

# Marco Ottaviani

Full Professor



**Knowledge Group:** Economics, Politics and Decision Sciences

**Research Domains:** Economics

**Teaching Domains:** Microeconomics

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## Biography

Marco Ottaviani is Full Professor of Economics at Bocconi University, where he teaches both at SDA Bocconi and at the PhD School. He served as Dean for Research from 2016 to 2018.

His research focuses on information and incentive problems at the intersection of organizational economics, industrial organization, regulation, and finance. More recently, he has studied the design of prediction markets, the aggregation of information within organizations, incentives and regulation of financial intermediaries, privacy and consumer protection, innovation financing through subsidy mechanisms, incentives to collect and disseminate empirical evidence, publication bias, clinical trials, and regulatory approval processes.

Marco graduated from Bocconi University in 1992 and earned his PhD in Economics from the Massachusetts Institute of Technology in 1996. Before returning to Bocconi in 2011, he began his academic career at University College London, later becoming Professor of Economics at London Business School and Professor of Strategy at the Kellogg School of Management, Northwestern University.

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## Articles in Scholarly Journals

### **When Liability Is Not Enough: Regulating Bonus Payments in Markets with Advice**

HONDA, J., R. INDERST, M. OTTAVIANI, "When Liability Is Not Enough: Regulating Bonus Payments in Markets with Advice", *Management Science*, 2024, vol. 70, no. 2, pp. 1301-1314

### **Approval regulation and learning, with application to timing of merger control**

OTTAVIANI, M., A. L. WICKELGREN, "Approval regulation and learning, with application to timing of merger control", *Journal of Law, Economics, & Organization*, 2024, vol. 40, no. 3, pp. 597-624

### **Grantmaking, Grading on a Curve, and the Paradox of Relative Evaluation in Nonmarkets**

ADDA, J. F., M. OTTAVIANI, "Grantmaking, Grading on a Curve, and the Paradox of Relative Evaluation in Nonmarkets", *Quarterly Journal of Economics*, 2024, vol. 139, no. 2, pp. 1255–1319

### **Looking into Crystal Balls: A Laboratory Experiment on Reputational Cheap Talk**

MELOSO, D., S. NUNNARI, M. OTTAVIANI, "Looking into Crystal Balls: A Laboratory Experiment on Reputational Cheap Talk", *Management Science*, 2023, vol. 69, no. 9, pp. 5112-5127

### **Regulation with Experimentation: Ex Ante Approval, Ex Post Withdrawal, and Liability**

HENRY, E., M. LOSETO, M. OTTAVIANI, "Regulation with Experimentation: Ex Ante Approval, Ex Post Withdrawal, and Liability", *Management Science*, 2022, vol. 68, no. 7, pp. 5330-5347

### **Strategic Sample Selection**

DI TILLO, A., M. OTTAVIANI, P. N. SØRENSEN, "Strategic Sample Selection", *Econometrica*, 2021, vol. 89, no. 2, pp. 911-953

### **P-hacking in clinical trials and how incentives shape the distribution of results across phases**

ADDA, J. F., C. DECKER, M. OTTAVIANI, "P-hacking in clinical trials and how incentives shape the distribution of results across phases", *Proceedings of the National Academy of Sciences of the USA (Pnas)*, 2020, vol. 117, no. 24, pp. 13386-13392

### **Persuasion Through Selective Disclosure: Implications for Marketing, Campaigning, and Privacy**

#### **Regulation**

HOFFMANN, F., R. INDERST, M. OTTAVIANI, "Persuasion Through Selective Disclosure: Implications for Marketing, Campaigning, and Privacy Regulation", *Management Science*, 2020, vol. 66, no. 11, pp. 4958-4979

### **Research and the Approval Process: The Organization of Persuasion**

HENRY, E., M. OTTAVIANI, "Research and the Approval Process: The Organization of Persuasion", *American Economic Review*, 2019, vol. 109, no. 3, pp. 911-955

