

Marketing Colloquia

2021 Fall

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Wednesday, October 6, 2021

12:00 PM to 1:10 PM

JMHH 741 Conference Room (Colloquia will be held in person, on campus)

Zoom: <https://upenn.zoom.us/j/94535737795>

DOES THE OFFLINE ENVIRONMENT IMPACT ONLINE NEWS BROWSING: EVIDENCE FROM MIGRATION

ABSTRACT: We address whether the offline news environment affects online news consumption choices, focusing on the nature of the relationship between online and offline partisan news sources - are they substitutes, complements, or independent? We build and estimate a model extending the standard discrete choice framework that allows us to identify this relationship via recovery of a single structural parameter. This parameter interprets the relationship between inside goods (online news) and the outside option (offline environmental news options). To estimate our model, we take advantage of a large novel data set of a subset of US users from a major web browser. We exploit the migration patterns of users as our source of identifying variation. In particular, we analyze consumer browsing before and after a move to identify our model. This exercise leads to evidence of independence between online and offline news goods at the population level, suggesting that, on average, consumers view these goods as neither substitutes nor complements. However, further investigation points to significant between-individual heterogeneity in the relationship between online and offline news, which we then show is partially explained by observable consumer characteristics via machine learning methods. We explore the implications of this heterogeneity and propose additional analysis to identify the potential mechanisms behind our findings.