



## ΠΡΟΣΚΛΗΣΗ ΣΕ ΔΙΑΛΕΞΗ

Την Πέμπτη 05/03/2015 στις 16:00 θα πραγματοποιηθεί διάλεξη στην Αίθουσα 101, στον 1<sup>ο</sup> όροφο του Κεντρικού Κτηρίου του Πανεπιστημίου Πειραιώς, με ομιλητή τον Καθηγητή Marco Scarsini, LUISS, Ιταλία με θέμα:

### “Bayesian Social Learning from Consumer”

#### Abstract

Motivated by the proliferation of user-generated product-review information and its widespread use, this note studies a market where consumers are heterogeneous in terms of their willingness-to-pay for a new product. Each consumer observes the binary reviews (like or dislike) of customers who purchased the product in the past and uses Bayesian updating to infer the product quality. We show that the learning process is successful as long as the price is not prohibitive and therefore at least some consumers, with sufficiently high idiosyncratic willingness-to-pay, will purchase the product irrespective of their posterior quality estimate. We conclude with a few structural properties of the dynamics of the posterior beliefs.