### **Persuasion Bias in Science: Can Economics Help?**

DI TILLO, A., M. OTTAVIANI, P. N. SØRENSEN, "Persuasion Bias in Science: Can Economics Help?", *The Economic Journal*, 2017, vol. 127, no. 605, pp. F266-F304

### **Accept or reject? An organizational perspective**

GARFAGNINI, U., M. OTTAVIANI, P. N. SØRENSEN, "Accept or reject? An organizational perspective", *International Journal of Industrial Organization*, 2014, vol. 34, pp. 66-74

### **The Flip Side of Financial Synergies: Coinsurance Versus Risk Contamination**

BANAL-ESTAÑOL, A., M. OTTAVIANI, A. WINTON, "The Flip Side of Financial Synergies: Coinsurance Versus Risk Contamination", *Review of Financial Studies*, 2013, vol. 26, no. 12, pp. 3142-3181

### **Sales Talk, Cancellation Terms and the Role of Consumer Protection**

INDERST, R., M. OTTAVIANI, "Sales Talk, Cancellation Terms and the Role of Consumer Protection", *Review of Economic Studies*, 2013, vol. 80, no. 3, pp. 1002-1026

## **Competition through Commissions and Kickbacks**

INDERST, R., M. OTTAVIANI, "Competition through Commissions and Kickbacks", American Economic Review, 2012, vol. 102, no. 2, pp. 780-809

## **Financial Advice**

INDERST, R., M. OTTAVIANI, "Financial Advice", Journal of Economic Literature, 2012, vol. 50, no. 2, pp. 494-512

## **Regulating Financial Advice**

INDERST, R., M. OTTAVIANI, "Regulating Financial Advice", European Business Organization Law Review, 2012, vol. 13, no. 2, pp. 237-246

## **How (not) to pay for advice: A framework for consumer financial protection**

INDERST, R., M. OTTAVIANI, "How (not) to pay for advice: A framework for consumer financial protection", Journal of Financial Economics, 2012, vol. 105, no. 2, pp. 393-411

## **Ex ante or ex post competition policy? A progress report**

OTTAVIANI, M., A. L. WICKELGREN, "Ex ante or ex post competition policy? A progress report", International Journal of Industrial Organization, 2011, vol. 29, no. 3, pp. 356-359

## **Noise, Information, and the Favorite-Longshot Bias in Parimutuel Predictions**

OTTAVIANI, M., P. N. SØRENSEN, "Noise, Information, and the Favorite-Longshot Bias in Parimutuel Predictions", American Economic Journal: Microeconomics, 2010, vol. 2, no. 1, pp. 58-85

## **Consumer protection in markets with advice**

INDERST, R., M. OTTAVIANI, "Consumer protection in markets with advice", Competition Policy International, 2010, vol. 6, no. 1, pp. 47-64

## **Surprised by the Parimutuel Odds?**

OTTAVIANI, M., P. N. SØRENSEN, "Surprised by the Parimutuel Odds?", American Economic Review, 2009, vol. 99, no. 5, pp. 2129-2134

## **Misselling through Agents**

INDERST, R., M. OTTAVIANI, "Misselling through Agents", American Economic Review, 2009, vol. 99, no. 3, pp. 883-908

## **Information Sharing in Common Agency: When is Transparency Good?**

MAIER, N., M. OTTAVIANI, "Information Sharing in Common Agency: When is Transparency Good?", Journal of the European Economic Association, 2009, vol. 7, no. 1, pp. 162-187

## **Monopoly pricing in the binary herding model**

BOSE, S., G. OROSEL, M. OTTAVIANI, L. VESTERLUND, "Monopoly pricing in the binary herding model", Economic Theory, 2008, vol. 37, no. 2, pp. 203-241

