

Humboldt University Berlin

Institute of Marketing

Prof. Dr. Daniel Klapper

Advanced Marketing Modeling

SS 2018

Special Work Performance 3: Discrete Choice Models for Aggregated Data

This is group work. Each group consists of up to 4 students.

Your answers including all tables and graphs must not exceed 5 pages. Please start a new page when providing your report to a new subtask. Please use typeface Times Roman in 12pt with 1.15 line spacing (in tables and graphs you may use 10pt and 1.0 line spacing) and 1 inch space on all sides. Do not forget to report your names, group number, and student numbers and a page number on each page starting with number one on the first answering page.

Do not include a title page or content page.

Send your team report as pdf to my email address daniel.klapper@hu-berlin.de not later than June, 27, 2018, 9:00am.

Use the dataset from SWP 2 and in particular the data from chain 65.

SWP 3a:

Estimate an aggregate logit model of demand where the mean utility includes brand specific dummy variables, price and promotional instruments and potential important time shifter. Use all carbonated beverage revenues and/or all revenues in cola to determine the market size.

Subset the data as such: (1) bottles 2002-2005, cans (2) 2002-2005.

Report OLS or GLS estimation results and interpret them carefully and compare results across the different data subsets. Assume that price is exogenous (maximum 2 pages).

SWP 3b:

Estimate an aggregate nested logit model of demand where the mean utility includes brand specific dummy variables, price and promotional instruments and potential important time shifter. Construct nests according to the diet or brand preference. Use all carbonated beverage revenues and/or all revenues in cola to determine the market size.

Subset the data again as such: (1) bottles 2002-2005, cans (2) 2002-2005.

Report OLS or GLS estimation results and interpret them carefully and compare results across the different nesting structures and data subsets. Assume that price is exogenous (maximum 2 pages).

SWP 3c:

Compare and critically reflect the estimation results from SWP 3a and SWP 3b (1 page maximum).