MKTG 950: Consumer Judgment and Decision Making (PhD Seminar)

Deborah Small - Fall 2015

Instructor: Deborah Small deborahs@wharton.upenn.edu

Schedule: Fridays 9-11:45am (JMHH 741; Marketing conference room)

Course website: Canvas

Course Overview:
The main objective of this 7-week course is to provide an introductory yet in depth discussion of judgment and decision making topics in consumer research. The weekly readings are intended to provide PhD level coverage of classic and current research related to consumer decision processes.

In addition to content, the other main objective is to increase your ability to think through and assess the research process. That is, my goal is to improve your ability to critically think about research and be able to generate ideas before translating them into testable hypotheses (and eventually to a publishable paper). This will be done in the context of the seminar topics, but we will also discuss some general aspects of the research process.

For each topic we cover, articles have been chosen (although this list might be revised), and we will discuss those in detail. Our goals with these readings will be to gain exposure to the latest ideas in consumer judgment and decision research, to determine the main ideas and research questions driving current work in each topic area, and to develop novel related research questions. In particular, our goal each week is to generate in class the design/idea for at least one new study in the focal topic area. In addition, my goal is to help you develop the skill of reading and critiquing an academic paper. We will therefore have student-led discussions of papers and required summaries (see below).

The readings (available on Canvas) should be read carefully by everyone attending the class (whether enrolled or sitting in; if you are unprepared, do not show up). In addition, in each class one or two students (depending on class size) will be responsible for leading the discussion on one of the papers. This responsibility entails two things: (1) guiding discussion on a specific paper, and (2) bringing a one-page summary of that paper to class – make copies for the whole class (and post on Canvas). For the article for which you are responsible, make sure to examine the stated objective and positioning of the research, the conceptual framework and hypotheses, the methodology, the results, the actual contribution, and opportunities for further research.
Finally, each student will be expected to prepare the following:

(1) **Each Week**: Prior to class (no later than Thursday, 8:00 pm), you are required to submit via Canvas a short “idea” based on the current set of readings. In this very brief response (a short paragraph, or a few bullet points), you could respond to a criticism you have about one of the papers, extend the original paper theoretically (maybe through developing boundary conditions), or suggest a more appropriate research approach (methods or analysis). Some of your ideas will be discussed in class each week.

*Note that although what you submit should be very brief, it does not mean I expect little attention/time paid to thinking about this. To the contrary, this should be the most important/challenging action on your part—to come up with a thoughtful criticism/idea and to succinctly describe it.*

(2) One goal of this seminar is to help you develop the skills to read academic papers and be able to communicate key ideas, methods, findings, conclusions, and yes, weaknesses. To this end, every week students will help lead a discussion on a paper and will circulate a **1-page summary of that paper** [hardcopies in class, posted on Canvas, and also by email to me the evening before (no later than Thursday at 8:00 pm)]. Each student will do this once or twice during the semester, depending on class size.

(3) **Research Proposal**. This includes two (2) components:

a. Presentation of your research ideas on the final meeting. This (brief) presentation should include all of the aspects of the research proposal described below.

b. Research Proposal (3-4 pages double spaced) due on **October 30**. The proposal must include the following: clear presentation and motivation of the problem and contribution, a concise mention of key findings from the literature, well developed hypotheses, and most importantly, a plan to test your hypotheses (e.g., experiment).

* Note that the proposed research idea must (generally) relate to the JDM topics we focus on during the seminar. Even if this idea builds on your current (non JDM) interests, the goal of this proposal is take a JDM perspective on whatever problem you are addressing.

**Grading Components:**

- 50% Class contribution (including weekly ‘idea’ and assigned papers).
- 50% Research paper
  - 5%: Paper idea outline
  - 5%: In-class presentation
  - 40%: Final proposal
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<td>1. August 28</td>
<td>Introduction to Consumer Judgment and Decision-Making Research</td>
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<td>2. September 4</td>
<td>Constructed Decision Processes and Context-Dependent Preferences</td>
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<td>3. September 11</td>
<td>Choice and Well-Being</td>
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<td>4. September 18</td>
<td>Loss Aversion, The Endowment Effect, and Mental Accounting</td>
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<td>5. TBD*</td>
<td>Intertemporal Choice: From Anomalies to Processes in Choice over Time</td>
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<td>6. October 2</td>
<td>Emotions, Meaning, and Subjective Well Being In Decision Making</td>
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<td>7. October 16</td>
<td>Integrating Knowledge and Considering Future Research in Consumer Decision Making.</td>
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Detailed Course Schedule and Reading List

-- subject to change --

Session 1: Course Introduction (and some foundation)

Introduction to Consumer Judgment and Decision Making

General Overview: The readings below will provide different perspectives on behavioral decision research from its infancy to more current perspectives. It might be hard to digest the full content in these articles, which is to be expected, but they will provide a good overview. We will revisit (and critique) these perspectives in our last session.


Heuristics and Biases

Classic papers: The Heuristics and Biases perspective in decision research:


[Discussion of prospect theory is included in the 1986 article above, but it is a classic that every student in the behavioral sciences should read at least 17 times.]
Session 2: Constructed Preferences and Context Dependent Preferences

Background (not discussed in detail):


Context Dependent Preferences


Deliberative vs. Implicit Preference Construction


-- Additional Relevant Readings (not covered in class):


**Session 3: Choice and Well-being**


--- Additional Relevant Readings (not covered in class):


Session 4: Loss Aversion, The Endowment Effect, and Mental Accounting


-- Additional Relevant Readings (not covered in class):

-------Loss Aversion


-------Mental Accounting


Session 5: Intertemporal Choice: From Anomalies to Processes

**General overview:**


**Anomalies and Processes**


-- Additional Relevant Readings (not covered in class):


If you are not familiar with Construal Level Theory, this is a good overview.


Session 6: Selected Topics II: Emotions, Meaning, and Subjective Well-Being in Decision Making

Emotions in Decision Making:


Meaning and Subjective Well-Being in Decision-Making:


Loewenstein, G. (1999), “Because it is there: The challenge of mountaineering... for utility theory,” Kyklos, 52, 315-44.


-- Additional Relevant Readings (not covered in class):

------- Emotions:


------- Meaning and Subjective Well-Being:

Hsee, Christopher K., Yang Yang, Naihe Li, and Luxi Shen (2009), “Wealth, warmth and wellbeing: Whether happiness is relative or absolute depends on whether it is about money, acquisition, or consumption,” Journal of Marketing Research, XLVI (June), 396-409.


Session 7: Integrating Knowledge and Considering Future Research in Consumer Decision Making.

NO new readings.

Agenda for last class:

1. Wrap-Up and Review
   Discussion of key concepts, how they all fit together, and where we go from here.

2. Student idea presentation
Relevant Annual Review chapters

[In general, Annual Review chapters are an excellent reference and provide solid review of a field.]


Also good references about consumer judgment and decision making:
