

THE REVIEW OF ECONOMIC STUDIES

17 December 2025

Dear Leo, Matt, Rafael, Aaron, Filip, and Chris:

I hope you are doing well and your friends and family are healthy.

I write regarding your paper, “**Measuring Markets for Network Goods**,” submitted for eventual publication to the *Review of Economic Studies*. I have now heard from four expert referees, all great scholars, with diverse areas of expertise. While they pinpoint some areas of improvement and some shortcomings, they all see potential in your paper. Thus, I have decided to invite you to submit a revised draft of your paper for eventual publication in the *Review of Economic Studies*. Let me stress, however, that, as the reviewers identify several first-order issues, I cannot commit to publishing your paper. However, I think a careful major revision will convince all of us that the paper’s contribution is significant.

I sent your paper to four reviewers for their opinion, as I often do when I see potential. [I screen reject about half of the manuscripts allocated to me, as we receive about 2,000 papers and publish less than 100 of our ever-expanding profession.] All referees are great scholars with different expertise (in IO, networks, media economics, political economy, and behavioral economics). Here is their feedback

R4 does not make an explicit recommendation, although he/she thinks that you do not go far with the mechanisms. Her/his letter reads: “*This is a good paper, but I think a bit below the bar for the Review. I just think that they don't go far enough. One could ask them to enlarge the paper, either another experiment to document the mechanism, or combine the estimates with a model to get at something of more general interest. That would be a reject-and-resubmit, but maybe a bit too open-ended.*” As you will see from his/her report, R4 makes three core points.

1. Contribution. Here, you need to be explicit about what is known and what your paper brings in. Please be as transparent, clear, and succinct as you can.
2. Quality of Evidence. I find R4's criticisms here fair. One the concern regarding the hypothetical nature of the first experiment. Another one regards the non-comparability of the second with the first experiment (and the absence of a pure control). so addressing these concerns should be a priority for the revision.
3. Mechanism. R4 notes, not unreasonably, that ideally, we need more direct evidence on the mechanism. This is a recurrent comment of all referees, so please work on it.

R5 ticks <<revise and resubmit>>, writing me: "*this paper addresses a question that is important from both academic and policy perspectives.*" R5 lists six areas of improvement in his/her report. Some are straightforward to address (such as adding summary statistics and p-values), while others require more thought and effort (like estimating welfare coming from network effects).

R6 ticks <<accept with revisions>>>, writing me: "*The paper is clear in its aims and execution. Despite its limitations, I believe it's an important contribution to the empirics of network products in general and social media in particular.*" R6 asks for a few additional results, which aim to shed further light on the mechanism, which appear straightforward to take on board. In addition, R6 recommends shrinking the paper as it is, in his/her view, unnecessarily long.

R1 ticks <<revise and resubmit>>. I have copied his/three recommendations, which are a must for the revision. The first comment regards the paper's contribution and, in some sense, echoes point 1 of referee 4. Please follow R1's suggestion here and try to be as clear as possible. Second, R1 (and all of us) finds the results from the two experiments neat (though perhaps unsurprising). Like R1, I also like the use of simple methods which reveal clean results. Third, r1 has some suggestions about market definition and your application, with clear advice. Lastly, and most importantly, R1, whose big picture views and knowledge I deeply value, writes me that the paper is unnecessarily long and hence the argument and key results are somewhat lost. Quoting from his/her letter to me: "*The paper is well developed and there is a contribution. Overall, this strikes me one of those papers that could be 1/2 of the length and be the perfect candidate for AER insights. You can go through the introduction in two pages, the conceptual*

framework can be one page, and then the results are Figure 2 (in primes) and maybe Figure 3 and Figure 4. I do not think is bad to publish such a paper in RESTD. But if you do so I think you should ask them to make it crispier and not unnecessarily long.” My recommendation is to follow the referee's advice (which is also similar to R6's). Going over the paper, I also think that the paper can be significantly shortened so as to make it crispier. The Review does not have a short paper Section, so your paper would be a regular paper. I see no need for overly long papers; if anything, they are less cited and less impactful.

So, where does this leave us? All of us see potential in your paper. I am offering the opportunity to submit a revised draft of your paper for potential publication in the *Review of Economic Studies*. However, I cannot commit to publishing your paper, as I need that the referees' are pleased with the revision. I also hope that even the more skeptical reviewer, who is very open-minded, constructive, and after the big picture, will tick <<accept>>.

Finally, here is the standard paragraph on what else to submit:

If you decide to resubmit a revised manuscript, as I hope you do, please also submit (as is standard) a document that responds to all the points raised by the referees (and the editor). Please take the time to explain to the referees how the new version addresses each of their comments and the rationale for your decisions. You may decide to address their comment in the main body of the paper, in the Online Appendix, or include some results in your response. For each comment, please include: (i) A complete statement/quotation of the referee's comment, verbatim; (ii) your description of how the manuscript has changed (or not changed) to reflect the comment, along with your explanation of your thinking behind that change; and (iii) references to and/or quotations from specific the places (to the extent practical) in the new manuscript where those changes appear.

Thanks again for allowing us to consider your fascinating work at the *Review of Economic Studies*. And please accept my apologies for the slow response again.

I look forward to reading the revised draft.

Yours sincerely,

Elias Papaioannou

Joint Managing Editor

The Review of Economic Studies