ECONOMICS
MAY 2022

THIS ISSUE
Important Dates
Congratulations 2022 Graduates
Faculty Spotlight
EC Alumni Advice and
Congratulations

IMPORTANT DATES
- MINIMUM TUITION AND FEE PAYMENT FOR SUMMER 2022 DUE 5/12/2022
- SUMMER ONE AND FULL SUMMER CLASSES BEGIN 5/16/2022
- MSU IS CLOSED 5/30/2022
- SUMMER ONE CLASSES END 6/30/2022
- MSU IS CLOSED 7/4/2022
- SUMMER TWO CLASSES BEGIN 7/5/2022
- SUMMER TWO AND FULL SUMMER SESSION CLASSES END 8/18/2022

ADVISING
APPOINTMENTS
If you have questions about enrollment, please schedule an Advising Appointment student.msu.edu

THE 2022 UNDERGRADUATE ECONOMICS AWARD WINNERS:
Gregory Marchal
Mars Mason
Anna McCliment
Josie Pelton
Samantha Powers
Michael St Jean
Tanner Thering
Perry Truscon
Providence Weatherwax

OUR GRADUATING ECON SCHOLARS:
Chris Declercq
Alexander Fos
Chloe Majzel
Gregory Marchal
Anna McCliment
Dita Muller
Josie Pelton
Justus Sevrens
Michael St Jean
Tanner Thering
Providence Weatherwax
American Industrial Structure and Behavior (EC 460) involves two main areas—price discrimination and strategic behavior. As technological innovations have allowed firms to obtain more information on their customers, the ability of firms to price discriminate (i.e., charge different prices to different customers where the price differences do not reflect cost differences) has increased dramatically. EC 460 covers the most prevalent types of price discrimination and emphasizes how the internet has allowed more firms to implement these different types of price discrimination. To demonstrate the applicability to the “real world”, these price discrimination models are applied to articles in the popular press and to case studies. The second half of EC 460 uses game theory to analyze strategic interaction among firms and within firm dynamics. Numerous topics are analyzed using game theory including firm collusion, entry deterrence, bargaining, auctions, adverse selection, moral hazard, signaling and voluntary disclosure. Similar to price discrimination, popular press articles and case studies are used to demonstrate the usefulness of game theory when considering these topics.

One reason I enjoy teaching EC 460 is that much of my research involves the topics covered in the course. For example, my recent research focuses on grocery shopping behavior and how pricing affects consumers’ purchase decisions. The questions I am currently addressing using the grocery store data include: Does a consumer’s price sensitivity differ based on whether the consumer shops in-store or on-line? How do consumers respond to price discrimination strategies like offering coupons, a price discount for shopping club members and “buy one get the second for 50% off”? I address these questions empirically by analyzing billions of item level grocery store purchases. Economists are not the only ones using “Big Data” to inform our understanding of how individual make purchase decisions. With this in mind, some of my current research uses insights provided by psychologists and other social scientists on how choice sets influence consumer decisions.

While I missed teaching in-person and did not like how remote teaching constrained my interactions with students, the pandemic did facilitate some research projects. My most recent paper considers how well cell phone location information proxies for the degree of social interaction by comparing the number of cell phones identified at specific grocery store with the number of transactions in that store on a daily basis. A paper I am currently working on looks at how grocery shopping behavior (i.e., on-line versus in-store; time/day of week shopping trips occurred; items bought like toilet paper, vitamins, Clorox wipes, junk food, ...) was affected by the pandemic and whether this behavior evolved over the pandemic. While these have been interesting research projects, I enjoyed getting back into the classroom this semester and look forward to things returning to normal.