## **The Promise of Prediction Markets**

ARROW, K. J., R. FORSYTHE, M. GORHAM, R. HAHN, R. HANSON, J. O. LEDYARD, S. LEVMORE, R. LITAN, P. MILGROM, F. D. NELSON, G. R. NEUMANN, M. OTTAVIANI, T. C. SCHELLING, R. J. SHILLER, V. L. SMITH, E. SNOWBERG, C. R. SUNSTEIN, P. C. TETLOCK, P. E. TETLOCK, H. R. VARIAN, J. WOLFERS, E. ZITZEWITZ, "The Promise of Prediction Markets", *Science*, 2008, vol. 320, no. 5878, pp. 877-878

### **Bank Mergers and Diversification: Implications for Competition Policy**

BANAL-ESTAÑOL, A., M. OTTAVIANI, "Bank Mergers and Diversification: Implications for Competition Policy", *European Financial Management*, 2007, vol. 13, no. 3, pp. 578-590

### **Credulity, lies, and costly talk**

KARTIK, N., M. OTTAVIANI, F. SQUINTANI, "Credulity, lies, and costly talk", *Journal of Economic Theory*, 2007, vol. 134, no. 1, pp. 93-116

### **Outcome Manipulation in Corporate Prediction Markets**

OTTAVIANI, M., P. N. SØRENSEN, "Outcome Manipulation in Corporate Prediction Markets", *Journal of the European Economic Association*, 2007, vol. 5, no. 2-3, pp. 554-563

### **The strategy of professional forecasting**

OTTAVIANI, M., P. N. SØRENSEN, "The strategy of professional forecasting", *Journal of Financial Economics*, 2006, vol. 81, no. 2, pp. 441-466

### **Dynamic monopoly pricing and herding**

BOSE, S., G. OROSEL, M. OTTAVIANI, L. VESTERLUND, "Dynamic monopoly pricing and herding", *The RAND Journal of Economics*, 2006, vol. 37, no. 4, pp. 910-928

### **Reputational cheap talk**

OTTAVIANI, M., P. N. SØRENSEN, "Reputational cheap talk", *The RAND Journal of Economics*, 2006, vol. 37, no. 1, pp. 155-175

### **Professional advice**

OTTAVIANI, M., P. N. SØRENSEN, "Professional advice", *Journal of Economic Theory*, 2006, vol. 126, no. 1, pp. 120-142

### **Naive audience and communication bias**

OTTAVIANI, M., F. SQUINTANI, "Naive audience and communication bias", *International Journal of Game Theory*, 2006, vol. 35, no. 1, pp. 129-150

### **Mergers with Product Market Risk**

BANAL-ESTANOL, A., M. OTTAVIANI, "Mergers with Product Market Risk", *Journal of Economics and Management Strategy*, 2006, vol. 15, no. 3, pp. 577-608

### **The transition to digital television**

ADDA, J. F., M. OTTAVIANI, "The transition to digital television", *Economic Policy*, 2005, vol. 20, no. 41, pp. 160-209

### **Anticompetitve contracts in the UK pay TV market**

HARBORD, D., M. OTTAVIANI, "Anticompetitive contracts in the UK pay TV market", European Law Journal, 2002, vol. 23, no. 3, pp. 1-6

### **Price Competition for an Informed Buyer**

MOSCARINI, G., M. OTTAVIANI, "Price Competition for an Informed Buyer", Journal of Economic Theory, 2001, vol. 101, no. 2, pp. 457-493

### **The Value of Public Information in Monopoly**

OTTAVIANI, M., A. PRAT, "The Value of Public Information in Monopoly", Econometrica, 2001, vol. 69, no. 6, pp. 1673-1683

### **Information aggregation in debate: who should speak first?**

OTTAVIANI, M., P. SØRENSEN, "Information aggregation in debate: who should speak first?", Journal of Public Economics, 2001, vol. 81, no. 3, pp. 393-421

### **Herd Behavior and Investment: Comment**

OTTAVIANI, M., P. SØRENSEN, "Herd Behavior and Investment: Comment", American Economic Review, 2000, vol. 90, no. 3, pp. 695-704

