

MACQUARIE
UNIVERSITY



FACULTY OF
BUSINESS AND ECONOMICS

MKTG203 Consumer Behaviour

Semester 1, 2010

Department of Business

MACQUARIE UNIVERSITY
Faculty OF Business and Economics
UNIT OUTLINE

Year and Semester:	2010
Unit convenor:	Dr. Steven D'Alessandro
Course Coordinator:	Dr. Steven D'Alessandro
Prerequisites:	MKTG203

Students in this unit should read this unit outline carefully at the start of semester. It contains important information about the unit. If anything in it is unclear, please consult one of the teaching staff in the unit.

ABOUT THIS UNIT

This unit examines the external and internal factors that influence people's behaviour in a purchase situation. Consumer Behaviour is a 3-credit point subject. The subject provides a conceptual understanding of consumer behaviour, integrating theories from psychology, sociology, cultural anthropology and economics.

TEACHING STAFF

Unit Convenor: Dr, Steven D'Alessandro
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Lecturer/Tutor: TBA
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Consultation:

Contacting teaching staff

Students are encouraged to approach teaching staff for help. Teaching staff are available for questions during or after lectures and tutorials, by email on Blackboard, or by appointment.

Note: Information about assessment tasks, including the final examination, will be addressed in the lectures and on Blackboard. All teaching staff will mark assessment tasks.

CLASSES

The classes for this subject entail three hours of face-to-face teaching:

- See unit schedule on page 3.
- A one-hour (1 hr.) tutorial (from the week commencing 1st of March or second week of semester).

Participants are required to attend the sessions in which they are registered. Attempts to register in a different tutorial can be made online where space allows. Where attempts to register online fail, a written request to the course coordinator may be considered.

The timetable for classes can be found on the University web site at:

<http://www.timetables.mq.edu.au/>

Lectures

Time: Wed 12-2 p.m
Venue: EZB T2
Code: MKTG203

Tutorial times and locations

See
<http://www.timetables.mq.edu.au/>

Time: Thu 12-2 p.m
Venue: W5A Price
Code: MKTG203

Time: Fri 11 a.m-1.00 p.m
Venue: EZB T3
Code: MKTG203

REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS

Prescribed Text

Schiffman, Leon, Ward, Steven, O'Cass, Aron, Bednall, David, Paladino, Angela and Kanuk, Leslie (2007) *Consumer Behaviour*, 4th Edition, Pearson Education Australia ISBN 9 78 07 3398417

Recommended:

Pecotich and C. Shultz (2005) *Handbook of Markets and Economies: East and Southeast Asia, Australia and New Zealand* (M.E Sharpe, USA, ISBN: 0-7656-0972-X).

Recommended Reading

Psychology & Marketing Journal of Product & Brand Management Australasian Marketing Journal Journal of Economic Psychology Journal of Retailing & Consumer Services Journal of Advertising Journal of Retailing Journal of Consumer Culture Journal of Consumer Behaviour	European Journal of Marketing International Journal of Research in Marketing Journal of Consumer Marketing Journal of Business Research Journal of Consumer Research Journal of the Academy of Marketing Science Journal of Marketing Journal of Advertising Research
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UNIT WEB PAGE

The online classroom for this unit can be accessed via the 'login' at <http://learn.mq.edu.au>

The unit web page is a vital resource in this unit. Blackboard resources include: online research activities, links, course materials and assignment research information.

LEARNING OBJECTIVES AND OUTCOMES

On successful completion of this course, you will be able to:

1. Discuss the rationale for studying consumer behaviour;
2. Identify and explain factors which influence consumer behaviour;
3. Demonstrate how knowledge of consumer behaviour can be applied to marketing;
4. Attain generic skill requirements.

In addition to the discipline-based learning objectives, all academic programs at Macquarie seek to develop students' generic skills in a range of areas. This Unit's generic skills develop: (a) communication (oral and written); (b) team work; and, (c) responsibility for individual learning.

TEACHING AND LEARNING STRATEGY

Teaching is delivered in weekly lectures and tutorials. Learning activities include individual and group tasks that are to be completed during private study and in tutorials. Participants are expected to read in advance of lectures, participate in tutorials and complete all set tasks.

