Research Proposal Assignment

ECO 220A Industrial Organization

Final Version Due: Friday May 7, 2021

In this assignment you will develop an original research proposal related to industrial organization. The goals for this assignment are to (1) give you some experience getting a research project started (2) get you moving on a project or area of IO that may interest you long-term and (3) get feedback on what are the strengths and weaknesses of the study you are proposing. In addition, this assignment will help you determine the feasibility of different projects and give you a sense of what data would be necessary to make a given project successful.

The project can be worked on in up to groups of three with the final version due on May 8. You will schedule a meeting with me over the first two weeks of April to discuss a "first draft" of your proposal to help make sure you're on the right track.

The project should contain the following components:

- Clearly defined research questions as well as theoretical and empirical strategies for answering those questions. These should be *specific questions*, narrow enough to be answered well in a journal article length (~40 pp.).
- The project should include an industry report that provides an overview of the industry that you are studying. Why do we care about this market? What can we learn from consumer and firm behavior in this market? What is the overall market structure like and what factors are crucial to behavior in the market?
- There should be a comprehensive literature review of related work both in this industry *and in others* where the model / micro-foundations of your work are relevant.
- What data will you use to answer the empirical component of your paper? If such data have not been used in prior research, how will you acquire this data? What is the ideal data set? How would you have to change your model / identification strategy to accommodate different types of available data?
- Write down your theoretical and empirical models. Describe how the model will be identified in the data, and how you will estimate it. What robustness checks will you do to the model? What are the trade-offs you have to make in terms of stronger assumptions vs. greater credibility of those assumptions?

The final proposal should be approximately 20-30 tightly written and carefully referenced pages. This is subject to the topic: I want to see a thoroughly done project proposal, if you can do that in less space that is fine.