, all students will take a “Foundational Concepts” Exam. This paper will assess your knowledge of the basic concepts upon which this course will be built. The 2-hour exam will comprise of multiple-choice and short-essay type questions. All questions will be directly based on the concepts discussed in the following papers:

Article List for the Foundational Concepts Exam:-

**READINGS LIST**

The class will meet 14 times in the semester. Readings for each session are listed below. All readings can be accessed at the Marketing Department K drive (K:\Saini\MARK 6302\Readings).

There are three categories of articles for each session:

1. **Assigned Reading Articles** will be individually discussed in class. Each article will be assigned to a student. That student will lead the class discussion on the paper fully describing the key findings and the core theory. An attempt should also be made to draw linkages with the previously discussed papers in the course. The student should also bring a 1-page (strict limit) hand-out for each student and professor in the class which summarizes the paper.

2. **Overview Articles** will be comprehensive articles covering a broad scope. No individual student will be assigned these articles, but everyone is expected to be highly familiar with their contents before coming to class.

3. **Seminal Historical Articles** are the pioneering articles in the field.

**WEEK 1.1 (28 Jan): Foundation Concepts Exam (4-6pm)**

**WEEK 1.2 (30 Jan): PROSPECT THEORY, LOSS AVERSION & IMPLICATIONS**


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8 **Overview/Historical Articles:**
WEEK 2.1 (4 Feb): REFERENCE EFFECTS & RELATIVITY


WEEK 2.2 (6 Feb): HEURISTICS & BIASES


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*Overview/Historical Articles:


WEEK 3.1 (11 Feb): DUAL PROCESSES & OVERTHINKING


WEEK 3.2 (13 Feb): EMOTIONS


- Pham, M. T., & Avnet, T. (2009). Contingent reliance on the affect heuristic as a function of regulatory focus. *Organizational Behavior and Human Decision Processes*


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10 Overview/Historical Articles:
2. Dhar, R., & Gorlin, M. (2013). A dual-system framework to understand preference construction processes in choice. *Journal of Consumer Psychology* (Also see other related articles in the same JCP Issue)

11 Overview/Historical Papers:
WEEK 4.1 (18 Feb): PREFERENCES

- Hsee, C. K. (1998). Less is better: When low-value options are valued more highly than high-value options. *Journal of Behavioral Decision Making*

WEEK 4.2 (20 Feb): MENTAL ACCOUNTING


12 Overview/Historical Papers:

13 Overview/Historical Papers:
WEEK 5.1 (25 Feb): EXPECTATIONS & INFERENCES


WEEK 5.2 (27 Feb): VARIETY, FLEXIBILITY & DIVERSIFICATION


14 Historical/Overview Papers:

15 Overview Papers:
WEEK 6.1 (4 Mar): SELF CONTROL & MISFORECASTING


WEEK 6.2 (6 Mar): PSYCHOLOGICAL DISTANCES


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16 *Overview Papers:*

17 *Overview Papers:*
UNIVERSITY/COBA POLICIES AND PROCEDURES

Drop Policy: Students may drop or swap (adding and dropping a class concurrently) classes through self-service in MyMav from the beginning of the registration period through the late registration period. After the late registration period, students must see their academic advisor to drop a class or withdraw. Undeclared students must see an advisor in the University Advising Center. Drops can continue through a point two-thirds of the way through the term or session. It is the student's responsibility to officially withdraw if they do not plan to attend after registering. Students will not be automatically dropped for non-attendance. Repayment of certain types of financial aid administered through the University may be required as the result of dropping classes or withdrawing. For more information, contact the Office of Financial Aid and Scholarships (http://wweb.uta.edu/ses/fao).

Americans with Disabilities Act: The University of Texas at Arlington is on record as being committed to both the spirit and letter of all federal equal opportunity legislation, including the Americans with Disabilities Act (ADA). All instructors at UT Arlington are required by law to provide "reasonable accommodations" to students with disabilities, so as not to discriminate on the basis of that disability. Any student requiring an accommodation for this course must provide the instructor with official documentation in the form of a letter certified by the staff in the Office for Students with Disabilities, University Hall 102. Only those students who have officially documented a need for an accommodation will have their request honored. Information regarding diagnostic criteria and policies for obtaining disability-based academic accommodations can be found at www.uta.edu/disability or by calling the Office for Students with Disabilities at (817) 272-3364.

Academic Integrity: All students enrolled in this course are expected to adhere to the UT Arlington Honor Code:

I pledge, on my honor, to uphold UT Arlington’s tradition of academic integrity, a tradition that values hard work and honest effort in the pursuit of academic excellence.

I promise that I will submit only work that I personally create or contribute to group collaborations, and I will appropriately reference any work from other sources. I will follow the highest standards of integrity and uphold the spirit of the Honor Code.

