Daniel Ershov

Business Address

Department of Economics University of Toronto 150 St. George Street Toronto, ON M5S 3G7 Fax: (416) 978-6713 Home Address 205 Vaughan Road, Apt. 32N Toronto, ON M6C 2M5 Canada

Phone: (416) 826-8276

| Email: daniel.ershov@mail.utoronto.ca |
|---------------------------------------|
| Web: http://danielershov.com |

| Citizenship | Canadian |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| Languages | English, French, Russian, Hebrew |
| Research Interests | Empirical Industrial Organization (firm competition, market regulation, online markets) Applied Microeconomics, Applied Econometrics |
| Teaching Interests | Industrial Organization Microeconomics Econometrics |
| Education | |
| 2017 | PhD, Economics, University of Toronto (2012-) |
| (expected) | Dissertation: Three Essays in Industrial Organization Committee: Victor Aguirregabiria (supervisor), Avi Goldfarb, Heski Bar- Isaac |
| 2009 | MSc, Economics, London School of Economics (2008-2009) |
| 2008 | BSocSc, Economics, University of Ottawa (2004-2008) |
| Professional Position | |
| 2012 | Economist, Industry Canada (2009-2012) |

Awards

Ontario Graduate Scholarship, 2015-2017 Joseph-Armand Bombardier CGS Doctoral Scholarship, 2012-2015 CRESSE Fellowship in Competition Policy, 2015 Highest Degree GPA in Economics Award, 2008 Undergraduate Merit Scholarship, 2004-2008

Working Papers

"The Effect of Consumer Search Costs on Entry and Quality in the Mobile App Market" (Job Market Paper)

Presented at: EARIE (2016), Joranadas de Economia Industrial (2016), CEA Annual Conference (2016), Trans-Atlantic Doctoral Conference (2016), University of Toronto (2016)

"Estimating the Effects of Deregulation in the Ontario Wine Retail Market" (with Victor Aguirregabiria and Junichi Suzuki) Presented at: CEA Annual Conference (2015), University of Toronto (2015)

Work in Progress

"The (Adverse) Incentive Effects of Competing with Superstars in the Mobile App Market"

"Mergers in a Model with Complementarity" (with Scott Orr and Jean-William P. Laliberte)

Publications

"Market Incentives for Business Innovation: Results from Canada" (with Charles Berube and Marc Duhamel), *Journal of Industry, Competition and Trade*, Vol. 12(1), pp.47-65, 2012.

Professional Experience

Winter 2016: Instructor, University of Toronto

Empirical Industrial Organization for third year undergraduates

2012-present: Teaching Assistant, University of Toronto

- Undergraduate: Empirical Industrial Organization (x2), Theoretical Industrial Organization (x5), Microeconomic Theory (x3), Econometrics (x2)
- MBA: Model Based Decision Making (x2), Integrating Models and Data, Economics of Innovation
- 2013-2014: Research Assistant, University of Toronto
 - Professor Mitchell Hoffman (Winter, 2014)
 - Professor Avi Goldfarb (Summer/Fall, 2013)

2009-2012: Economist, Industry Canada

- Performed economic analysis of specific issues related to market structure, competition, innovation, and investment in Canadian industries
- Worked on issues including Canadian spectrum auctions, wireless adoption, and venture capital and the commercialization of innovation

Daniel Ershov

Refereeing Experience

Econometrica

Software

STATA, MATLAB, EViews, Python, LATEX, QGIS

References

Professor Victor Aguirregabiria Department of Economics University of Toronto 150 St. George Street Toronto, ON M5S 3G7

phone: (416) 978-4358 email: victor.aguirregabiria@utoronto.ca

Professor Heski Bar-Isaac Department of Business Economics Rotman School of Management University of Toronto 105 St. George Street Toronto, ON M5S 3E6

phone: (416) 978-3626 email: heski.bar-isaac@rotman.utoronto.ca Professor Avi Goldfarb Department of Marketing Rotman School of Management University of Toronto 105 St. George Street Toronto, ON M5S 3E6

phone: (416) 946-8604 email: agoldfarb@rotman.utoronto.ca

Dissertation Abstract

The Effect of Consumer Search Costs on Entry and Quality in the Mobile App Market

(Job Market Paper)

This paper examines the effects of consumer search costs on entry, product design, and quality in online markets. Using 2012-2014 data from the Google Play mobile app store, I take advantage of a natural experiment that reduced search costs for one product type (game apps) in early 2014. Difference-indifferences estimates show that entry increased by 33% relative to the control group (non-games), and that most additional entry was by "niche" products. However, these estimates also show that lower search costs reduced the quality of new entrants. To separate out the different welfare effects, I develop a structural model of demand and supply. I show that the welfare losses from lower quality are smaller than the welfare gains from increased variety. I also show that there are large welfare gains from reduced marginal search costs.

Estimating the Effects of Deregulation in the Ontario Wine Retail Market

with Victor Aguirregabiria and Junichi Suzuki

This paper studies the impact of competition in the Ontario wine market and evaluates the effects of alternative deregulation policies. The wine retail market of Ontario, Canada, is characterized by the coexistence of the government-owned Liquor Control Board of Ontario (LCBO) and two private companies. These private firms can sell only a limited subset of Ontario wines, and they are restricted on the number of stores they can operate. Our empirical results build on the estimation of a spatial demand model for differentiated products using a unique dataset from LCBO with information on store sales, prices, and product characteristics for every store and product in this retail chain over a two year period. Given the estimated demand model, we then simulate the effects of popular deregulation proposals: (i) shutting down retail competition from the two privately-owned retail chains; (ii) removing the current restriction on selling non-Ontario wines by the two private wine retailers; and, (iii) allowing for price competition among the retailers. We show that compared to a pure monopoly market, the entry of additional competitors increases consumption and consumer welfare. By contrast, expanding the product range of existing competitors also increases consumer welfare, but keeps consumption stable.