

**The Research Centre of the Faculty of Economics**  
cordially invites you to a research seminar  
on **Tuesday, 9<sup>th</sup> May 2017**  
at **1 p.m.** in room **P-119**  
at the **Faculty of Economics, University of Ljubljana**

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will present the article:

**“THE CONSUMER OPTIMIZATION PROBLEM IN PRACTICE:  
WHAT CAN BE LEARNT ABOUT THE CONSUMER PREFERENCES  
FROM USER-GENERATED CONTENT”**

“Consumer optimization problem in economic theory combines two aspects. One is very tangible and refers to the budget constraint. The other refers to consumer preferences, a concept much harder to measure and understand fully in all its complexity. The rise of Internet 2.0 changed significantly consumer behaviour and allows the investigation of consumer preferences based on user-generated content. User generated content allows the investigation of various aspects of preferences, their nature and evolvement. We investigate the consumer preferences formation relying on two different datasets, one comprising product evaluations and one comprising service evaluations. The results show that despite many differences in preference formation conditional on a number of socio-demographic traits, the consumers in both cases primarily focus on the basic functionalities of products or basic components of services. We show how the information can be efficiently used by other consumers and primarily also in companies as part of their competitive BI. We show how (1) companies can distil information about the product characteristics which are most important for consumers (e.g. functionality aspects, design), (2) user generated reviews in combination with numerical ratings can be used in competitive analysis (either across product of the same firm or when comparing competitive brands). The study makes also several contributions to economic, marketing and management literature, primarily by investigating the formation of consumer preferences, the methodological benefits of computational linguistics, the information distilled and their use in competitive intelligence.”

You can register for the free seminar by phone (01) 58-92-490, or via e-mail:

[research.seminars@ef.uni-lj.si](mailto:research.seminars@ef.uni-lj.si) by Monday, 8<sup>th</sup> May 2017.

You can find all information regarding future research seminars on following link:

[http://www.ef.uni-lj.si/raziskovanje/seminarji\\_in\\_konference](http://www.ef.uni-lj.si/raziskovanje/seminarji_in_konference)

**We look forward to seeing you!**

