

Foreword

This book contains three essays which emanated from the desire to understand more thoroughly the strategies employed by producers of experience and credence goods in order to avoid market failure due to asymmetric information. The first essay focuses on the employment relationship between a football club and its player and treats the productivity of the latter as an experience good. The second essay looks at the market for religious services, which can be considered as credence goods per se. The analysis highlights how the church can employ specific institutional devices, like e.g. celibacy, in order to signal certain properties of its religious services to potential customers and, at the same time, gain a superior strategic position in the market for these services. The last essay is entirely devoted to the analysis of competition among suppliers of experience goods. The author employs a rather sophisticated Cournot model with endogenous, vertically differentiated products.

Without going into the details here, the book is recommendable because of its creativity and originality. Scholars interested in the application areas covered by the essays as well as researchers studying markets for experience and credence goods will find rich food for thought.

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