

Applied Choice Analysis

This version: (First official draft)

Course instructors

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Location

Campus Weihenstephan

Application and registration procedure

Goal and target audience

The course will introduce doctoral students to choice modelling techniques for consumer and marketing analysis. Starting with the theory of consumer choice, the course will discuss different data types available for choice analysis. It will then focus on the specifics of choice experiments, discussing advantages and disadvantages of different experimental designs and data collection procedures. Participants will be familiarized with data handling and analysis considering multinomial logit, random parameters logit and latent class analysis. To obtain an overview of the literature, participants will present papers from the relevant field.

Application/Registration process

Students are asked to register via the Doctoral Certificate Program in Agricultural Economics (<https://www.agraroekonomik.de/registration.html>).

Course aims

What this course is

The course is an introduction to applied choice analysis and builds on Master level knowledge in consumer behavior, econometrics and microeconomics. It will familiarize students with the relevant implementation of data analysis in STATA. It will also introduce some basics in experimental design.

What this course is not

The course is not a course in advanced econometrics or the psychology of decision making.

Course objectives

Knowledge Objectives

At the end of the course the participant will be familiar with consumer choice theory and alternative processes of decision making and their implementation in data analysis.

Skills Objectives

At the end of the course the student will be able to design a choice experiment, to collect data and find the appropriate procedures of analysis using Stata.

Preliminary schedule

July 3, 2023, 14-17 hours

July 4-July 6, 2023, 9-12 hours and 13-16 hours

July 7, 2023, 9-12 hours

Core readings

Bettman, J.R., Luce, M.F., Payne, J.W., 1998. Constructive consumer choice processes. *J. Consum. Res.* 25, 187–217.

Bonnet, C., Trachtman, C., van Dop, M., Villas-Boas, S. B., 2018. Food markets' structural empirical analysis: A review of methods and topics. *European Review of Agricultural Economics* 47 (2), 819–847. DOI: 10.1093/erae/jby045.

Dubois, P., Griffith, R., Nevo, A., 2014. Do Prices and Attributes Explain International Differences in Food Purchases? *Am. Econ. Rev.* 104, 832–867. <https://doi.org/doi:10.1257/aer.104.3.832>

Hensher, D., Louviere, J., Swait, J., 1999. Combining sources of preference data. *J. Econom.* 89, 197–221.

Hensher, D.A., Rose, J.M., Green, W.H., 2015. *Applied Choice Analysis. Second Edition.* Cambridge University Press, Cambridge, London.

Hess, S., Daly, A., 2014. *Handbook of Choice Modelling.* Edward Elgar Publishing Limited, Cheltenham.

Louviere, J.J., Hensher, D.A., Swait, J.D., 2000. *Stated choice methods: Analysis and application.* Cambridge University Press, Cambridge.

Mariel, P., Hoyos, D., Meyerhoff, J., Czaikowski, M., Dekker, T., Glenk, K., Jacobsen, J.B., Liebe, U., Olsen, S.B., Sagebiel, J., Thiene, M., 2020. *Environmental Valuation with Discrete Choice Experiments: Guidance on Design, Implementation and Data Analysis.* Springer Open Access, Heidelberg/New York.

Street, D.J., Burgess, L., 2009. *The Construction of Optimal Stated Choice Experiments. Theory and Methods.* Hoboken (NJ): John Wiley & Sons, Inc.

Train, K., 2009. *Discrete Choice Methods with Simulation.* Cambridge University Press, Cambridge.

Course procedures

The course consists of lectures and exercises. Computer exercises are done using stata. Students will present a scientific paper assigned in class.

Assessment

Continuous participation in lectures and exercises required.

Workload

3 ECTS (21 hours lectures, 90 hours total workload)