

Turnover of market leaders: an empirical analysis based on a discrete-time duration model*

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Abstract

This paper explores the turnover of market leaders in Japanese manufacturing industries during 1975–2004. Using a discrete-time duration model, we examine how industry-specific characteristics affect the duration of market leadership. The results suggest that the turnover of market leaders is likely to occur in more volatile and R&D-intensive industries. In addition, it is found that market leaders tend to maintain their positions in industries where cartels were legally sanctioned.

JEL Classifications: C24, L10, M21

Keywords: Discrete-time duration model; Market leader; Turnover

*We are grateful to the Competition Policy Research Center, Fair Trade Commission of Japan, for providing access to the data base employed for this study. Needless to say, any remaining errors are our own.

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