Stephan Sagl

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Academic Appointments

Kelley School of Business, Indiana University
  Assistant Professor of Business Economics and Public Policy, July 2024–Present.

Education

Ph.D. Economics, The Pennsylvania State University, 2024.
  Committee: Paul Grieco (chair), Joris Pinkse, Mark Roberts, Edward Jaenicke.

MSc Economics, University of Vienna, 2017.

BSc Economics, University of Vienna, 2015.

Research Fields

Industrial Organization, Applied Microeconomics

Research

Working Papers

"Dispersion, Discrimination, and the Price of Your Pickup", 2024.

Abstract: Using repeat purchase data on pickup trucks, I establish that the same consumers pay persistently high or persistently low prices across vehicle purchases. Less than 1% of this persistence can be explained by demographics. This result suggests that dealers use consumer information beyond coarse demographics to personalize prices. Using a novel discrete choice model with personalized pricing, I study the role of consumer information firms use for pricing in the welfare effects of price discrimination. To do so, I overcome a common problem in settings with transaction data: personalized prices of non-chosen alternatives are unobservable. I solve this problem by recovering unobserved personalized prices and consumer-specific price sensitivity from the observed transaction price via firms' first-order conditions. I simulate two counterfactuals: uniform pricing and price discrimination based on coarse demographic groups. Compared to uniform pricing, personalized pricing increases profits and total welfare but, on average, harms consumers. On the other hand, compared to uniform pricing, price discrimination based only on demographics is not profitable. This highlights the importance of the amount of consumer information firms can use for pricing in the welfare effects of price discrimination.

"Optimal Estimation of Discrete Choice Demand Models with Consumer and Product Data" with Paul Grieco, Charles Murry, and Joris Pinkse, 2025, **Revised & Resubmitted** to *Econometrica*.

Abstract: We propose a conformant likelihood estimator with exogeneity restrictions (CLEER) for random coefficients discrete choice demand models that is applicable in a broad range of data settings. It combines the likelihoods of two mixed logit estimators—one for consumer level data, and one for product level data—with product level exogeneity restrictions. Our estimator is both efficient and conformant: its rates of convergence will be the fastest possible given the variation available in the data. The researcher does not need to pre-test or adjust the estimator and the inference procedure is valid across a wide variety of scenarios. Moreover, it can be tractably applied to large datasets. We illustrate the features of our estimator by comparing it to alternatives in the literature.

Seminar and Conference Presentations

2024: University of Nottingham (Nottingham, UK); NHH – Norwegian School of Economics (Bergen, Norway); Aalto University (Espoo, Finland); Indiana University – Kelley School of Business (Bloomington, IN); Bates White (Washington, DC); International Industrial Organization Conference (*Rising Stars Session*; Boston, MA); CY Cergy Paris Université Empirical Industrial Organization Workshop (Paris, France); European Association for Research in Industrial Economics (EARIE) Annual Conference (*Rising Stars Session*; Amsterdam, The Netherlands); Academia Sinica (Taipei, Taiwan).

2023: Penn State IO Brown Bag (University Park, PA); Penn State (University Park, PA); Penn State – Ag. Economics (University Park, PA).

2020-2022: 4x Penn State IO Brown Bag (University Park, PA).

Awards and Honors

RGSO Dissertation Fellowship ($5,000), The Pennsylvania State University, 2022.

Rosenberg Liberal Arts Centennial Scholarship ($7,000), The Pennsylvania State University, 2021.

Class of Excellence, Faculty of Business, Economics and Statistics, University of Vienna, 2014.

Performance Scholarship, University of Vienna, 2012–2017.

Referee Service

Journal of Industrial Economics

Teaching

Instructor, Kelley School of Business, Indiana University, 2024–present:

BUS-G 492, Predictive Analytics for Business Strategy.