

Bachelor Thesis Topics, Chair of Quant Marketing

2023-15-07

All topics can be written in either English or German according to your preference.

1. “Measuring Preferences and Preference Change for Sustainable Products from Consumer Actions”

Literature Review:

- How do we explain the increasing demand for sustainable products? (supply side vs demand side effects).
- What do prices of sustainable products look like over the past? Can demand changes potentially be explained due to price developments?

Kotschedoff, M. J., & Pachali, M. J. (2020). Higher minimum quality standards and redistributive effects on consumer welfare. *Marketing Science*, 39(1), 253-280.

2. “The Use of Novel Data Sets”

More and more data on consumer and firm behavior is collected and made available in today's market place. Which opportunities arise for research and businesses? For example:

- Scrape the web for the “time spent“-information on Google (see screenshot below) and do a descriptive analysis across stores / geographies / time / etc...
- Location data such as Google Time Line Data: What type of research has been done with this data? Connect Info in Time Line to (missing) info in typical household purchase panels. What additional (existing) research questions can be answered (more easily)? Proof of concept: get time line data from a small sample and suggest ways of analyzing the data.
- The Billion Prices Project

Useful resources:

Kotschedoff, M. J., & Pachali, M. J. (2020). Higher minimum quality standards and redistributive effects on consumer welfare. *Marketing Science*, 39(1), 253-280. (Example for use of Nielsen data)

<https://ejd.econ.mathematik.uni-ulm.de/> (General collection of economic articles with data)

Bronnenberg, B. J., Kruger, M. W., & Mela, C. F. (2008). Database paper—The IRI marketing data set. *Marketing science*, 27(4), 745-748.

The screenshot displays a Google search interface with several search results for 'ALDI SÜD Filialen Bad Homburg (Höhe)'. The primary result is 'Aldi Süd Justus-von-Liebig-Str. 4 in 61352 Bad Homburg - MeinProspekt', which includes the address 'Justus-von-Liebig-Straße 4, 61352 Bad Homburg' and 'Hours: Open - Closes 9PM'. A 'Plan your visit' section features a bar chart showing peak wait times of up to 10 minutes between 17:00 and 19:00. Below this, a 'Reviews' section shows a 'Good place' rating with a snippet: 'Good place, well connected via bus service, sufficient parking place'.

3. **“Consumer (In-)attention in Choice”**

When making decisions, consumers frequently do not pay attention to all available (and relevant) information, e.g., attributes or alternatives.

Possible research questions:

- Provide an overview of methods that deal with consumer inattention in conjoint studies. Compare the performance of standard logit with the simple endogenous attribute attendance model in Hole (2011) in a simulation study.
- **Recent Developments of Attribution Models:** Compare the performance of standard logit with the choice models in Gilbride and Allenby (2006) in a simulation study.
- **What kind of information do consumers use when making purchasing decisions and how to learn about this?**

Starting literature:

- (1) Yegoryan, N., Guhl, D., & Klapper, D. (2019). Inferring attribute non-attendance using eye tracking in choice-based conjoint analysis. *Journal of Business Research*.
- (2) Hole, A. R. (2011). A discrete choice model with endogenous attribute attendance. *Economics Letters*, 110(3), 203-205.
- (3) Gilbride, T.J. and Allenby, G.M., 2006. Estimating heterogeneous EBA and economic screening rule choice models. *Marketing Science*, 25(5), pp.494-509.

4. **“Consumer Reviews“**

In online markets, various platforms as well as online retailers, such as Yelp or Amazon, allow consumers to share their experiences with products and services.

Research questions:

- Which element of online reviews (e.g., a typical online review consists of a written text and some star rating) affects consumers' decision-making most? How do consumers allocate attention across different sources of information?
- Scrape consumer reviews (e.g. from Amazon. Note: access to websites that provide services to scrape online data is available) and provide descriptive statistics and plots for this data (e.g., distribution of reviews, change of reviews over time, reviews across different product groups, etc.)
- Try to make sense of the observed data by applying the findings of the above questions to the data. For example, do prices or sales of products vary according to reviews and how is this related to attention of consumers towards reviews?
- Use textual analysis tools to analyze written reviews. What can we learn as researchers, sellers, or consumers?

Starting literature:

- (1) Park, S., & Nicolau, J. L. (2015). Asymmetric effects of online consumer reviews. *Annals of Tourism Research*, 50, 67-83.
- (2) Racherla, P., & Friske, W. (2012). Perceived 'usefulness' of online consumer reviews: An exploratory investigation across three services categories. *Electronic Commerce Research and Applications*, 11(6), 548-559.

5. **“Consumer Beliefs”**

Consumer beliefs are an essential component of many models in economics and marketing that are frequently used to learn about consumer demand (e.g. consumer search models). Students interested in this topic should therefore answer the following questions in their research:

- What are different approaches from marketing and economics that enable researchers to generate/learn about consumer beliefs? What are advantages and disadvantages of different elicitation approaches?
- What can we learn about consumer beliefs from data such as household panel data? What would ideal data to learn consumer beliefs look like?
- Which theories from economics, marketing, psychology, etc. can explain how consumer beliefs and expectations are formed?
- What implications could research suggest for firms?
- How do price beliefs/images affect search decisions and choices?

Starting Literature:

Schlag, K. H., Tremewan, J., & Van der Weele, J. J. (2015). A penny for your thoughts: A survey of methods for eliciting beliefs. *Experimental Economics*, 18(3), 457-490.

Alba, J. W., Mela, C. F., Shimp, T. A., & Urbany, J. E. (1999). The effect of discount frequency and depth on consumer price judgments. *Journal of Consumer Research*, 26(2), 99-114.

Honka, E., Hortaçsu, A., & Wildenbeest, M. (2019). Empirical search and consideration sets. In *Handbook of the Economics of Marketing* (Vol. 1, pp. 193-257). North-Holland.

6. **“Complexity of Attributes in Choice Experiments”**

Subjects in Choice experiments often face attributes that affect utility in a similar way but are presented on different scales. For instance, think about a choice experiments where subjects choose between investment options. The price of the investment option may depend on multiple attributes that ultimately all measure money value (e.g., future interest rate in percent and monthly fixed pay out in Euros).

Research Questions:

- Run an online experiment to answer interesting questions in this field and analyze the data you collect.
- How do different presentations (such as using different scales for money value: percentage vs money) affect choices, do they all?
- What happens if we fit different models to the data? You may confirm your results using simulated data as well.

7. **“Market Entry in the Restaurant Industry”**

- What do firms pay attention to when entering in new markets?
- What do theories tell us? What is empirical work that inform about this process?
- Conduct a survey with extant businesses and ask the respective owners what they considered? How does this match to the theoretical predictions?

8. **“Consumer Rights for Product Returns”**

- Scrape Data if possible, can we learn anything from freely available data?
- Write a Literature Review
- Primarily English thesis