<i>Week</i>	<i>Chapters</i>	<i>Topics</i>
1.	1.	Introduction What is Consumer Behaviour? Formation of Groups
2.	2. and 3.	Understanding Consumers and Market Segments Consumer needs and motivations
3.	4 and 5	Consumer personality and the self concept Consumer perception Group Assignment #1
4.	6	Learning and consumer involvement.
5.	7	The nature of consumer attitudes.
6.	8	Social influences on buyer behaviour.
7.		Mid Semester Exam (Time and Venue TBA)
8.	9 and 10	The Family Social Class
9.	11 and 13	The influence of culture on consumer behaviour Cross cultural consumer behaviour: An international perspective Group Assignment #2

<i>Week</i>	<i>Chapters</i>	<i>Topics</i>
10.	12	Sub cultural aspects of consumer behaviour
11.	14	Decision making
12.	15	Consumer influence and the diffusion of innovations Group Assignment #3
13.	Summary lecture	Exam Revision

RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES

There are four assessment areas in this unit. Each assessment task (AT) is designed to assist learning as follows:

- **AT1:** Reviews individual ability to identify, apply and discuss core subject knowledge in multiple-choice mid-term test and online activities;
- **AT2:** Develops individual ability to critically identify, select and apply relevant core course knowledge and achieve group outcomes in the context of an oral tutorial presentation;
- **AT3:** Enhances individual skills to locate, apply, discuss and critique core subject knowledge and develop group work skills in the preparation of a formal written document;
- **AT4:** Evaluates the development of specific course knowledge applications and reflection including multiple-choice, short-answer and essay writing tasks.

The following table shows the related learning outcomes, identifies the proportion of marks awarded and specifies the due date for each assessment task.

Assessment Item	Related Learning Outcomes	Weighting (%)	Due Date (Week)
AT1: Mid Semester	1 & 2	20%	W7
AT1: Tutorial preparation	1 & 2	10%	Each week
AT2 and AT3: Group Assignments (3)	2, 3 & 4	30%	W3, W9, & W12
AT4: Final Examination	1, 2, 3 & 4	40%	Formal exam period

AT1 ASSESSMENT

The AT1 assessment task consists of one in class multiple choice test.

Mid Semester Test

The aim of this assessment is to give you feedback on your level of understanding of consumer behaviour principles. There will be one multiple-choice question test consisting of 80 questions and will be 90 minutes long. The mid semester test is worth 20% and will examine material covered up to and including the date of the test. Unlike the

presentations this work is done individually. There will be no deferrals for these tests. Students who cannot attend this mid semester test will have a higher weighting on their exam. For example, a student who cannot attend the mid semester would have an exam worth 60% of their grade.

Tutorial Preparation

At the beginning of each class, students are to submit no more than two pages answers to the tutorial questions. Each tutorial preparation is worth 1%. These will be marked and returned the next day. The goal of tutorial preparation is to reward preparation and to have students more informed in tutorials. Tutorial preparation will be marked from 0 (no report), 0.5 (attempted but still needs help) to 1 (attempted successfully most exercises) to a maximum of 10%.

AT2 & AT3 ASSESSMENT TASKS

AT2 and AT3 entail individual contributions to a series of business reports. Participants will form groups in the first tutorial and are required to remain in the same group for both tasks. Should students wish to discuss group task allocations or grievances, they are to do so with the tutorial leader or coordinator. Grievances must be addressed early in the semester and documented.

Group Assignments

This assessment seeks to ascertain students' abilities to work in collaboration and apply the consumer principles learnt in the course to different cultural settings. Students will arrange themselves into groups of five by completing the online *Group signup tool* on *Blackboard*. You are unable to submit an assignment online until this is done. You need also submit a group contract (see Appendix B) before you start your group project. At the end of semester you are also required to complete an individual evaluation of your contribution versus that of other group members (see Appendix B). This is a confidential online survey accessed using the *Assessments tool*. Students who do not complete a group contract at the beginning and an individual evaluation have no recourse (cause of complaint) for their final group project mark. Responsibility for the management of groups is the students own.

These groups must be within the same tutorial. Each group will submit three assignments. Each assignment covers the application of consumer behaviour theories in different countries in the South East Asian Region. A good way to start is to examine the relevant chapters in the Pecotich and Shultz text as well as Schiffman et al. At least one real world example of each consumer behaviour theories and concepts discussed in the relevant chapters of both texts. The example could be print, scanned images, a link to You-tube video.

