Francis Guiton

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Citizenship: Canadian
Research Interests: Industrial Organization, Business Economics, Applied Econometrics

EDUCATION

Ph.D. in Economics, University of Toronto   2024 (Expected)
    Committee: Victor Aguirregabiria (supervisor), Heski Bar-Isaac,
           Avi Goldfarb

M.A in Economics, McGill University   2018

B.Com. in Economics, McGill University   2016

RESEARCH

The Cannibalization Effects of Within-Firm Competition: Evidence from Product Assortment Decisions (Job Market Paper)

Decentralized Decision-Making in Retail Chains: Evidence from Inventory Management with Victor Aguirregabiria [Under Journal Review]

AWARDS AND GRANTS

University of Toronto Doctoral Fellowship   2018 - 2024

PROFESSIONAL EXPERIENCE

Teaching Assistant   2018 - present

- ECO 310, ECO 380: Industrial Organization
- ECO 404: Managerial Economics
- ECO 460: Financial Risk Management
- ECO 374: Forecasting and Time Series
- ECO 220: Applied Econometrics
- ECO 105, ECO 200, ECO 202, ECO 313: Microeconomics and Macroeconomics

Research Assistant   2017 - 2021

- Victor Aguirregabiria (University of Toronto): Advanced programming and numerical analysis
- Jim Goldman (University of Toronto): Data collection and cleaning
- Francesca Carrieri (McGill University): Data analysis

CONFERENCE PRESENTATIONS (* ATTENDED BY COAUTHOR)

Annual Conference of the European Association for Research in Industrial Economics (Rome)	2023
Annual Conference of the International Association for Applied Econometrics (Oslo)	2023
Annual Conference of the Canadian Economics Association (Winnipeg)	2023
Access to Cash and Financial Services Workshop (Ottawa)	2023
Annual Conference of the Canadian Economics Association (Ottawa)	2022
International Industrial Organization Conference (Boston)*	2022
Conference to Honor John Rust (Washington)*	2022
Annual Conference of the European Association for Research in Industrial Economics (Bergen)	2021

ACADEMIC SERVICE

Co-President, Graduate Economics Union   2019 - 2020

LANGUAGES

French (native), English (native)
Programming: MATLAB, Stata, R

REFERENCES

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Abstracts

The Cannibalization Effects of Within-Firm Competition: Evidence from Product Assortment Decisions

(Job Market Paper)

In large retail chains, the incentives of the firm can be misaligned with the incentives of local managers. In particular, competitive interactions between store managers can lead to sub-optimal outcomes from the point of view of the firm. This paper examines this misalignment in the context of inventory management, in which local managers can choose the assortment (i.e. product selection) of their store. Relying on a unique and rich dataset from a large Canadian retail chain, this paper finds that store managers have a strategic incentive to offer similar products to their competitors, giving rise to overlapping and redundant assortment from the point of view of the firm. The cannibalization effects generated by these overlapping assortments are quantified, and are shown to have a substantial impact on the firm's variable profit. Counterfactual experiments reveal that the firm can approach the first-best assortment allocation through the use of transfer prices.

Decentralized Decision-Making in Retail Chains: Evidence from Inventory Management

with Victor Aguirregabiria

This paper investigates the impact of decentralizing inventory decision-making in multi-establishment firms using data from a large retail chain. Analyzing two years of daily data, we find significant heterogeneity among the inventory decisions made by 634 store managers. By estimating a dynamic structural model, we reveal substantial heterogeneity in managers' perceived costs. Moreover, we observe a correlation between the variance of these perceptions and managers' education and experience. Counterfactual experiments show that centralized inventory management reduces costs by eliminating the impact of managers' skill heterogeneity. However, these benefits are offset by the negative impact of delayed demand information.