NBER Digitization Tutorial Application

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Personal Data

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Education

2017 - Current **Rice University**, Houston
4th-year Ph.D. student in Economics
Industrial organization (major), Marketing (minor)

2015 **Sungkyunkwan University**, Seoul
M.A. in Economics

2013 **Sungkyunkwan University**, Seoul
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Research Interests

My current research agenda lies in modeling consumers' decision process when limited attention on a choice set. Especially, I would like to model an entry/exit rule of a newly introduced alternative into/from the consideration set and apply the model to the plant-based meat products.

In the model, consumers decide whether to pay attention to the new products by comparing their observed characteristics with some incumbent products they have former experience. If the maximum expected utility from a hypothetical consideration set that contains the new alternatives is greater than that of a consideration set without the new alternative, the consumer includes the new alternative into his/her consideration set. The consumer then chooses an option from the consideration set that maximizes his/her indirect utility function. After the decision, the consumer evaluates the experience and then take this into account in the next decision occasion.

This model can be used to analyze consumers' new product adoption behavior when attention is limited. New products that have an agenda of substituting incumbent products, which

already have established demand, tend to mimic the incumbent products' characteristics. It is because consumers expect a similar experience even from their new trial. Therefore, the entrants not only need to penetrate the market but also catch the consumer's attention to make them consider their products.

The plant-based meat producers, who entered the meat market in early 2000, have the ambition to substitute traditional animal meat. To do so, the producers put enormous effort into imitating animal meat in all aspects, such as flavor, texture, aroma, appearance, and nutrition, to provide an almost indistinguishable experience to consumers. Their promotions also emphasize similar experiences compared to the animal meat consumers have been getting from their previous purchases. However, due to the short history and unfamiliarity, consumers may not be aware of the existence of the plant-based meat products. Even though they are aware, the plant-based products may not be considered par alternatives due to the lack of experience or unfamiliarity. Under these situations, the newly introduced products' preference may be underestimated by the traditional discrete choice frameworks.

I would like to provide policy implications on the current disputes on plant-based product labeling regulation. Also, I would like to provide suggestions on marketing strategy when they advertise new products in an established market.