Group Assignment 1: *China, Chapters 1-4 of Schiffman*. Compare and contrast as to how two (2) aspects or theories of consumer behaviour as discussed in Schiffman applies

to this country and how it differs from that in Australia. Show how this may provide a marketing opportunity for an Australian exporter. **This is due at 11.59 p.m 12/3/2010**

Group Assignment 2: *Japan, Chapters 5-9 of Schiffman.* Compare and contrast as to how two (2) aspects or theories of consumer behaviour as discussed in Schiffman applies to this country and how it differs from that in Australia Show how this may provide a marketing opportunity for a Australia exporter. **This is due at 11.59 p.m 7/5/2010**

Group Assignment 3: *Malaysia, Chapters 10-15 of Schiffman.* Compare and contrast as to how two (2) aspects or theories of consumer behaviour as discussed in Schiffman applies to this country and how it differs from that in Australia. Show how this may provide a marketing opportunity for an Australia exporter. **This is due at 11.59 p.m 28/5/2010**

A marking template for the assignments is included in the course outline. Your analysis must be substantiated by the use of relevant illustrative examples that show the application of relevant consumer behaviour theories. Write no more than five pages on each assignment (not including references and examples). As this is a group assessment, procedures as attached to the end of the course outline must be followed by all students. All referencing must be the Harvard style see <http://www.lib.monash.edu.au/tutorials/citing/harvard.html>.

These assignments are submitted online to *Blackboard* using the *Assignment tool*. Students are required to check for plagiarism using the *Turnitin* tool also available from Blackboard. In the end, the assignment that is submitted online for grading is also assessed for plagiarism, using *Turnitin* and a variety of other online tools.

One member of the group submits the assignment on behalf of the group. The assignments will be assessed online by your tutor and marked with an online grade form, which is similar to the marking template in this unit outline. Students can access their grades and feedback using the *My Grades* tool.

All assignments are to be submitted online no latter than 11.59 p.m Friday on the week of semester they are due.

Students who do submit on the required date will be given a grade of zero (0).

AT4 ASSESSMENT

Final examination

A test of your understanding of the important principals of consumer behaviour. The examination will be of two hours duration and may comprise multiple choice and/or short essay questions, similar to those covered in the tutorials. The exam will be based upon material covered in lectures, tutorials, readings and the textbooks

The final exam will cover materials from the entire course over a two-hour period. *Students must demonstrate a comprehensive understanding of the course and interpretive and analytical ability in multiple choice and/or written sections.*

You will be allowed to take one A4 page of your own notes into the final exam. Your name and student number must be printed no smaller than 12 point on both sides of this page of notes. You may write as much or as little as you want, use one or both sides, write in English or any other language. Approved calculators are permitted. No other aids are allowed into the exam.

ADDITIONAL INFORMATION ABOUT ASSESSMENT

Each assessment task is detailed in this Unit Outline and the assessment criteria that will be used to grade each task is provided on the unit webpage: <http://learn.mq.edu.au>.

Tasks must comply with Harvard referencing style. For information, consult the study research skills site at Macquarie Library website: <http://www.lib.mq.edu.au/research/referencing.html#refs>

Grades will be deducted where students do not: (a) provide evidence of course-related research and reading through providing references; (b) abide by the University plagiarism policy which specifies the need to reference the work of others.

CLASSROOM ETIQUETTE

Students are expected to arrive on time, certainly before five minutes past the hour, and not to leave until the class ends. If you have a recurring problem that makes you late, or forces you to leave early, have the courtesy to discuss this with your lecturer/tutor. Students are expected to be quiet during lectures unless, of course, class participation is required. Mobiles should be turned off during classes; not simply set to 'silent'.

ATTENDANCE/PARTICIPATION REQUIREMENTS

It is to your benefit to attend all lectures and tutorials. The unit coordinator is happy to discuss issues with you and to clarify points made in class as long as you make the effort to understand the point first by attending lectures and reading the prescribed readings. Please do not ask the coordinator to assist you in understanding a point if you have not attended the lecture or read the materials.

This course forms part of your professional education. We feel that it is important that you experience the interactions with ideas, your peers and your tutor that are provided through the workshops. Indeed, it seems to us that it is not possible to engage adequately with this unit, and to fulfil its objectives, without completing the tutorial activities. While most students willingly accept this participation as a part of their professional responsibility some, for various reasons, do not participate fully. Therefore, we have found it necessary

to make satisfactory lecture and workshop attendance an expected and measured component of the unit.

