Speaker: Aydin Alptekinoglu, Penn State

Date: Friday, October 9, 2015

Time: 10:30 – 11:30 AM

Location: VMH 1505

Title: The Exponential Choice Model

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Abstract: Discrete choice theory provides fundamental building blocks for demand modeling in operations management, marketing, economics and many other disciplines. In this talk I will introduce a class of random-utility discrete choice models – distinct from the ones based on extreme value distributions such as multinomial logit – that exhibit many attractive analytical properties (e.g., closed-form choice probabilities, logconcave likelihood function) and unique insights on assortment and price optimization. I will also give the details of an estimation exercise using real data, and describe on-going work on generalizations of the base choice model that would increase its empirical utility.


Bio: Aydin Alptekinoglu is an Associate Professor of Supply Chain Management at Penn State’s Smeal College of Business. Dr. Alptekinoglu received his Ph.D. in Operations Management from the UCLA Anderson School of Management. Prior to joining Penn State in 2013, he held faculty positions at University of Florida and Southern Methodist University.

His broad research interests involve three elements of product strategy: Variety, price, and availability. The major emphasis of his research program has been on product variety management. His basic objective is to understand how firms can match consumers’ thirst for choice with the optimal breadth and depth of product variety – minding operational capabilities and constraints. He is currently teaching a capstone course to Smeal seniors majoring in supply chain management, and a Ph.D. course on topics that sit at the interface of operations management and marketing, such as product variety management, product returns and pricing.