Student Support Services: UT Arlington provides a variety of resources and programs designed to help students develop academic skills, deal with personal situations, and better understand concepts and information related to their courses. Resources include tutoring, major-based learning centers, developmental education, advising and mentoring, personal counseling, and federally funded programs. For individualized referrals, students may visit the reception desk at University College (Ransom Hall), call the Maverick Resource Hotline at 817-272-6107, send a message to resources@uta.edu, or view the information at www.uta.edu/resources.

Electronic Communication: UT Arlington has adopted MavMail as its official means to communicate with students about important deadlines and events, as well as to transact university-related business regarding financial aid, tuition, grades, graduation, etc. All students are assigned a MavMail account and are responsible for checking the inbox regularly. There is no additional charge to students for using this account, which remains active even after graduation. Information about activating and using MavMail is available at http://www.uta.edu/oit/cs/email/mavmail.php.

Student Feedback Survey: At the end of each term, students enrolled in classes categorized as lecture, seminar, or laboratory shall be directed to complete a Student Feedback Survey (SFS). Instructions on how to access the SFS for this course will be sent directly to each student through MavMail approximately 10 days before the end of the term. Each student's feedback enters the SFS database anonymously and is aggregated with that of other students enrolled in the course. UT Arlington's effort to solicit, gather, tabulate, and publish student feedback is required by state law; students are strongly urged to participate. For more information, visit http://www.uta.edu/sfs.

Final Review Week: A period of five class days prior to the first day of final examinations in the long sessions shall be designated as Final Review Week. The purpose of this week is to allow students sufficient time to prepare for final examinations. During this week, there shall be no scheduled activities such as required field trips or
performances; and no instructor shall assign any themes, research problems or exercises of similar scope that have a completion date during or following this week unless specified in the class syllabus. During Final Review Week, an instructor shall not give any examinations constituting 10% or more of the final grade, except makeup tests and laboratory examinations. In addition, no instructor shall give any portion of the final examination during Final Review Week. During this week, classes are held as scheduled. In addition, instructors are not required to limit content to topics that have been previously covered; they may introduce new concepts as appropriate.

Policy on Nonpayment Cancellations

Students who have not paid by the census date and are dropped for non-payment cannot receive a grade for the course in any circumstances. Therefore, a student dropped for non-payment who continues to attend the course will not receive a grade for the course. Emergency loans are available to help students pay tuition and fees. Students can apply for emergency loans by going to the Emergency Tuition Loan Distribution Center at E. H. Hereford University Center.

COBA Policy on Bomb Threats

Section 22.07 of the Texas Criminal Law states that a Class A misdemeanor is punishable by (1) a fine not to exceed $4,000, (2) a jail term of not more than one year, or (3) both such a fine and confinement. If anyone is tempted to call in a bomb threat, be aware that UTA has the technology to trace phone calls. Every effort will be made to avoid cancellation of presentation/ tests caused by bomb threats to the Business Building. Unannounced alternate sites will be available for these classes. If a student who has a class with a scheduled test or presentation arrives and the building has been closed due to a bomb threat, the student should immediately check for the alternate class site notice which will be posted on/near the main doors on the south side of the Business building. If the bomb threat is received while class is in session, your instructor will ask you to leave the building and reconvene at another location. Students who provide information leading to the successful prosecution of anyone making a bomb threat will receive one semester's free parking in the Maverick Garage across from the Business Building. UTA's Crimestoppers may provide a reward to anyone providing information leading to an arrest. To make an anonymous report, call 817-272-5245.

COBA Policy on Food/Drink in Classrooms

College policy prohibits food and/or drinks in classrooms and labs. Anyone bringing food and/or drinks into a classroom or lab will be required to remove such items, as directed by class instructor or lab supervisor.

Evacuation Procedures

In the event of an evacuation of the College of Business building, when the fire alarm sounds, everyone must leave the building by the stairs. With the fire alarm system we now have, the elevators will all go to the first floor and stay there until the system is turned off. All those in the North tower side of the building should proceed to the fire escape stairs located on the East and West sides of that wing.

For disabled persons: please go to the Northeast fire stairs. We have an evacu-track chair located on the 6th floor stairwell. We have people trained in the use of this chair and there will be someone who will go to the 6th floor to get the chair and bring it to any lower floor stairwell to assist disabled persons. Faculty members will notify the Dean’s Office at the beginning of each semester of any disabled persons in their classes. Should this be a real emergency, the Arlington Fire Department and UTA Police will also be here to help.


Price Fairness

**SOCIAL COGNITION & INFLUENCES**

Confirmation Bias, Fundamental Attribution Bias, Cognitive Dissonance, Persuasion Principles

Self-Other Papers

Correspondence Bias