Attendance at lectures is strongly recommended. If you are unable to attend a lecture or series of lectures for any reason, it is strongly suggested that you discuss this with the lecturer or unit coordinator to ensure that you have not been disadvantaged. For example, it may be suggested that you obtain a medical certificate as evidence that you experienced health problems during semester.

Of course, all the material covered in the lectures and tutorials is assessable in the group assignments and mid semester exam. Attendance at all 12 tutorials is strongly recommended. An attendance record for all students will be maintained and your preparation and participation in these classes will be assessed.

MORE ON EXAMINATIONS

Students who doubt their ability to answer questions in English should seek help early in the semester. See the section on student support.

You are expected to present yourself for examination at the time and place designated in the University Examination Timetable. The timetable will be available in Draft form approximately eight weeks before the commencement of the examinations and in Final form approximately four weeks before the commencement of the examinations.

<http://www.timetables.mq.edu.au/exam>

The only exception to not sitting an examination at the designated time is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Special Consideration. Information about unavoidable disruption and the special consideration process is available at

<http://www.reg.mq.edu.au/Forms/APSCon.pdf>

If a Supplementary Examination is granted as a result of the Special Consideration process the examination will be scheduled after the conclusion of the official examination period. (Individual Divisions may wish to signal when the Faculty's supplementary exams are normally scheduled.)

You are advised that it is Macquarie University policy not to set early examinations for individuals or groups of students. All students are expected to ensure that they are available until the end of the teaching semester that is the final day of the official examination period.

PLAGIARISM

The University defines plagiarism in its rules: "Plagiarism involves using the work of another person and presenting it as one's own." Plagiarism is a serious breach of the University's rules and carries significant penalties. You must read the University's practices and procedures on plagiarism. These can be found in the *Handbook of Undergraduate Studies* or on the web at: <http://www.student.mq.edu.au/plagiarism/>

The policies and procedures explain what plagiarism is, how to avoid it, the procedures that will be taken in cases of suspected plagiarism, and the penalties if you are found guilty. Penalties may include a deduction of marks, failure in the unit, and/or referral to the University Discipline Committee.

UNIVERSITY POLICY ON GRADING

Academic Senate has a set of guidelines on the distribution of grades across the range from fail to high distinction. Your final result will include one of these grades plus a standardised numerical grade (SNG).

On occasion your raw mark for a unit (i.e., the total of your marks for each assessment item) may not be the same as the SNG which you receive. Under the Senate guidelines, results may be scaled to ensure that there is a degree of comparability across the University, so that units with the same past performances of their students should achieve similar results. The process of scaling does not change the order of marks among students. A student who receives a higher raw mark than another will also receive a higher final scaled mark.

The policy does not require that a minimum number of students failed a unit. Instead, it requires examiners to explain their actions if more than 20 percent of students fail in a unit. For an explanation of the policy see:

<http://www.mq.edu.au/policy/docs/assessment/procedure.html>

STUDENT SUPPORT SERVICES

Macquarie University provides a range of Academic Student Support Services. Details of these services can be accessed at <http://www.student.mq.edu.au>.

Tutorial Topics

Complete the following questions:

Week 2: What is Consumer Behaviour?

1. You are the brand manager of a new line of mobile 'phones. Describe how an understanding of consumer behaviour is useful to you in terms of market segmentation strategy.
2. You are the marketing manager of the HSBC bank's online services. How would you apply the concepts of providing value, customer satisfaction and customer retention to designing and marketing online banking?
3. Bring to class a product or service that you had bought recently that has features you don't use. Which of the business orientations discussed in the text may have guided the development of this product? Explain. Write up an explanation
4. Bring to class a product or service that you had bought recently that fits your needs exactly Which of the business orientations discussed in the text may have guided the development of this product? Explain. Write up an explanation
5. Find two examples (e.g. advertisements, articles) depicting practices that are consistent with the societal marketing concept and two examples that contradict the concept. Discuss the examples.
6. Give an example of what you believe to be an unethical marketing practice. How can this practice be stopped through government regulation? Can the industry stop this practice? If so, how?

Week 3: Consumers and Market Segments and Consumer Needs and Motivations.

1. For each of the following products, identify the segmentation base that you consider to be the best one for targeting consumers:
 - a) coffee
 - b) soups
 - c) home exercise equipment
 - d) mobile phones
 - e) non-fat frozen yogurtExplain your choices.

