

Consumer Decision and Selection

Electronic Commerce Marketing



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- 01. Decision Model and Heuristic
- 02. Decision Context and Framing Effects
- 03. Prospect Theory

01. Decision Model and Heuristic

- Types of decision model
 - Normative decision model
 - Descriptive decision model

01. Decision Model and Heuristic

- Heuristic
 - Simplification strategy to make decisions with limited information cognitive ability in a short period of time at a low cost
 - Types of heuristic
 - Availability heuristic
 - Representative heuristic
 - Anchoring and adjustment heuristic

02. Decision Context and Framing Effects

- Decision
 - Relevant effects
 - Irrelevant effects – context or framing
 - Mental accounting
 - Framing effects

03. Prospect Theory

- Expected Values
- Risk Types
 - Risk averse
 - Risk neutral
 - Risk taking

03. Prospect Theory

- Prospect Theory
 - Value function
 - Hypotheses of value function
 - Combination of value function
 - Multiple gains
 - Multiple losses
 - Mixed gains
 - Mixed losses

03. Prospect Theory

- Decision on Probability
 - Probability recognition curve
- Utility
 - Acquisition utility
 - Transaction utility
- Methods to Increase Price