

## **Bo SHEN**

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### **Education Background**

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2014 Ph.D. in Economics, **National University of Singapore**, Singapore  
2010 B.S. in Chemistry, **Peking University**, China  
2010 B.A. in Economics (double degree), **Peking University**, China

### **Research Interests**

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General Industrial Organization, Microeconomic Theory  
Specific Vertical Contracts, Network Economics, Two-sided Markets, Contest Design

### **Dissertation**

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Thesis Title Essays on Vertical Contracts and Platforms  
Committee Julian Wright (supervisor), Jingfeng Lu, Qiang Fu

### **Working Papers**

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#### **Naked exclusion by a manufacturer without a first-mover advantage** (Job Market Paper)

The existing literature on naked exclusion argues that exclusive contracts can be used by an incumbent firm to anti-competitively exclude a more efficient rival from entry. This paper shows that a dominant manufacturer is able to use exclusive contracts with retailers to foreclose its rival, even though it does not enjoy any first-mover advantage. Due to a contracting externality among retailers, equilibria with exclusion arise in which one of the manufacturers monopolizes the market. The dominant firm, with a supra-demand advantage, monopolizes at a lower cost and within a wider range. Exclusion is easier to sustain as upstream competition becomes stronger and as the number of competing retailers decreases.

#### **Exclusive dealing with lump-sum payments and loyalty discounts**

Exclusive dealing with lump-sum payments is widely explored by the existing literature. This paper shows that when exclusive contracts are based on loyalty discounts rather than the lump-sum payments, a dominant firm can sign up all buyers exclusively and thus inefficiently foreclose a rival even if it has no first-mover advantage. When buyers are competing downstream retailers, loyalty discounts have a similar foreclosure effect as lump-sum payments but lead to exclusion with no cost. Moreover, the dominant firm uniquely forecloses the rival if its cost efficiency is sufficiently large and downstream competition is sufficiently strong.

### **Platform competition and market dominance** (with Chiu Yu Ko)

In a two-sided market where sellers directly charge buyers, we show that when network effects are strong, there exist asymmetric equilibria (or monopoly equilibria) involving a dominant platform with larger market shares on both sides. Whenever multiple equilibria exist, only asymmetric equilibria or monopoly equilibria are stable, and they are also welfare-dominant. Moreover, the set of stable equilibria changes continuously from the unique symmetric equilibrium to asymmetric equilibria, and finally to monopoly equilibria, as network effects increase.

### **Intermediation with matching and price coherence** (with Julian Wright)

Intermediaries have better information about sellers' products and thus act as information gatekeepers by providing informational benefits to buyers. In this paper, we show that an intermediary which provides matching information for buyers will always want to restrict sellers from charging higher prices for buyers who purchase through the intermediary. Such price restrictions allow the intermediary to charge a high fee to sellers which is passed through back to buyers, and thereby results in lower consumer surplus. However, intermediation always increases consumer surplus as buyers' expected gain from information acquisition and intensified seller competition dominates the potential loss from inflated prices.

### **Optimal contest design under reverse-lottery technology** (with Jingfeng Lu, Zhewei Wang)

The reverse lottery contest model can be viewed as the mirror image of the conventional lottery contest. This paper examines the robustness of the existing classic insights on the optimal (effort-maximizing) contest design obtained under the conventional lottery contest setting by re-analyzing the same questions in the setting of the reverse lottery contest. When the competition in each stage is modeled as a conventional lottery contest, multi-stage contests outperform single-stage contests provided the contest is not sufficiently discriminating. However, our analysis demonstrates that, when the competition in each stage is modelled as a reverse lottery contest, a single-stage contest will dominate multi-stage contests whenever a symmetric equilibrium exists. In contrast, the result on the optimal division of (single-stage) multi-prize contests stays unchanged when the contest technology varies from the conventional lottery contest to the reverse lottery contest, i.e., a grand contest is optimal among all sets of subcontests.

### **Conference Presentations**

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- 2014 41st EARIE Annual Conference, Milan, Italy
- 2014 Forum on Industrial Organization and Marketing, Munich, Germany
- 2014 China Meeting of the Econometrics Society, Xiamen, China
- 2014 Asian Meeting of the Econometrics Society, Academia Sinica, Taiwan
- 2013 Asian Meeting of the Econometrics Society, NUS, Singapore

## Conference and Workshop attended

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- 2014 Singapore Joint Economic Theory Workshop, SMU, Singapore  
2013 NUS multi-sided platform workshop, Singapore

## Research Experience

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- 2014 Research Assistant for Prof Julian Wright, Department of Economics, NUS, Singapore  
2013 Research Assistant for A/P Weishi Lim, Business School, NUS, Singapore  
2012 Research Assistant for A/P Jingfeng Lu, Department of Economics, NUS, Singapore

## Teaching Experience

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- 2010 - 2014 Teaching Assistant in Department of Economics, NUS, Singapore  
Undergraduate modules: Principle Economics, Macroeconomics  
Industrial Organization, Financial Economics, Money and Banking  
2012 - 2014 Teaching Assistant in Department of Strategy and Policy, NUS, Singapore  
Undergraduate module: Managerial Economics

## Honors & Awards

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- 2013 - 2014 Graduate Students' Teaching Award, NUS, Singapore  
2010 - 2014 NUS Research Scholarship, NUS, Singapore  
2010 Excellent Graduation Thesis Award, Peking University, China  
2005 The First Prize in National Mathematics Competition (Provincial)  
2004 The First Prize in National Chemistry Competition

## Affiliations

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American Economic Association, Econometric Society

## References

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| Professor Julian Wright (Supervisor), Head of Department of Economics<br>National University of Singapore<br>AS2 06-06, 1 Arts Link, 117570<br>Tel: (+65)65163949; Fax: (+65)67752646<br>Email: jwright@nus.edu.sg        | Associate Professor Jingfeng Lu (Committee)<br>Department of Economics<br>National University of Singapore<br>AS2 05-27, 1 Arts Link, 117570<br>Tel: (+65)65166026; Fax: (+65)67752646<br>Email: ecsljf@nus.edu.sg |
| Associate Professor Qiang Fu (Committee)<br>Department of Business Policy<br>National University of Singapore<br>1 Business Link Biz1, 02-23, 117592<br>Tel: (+65)65163775; Fax: (+65)67795059<br>Email: bizfq@nus.edu.sg | Assistant Professor Chiu Yu Ko<br>Department of Economics<br>National University of Singapore<br>AS2 04-23, 1 Arts Link, 117570<br>Tel: (+65)65165178; Fax: (+65)67752646<br>Email: kochiuyu@nus.edu.sg            |