### KID 2016 Talk

# Empirical Research on Industry Evolution: Where Are We? And Where Next?

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**Abstract:**

Twenty years after the publication of Steven Klepper’s seminal AER paper (Klepper, 1996), what do we know about how industries evolve and about the success of entrants? And what don’t we know yet? In this talk I will sketch recent developments in the empirical literature on industry evolution and suggest avenues for further research. Specifically, I will argue that future research may benefit from making creative use of new “nanoeconomic” data sources, from adopting a comparative perspective in the study of industries, and from taking seriously econometric identification issues.

**Readings:**

Agarwal, R., Buenstorf, G., Cohen, W. M., & Malerba, F. (2015): „The legacy of Steven Klepper: Industry evolution, entrepreneurship, and geography“, *Industrial and Corporate Change*, *24*(4): 739-753.

Chesbrough, H. (1999): “Arrested development: the experience of European hard disk drive firms in comparison with US and Japanese firms”, *Journal of Evolutionary Economics*, 9(3): 287-329.

Klepper, S. (1996): „Entry, exit, growth, and innovation over the product life cycle“, *American Economic Review*, 86(3): 562-583.

Klepper, S. (2016): *Experimental Capitalism: The Nanoeconomics of American High-Tech Industries*, Princeton University Press.

Peltoniemi, M. (2011): „Reviewing industry life‐cycle theory: Avenues for future research“, *International Journal of Management Reviews*,13(4): 349-375.