### **MIS7420**

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### 1 Data Cleaning Process

#### 1.1 BOBO1

This is a reference test. Hlavac (2015) is used to generate many summary tables in this report.

### 2 Paper Replication

In this section, we provide our replication for this paper.

#### 2.1 Table 1

Table 1 shows the summary statistics of top five vendors by sales volume.

Table 1: Summary Statistics of Top Five Vendors by Sales Volume

| DomainName  | TotalTransaction | TotalSales   | TotalPagesViewed | PagesPerDollar | TotalDuration | MinsPerDollar |
|-------------|------------------|--------------|------------------|----------------|---------------|---------------|
| dell.com    | 1,620            | 483, 703.300 | 66,953           | 0.138          | 57,225.660    | 0.118         |
| amazon.com  | 10,904           | 354,573.300  | 464,383          | 1.310          | 369,227.900   | 1.041         |
| staples.com | 5,927            | 236,982.300  | 247, 163         | 1.043          | 166, 189.900  | 0.701         |
| walmart.com | 1,977            | 156,606.100  | 80,397           | 0.513          | 68,434.890    | 0.437         |
| bestbuy.com | 1,230            | 149, 950.400 | 50,627           | 0.338          | 36,735.900    | 0.245         |

#### 2.2 Table 2

Table 2: Summary Statistics of Referring Domain Categories

| Domain Name      | Total Transaction | Referred by SearchEngine | Direct to Website | Referred by Others |
|------------------|-------------------|--------------------------|-------------------|--------------------|
| amazon.com       | 10,904            | 2,955(27.1%)             | 7,018(64.4%)      | 931 (8.6%)         |
| bestbuy.com      | 1,230             | 258(21.0%)               | 901(73.3%)        | 71(5.8%)           |
| All Others       | 36,794            | 6,999(19.0%)             | 25,483 (69.3%)    | 4,312 (11.7%)      |
| All Transactions | 48,928            | 10,212 (20.9%)           | 33,402 (68.3%)    | 5,314 (10.9%)      |

Table 3: Average Difference-in-Difference (DID) of the Outcome Variables

| Outcome Variable        | Groups    | After Store  | Before Store | First Difference | DID    |
|-------------------------|-----------|--------------|--------------|------------------|--------|
|                         |           | Closure      | Closure      | (se)             |        |
| Amazon                  | Control   | 3.418        | 3.303        | 0.115            |        |
| Sales                   |           | (0.031)      | -0.167       |                  |        |
| Saics                   | Treatment | 3.351        | 3.403        | -0.052           |        |
|                         | Treatment | 5.551        | 0.400        | (0.212)          |        |
| Amazon                  | Control   | 1.188        | 1.147        | 0.041            |        |
| PagesPerDollar          | Control   | 1.188        | 1.147        | (0.025)          | 0.257  |
| FagesFerDonar           | Treatment | 1 969        | 1.065        | 0.298            |        |
|                         | теаннен   | 1.363        | 1.009        | (0.153)          |        |
| A                       | Ct1       | 1.016        | 0.075        | 0.041            |        |
| Amazon                  | Control   | 1.016        | 0.975        | (0.025)          | 0.263  |
| MinsPerDollar           | <b></b>   | 1.10         | 0.000        | 0.304            |        |
|                         | Treatment | 1.187        | 0.882        | (0.137)          |        |
| 1 (1                    | Q 1       | 9.410        | 3.303        | 0.354            |        |
| bestbuy.com             | Control 3 | 3.418        |              | (0.031)          | 0.623  |
| Sales                   | <b>T</b>  | 2 274        | 2 402        | 0.976            |        |
|                         | Treatment | 3.351        | 3.403        | (0.212)          |        |
|                         |           |              |              | -0.109           |        |
| bestbuy.com             | Control   | 1.188        | 1.147        | (0.025)          | 0.074  |
| PagesPerDollar          |           |              |              | -0.035           |        |
|                         | Treatment | atment 1.363 | 1.065        | (0.153)          |        |
|                         |           |              | 16 0.975     | -0.084           |        |
| bestbuy.com             | Control   | 1.016        |              | (0.025)          | -0.012 |
| ${\bf Mins Per Dollar}$ |           |              |              | -0.096           |        |
|                         | Treatment | 1.187        | 0.882        | (0.137)          |        |

Table 4: Results of the Search Effect (Pages Per Dollar, All Product Categories)

|                         | $Dependent \ variable:$ $\log(\operatorname{PagesPerDollar})$ |                      |                     |                    |  |
|-------------------------|---|----------------------|---------------------|--------------------|--|
|                         |   |                      |                     |                    |  |
|                         | (1)   | (2)                  | (3)                 | (4)                |  |
| $eta_1$                 | 0.004   | 0.158                | 0.573               | 1.180              |  |
|                         | (0.649)   | (0.256)              | (1.514)             | (1.151)            |  |
| $\beta_2$               | -0.481  | -0.140               |                     | -0.065             |  |
|                         | (0.860)   | (0.313)              |                     | (1.569)            |  |
| Observations            | 4,941   | 5,565                | 677                 | 775                |  |
| $\mathbb{R}^2$          | 0.0003  | 0.0002               | 0.002               | 0.018              |  |
| Adjusted R <sup>2</sup> | -1.321  | -1.237               | -7.230              | -6.921             |  |
| F Statistic             | 0.348  (df = 2; 2128)   | 0.192 (df = 2; 2487) | 0.143  (df = 1; 82) | 0.859 (df = 2; 96) |  |

Note:

\*p<0.1; \*\*p<0.05; \*\*\*p<0.01

Table 5: Results of the Search Effect (Minutes Per Dollar, All Product Categories)

|                         | Dependent variable:         |                       |                    |                    |  |  |
|-------------------------|-----------------------------|-----------------------|--------------------|--------------------|--|--|
|                         | $\log({\rm MinsPerDollar})$ |                       |                    |                    |  |  |
|                         | (1)                         | (2)                   | (3)                | (4)                |  |  |
| $eta_1$                 | 0.248                       | 0.049                 | 0.165              | 1.821              |  |  |
|                         | (0.700)                     | (0.275)               | (1.570)            | (1.211)            |  |  |
| $eta_2$                 | -0.744                      | -0.089                |                    | -0.459             |  |  |
|                         | (0.928)                     | (0.336)               |                    | (1.650)            |  |  |
| Observations            | 4,941                       | 5,565                 | 677                | 775                |  |  |
| $\mathbb{R}^2$          | 0.0004                      | 0.00003               | 0.0001             | 0.031              |  |  |
| Adjusted $\mathbb{R}^2$ | -1.321                      | -1.237                | -7.243             | -6.811             |  |  |
| F Statistic             | 0.389 (df = 2; 2128)        | 0.035  (df = 2; 2487) | 0.011 (df = 1; 82) | 1.548 (df = 2; 96) |  |  |

Note:

\*p<0.1; \*\*p<0.05; \*\*\*p<0.01

- 2.3 Table 3
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#### 3 Advanced Method

- 3.1 Synthetic Control Method
- 3.2 Generalized Synthetic Control Method
- 3.3 Heckit Approach
- 3.4 PSM and LA-PSM
- 3.5 Measurement Error Bias Correction

### 4 References

[1] Marek Hlavac. Stargazer: Well-formatted regression and summary statistics tables. R package version, 5(1), 2015.