### **Social learning in a changing world**

MOSCARINI, G., M. OTTAVIANI, L. SMITH, "Social learning in a changing world", Economic Theory, 1998, vol. 11, no. 3, pp. 657-665

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## **Contribution to Chapters, Books or Research Monographs**

### **Information markets and nonmarkets**

BERGEMANN, D., M. OTTAVIANI, "Information markets and nonmarkets" in Handbook of Industrial Organization., Kate Ho, Ali Hortaçsu, Alessandro Lizzeri (Eds.), Elsevier, chap. 8, pp. 593-672, 2021

### **Forecasters' Objectives and Strategies**

MARINOVIC, I., M. OTTAVIANI, P. N. SØRENSEN, "Forecasters' Objectives and Strategies" in Handbook of Economic Forecasting., Graham Elliott, Allan Timmermann (Eds.), Elsevier, chap. 12, pp. 690-720, 2013

### **Modeling idea markets: between beauty contests and prediction markets**

MARINOVIC, I., M. OTTAVIANI, P. N. SØRENSEN, "Modeling idea markets: between beauty contests and prediction markets" in Prediction Markets., Leighton Vaughan Williams (Ed.), Routledge, Taylor and Francis Group, chap. 2, pp. 4-17, 2011

### **The favorite-longshot bias: an overview of the main explanations**

OTTAVIANI, M., P. N. SØRENSEN, "The favorite-longshot bias: an overview of the main explanations" in Handbook of Sports and Lottery Markets., Donald Hausch, W.T. Ziemba (Eds.), Elsevier, chap. 6, pp. 83-101, 2008

### **Switching to digital television: business and public policy issues**

MAIER, N., M. OTTAVIANI, "Switching to digital television: business and public policy issues" in Standards and Public Policy., Shane Greenstein, Victor Stango (Eds.), Cambridge University Press, chap. 11, pp. 345-371, 2006

### **Economic models of social learning**

MOSCARINI, G., M. OTTAVIANI, "Economic models of social learning" in Decisions, games and markets., P. Battigalli, A. Montesano, F. Panunzi (Eds.), Kluwer Academic Publishers, pp. 265-298, 1997

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## **Articles in national/international newspapers**

### **Nobel 2020: la lezione di Milgrom e Wilson**

DECAROLIS, F., M. OTTAVIANI, "Nobel 2020: la lezione di Milgrom e Wilson", lavoce.info, 13 October 2020

### **Profits vs integrity: Why we may trust registered clinical trials**

DECKER, C., M. OTTAVIANI, J. F. ADDA, "Profits vs integrity: Why we may trust registered clinical trials", VoxEU - CEPR, 16 September 2020

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## **Comments, Discussions, Replies in Journal**

### **The design of idea markets: an economist's perspective**

OTTAVIANI, M., "The design of idea markets: an economist's perspective", The Journal of Prediction Markets, 2009, vol. 3, no. 1, pp. 41-44

### **The case of GDP-indexed bonds: discussion**

OTTAVIANI, M., "The case of GDP-indexed bonds: discussion", Economic Policy, 2004, pp. 206-208

### **An economic perspective on auction: discussion**

OTTAVIANI, M., "An economic perspective on auction: discussion", Economic Policy, 2003, pp. 301-303

### **Corporate income tax reforms and international tax competition: discussion**

OTTAVIANI, M., "Corporate income tax reforms and international tax competition: discussion", Economic Policy, 2002, pp. 490-492

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## **Cases in International Case Collections**

### **Cross border electricity trading and market design: the France-England Interconnector**

OTTAVIANI, M., R. INDERST - "Cross border electricity trading and market design: the France-England Interconnector" - 2004, The Case Centre, Great Britain

### **Overture and Google: Internet Pay-per-click (PPC) Advertising Auctions**

ELLAM, A., M. OTTAVIANI - "Overture and Google: Internet Pay-per-click (PPC) Advertising Auctions" - 2004,  
The Case Centre, Great Britain