2. Why are the following segmentation approaches **not** successful?
 - a. Segmenting a market on the basis of personality
 - b. Advertising Ski boards in *Time Magazine*
 - c. Developing an insurance plan for all quadruplets born in Hong Kong.

3. Under what circumstances and for what types of products should a marketer segment the market on the basis of:
 - (a) awareness status?
 - (b) brand loyalty?
 - (c) user-situation?
 - (d) a hybrid form?

4. Specify the innate and /or acquired needs that would be useful bases for developing promotional strategies for
 - (a) Air-bags in cars
 - (b) Vitamins
 - (c) A Porsche sports car
 - (d) recruiting university students for the Hong Kong public service.

5. For each of the situations listed in question 3, select one level from Maslow's hierarchy of human needs that can be used to segment the market and position the product (or the company). Explain your choices. What are the advantages and/or disadvantages of using Maslow's hierarchy in segmentation and positioning?

6. Why are consumer's goals and needs changing? What factors influence the formation of new goals?

Group assignment #1 Due

Week 4: Consumer personality and self-concept and consumer perception.

1. A marketer of health foods is attempting to segment its market on the basis of Australian consumers' self-image. Describe the four types of consumer self-image and discuss which one(s) would be most effective for the stated purpose.

2. Describe the type of promotional message that would be most suitable for:
 - (a) highly dogmatic consumers
 - (b) inner directed consumers
 - (c) consumers with high optimum stimulation levels
 - (d) consumers with a high degree of recognition
 - (e) consumers who are visualisers vs consumers who are verbalisers.

3. Find three print advertisements based on Freudian personality theory. Discuss how Freudian concepts are used in these ads. Do any of the ads "personify" a brand? If so, how?

4. How does sensory adaptation affect advertising comprehension? How can marketers overcome sensory adaptation and increase the likelihood that consumers will notice their ads?

5. Megan is a 29-year-old, single investment banker who lives in an apartment in a large city. After a particularly difficult, long workday, she relaxed in her apartment by reading through one business and two fashion magazines. When questioned by a researcher the next day, she could clearly recall two holiday ads and vaguely remembered one ad for a personal computer from among the nearly 100 ads she had seen in the three magazines. However, she could recount in detail the articles she read and even recalled the titles of articles that she did not read. How can you explain this?

6. Describe how manufacturers of chocolate bars can apply their knowledge of differential threshold to packages and prices during periods of:
 - a) Rising ingredient costs
 - b) Increasing competition
 - c) Heightened consumer awareness regarding nutrition and ingredient labelling.

Week 5: Learning and consumer involvement

1. How can the principles of classical conditioning theory and neo-Pavlovian theory be applied to the development of marketing strategies?
2. Which theory of learning (i.e., classical conditioning, instrumental conditioning or cognitive learning) best explains the following consumption behaviours? Explain your choices:
 - a) buying a pack of chewing gum
 - b) preferring to fly on a particular airline
 - c) buying a personal computer for the first time
 - d) buying a new car.
3. Define the following memory structures: sensory store, short-term store, and long-term store. Apply each of these concepts to the development of an advertising strategy.
4. *Kraft Foods* uses family branding, but *Sanitarium* (which makes *Weet Bix* and *So Good*) does not. Yet both companies are successful. Describe in "learning terms" the conditions under which family branding is a good policy and those under which it is not. What do you think are the reasons for the difference in family branding policies between *Kraft* and *Sanitarium*?
5. Discuss the differences between low- and high-involvement media. How would you apply of different response styles to the design of TV commercials and print advertisements?
6. How can a marketer distinguish between "real" and spurious (merely habitual) brand-loyal buyers? Why is it important for marketers to measure and understand the differences between the two groups?

Week 6: The Nature of Consumer Attitudes

1. Explain a person's attitude towards visiting Disneyland in Hong Kong in terms of the tri-component model.
2. Explain how the product manager of a breakfast cereal might change consumer attitudes toward the company's brand by:
 - a. changing beliefs about the brand,
 - b. changing beliefs about competing brands,
 - c. changing the relative evaluation of attitudes, and
 - d. adding an attribute.
3. The Kia Corporation of Korea is making a big push into the European car market. Many European consumers perceive Korean cars to be of poorer quality than comparable European cars. Assuming that Kia produces cars which are of equal or better quality than European cars, how can the company persuade consumers of this fact?

4. Should the marketer of a popular computer graphics program prefer consumers to make internal or external attributions about the success that people have using the program? Explain your answer.

