

The Hong Kong Polytechnic University
Department of Logistics and Maritime Studies
Research Seminar

**A Quality Value Chain Network:
Linking Supply Chain Quality to Customer Lifetime Value**

by

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Date: 13 July 2017 (Thursday)
Time: 10:30am-11:30am
Venue: R507, Shirley Chan Building
The Hong Kong Polytechnic University

(Conducted in English)

Abstract:

We create a quality value chain network concept to analyze the impact of supply chain quality (SCQ) on the customer lifetime value (CLV). We apply our framework to a rich dataset from a major restaurant chain utilizing text analysis of the complaints to measure SCQ, a two-stage least squares (2SLS) model with instruments to assess the impact of SCQ on customer experience, and a structural model of consumer purchasing behavior to eventually link customer experience to CLV. Note that we consider not only the impact of customer experience at the focal store but also that from adjacent stores on CLV. Considering such network effect significantly improves the model performance in predicting customer behavior and quantification of financial returns. We identify the profile of the most valuable customers and provide insights on which SCQ issues the supply chain should focus on, and which restaurants should be prioritized for supply chain improvements.

Bio:

Qiuping Yu is an Assistant Professor of Operations Management at the Kelley School of Business, Indiana University. She received her PhD from Northwestern University in 2014. Her research interest is in service and retail operations using both empirical and analytical modeling approaches. She has extensive collaboration experience with the industries (e.g., various call centers, fast food restaurant chains and food manufacturers). She has published in Management Science. She received the Wharton Customer Analytics Institute Award in 2015, Management Science Meritorious Service Award, and CSAMSE Annual Conference Best Paper Award in 2016.

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All are welcome!