

AAI Advanced Analytics Seminar Series on 22/06/2012

Seminar Title: Are food choices really habitual? Integrating habits, variety seeking and compensatory choice in a utility maximizing framework

Speaker: Joffre Swait, Research Professor and Deputy Director - CenSoC, UTS

Date and Time: 1:30pm to 3:00am, the 22nd of June 2012 (Friday)

Seminar Room: UTS City Campus Building 10 CB10.02.320 (2 minutes walk from Tower Building CB01 of UTS)

Seminar Chairman: Prof Longbing Cao (longbing.cao@uts.edu.au)

Abstract: Given the large number of choices that consumers make each day it seems likely that they will often adopt decision strategies that minimize cognitive effort, particularly with low price products (such as most items found in a supermarket). One such strategy may be to simply choose what has been chosen in the past, i.e. to fall into a pattern of habitual choices or decisions. In contrast, there may be preferences for variety in markets for low price, highly differentiated goods. We develop a conceptual and empirical model of habitual choice, and the factors that result in transitions to two strategies other than habitual selection, to wit, utility maximizing choice among available alternatives and a variety seeking strategy. The empirical approach we employ provides a mechanism for the examination of panel data that avoids the state dependence issues present in most applications to these types of data. We apply this framework to the choice of two food products that illustrate the heterogeneity across types of products in decision strategies and routine choice patterns.

Short biography of the speaker: Dr. Swait received his Ph.D. in 1984 from the Transportation Systems Division, Dept. of Civil Engineering, Massachusetts Institute of Technology. He specialized in modeling discrete choice behavior, particularly with respect to choice set formation. He has extensive consulting experience in North and South America where he has conducted consumer behavior modeling in such diverse areas as Transportation, Telecommunications, Packaged Goods, Financial Services, Computer Hardware, and Tourism. He has been a faculty member of the Instituto Tecnológico de Aeronáutica (ITA) and the Universidade Federal do Rio de Janeiro (COPPE) in Brazil; the University of Florida (USA); and the University of Alberta (Canada). Currently he is Deputy Director of the Center for the Study of Choice (CenSoC) and Research Professor in the School of Marketing, University of Technology, Sydney. He is also a partner of Advanis Inc., a Canadian market research firm.

He has published in *Transportation Research Part B*, *Transportation Research Record*, *Transportation*, *Transportation Science*, *Journal of Econometrics*, *Journal of Marketing Research*, *Journal of Marketing*, *Marketing Science*, *Journal of Consumer Psychology*, *Journal of Consumer Research*, *International Journal of Research in Marketing*, *Journal of Retailing and Consumer Services*, *Journal of Advertising*, *Marketing Letters*, *Journal of Environmental Economics and Management*,

Ecological Economics, Environmental and Resource Economics, Organizational Behavior and Human Decision Processes, Value in Health, Health Economics, Journal of Business and Economic Statistics, among others. He is on the Editorial Boards of the *Journal of Retailing and Consumer Services, Journal of Marketing Research* and *Transportation Research Part B*.

Overview to This Seminar Series

The Advanced Analytics Seminar Series presents the latest theoretical advancement and empirical experience in a broad range of interdisciplinary and business-oriented analytics fields. It covers topics related to data mining, machine learning, statistics, bioinformatics, behavior informatics, marketing analytics and multimedia analytics. It also provides a platform for the showcase of commercial products in ubiquitous advanced analytics. Speakers are invited from both academia and industry. It opens regularly on every Friday afternoon at the garden-like UTS Blackfriars Campus. You are warmly welcome to attend this seminar series.

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