5. The Public Transport Authority in New South Wales is planning an advertising campaign to encourage people to switch from private cars to mass transit. Give examples of how the department can use the following strategies to change commuters' attitudes:

- a) Changing the basic motivational function.
- b) Changing beliefs about public transport.
- c) Using self-perception theory.
- d) Using cognitive dissonance.

6. A university student has just purchased a new laptop computer. What factors might cause this individual to experience post-purchase dissonance? How might the student try to overcome it? How can the retailer who sold the computer help reduce the student's dissonance? How can the computer's manufacturer help?

Week 7: No tutorial work required. Revise for Mid Semester Test.

Week 8: Social Influences on buyer behaviour

1. What factors influence the perceived credibility of an informal information source? List and discuss factors that determine the credibility of formal communication sources of product information.

2. What are the implications of the sleeper effect for the selection of spokespeople and the scheduling of advertising messages?

3. Virgin Airlines uses both magazines and Internet to promote its discount airline business. How would you measure the advertising effectiveness of the two media for promoting the service? Which is likely to be more effective?

4. Which media do you think are suitable for advertising to the 18-24 age group as opposed to the 55+ age group? Justify your answer with examples and /or secondary data.

5. You are the marketing manager for a headache remedy. Your advertising agency has just presented you with two different promotional strategies, one using a humorous approach and one taking an "agony" approach. Which approach would you adopt? Why?

6. You are a promotions manager working for the Australian or your home government. Devise an advertising campaign to discourage smoking by young women referring to the communication model shown in Figure 8.1.p.261. Compare your plan with current campaigns used by the Australian government, state governments or local governments. How is your campaign superior? Justify your answer with reference to consumer behaviour.

Week 9: The family, social class and consumer behaviour

1. When would you expect the composite and social class measure to be superior? Describe the correlation between social status (prestige) and income. Which is a more useful segmentation variable? Discuss.
2. Which status-related variable – occupation, education or income – is the most appropriate segmentation base for: (a) expensive holidays (b) opera subscriptions (c) Picture magazine subscriptions (d) fat-free food (e) personal computers (f) pocket-sized mobile/cell phones (g) health clubs?
3. You are the owner of two furniture stores. One store caters to the middle class and the other to lower-class consumers. How do social class differences influence each store's:
 - (a) product lines and styles
 - (b) advertising media selection
 - (c) copy and communication style used in the ads
 - (d) payment policies?
4. As a marketing consultant, you are retained by Qantas to design a study investigating how families make holidays decisions. Which family member would you interview? What kind of questions would you ask? How would you assess the relative “power” of each family member in making holiday-related decisions?
5. What are the implications for marketers that in Australia 60% of couples both parents work?
6. You are a marketing manager of a high quality, fairly expensive line of frozen dinners. How would you use the non-family households listed in Table 9.1 and Table 9.3 to segment the market and position your product?

Group assignment #2 due.

Week 10: Culture and Cross-culture.

1. How would you decide whether it was worth the trouble of measuring social values in order to develop an advertising campaign?
2. Suppose the Australian Horticultural Corporation was planning a promotional campaign to encourage the eating of apples in situations where many consumers normally eat a snack food. Using the Rokeach Value Survey Instrument, identify relevant cultural, consumption-specific and product-specific values for apples as an alternative to snack foods. What are the implications of these values for an advertising campaign designed to increase the consumption of apples?
3. Give a consumer behaviour example from your own experience of each of the following types of cultural learning:

- a) formal learning
- b) informal learning
- c) technical learning.

4. Should Head and Shoulders Shampoo be sold worldwide with the same formulation? In the same package? With the same advertising theme? Explain your answers.

5. Mercedes-Benz, a German car manufacturer is using cross cultural psychographic segmentation to develop marketing campaigns for a new two seater sports car directed at consumers in different countries. How should the company market the car in the United States? How should it market the car in Japan?

6. Select two of the marketing mistakes discussed in the text. Discuss how these mistakes could have been avoided if the companies involved had adequately researched some of the issues listed in Table 13.5.

Week 11: Sub-cultural aspects of consumer behaviour

1. Discuss the importance of subcultures in segmenting the market for food products. Identify a particular product and show how it should be marketed differently to different ethnic groups.

2. *Foxtel* is marketing pay television services in Australia. What approach should it take to households where the main decision makers are:

- a) Baby boomers
- b) Generation X
- c) Generation Y?

