PhD Course

**Addressing Endogeneity in Marketing**

block course: July 12. and 13. 2016; 09:00 - 13:00 h

Welckerstr. 8; 2.18

**Course Instructor:** Prof. Dr. Harald van Heerde (Massey University, New Zealand)

**Course Value:** 1 SWS or 2 LP

**Course Overview:**
This course will focus on methods and approaches to tackle the problem of endogeneity.

**Course Contents:**
This course will focus on methods and approaches to tackle the problem of endogeneity. Topics include (1) Causality & Endogeneity, (2) Instrumental Variable Estimation, including (a) How IV works, (b) the Choice of Instruments, (c) Multiple endogenous regressors, Quadratic effects & Interactions, (d) Binary endogenous regressors, (e) Control function, (f) Holdout sample validation, (3) IV-Free methods

Some background in linear regression and statistics will be assumed. Individual (or two-person team, with permission) research assignments will be required.

**Student evaluation** will be based on class participation and performance on assignments.

**Software:** Please bring a laptop with your preferred statistical software: either Stata, SPSS, SAS, Gauss, Matlab or R. Stata is probably the most suitable package.

**Prerequisites:** Some fluency in at least one of these statistical packages and some background in regression and similar methods.

Please also study the following texts:


**Assessment:** Assessment will be based on active participation and performance on assignments. Grading for students of University of Hamburg will be pass/fail.

**Registration:** Please e-mail Katharina Krüger: Katharina.Krueger@uni-hamburg.de until 11. July 2016 (Please remember that places will be allocated in order of received registrations)

**SYLLABUS**

- **Day 1:**
  - Causality and Endogeneity
  - Control variables
  - Instrumental Variables
  - Control function approach
  - Endogenous interaction effects

- **Day 2**
  - Holdout sample validation
  - Binary endogenous regressors and binary dependent variables
  - Latent instrumental variables
  - Gaussian copulas
  - Summary