**University of Leicester**

**Future 50 PhD Scholarship**

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| **Project Reference** | SOB Seifert |

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| **First Supervisor** | Dr Jacob Seifert |
| **School/Department** | School of Business / Economics, Finance and Accounting (EFA) |
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| **Second Supervisor** | Professor Piercarlo Zanchettin |
| **School/Department** | Professor Zanchettin will join the School of Business in the Department of Economics, Finance and Accounting in January 2023 |
| **Email**  | Piercarlo.Zanchettin@nottingham.ac.uk  | **Telephone Ext** | TBC |

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| **Additional Supervisor** | Dr Arkadiusz Szydlowski (EFA, ams102@le.ac.uk, 252 5145)  |

**Section 2 – *Project Information***

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| **Project Title** | E-Mergers, Innovation and Digital Platform Competition |
| **Project Highlights:** | 1. | The project explores competition and innovation outcomes in digital markets, which are fundamental to modern society. |
| 2. | Theoretical and empirical tools will be used to analyse the impact of mergers on innovation and on the wellbeing of society as a whole. |
| 3. | The analysis will generate policy implications in relation to legislative initiatives seeking to protect consumers in digital markets. |
| **Project Summary**  |
| **Digital markets** are ubiquitous in the daily transactions of today’s society. Most of these transactions involve “digital giants” such as Google, Apple, Facebook, Amazon and Microsoft (GAFAM), which represent five of the world’s eight largest companies by market capitalisation ([Statista](https://www.statista.com/statistics/263264/top-companies-in-the-world-by-market-capitalization/)). The growth of GAFAM is grounded on a process of **innovation** that has enabled them to use data to facilitate beneficial interactions between buyers and sellers, software developers and users, as well as advertisers and users of diverse web-based services (such as e-mailing, social networking, searching and trading). A crucial source of this process has been the acquisition of innovative market entrants, typically acquired long before they reach a scale that challenges the dominant position of GAFAM ([Federal Trade Commission](https://www.ftc.gov/news-events/news/press-releases/2021/09/ftc-staff-presents-report-nearly-decade-unreported-acquisitions-biggest-technology-companies)).An important question that arises in this context is whether the innovative process in digital markets and the benefits it promises to society are best served by a small group of dominant firms, or whether these firms can exploit their dominant market position to anti-competitive ends, with adverse effects for future innovation.This project will:1. Develop a framework for assessing mergers in digital markets in terms of their impact on
	1. the speed and direction of innovation and
	2. social welfare.
2. Analyse dominant firms’ incentives to bring acquired research projects to market or to cancel them (‘killer acquisitions’).

These research objectives are closely linked to ongoing US and European legislative efforts aiming to regulate the conduct of GAFAM (e.g., the EU Digital Markets Act and the American Innovation and Choice Act). In line with the University’s **Social Justice** research theme, the project will aid the design of policies to promote innovation and safeguard consumers in digital markets. Economics provides appropriate methodologies to address these objectives both theoretically and empirically. The scope of the project and the topical open questions it addresses support a high- profile PGR research agenda. The supervisory team has published 4\* research outputs in this and related areas, and managed large empirical research projects before. 4\* research outputs are key objectives of the programme.The first (ECR) supervisor does not currently supervise any PGR students.  |

**Alignment with the School of Business (ULSB) Strategy**

This project reinforces ULSB investments in Industrial Organization (IO), a core field in any leading business school:

* one full professor appointed and additional posts under consideration to promote an IO research grouping,
* hosting the 2023-Network-of-Industrial-Economists conference.

Significant impact potential is evidenced by a recent [workshop](https://eur03.safelinks.protection.outlook.com/?url=https%3A%2F%2Ffestivalofsocialscience.com%2Fevents%2Fsecure-hardware-adoption-data-sharing-and-the-protection-of-personal-data%2F&data=05%7C01%7Cjacob.seifert%40leicester.ac.uk%7C94bc5d76f0354d4171c508dac1aac557%7Caebecd6a31d44b0195ce8274afe853d9%7C0%7C0%7C638035236440173392%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=CuJp%2FdqyeyG4rs2wYlXknzwtcPplGLAUKNR3bLudz3o%3D&reserved=0) with large businesses (c.£1bn turnover).