

RONG ZHANG

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EDUCATION

Department of Agricultural Economics, Texas A&M University *August 2021 - Expected May 2026*
PhD Candidate in Agricultural Economics

Department of Economics, Texas A&M University *2019 - 2021*
Master of Science in Economics
Major: Financial Econometrics, GPA: 4.0/4.0

University of International Business and Economics *2015 - 2019*
Bachelor of Art in Economics
Major: International Economics and Trade

RESEARCH AREA

Empirical Industrial Organization, Applied Microeconomics, Price Discrimination, Inequality, Labor Market

WORKING PAPERS

Price Discrimination and Implicit Market Segmentation in Consumer Packaged Goods

(Job Market Paper, with Yvette Zhang)

Abstract: Implicit market segmentation is a marketing and pricing practice in which firms use indirect cues, such as product design, packaging or branding, to segment the market based on inferred preferences, rather than on explicit observable characteristics. This practice is widely used in consumer packaged goods and it can involve both second-degree and third-degree price discrimination, which together can generate ambiguous welfare effects. Yet most existing empirical studies consider these two forms of price discrimination separately, leaving open the question of how they interact when deployed together. In this paper, we employ a random-coefficient aggregate discrete choice model to assess the price discrimination pattern and welfare effects of implicit market segmentation. The empirical estimation analyzes implicit market segmentation in consumer packaged goods using scanner data of toothbrush market. We find that the implicit market segmentation leads to price differences across markets, and the differences are jointly sustained by third-degree and second-degree price discrimination. By conducting a counterfactual analysis, we find that eliminating the segmentation would increase consumer surplus but reduce producer surplus, resulting in a net welfare gain.

Educational Assortative Matching and Income Inequality in China

(with Song Zhou and Yvette Zhang)

Abstract: This paper investigates the paradoxical trend in China where educational assortative matching is rising, yet the national Gini coefficient for household income has modestly declined since 2010. Using survey data from 2010 to 2018, we first document that the increasing tendency for highly-educated spouses to pair substantially raises the potential for income inequality. We then identify a key moderating mechanism: the female labor force participation (FLFP) and average work hours among married women. While this shift has only a modest effect on the income inequality, our findings reveal a deeper polarization in the marriage market. Rising assortative matching concentrates high-earning potential into a small, elite group of highly-educated couples. The subsequent decline in FLFP is disproportionately a lifestyle choice made within these high-income households, where the combined potential income is sufficient for the wife to withdraw from the labor market. This voluntary labor supply moderation effectively dampens the full amplification effect of sorting on the top end of the distribution. In contrast, lower- and middle-income households continue to rely on two earners.

WORK IN PROGRESS

Welfare Effects of Wholesale Price Discrimination Under Economies of Scale

(with Mengjie Li and Yvette Zhang)

Abstract: This paper investigates the welfare implications of wholesale price discrimination (WPD) in vertical markets, focusing on how economies of scale influence the outcome. Wholesale price discrimination often exploits differences in downstream retailers' demand elasticities or operational efficiencies. When WPD is based on retailers' cost differences, it can lead to allocative inefficiency by shifting production from more efficient, lower-cost retailers to less efficient, higher-cost rivals. This misallocation tends to reduce social welfare. Conversely, WPD can also lead to a welfare improvement through market expansion. In this context, WPD acts as a critical mechanism for exploiting scale economies to serve previously unprofitable segments. In this paper, we propose a structural model of a vertical market to estimate demand, supply behavior, and non-constant marginal costs reflecting economies of scale. Counterfactual simulations are then used to quantify the change in total welfare under a mandatory uniform wholesale price regime versus the observed discriminatory regime. The findings are crucial for antitrust policy, as they determine whether WPD acts primarily as an anti-competitive tool to stifle efficient retailers or as a pro-competitive mechanism to leverage economies of scale and expand market coverage.

Consumer Behavior Dynamics during Economic Recessions

RESEARCH AND WORK EXPERIENCE

Department of Agricultural Economics, TAMU

Research Assistant for Dr. Yvette Zhang

July 2025-Present

Department of Economics, TAMU

Research Assistant for Dr. Li Gan

April 2021-April 2023

Department of Agricultural Economics, TAMU

Research Assistant for Dr. Jean-Claude Bizimana

January 2022-August 2022

The Bush School of Government & Public Service, TAMU

Research Assistant for Dr. Ren Mu

December 2020-June 2022

CoronaNet Research Group

Volunteer Research Assistant

June 2020 - August 2020

China Development Research Foundation

Economics Research Intern

May 2019 – September 2019

TEACHING EXPERIENCE

INTA Capstone Research Course for Master of International Affairs Students

Teaching Assistant, Spring 2022, graduate level:

Meet weekly with students to assist on their projects' programming and answer questions, provide support materials for students learning R programming.

AGEC 625 Environment of Agribusiness

Teaching Assistant, Spring 2024, graduate level:

Hold office hours and offer R programming assistance on students' final projects, grade assignments.

AGEC 350 Environmental and Natural Resource Economics

Teaching Assistant, Fall 2022 and Spring 2023, undergraduate level:

Give lectures on exam review, coordinate lectures with guest speakers, assist in in-class activities, hold regular office hours, grade assignments and exams.

Other Undergraduate Level Courses:

AGEC 440 Agribusiness Strategic Analysis, Teaching Assistant, Fall 2022 and Spring 2024

AGEC 325 Principles of Farm and Ranch Management, Teaching Assistant, Fall 2024

AGEC 431 Cases in Agribusiness Finance, Teaching Assistant, Fall 2023

AGEC 340 Agribusiness Management, Teaching Assistant, Spring 2025

CONFERENCES AND PRESENTATION

American Agricultural Economics Association (AAEA) Annual Conference - Poster Presentation, July 2025
Symposium for Agricultural and Applied Economics Research - Paper Presentation, April 2025
Chinese Economists Society (CES) North America Annual Conference - Paper Presentation, March 2025
Food Health & Applied Group Seminar, TAMU - Paper Presentation, December 2024 & February 2025
Econometrics Study Group, TAMU - Paper Presentation, August 2025

AWARDS

USDA Grant, Summer & Fall 2025
Graduate Assistantship, Department of Agricultural Economics, TAMU, Fall & Spring 2025
Economics Departmental Graduate Scholarship, TAMU, Fall 2019 – Spring 2021
Graduate Students' Association travel grant, TAMU, Spring and Summer 2025

SKILLS

Programming and Tools: R, Python, Stata, LaTeX, GAMS
Languages: English (Fluent), Chinese (Native)

SERVICE

Graduate Student Organization Agriculture Economics, TAMU
Treasurer, Fall 2024 - Spring 2025
Food Health and Applied Group Meetings, AgEcon Department, TAMU
Organizer, Fall 2024

REFERENCES

Dr. Yvette Zhang (Chair)

Professor
Agricultural Economics
Texas A&M University
Email: yzhang@tamu.edu

Dr. Li Gan (Committee Member)

Professor
Economics
Texas A&M University
Email: ganli@tamu.edu

Dr. Ximing Wu (Co-Chair)

Professor
Agricultural Economics
Texas A&M University
Email: xwu@email.tamu.edu

Dr. Desmond Ng (Teaching)

Associate Professor
Agricultural Economics
Texas A&M University
Email: desmond.ng@ag.tamu.edu