



SDI Review Form 1.6

Journal Name:	<u>British Journal of Economics, Management & Trade</u>
Manuscript Number:	Ms_BJEMT_19254
Title of the Manuscript:	Dynamic Model of Markets of Homogenous Non-Durables
Type of the Article	Original Research Article

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PART 1: Review Comments

	Reviewer's comment	Author's comment (if agreed with reviewer, correct the manuscript and highlight that part in the manuscript. It is mandatory that authors should write his/her feedback here)
<u>Compulsory</u> REVISION comments	The authors have developed and presented an interesting model, but it is unclear what data they used for testing.	First I want to thank for reviewing the paper. In order to compare the model with empirical data, I have to indicate first that the Laplace price distribution is applicable. Unfortunately these data are merely freely available for electricity as non-durable. Therefore I start with a comparison of data by Sapio in Fig.1. (The source of the data are given in the capture of the figure). For a comparison of the mean price and total unit sales data of the US electricity market by Ayres and Warr are taken as a measure of the corresponding variables in Fig.2. But I started comparing the data after 1926 in order to be in agreement with the model assumption of a polypoly market. For the market penetration of electricity in the US market in Fig.3 I applied data from Nicholas Felton.
<u>Minor</u> REVISION comments	If the model holds for the electricity market, it retained its validity and whether other markets. The same can be said of countries, as in the article, only data for the United States.	I expect the model to be applicable for non-durables, which are not driven mainly by speculation. That means, for example oil may not be a good candidate. It cannot be described by this model, because there are other demands than captured here (speculation). I have rather in mind non-durables like food and other short term consumer goods. The model is not confined to the US. The point is, however, the limited availability of data (in particular the price dispersion is usually unknown) . For this introduction paper it is sufficient to show the



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		applicability of the theory. But it must be validated in later work for other non-durables. Note that for the sake of completeness I have also taken into account the finite lifetime of non-durables in this revised paper.
<u>Optional/General</u> comments	In addition, the article must be brought to the conventional form, entering the section "Discussion"	I did that.