

Hot Articles

“June|2017”

Business & Economics



Title: [A Cost of Tractability? Estimating Climate Change Impacts Using a Single Crop Market Understates Impacts on Market Conditions and Variability](#)

Author: Wyatt Thompson, Scott Gerlt, J. Elliott Campbell, Lara M. Kueppers, Yaqiong Lu and Mark A. Snyder

Journal: Applied Economic Perspectives and Policy

Volume: 39 **Issue:** 2 **Page:** 346-362.

Doi: 10.1093/aep/023

Abstract

Scientists estimate that U.S. Corn Belt crop yields will increase or decrease, on average, and become more variable with climate change. Corn and soybean farming dominates this region, but studies typically do not assess the joint impact of new distributions of corn and soybean yields on markets. We use a structural economic model with projections of climate-driven yield changes to simulate these effects. Our findings suggest that a narrow focus on a single crop in this key growing region risks underestimating the impact on price distributions and average crop receipts, and can lead to incorrect signs on estimated impacts.

Database

Oxford Journal

Title: [Climate Policy and Border Measures: The Case of the U.S. Aluminum Industry](#)

Author: Ian Sheldon and Steve McCorriston

Journal: Applied Economic Perspectives and Policy

Volume: 39 **Issue:** 2 **Page:** 242-258

Doi: 10.1093/aep/019

Abstract

This article analyzes the impact of border measures for climate policy on carbon leakage and the competitiveness of U.S. aluminum producers. An appropriate border measure is shown to depend on competition in aluminum production, as well as the basis for assessing trade neutrality of a border measure. If neutrality is based on market volume, carbon leakage is prevented, but competitiveness cannot be maintained. If neutrality is based on market share, competitiveness can be maintained and there is negative carbon leakage. In either case, users of aluminum incur deadweight losses from the combination of climate policy and border measures. The key policy implication of the analysis is that appropriately designed border measures for climate policy may break the link between competitiveness and carbon leakage, but their design is important in ensuring that they are not protectionist.

Database

Oxford Journal

Title: [Social Exclusion and Consumer Switching Behavior: A Control Restoration Mechanism](#)

Author: Lei Su, Yuwei Jiang, Zhansheng Chen and C. Nathan DeWall

Journal: Journal of Consumer Research

Volume: 44 **Issue:** 1 **Page:** 99-117

Doi: 10.1093/jcr/ucw075

Abstract

This study examines the effects of social exclusion on consumers' brand and product switching behavior. Five studies were conducted, which revealed that consumers who perceive themselves as being chronically or temporarily excluded exhibit more switching behavior than their peers who do not feel socially excluded. This effect is mediated by a decreased sense of control after social exclusion. The effect disappears when the incumbent option possesses the function of maintaining social belongingness (e.g., when the incumbent option is socially conformed or symbolizes social connection).

Database

Oxford Journal

Title: [A Ticket for Your Thoughts: Method for Predicting Content Recall and Sales Using Neural Similarity of Moviegoers](#)
Author: Samuel B. Barnett and Moran Cerf
Journal: Journal of Consumer Research
Volume: 44 **Issue:** 1 **Page:** 160-181
Doi: 10.1093/jcr/ucw083

Abstract

Skilled advertisers often cause a diverse set of consumers to feel similarly about their product. We present a method for measuring neural data to assess the degree of similarity between multiple brains experiencing the same advertisements, and we demonstrate that this similarity can predict important marketing outcomes. Since neural data can be sampled continuously throughout an experience and without effort and conscious reporting biases, our method offers a useful complement to measures requiring active evaluations, such as subjective ratings and willingness-to-pay (WTP) scores. As a case study, we use portable electroencephalography (EEG) systems to record the brain activity of 58 moviegoers in a commercial theater and then calculate the relative levels of neural similarity, cross-brain correlation (CBC), throughout 13 movie trailers. Our initial evidence suggests that CBC predicts future free recall of the movie trailers and population-level sales of the corresponding movies. Additionally, since there are potentially other (i.e., non-neural) sources of physiological similarity (e.g., basic arousal), we illustrate how to use other passive measures, such as cardiac, respiratory, and electrodermal activity levels, to reject alternative hypotheses. Moreover, we show how CBC can be used in conjunction with empirical content analysis (e.g., levels of visual and semantic complexity).

Database

Oxford Journal

Title: [Industry policy in Asia's demographic giants: China, India and Indonesia compared](#)

Author: Tom Barnes

Journal: The Economic and Labour Relations Review

Volume: 28 **Issue:** 2 **Page:** 218–233

Doi: 10.1177/1035304616656562

Abstract

The experience of industry policy in the wider Asian region contrasts significantly with many of the neoliberal policy prescriptions prevalent in Australia today. Using the automotive industry as a comparative case study, this article compares industry policy in three demographic and geographic giants of the region: China, India and Indonesia. China's dominant position has benefited from a highly 'interventionist' industry policy which places strict conditions on foreign carmakers in joint ventures. This policy has also influenced the emergence of a thriving domestic industry, with state-owned enterprises leading the way. While India has also emerged as a major auto producer, its industry policy has moved away from the joint venture model since the 1990s, with fully foreign-owned operations now playing a much bigger role. In contrast, Indonesia retains a version of the joint venture model while local industry is dominated by Japanese capital. The record of industry policy in these countries challenges the idea that more 'liberal' economic systems lead to stronger domestic industries or firms.

