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Yongqin Lei
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https://yongqinl.github.io/yongqin.github.io/

EDUCATION

Western University — London, ON
PhD student in Management Science, Ivey Business School — 2020–present

Dalhousie University — Halifax, NS
Bachelor's degree in Management (Minor in Math) — May 2020

WORKING PAPERS

Lei, Y., Pun, H., Ødegaard, F. Triple Uncertainties: Credence Goods, Deceptive Counterfeits, and Fake Reviews.

Abstract: Concerned about product quality, online customers often resort to "the wisdom of crowds" (e.g., product reviews) before purchasing. However, unscrupulous sellers may game the review system by buying fake reviews. In this paper, we use a two-period game-theoretic model to study a market that consists of an authentic seller and a deceptive counterfeiter; they sell credence goods (e.g., nutritional supplements) whose qualities are difficult to evaluate, so customers cannot perfectly differentiate genuine products from counterfeits even after consumption. The authentic seller decides the level of selling effort at the beginning. In the first period, customers make purchasing decisions and leave either positive or negative reviews. In the second period, the counterfeiter decides whether to buy fake positive reviews. Then, each seller may receive an endorsement badge that is granted based on the fraction of reviews being positive, and customers update their beliefs about the seller's authenticity accordingly. Counterintuitively, we find that fake reviews may benefit the authentic seller, increase consumer surplus, and hurt the counterfeiter. The perverse incentive from fake reviews is of great public interest and may partially explain why online marketplaces are less proactive and often reactively slow to impede fake reviews.

Lei, Y. Selling Hope With Probabilistic Pricing.

Abstract: Firms often engage in price obfuscation to intentionally make prices hard to discern. Without knowing the final price, consumers form subjective beliefs about the uncertain price and make decisions accordingly. In this paper, I propose a game-theoretical model of probabilistic pricing in which the price is ex ante uncertain to consumers and revealed sequentially. I show that regardless of consumers' beliefs, probabilistic pricing strictly dominates uniform pricing, where a single price is charged for all consumers. Moreover, the upper bound of potential profit from probabilistic pricing is 225% of that from uniform pricing. Comparing to a benchmark where both firms adopt uniform pricing, probabilistic pricing may increase consumer surplus but not social welfare. These findings provide managerial insights to firms who may consider switching to probabilistic pricing to increase profits. They also shed light on the prevalent practice of price obfuscation and are relevant to regulators' decision-making.

PRE-PHD PUBLICATIONS

Wan, X., Li, D., Chen, J., **Lei, Y.** 2020. Managing customer returns strategy with the option of selling returned products. *International Journal of Production Economics* 230 (12) 107794.

Yan, N., Chen, J., Pun, H., **Lei, Y.** 2020. JD: E-invoice with blockchain. *Ivey Publishing.* 9B20M047 (Business Case) and 8B20M047 (Teaching Note)

WORK IN PROGRESS

Lei, Y., Ødegaard, F. Probabilistic Pricing With Zero Price Effect.

INVITED PRESENTATION

Triple Uncertainties: Credence Goods, Deceptive Counterfeits, and Fake Reviews, April 2022, PhD student seminar, Ivey Business School

CONFERENCE PRESENTATIONS

Triple Uncertainties: Credence Goods, Deceptive Counterfeits, and Fake Reviews, POMS, April 2022, online (scheduled)
Triple Uncertainties: Credence Goods, Deceptive Counterfeits, and Fake Reviews, CORS, June 2022, Vancouver (scheduled)

PROFESSIONAL SERVICE

Session co-chair (New Business Models, conflicts, and regulations), POMS Conference, 2022

DOCTORAL COURSEWORK

ECON 9601 Microeconomics I	Victor H. Aguiar	100
ECON 9602 Microeconomics II	Bruno Salcedo	95
ECON 9607 Economic Mathematics	Maria Goltsman	90
BUSI 9723 First Summer Research Paper	Hubert Pun	97
BUSI 9872 Applications of Decision Theory	Hubert Pun	95
BUSI 9882 Applications of Statistical Analysis	Fredrik Ødegaard	96
BUSI 9812 Applications of Stochastic Modeling	Mehmet Begen	95
BUSI 9802 Applications of Optimization	Joe Naoum-Sawaya	92
BUSI 9702 Multivariate Analysis	Lauren E. Cipriano	89

HONORS AND AWARDS

John F. Rankin Doctoral Scholarship	2021–2022
Ivey Plan for Excellence (PhD Fellowship)	2020–2025
Dalhousie In-Course Scholarship	

CODING SKILLS AND LANGUAGES

Coding skills: R, Python, Mathematica, and MATLAB
Speaking languages: English (fluent), Chinese (native)