Lingnan University 嶺南大學 香港 Hong Kong

Faculty of Business 嶺南大學商學院

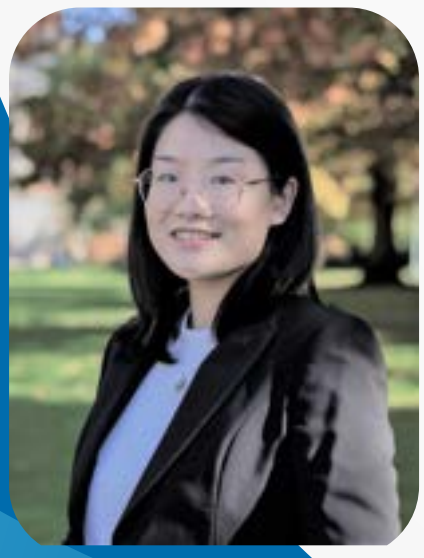
HKIBS HONG KONG INSTITUTE OF BUSINESS STUDIES 香港商學研究所

MAB Department of Marketing and International Business

Academic Seminar

Platform Design and Competitive Price-targeting

In online marketplaces, platforms decide what information sellers can and cannot use for targeting, thereby shaping the competitive outcomes across sellers. We study how a platform should design sellers' information sets for price-targeting in the context of Steam — the largest PC video games platform. We provide an empirical framework to assess the outcomes given alternative information designs. First, we conduct a textual analysis to extract game characteristics and estimate a latent-type demand model to pin down heterogeneous consumer preferences. We then solve for sellers' (targeted) pricing decisions under alternative information designs. Finally, counterfactual comparisons demonstrate how the platform can shift the equilibrium prices and profits through information designs. In particular, without revealing full information about individual consumer preferences, the platform can provide coarse customer segments to balance the information across sellers and improve all sellers' total profits.



Ms. WU Ruiqi, Rachel
Ph.D. candidate at Simon Business School
University of Rochester

Ruiqi (Rachel) Wu is a Ph.D. candidate at Simon Business School, University of Rochester. Her research interest centers on market frictions facing firms and consumers. She studies their implications on market designs and firm strategies in various contexts, including video game consumption, multi-category shopping behaviors, and brand choices in the over-the-counter drug category. In her job market paper, she studies how a platform should use information designs to moderate sellers' competition outcomes in price-targeting. Before joining Simon, Ruiqi received her B.A. in Economics from Fudan University, Shanghai, China.

LINGNAN UNIVERSITY 香港嶺南大學 HONG KONG INSTITUTE OF BUSINESS STUDIES HONG KONG

Join Now

Date: October 18, 2022 (Tuesday)

Time: 9:30-11:00 am (HK time)

Zoom meeting (ID: 929 0778 1275)

Language: English

****ALL ARE WELCOME****

For enquiries, please contact 2616-8373 or by email(hkibs@ln.edu.hk).

Due date: October 19, 2022

Liberal Arts Education • Transformation For Life
博雅教育 成就一生