3. What allowance should be made for the ability of the elderly to process complex information in making product purchase decisions?

4. In view of the anticipated growth of the 50-plus market should *Oil of Ulan* consider a new strategy for its face cream? Would it be wiser to develop a new brand, or can it successfully market the same product to the under and over 50s?

5. Identify some opportunities for marketers in Australia to target Arabic speaking people and also identify the challenges.

6. Consider the role of nudity in advertising. Discuss how it could be made appealing or off-putting to working mothers, career women, young singles and stay-at-home housewives.

Week 12: Decision making

1. What is meant by the term “retail atmospherics”? Why is it important to marketers?
2. Describe the last time you were dissatisfied with a purchase. What action did you take? Why?
3. Define ‘extensive problem solving’, ‘limited problem solving’, and ‘routinised response behaviour’. What are the differences between the three decision-making approaches? What type of decision process would you expect most consumers to follow in their first purchase of a new product or brand in each of the following areas?
 - a) Chewing gum
 - b) Sugar
 - c) Men’s aftershave lotion
 - d) Carpeting
 - e) Paper towels
 - f) Mobile telephone
 - g) New bank account
 - h) Luxury car.Explain your answers.
4. Describe in your own recent experience what factors led to problem recognition in at least three different product or service situations (not necessarily purchases). Explain the similarities or differences that exist in these situations.
5. How can a marketer of very light, very powerful laptop computers use its knowledge of customers’ expectations in designing a marketing strategy?
6. Identify which decision rule would lead to the selection of each of the brands in the following table.

Attribute	Importance Ranking	Performance Ratings		
		Brand A	Brand B	Brand C
Price	1	Excellent	Very good	Very good
Quality	2	Poor	Very good	Good
Convenience	3	Poor	Average	Good

Group assignment #3 due.

Week 13: Consumer Influence and the diffusion of innovations

1. Why is an opinion leader a more credible source of product information than an advertisement for the same product?
2. Describe how a manufacturer might use knowledge of the following product characteristics to speed up the acceptance of pocket-sized mobile telephones.
3. Fujitsu has introduced a new compact laptop computer that weighs about one kilo has wireless connectivity and has no disc drive. It has a powerful processor, into which a full-size desktop screen and keyboard can be easily plugged. How can the company use the diffusion-of-innovations framework to develop promotional, pricing and distribution strategies targeted to the following adopter categories?
 - a) Innovators
 - b) Early adopters
 - c) Early majority
 - d) Late majority.
4. Sony is introducing an ultra high definition 106-cm plasma TV bundled with a HDTV set top box, a DVD recorder and a home theatre system that uses wireless technology to get the sound to the speakers. The system allows the viewer to watch two sources of video (e.g. DVD and the cricket) at the same time.
 - (a) What recommendations would you make to Sony regarding the initial target market for the new TV bundle?
 - (b) How would you identify the innovators for this product?
 - (c) Select three characteristics of consumer innovators (as summarised in Table 15.11 p. 516). Explain how Sony might use each of these characteristics to influence the adoption process and speed up the diffusion of the new product.
 - (d) Should Sony follow a penetration or a skimming policy in introducing the product? Why?
5. Explain the importance of use-innovativeness in the acceptance of new technology.
6. What factors are associated with innovativeness? Are innovators and opinion leaders the same people?

Exam revision

Appendix A: Marking Template for Group Assignments on Consumer Behaviour

ASSIGNMENT: _____

TUTORIAL _____

GROUP MEMBERS: _____

		Percentage	Marks	Total
	Understanding of relevant consumer behaviour theories	20%	2	
	Application of consumer theories to particular country	20%	2	
	Implications for an Australian exporter	20%	2	
	Quality of References	20%	2	
	Quality of examples	20%	2	
Overall Comments				
	Total for Group Assignment	100%	10 marks	

Appendix B: Group Procedures

Unit Policy on Group Projects

- Group projects are an important means of students learning teamwork and help foster collaborative learning.
- Skills learnt in group projects are considered invaluable by employers as most tasks assigned in the workplaces are done by groups not individuals.

Students in groups, however, should learn to manage themselves and resolve conflict that may occur with group projects.

