Zhenqi (Jessie) Liu

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Education

May 2020	Ph.D. in Economics, **University of Pennsylvania**, Philadelphia
(Expected)	Dissertation Co-Advisors: Pinar T. Yildirim, Amit Gandhi
	Other Committee members: Z. John Zhang, Camilo Garcia-Jimeno
Spring 2014	Research Associate at **Aalborg University**, Denmark
June 2013	B.A. in Mathematical Economics, **Fudan University**, China

Research Interests

Major: Media and Political Economy, Empirical IO
Minor: Pricing and Portfolio Choice, Networks and Online platform

Working Papers

"The Strategic Timing Incentives of Online Censorship" (Job Market Paper)
"Quiet Luxury: Consuming Less To Signal More" with Pinar T. Yildirim and Z. John Zhang, under review at *Journal of Marketing Research*.
"Conspicuous Consumption on the Long Tail: How Can Luxury Brands Benefit from Counterfeits" with Pinar T. Yildirim and Z. John Zhang.

Work In Progress

"To Break or Not to Break the 'Fake News': Speed vs. Accuracy"

Conference Presentations

March 2017	Frank M. Bass UTD FORMS Conference, Dallas, TX.
March 2018	Rutgers Mentor-Mentee Symposium, Newark, NJ.
June 2018	ISMS Marketing Science Conference, Philadelphia, PA.

Grants and Awards

Xingmei Zhang and Yongge Dai Fellowship, University of Pennsylvania, 2014-2015
University Fellowship, University of Pennsylvania, 2016-2018
The SASgov Travel Grant, University of Pennsylvania, 2018

Teaching Experience

Summer 2017	Instructor, Introduction to Microeconomics
Fall 2016, 2017	T.A., Introduction to Economics for Business Student (Instructor: Gizem Saka)
Spring 2016	T.A., Introduction to Macroeconomics (Instructor: Luca Bossi)
Spring 2018	T.A., Labour Economics (Instructor: Andrew J. Shephard)
Spring 2018	T.A., Pricing Strategies (Instructor: Z. John Zhang)

Other Experience

Fall 2014	R.A. for Professor Paul Duedaul, Aalborg University
Spring 2017	R.A. for Professor Andrew J. Shephard, University of Pennsylvania

Relevant Coursework

Microeconomic Theory (George J. Mailath)
Market Design (Rakesh Vohra)
Topics in Econometrics (Xu Cheng)
Numerical Methods in Economics (Ulrich Doraszelski)
Two-Sided Matching and Assignment (SangMok Lee)
Topics in Empirical Industrial Organization (Bernardo Silveira)
Econometrics III Advanced (Petra Todd, Benjamin Connault)
Political Economy (Camilo Garcia-Jimeno)
Firm Dynamics and Aggregate Productivity (Ezra Oberfield)
Economic/OR Models in Marketing (Jagmohan Raju, Ron Berman)
Nonparametric and Machine Learning Methods For Structural Estimation Problems (Amit Gandhi)

References

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Appendix: Research Statement

My main research area is understanding how competition between platforms can influence and explain the dynamics of online information control, such as (1) censorship in authoritarian regimes and (2) regulating misinformation in democratic countries. In this stream of research, I build and estimate structural models grounded in theory and econometrics that capture the strategic interactions between online platforms and how consumers dynamically update their preferences over time.

In the first stream of research, I focus on how market competition can affect the dynamics of online censorship in an authoritarian regime. While the degree of media freedom is commonly believed to hinge solely upon the political environment, my job market paper titled "The Strategic Timing Incentives of Online Censorship" shows that market competition, too, can be a critical force that influences how broadly censorship takes place. Unlike traditional media that is under direct and longer span of government review, social media companies in China appear to have a degree of flexibility in determining when and what messages to censor. In fact, facing ambiguous liability, private platforms can diverge from political interests and leverage censorship against their competitors for "business stealing". By using a novel dataset on three market-leading live streaming platforms in China, I first adopt an event study approach to explore the timing and intensity of censorship by each platform and their traffic trends before and after a sequence of salient events. On the one hand, platforms are pressured by the government to take down sensitive messages as soon as possible; on the other hand, users' ability to evade censorship by switching provides each platform an incentive to delay its censoring compared to its competitors. Motivated by the event study results, I then develop a structural model that micro-founds users' switching behavior and present how model parameters can be mapped to a reduced-form profit function widely used and estimated in the empirical literature of social interactions. The model predicts that if all platforms are similar in size, they have an incentive to coordinate with each other on censoring early and this incentive is stronger when political risks are higher or in smaller markets. By contrast, if platforms are highly asymmetric, small platforms have strong incentives to differentiate from their big competitors. This effect leads to a broader scope of censorship as market becomes more concentrated.

My work on censorship extends to understanding why competition also plays a big role in the effectiveness of preventing or correcting online misinformation in a democratic society. In my working paper "To Break or Not to Break the 'Fake News': Speed vs. Accuracy", I study the competition effect on preventing misinformation, which has been largely overlooked in the literature. My preliminary results suggest that in a highly competitive market, regulations that enforce media outlets to correct misinformation immediately according to the "gold standard" can actually incentivize media firms not to correct at all. This is because immediate correction undermines its future credibility which may encourage consumers to switch, and delayed correction is now too costly.

In the second stream of research, my interest also lies in the pricing and portfolio choice in markets with conspicuous consumption, where I build theoretical models to analyze the optimal managerial strategies. For example, in our paper "Conspicuous Consumption on the Long Tail: How Can Luxury Brands Benefit from Counterfeits" (Liu, Yildirim, and Zhang), we study how luxury brands can use product line expansion as a strategy when facing a threat from the counterfeit market. We show that it is rational for a luxury brand to expand its product line such that it maintains its core product and introduces peripheral products with lower status signaling benefits and prices. The presence of counterfeit market can actually increase status-conscious consumers' willingness to pay for luxury goods, and as a result, benefits a luxury brand.