

# How Micro-Geography Drives Innovation and Business Success

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**Data and Technology** 

# Distance Still Matters in Business, **Despite the Internet**

The internet makes distance less a problem for conducting business, but geography still matters in the digital age. Shane Greenstein explains why.



Featuring Shane M. Greenstein. By Sean Silverthorne on May 24, 2018.







For innovation... very short distances



### WHAT IS MICRO-GEOGRAPHY?



Micro - geography examines fine - grained spatial arrangements and local proximities .



Focuses on how physical closeness between firms, people, or organizations shapes behavior and outcomes .



Differs from macro - geography by analyzing small - scale spaces like neighborhoods , blocks , or buildings.



Highlights patterns in resource flows, knowledge spillovers, and social interactions.



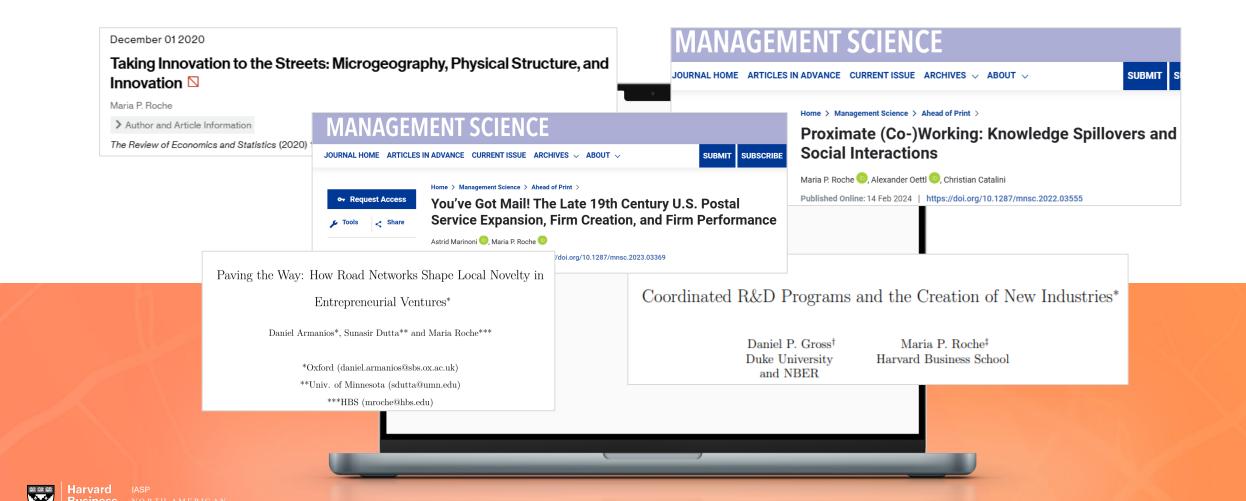
Influenced by the built environment and socio - spatial structures .



