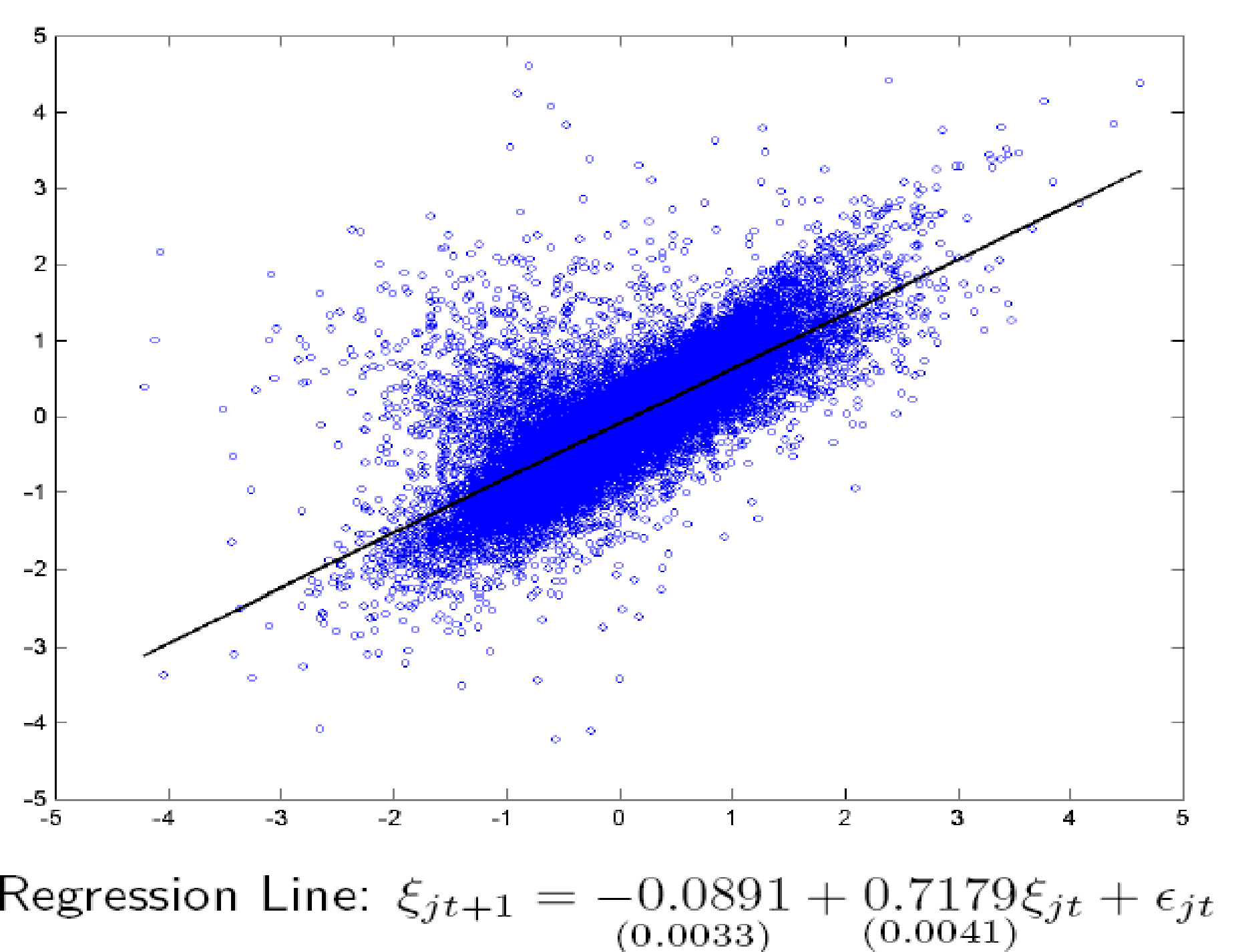
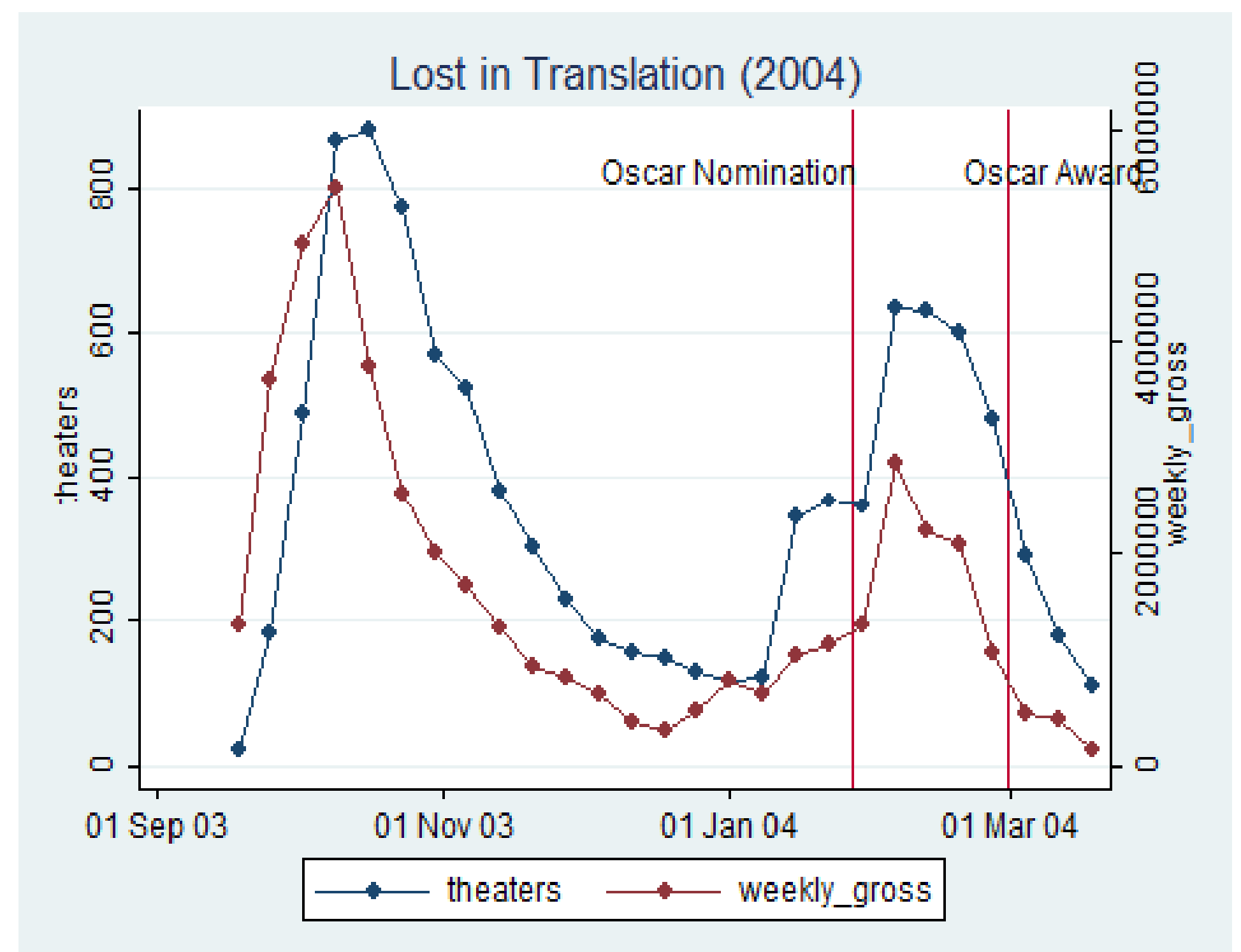
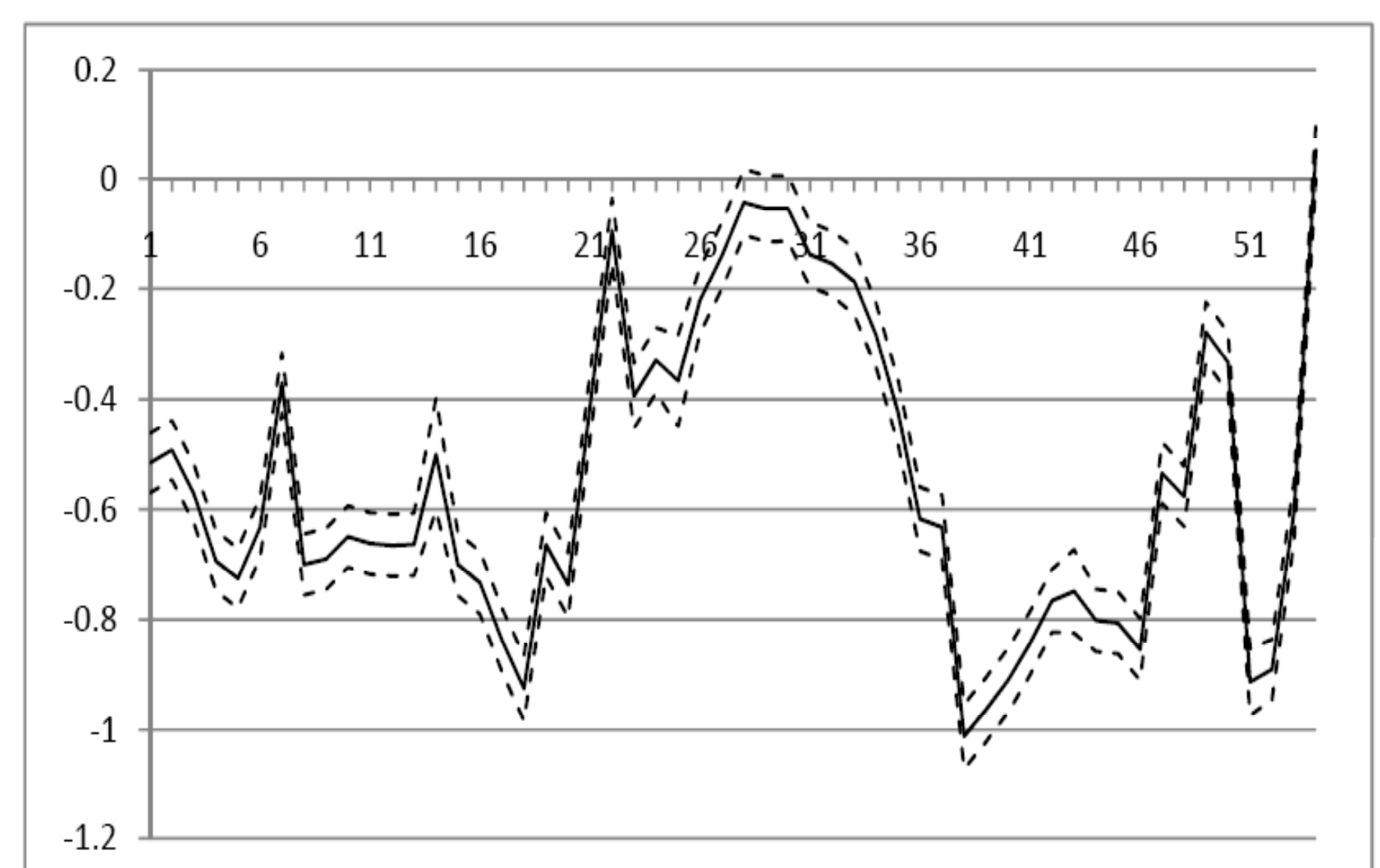


Estimating Persistence of Movie Industry Demand Shock

- Unexpected shock like Oscar nomination buzz can persistently affect movie box-office for many weeks.
- Empirically estimate movie industry demand with seasonality taking into account of such persistence.
- Use Olley Pakes (1996) approach to control for endogeneity problem in estimation, while alleviating estimation issues caused by weak instrument variables and serial correlation.
- Correctly infer seasonality of movie demand by week fixed effect.
- Results show high level of demand shock persistence (86.8% with s.e. 0.3%)



Seasonality: Week Fixed Effect τ_t



Contact: Shi Qi – Department of Economics

Email: sqi@fsu.edu

Phone: (850) 644-3586