

Final, 106T, LinkedIn (HBS 9-713-420)

11:30-2:30, Sat 3rd December 2016

Name:

Student ID:

TA Section:

Reminder: You should answer the questions in this case from the perspective of 2012.

Shorter Questions [6 points each = 36 points]

Question A: How many sides are there to LinkedIn's platform? Describe the same-side and cross-side network effects between these sides.

Question B: What is vertical/horizontal differentiation? Give example of horizontally/vertically differentiated job posting sites.

Question C: Explain the principle behind second- and third-degree price discrimination. Suppose you are a manager in charge of pricing LinkedIn's Hiring Solutions. Given an example of how you could use both types of pricing.

Question D: Suppose LinkedIn is selling job postings. Should you charge a fixed price per firm, a fee per job posted, or a fee per job filled?

Question E: What is the difference between an open and closed platform? How could LinkedIn become more open?

Question F: What data do workers provide? Why do they provide this data? How is this useful to LinkedIn?

Longer Questions [16 points each = 64 points]

Question 1: How do LinkedIn's competitive advantages compare to its competitors in the job matching business? Might the market tip in favor of one of them?

Question 2: How does LinkedIn's ad revenue compare to Facebook? What drives these differences? What is the future potential for LinkedIn?

Question 3: Discuss the strengths and weaknesses of LinkedIn's monetization strategy. Do its strengths justify its \$9bn valuation?

Question 4: What is the mobilization problem? You are launching LinkedIn in a new country, Freedonia, that already has a small professional networking site. What specific strategies would you use to mobilize?

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