

ANDREY SIMONOV

asimonov@chicagobooth.edu

+1 (773) 710 7268

CONTACTS

Address: 445 W Barry Avenue, Ap. 304, Chicago, IL, 60657, USA

Tel.: +1 (773) 710 7268

Email: asimonov@chicagobooth.edu

EDUCATION

University of Chicago, Booth School of Business *August 2012 - 2017 (expected)*
Ph.D., Quantitative Marketing

Tilburg University (CentER) *August 2012*
M.Phil. (with honors), Research in Business: Marketing

Tilburg University *August 2011*
M.Sc. (with distinction), Econometrics and Mathematical Economics

Moscow State University *June 2010*
B.Sc., Economics

HIGHLIGHTED INFO

Research Intern *June - October 2014*
Microsoft Research, NYC (worked with Justin Rao)

Teaching Assistant for Empirical Analysis-3 (Ph.D. core) *Spring 2014*
taught by Derek Neal, Ali Hortacsu and Lars Hansen
Department of Economics, The University of Chicago

Teaching Assistant *Winter, Spring 2015*
Marketing Strategy (MBA and EMBA) (taught by Pradeep Chintagunta) *Spring, Summer 2014*
Pricing Strategies (MBA and EMBA) (taught by Jean-Pierre Dube)
Booth School of Business, The University of Chicago

Coursework (selected), The University of Chicago *2012-2014*
Price Theory 1,2,3,
Empirical Analysis 1,2,3
Advanced Industrial Organization 1,2,3
Advanced Quantitative Marketing
The Economics of Communication (plan to take in Spring 2015)

WORK IN PROGRESS

Competition and Bidding on Brand Keywords

with Chris Nosko and Justin Rao

Summary: We examine influence of sponsored ads on consumer behavior for a case of a well-defined search objective: navigation to brand's website. We exploit a large-scale experiment and find that

on average both focal brand and competitors gain from advertising on navigational search queries, with heterogeneity in the effect. Part of heterogeneity can be explained by focal company's "brand capital". We also examine relationship between organic and sponsored search links and find that they are substitutes. Degree of cannibalization on organic link clicks depends on actions of competitors, which creates interesting competitive effects. Finally, we derive cost for incremental click (taking into account cannibalization and effect on clicks) for focal brands and compare it to CPC on other queries, as well as bidding behavior and quality of clicks. This gives some descriptive evidence towards whether companies understand competitive effects and cannibalization (but results are ambiguous).

Initial Conditions and Structural State Dependence

with Jean-Pierre Dube, Gunter Hitsch and Peter Rossi

Summary: Recent increase in computational power and data availability allowed researchers in marketing fit more flexible models to estimate demand. In particular, it allowed Dube et al. (2010) specify a flexible form of heterogeneity of consumer preferences and examine whether there is still inertia in purchases. Necessity to account for heterogeneity dates back to Heckman (1981), who shows that heterogeneity and state dependence can be hard to disentangle. Dube et al. (2010) tackle this problem, but ignore another point mentioned by Heckman: problem of initial conditions. In case of short panels, ignoring initial conditions might lead to a severe bias in estimates. This paper points out a degree of such bias in typical demand estimation exercise, and proposes a estimator of model parameters consistent in number of household (not time periods per household). There is significant increase in estimation time for the proposed estimator. To make a quick test of the degree of bias, we propose a partial identification approach, which allows to conclude whether panel is too short and requires estimator consistent in number of consumers. Bounds approach increase computational time only by a factor of 2 compared to estimation without initial condition correction.

STATEMENT ON RESEARCH INTEREST

My current research interests can be separated into two large groups:

- Online advertising and reputation formation. I am interested in the underlying mechanisms that make online advertisement work. In particular, I am wondering about accumulation of "brand capital" due to advertising: what is the optimal strategies for companies to create and maintain reputation. This problem creates a number of challenges, starting from data availability to underlying theory development to identification issues. I am trying to start a project which aims to get at these questions. Project is related to advertising in the news feed of a large social network. Process is at the very early stage, I am trying to convince company to run experiments.

Another project/direction of research I plan to follow is work on the effectiveness of sponsored search advertising. In work in progress with Chris Nosko and Justin Rao we examine relationship of sponsored and organic links in navigational search (please see description above for more details). We get multiple interesting findings in this work, which might lead to subsequent projects both on ads efficiency and competition between ads. One other direction of research is dwelling more into quality of clicks on sponsored ads in terms of subsequent browsing behavior.

- Media economics. In the same vein as with advertising, I am interested in how news outlets create and maintain reputation. This is related to degree of media slant, decisions of whether to report or not report some events, etc. I am particularly interesting in effects of propaganda, both in terms of persuasion and effects on media industry. Good example can be Russia, with two type of players in the market: revenue-maximizing independent media and pro-incumbent media, maximizing support of Kremlin. Media landscape in Russia was significantly changed in the recent year, which suggests a large number of potential natural experiments. I have a number of research questions which go in this direction, working on identifying a project both interesting and feasible.