



COURSE SYLLABUS

Course: **ECON 3633 The Economics of Advertising**
Prerequisite: ECON 2023 or ECON 2143.

Course Description:

An examination of how economists define and categorize types of products and advertising campaigns. Alternative views of advertising—persuasive vs. informative—are discussed. Models of the relationship between advertising and sales, profits, market structure, product quality, and price are examined.

Course Management Software:

You can access information pertaining to the course on Blackboard, which is available at <http://courses.waltoncollege.uark.edu>.

Textbook:

There is no textbook for this class. Instead, reading assignments will consist of journal articles and materials from the internet. Reading material will be available online.

Class Procedures:

The class will consist primarily of lectures with discussion.

Special Requirements: None.

Attendance:

“Education at the university level requires active involvement in the learning process. Therefore students have the responsibility to attend classes and to actively engage in all learning assignments or opportunities provided in their classes.” (2008-2009 *Catalog of Studies*, p. 37; see http://catalogofstudies.uark.edu/0809-Catalog_of_Studies3.pdf).

Research confirms my own observation that regular class attendance is positively correlated to course performance. In addition to regularly attending class, you are expected to read the textbook ahead of lectures. You will get much more out of the lectures and will maximize your chances of scholastic success if you come to lectures having previously read the material to be covered.

Examinations:

There will be two (in-class) mid-term examinations (Tues, Sept. 25th; Tuesday, Oct. 30th) and a final examination (Friday, December 7, 10:00 a.m. – 12:00 p.m. [noon], in our regular classroom).

Grades:

Course assessment is based on the two midterm exams (100 points each) and the final exam (100 points) and homework assignments (200 points).

Accommodations for Students with Disabilities:

Students are responsible for requesting accommodations from The Center for Educational Access (<http://www.uark.edu/ua/csd>). It is the Walton College policy that students must also request testing accommodations from their instructor; this should be done in writing, ten days prior to the test date.

Academic Honesty:

All students are expected to understand and adhere to the University's policy on academic honesty as expressed on pages 35 to 37 of the *2008-2009 Catalog of Studies* (http://catalogofstudies.uark.edu/0809-Catalog_of_Studies3.pdf). The University's *2008-2009 Catalog of Studies* states that "[a]cademic dishonesty involves acts that may subvert or compromise the integrity of the educational process at the University of Arkansas. Included is an act by which a student gains or attempts to gain an academic advantage for himself or herself or another by misrepresenting his or her or another's work or by interfering with the completion, submission, or evaluation of work" (p. 35). For a partial list of acts of academic dishonesty, see page 35 of the *2007-2008 Catalog of Studies*.

Inclement Weather Policy:

The University's Inclement Weather Policy can be found at http://vcfa.uark.edu/Documents/FayPol_Admin_2100.pdf. Please note that this policy only applies to University offices and support services *and not to classes*.

My policy is that if the Fayetteville public schools close due to inclement weather, then our class will not meet. I realize that some of you have a more difficult commute to the campus than do others. I leave it to your personal judgment to determine whether to attend class during inclement weather.

Cell Phones:

Please set cell phones to "vibrate" or turn them off during class.

Disclaimer:

The instructor reserves the right to alter the contents, requirements and/or scheduling of this course as he sees fit.

Tentative Semester Calendar, WCOB 3633-001, Fall 2007

<u>Week</u>	<u>Date</u>	<u>Topic</u>
1	Tues, Aug 26 Thurs, Aug 28	Intro: What is Advertising? Review of Basic Economic Concepts
2	Tues, Sept 2 Thurs, Sept 4 Fri, Sept 5	Review of Basic Economic Concepts Intro: Economic Views of Advertising <i>Last day to drop without a "W"</i>
3	Tues, Sept 9 Thurs, Sept 11	Persuasive View of Advertising
4	Tues, Sept 16 Thurs, Sept 18	Informative View of Advertising

5	Tues, Sept 23 Thurs, Sept 25	Complementary View of Advertising Catch up and Review
6	Tues, Sept 30 Thurs, Oct 2	Exam 1 Optimal Level of Advertising
7	Tues, Oct 7 Thurs, Oct 9	Advertising and Price Advertising and Sales
8	Tues, Oct 14 Thurs, Oct 16	Advertising and Market Share The Duration of Advertising's Impact
9	Tues, Oct 21 Thurs, Oct 23	The Economics of Attention Commercial Breaks on TV
10	Tues, Oct 28 Thurs, Oct 30 Fri, Oct 31	Advertising and Product Quality Catch up and Review <i>Last day to drop with a "W"</i>
11	Tues, Nov 4 Thurs, Nov 6	Exam 2 Determinants of the Price of Advertising
12	Tues, Nov 11 Thurs, Nov 13	The Regulation of Advertising
13	Tues, Nov 18 Thurs Nov 20	Direct-to-Consumer Advertising of Pharmaceuticals Loss Leaders
14	Tues, Nov 25 Wed, Nov 26 Thurs, Nov 27	Catch-up Day <i>Fall Break</i> <i>Thanksgiving</i>
15	Tues, Dec 2 Thurs, Dec 4	Alcohol Advertising Cigarette Advertising
16	Tues, Dec 9 Wed, Dec 10	Catch up and Review <i>Dead Day</i>
Finals Week	Fri, Dec 17	Final Exam—7:30 a.m. – 9:30 a.m.