Database

SAGE Journal

Title: [Effects of Changing Business Environment on Organization Performance: The Case of HMT Watches Ltd.](#)

Author: Utpal Chattopadhyay and Pragya Bhawsar

Journal: South Asian Journal of Business and Management Cases

Volume: 6 **Issue:** 1 **Page:** 36-46

Doi: 10.1177/2277977917698309

Abstract

Hindustan Machine Tools (HMT) Limited was incorporated in 1953 by the Government of India as a machine tool manufacturing company. In the later years, the company diversified into other products including watches. Its watch division, known as the HMT Watches Limited, started in 1961 with the support of Japan's Citizen Watch Company. Over the years, HMT made tremendous progress in all business dimensions to emerge as a market leader in the Indian watch industry. The company also earned the reputation of 'the time keeper of the nation' for its profound impact on the country's watch business. Hindustan Machine Tools established itself as a strong brand in the Indian market. However, post-liberalization in 1991, HMT's performance started dwindling. The policies of liberalization, privatization and globalization paved the way for the entry of many private brands, both domestic and foreign, into the Indian watch market that became hyper-competitive. The HMT management did not show enough agility to make necessary changes in its business models to cope with the changing business environment. Gradually, HMT lost its numero uno position to Titan Watches of the Tata Group. Hindustan Machine Tools inability to understand the needs of modern-day customers and its less-than-adequate attention towards new product development made things even worse for the organization. With losses accumulating over the years, HMT became financially unviable. After several failed attempts to turn around, the government finally closed down HMT Watches in early 2016. With this, HMT became a brand of the bygone era. This case portrays the long and eventful journey of HMT Watches and then analyzes the major reasons behind its failure. It implies a few important strategic lessons for the management students.

Database

SAGE Journal

Title: [Understanding the lifecycle of service firm business models: a qualitative-empirical analysis](#)

Author: Sven M. Laudien and Birgit Daxböck

Journal: R&D Management

Volume: 47 **Issue:** 3 **Page:** 473–483

Doi: 10.1111/radm.12273

Abstract

A recent customer-driven change of the understanding of service forces especially service firms to revise their strategies and following their business models as new market conditions require firm action. Our paper presents an analysis of how service firms innovate their business models in detail to cope with changing ecosystem conditions. We focus on theory building and approach this topic against the background of a qualitative, narrative research design. Our study contributes to business model innovation literature as it provides insights into the dynamics of business model innovation and presents an empirically grounded cycle model that details how service firms choose, invent, utilize, develop, and finally terminate a specific business model. In addition, we highlight cognitive and structural determinants affecting the positioning of a specific service firm business model in the identified lifecycle.

Database

Wiley Online

Title: [Business model innovation processes of average market players: a qualitative-empirical analysis](#)

Author: Sven M. Laudien and Birgit Daxböck

Journal: R&D Management

Volume: 47 **Issue:** 3 **Page:** 420-430

Doi: 10.1111/radm.12208

Abstract

Business model innovation is by now mainly understood as a strategic option for firms to enhance competitiveness. As a result, business model innovation research usually focuses on outperforming firms that deliberately innovate their business models. We enhance this rather narrow perspective by analysing business model innovation processes of average market players against the background of a multiple-case study. Our findings show that average market players do at least initially not deliberately pursue business model innovation. Instead, they experience business model innovation as a highly emergent and very often unintended process. We identify four phases of this process and describe them in detail. Furthermore, we highlight factors that determine whether a firm is able to complete the process step or not. The results of our study are reflected in a newly developed process model that considerably enhances the understanding of business model innovation processes with regard to average market players and may serve as framework for future research.

Database

Wiley Online

Title: [The role of market-oriented institutions in the deployment of renewable energies: evidences from Europe](#)

Author: Julien Jacqmin

Journal: Applied Economics

First Published Online: 31 May 2017

Doi: 10.1080/00036846.2017.1332749

Abstract

Focusing on European countries, this article investigates the link between market-oriented institutions, as measured by the Economic Freedom Index, and the production of energy from renewable sources. A dynamic panel approach shows that this correlation is positive and significant while the subcomponents of the Economic Freedom Index reveal that not all market-oriented institutions have a similar impact. Indeed, long-term price stability and freedom to trade boost the reliance on renewable energies whereas the importance given to markets rather than governments has no significant impact.

Database

Taylor & Francis Online

Title: [The effects of global budget on cost control and readmission in rural China: a difference-in-difference analysis](#)

Author: Ruibo He, Yudong Miao, Ting Ye, Yan Zhang, Wenxi Tang, Zhong Li and Liang Zhang

Journal: Journal of Medical Economics

First Published Online: 31 May 2017

Doi: 10.1080/13696998.2017.1336448

Abstract

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Database

Taylor & Francis Online