In particular students should

- All sign the group charter and give a copy of it to their tutor.
- Notify the course coordinator of any conflict or problems with the group by Day 2 of the course.
- Keep a record of individual inputs into group work.
- Complete the peer assessment form and include with the group project.
- In the event that student received a poor student assessment on group project, that student has 24 hours from the time of being notified by course coordinator to produce evidence of their efforts in the project. If they fail to do so, the student's grade as amended by their group peers will stand.
- If a group is unable to resolve any differences then the course coordinator may split the group or reallocate its members.

GROUP CHARTER

(This is to be submitted online using the Assignment tool before the first group presentation).

It is a normal business practice to get all agreements that are designed to be binding on the parties involved, put into writing. It is suggested that you decide what problems you wish to see overcome and provide some solutions as to how it could be done. It is further suggested that you now take the time to establish the acceptable group norms and behaviours that you will enforce by exclusion from the group, for any and all individuals who do not conform. Below is a 'group contract' that will bind you all to what YOU ALL decide, till the group is dissolved when the final seminar is concluded. **You need to hand a copy of this charter to your tutor by the end of week 2 of the course.**

GROUP CONTRACT

It is agreed that the members of this group will:

- 1.....
- 2.....
- 3.....
- 4.....
- 5.....
- 6.....
- 7.....
- 8.....
- 9.....
- 10.....

It is freely signed to by the parties who have signed below, that all group members listed as signatories, are bound by their signatures to carry out all duties and obligations and in return, they bind all other to give the same assurance.

		Grade desired
I.....	Ph

have read and signed this understanding that the ultimate sanction of dismissal from the group will require me to do all the assignments in the outline on my own to the same standard as a group of 4 would.

GROUP CHARTER

This is a chapter that you, both as individuals and as groups, have with regard to the behaviour and conduct of the group and the members that comprise it. Many of you may have reservations about working with groups, you may feel it is culturally inappropriate to work with someone of another culture. While all these may be valid reasons to you, they do not necessarily find credence among others. As the world into which you are going to work, will demand closer working relationships, across cultures, genders and all manner of diversity, it is advisable you learn to learn from the opportunities that arise from group work. Be they good, or bad. What are your rights? Well, for each right you have, comes a corresponding obligation. Each group member has a right to expect a certain standard of performance from each group member and each member a certain level of performance from the rest of the group. Consider what is listed below:

RIGHTS

OBLIGATIONS

THE GROUP

THE MEMBER

Has the right to expect members to be on time.

You have the obligation to be on time.

Has the right to expect high quality work.

You have the obligation to provide work of high quality.

Has the right to have all members in attendance at all group meetings.

You have the obligation to inform the group, in ADVANCE, if you cannot attend.

Has the right to expect full input and participation from each group member.

You have the obligation to speak up FREQUENTLY, to add your own contribution.

Has the right to dismiss a group member who chooses not to perform.

You have the obligation to support your group's decision even if it means a friend is involved.

Has the right to debate another's point of view, but without criticising the individual.

You have the obligation to critically analyse the statements of others, but without being critical of the person.

Has the right to expect the full and strenuous support of all members, at all times.

You have the obligation to deliver that support, at all times.

Has the right to allow other group members to hold different opinions.

You have the obligation to act as a 'devil's advocate' when you feel the situation requires you to do so.

Evaluation of Group Performance
(This is done as an online survey accessed via Blackboard at the end of the semester)

Name _____

On the following scale 1 = poor contribution, 3 = acceptable level of contribution and 5 = excellent contribution.

Self Assessment

I contributed to the group performance by:

How would you rate your contribution 1 2 3 4 5

Other Group members;

1. _____ contributed to the group's performance by: _____

How would you rate this members contribution 1 2 3 4 5

2. _____ contributed to the group's performance by: _____

How would you rate this members contribution 1 2 3 4 5

3. _____ contributed to the group's performance by: _____

How would you rate this members contribution 1 2 3 4 5

4. _____ contributed to the group's performance by: _____

How would you rate this members contribution 1 2 3 4 5

How would you rate this member's contribution. 1 2 3 4 5

What do you think were the group's strengths?

What skills and issues do you think it would be helpful for you to work on next time you work in a group?

Peer Assessment Form

Confidential

Please indicate what you feel was the relative contribution that you and your team mates made to the group project this semester. Give a rating score to each group member so that the scores add up to 100 points.

	Name	Contribution
Yourself		
Member #2		
Member #3		
Member #4		
Total		100 points

Any special comments or issues you wish us to take into account?

Please fold this form and give to Your Tutor.

Tutorial Time: _____ Day: _____ Tutor: