John McKeon
PhD Candidate
Boston University, Questrom School of Business, Strategy & Innovation
jmckeon@bu.edu
1-617-460-4129

Studies & Overview

I am a third-year doctoral student in the Strategy and Innovation Department at Boston University who studies the economics of innovation. My major area is strategy & innovation, and my minor area is economics. I have completed my coursework, including the PhD economics sequences in micro & econometrics along with numerous seminars in topics around innovation, digitization, and strategy. I have completed my comprehensive qualifying exam and have a stream of ongoing research that I discuss below.

To be precise, my coursework included: microeconomics 1&2, math for economists, econometrics 1&2, causal inference, organizational theory, economic modeling for business research, economics of ideas [MIT], foundations of strategy [HBS], empirical studies of innovation and digitization [HBS], theoretical and empirical perspectives on entrepreneurship [HBS].

Research Interests and Ongoing Research

My current research, and the focus of my dissertation, studies the interplay between digitization, intellectual property, and markets for technology. More precisely, I am interested in how competitive dynamics between firms affect strategic decisions and innovation outcomes – an area which I study from two angles, described below.

One stream of my research focuses on intellectual property – how IP affects strategic decisions and private returns to innovation. Specifically, my forthcoming paper in Management Science (joint with Jeremy Watson, Megan MacGarvie) studies how copyright expiry has differential effects on availability of music across physical and digital platforms. This work highlights how the negative effects of copyright protection on availability of music on physical platforms is potentially mitigated on digital streaming platforms such as Spotify. In a current working paper (joint with Felix Poege, Tim Simcoe), we ask how private and social valuations of patents change throughout stages of the drug development life cycle. Our core result shows that although the "social value" of patents decreases throughout the life cycle, the stock market reaction increases as uncertainty about a drug's launch is resolved.

My second stream studies how changes to the competitive landscape affect the strategic decisions and positioning of growth-oriented startups. More specifically, in early-stage solo-authored work, I study how startup acquisitions shape incentives and strategic decisions of existing [non-acquired] startups in the market. In other words, how acquisition activity by dominant incumbents may endogenously shape the direction of entrepreneurial innovation.

While economists often study the effects of acquisitions on the acquired firm, there has been less attention on effects onto non-acquired rivals of the acquired startup (or “spillovers”). I study this in the context of software startups, a population that can more make rapid strategic change due to the nature of the digital economy. I construct a novel panel dataset of software startups, scraping text from their websites and applying machine learning techniques to measure distance between rivals. I explore heterogeneous reaction to the acquisition of a rival by market- and firm-level factors. Also in this stream of research, I am collecting data for a paper that studies how the use of science by startups affects their eventual exit and ability to attract venture funding.

Tim Simcoe will be the chair of my dissertation committee, with other members and title not yet officially finalized. I am eager to become better informed about the frontiers of research on the economics of digitization through this tutorial, to meet other doctoral students and leading researchers with similar interests, and to ultimately apply the knowledge to my research. Thank you for your consideration.