“Competition and grocery retail formats: Empirical evidence from a horizontal acquisition in Norway” by Emil Halseth

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Rhodes

Synopsis

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- **Method**: Diff-in-diff, data: 2014-2016

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Table 5.1: Effect of Rival Rebrandings on Sales

	ln(Sales)					
	(1)	(2)	(3)	(4)	(5)	(6)
T_{Extra}	-0.093***	-0.101***	-0.126***	-0.070***	-0.129***	-0.117***
	(0.016)	(0.018)	(0.014)	(0.015)	(0.015)	(0.021)
T_{Prix}	-0.010	-0.008	-0.015	-0.025	-0.025	-0.033*
	(0.017)	(0.018)	(0.022)	(0.018)	(0.021)	(0.018)
T_{Bunnpris}	0.081***	0.023	0.025	0.037	-0.001	-0.045
	(0.030)	(0.035)	(0.044)	(0.032)	(0.053)	(0.039)
T_{Closed}	0.078***	0.083***	0.076***	0.082***	0.073***	0.024
	(0.019)	(0.023)	(0.021)	(0.022)	(0.025)	(0.019)
Market Definition	10-1.5 km	10-1 km	10-0.5 km	6-1.5 km	5-0.5 km	Postcode

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- Product variety basically unchanged
- *"The acquisition facilitated asset transfers that increased the competitive pressure in the soft discount segment, and, subsequently, the industry at large."*

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Firm's strategic variables

- Which things do Kiwi, Coop, etc, control?
- What is the timing of these decisions? What is the level at which these are set? Etc.

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One solution employed by contemporeaneous work: be much less outspoken on causality (e.g., Illanes et al. 2023; Fleitas & De Loecker, 2023)

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p.s. Check Stiebale & Szücs (forthcoming, RAND)