### WHAT IS MICRO-GEOGRAPHY?



## EVIDENCE FROM MY RESEARCH ON THE MICRO-GEOGRAPHY OF INNOVATION



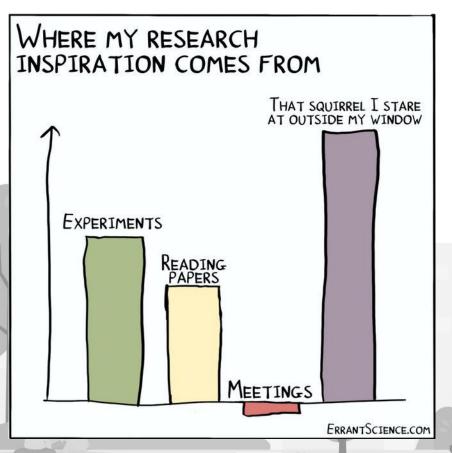
# EVIDENCE FROM MY RESEARCH ON COMMERCIALIZING SCIENCE

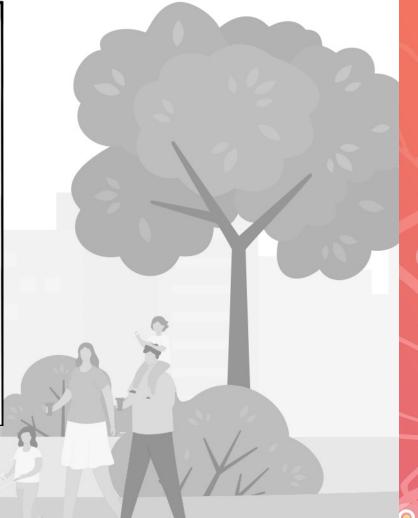


### WORK IN PROGRESS



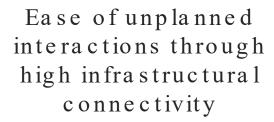
Parks and Innovation





### MECHANISMS BEHIND THE EFFECT







Social interactions among diverse actors



Knowledge spillovers from players that are less driven to appropriate value (e.g., universities)





### CASE EXAMPLES



MAIN CASE

# Moving Science: The Rowland Institute at Harvard

By: Maria P. Roche

Set in 2022, this case describes the considerations involved in organizing the physical relocation... Read more

Publication Date: Feb 2024

Product Number: 724441-PDF-ENG

(Revised Mar 2025)

Length: 28 p Languages: English

Discipline: STRATEGY



MAIN CASE NEW

### **ZEISS: Commercializing Science**

By: Maria P. Roche; Carlota Moniz; Daniela Beyersdorfer

Karl Lamprecht, President and CEO of the ZEISS AG Group, mused on how far ZEISS had come in 175... Read more

Publication Date: Jul 2024

Product Number: 725359-PDF-ENG

Length: 31 p

Languages: English

Discipline: STRATEGY

Case

MAIN CASE

# Accelerating AI Adoption in the U.S. Air Force

By: Maria P. Roche; Alexander Farrow

In August 2022, the Pentagon tasked U.S. Air Force Captain Victor Lopez to launch a new office for... Read more

Publication Date: Mar 2023 Product Number: 723429-PDF-ENG

(Revised Mar 2025)

Length: 21 p Languages: English

Discipline: STRATEGY

### LESSONS FOR SCIENCE PARKS



### PROXIMITY ENABLES KNOWLEDGE SPILLOVERS

Locating firms, labs, and individuals in close physical proximity can foster informal interactions and unplanned exchanges of ideas, especially when co-location is coupled with shared or open spaces.



### DESIGN FOR INTERACTION, NOT JUST DENSITY

It's not just about packing entities close together — the layout must encourage collisions, with shared amenities, common areas, and visual connectedness (e.g., glass walls, central kitchens, or open staircases).



### SOCIAL TIES AMPLIFY SPATIAL SPILLOVERS

Proximity alone isn't enough; interpersonal relationships built through networking events, mixers, and collaborative programming increase the chance that knowledge will actually transfer.



### TENANT MIX MATTERS

A diverse but complementary mix of organizations (startups, established firms, academic groups) enhances learning and resource sharing — but too much similarity can crowd out originality or limit learning.



#### MEASURE AND ADAPT

Using data to track movement, co-location, and collaboration (e.g., Wi-Fi signals, co-authorships, co-patenting) can help park managers refine layout and programming.

# RETHINKING REMOTE WORK

- Hybrid ≠ placeless
- Key moments still happen in person
- Make in-person time count through design

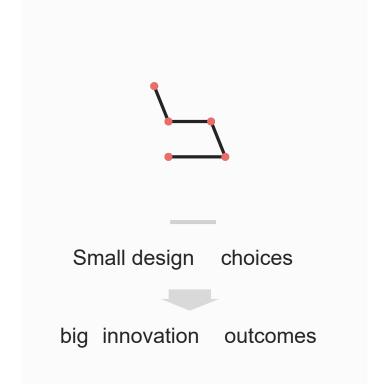




### **CONCLUSION** AND CALL TO ACTION



Micro - geography is a lever for strategic innovation





What could you do tomorrow to improve proximity - driven innovation ?



