Econ 106T: The Information Economy

Dodd 175; Tue, Thu, 11:00-12:15.
http://econ106t.wordpress.com/

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Description

This class analyzes the information economy through the use of economic theory and case studies. It will identify the critical features that differentiate the information economy from traditional industries, and examine business strategies. The class will discuss topics such as network effects, switching costs, and reputation mechanisms. Evaluation is through case studies, presentations and a final paper.

Prerequisites: Econ 11, Econ 41, Econ 101.

Grading

“Meet the Boss” presentation 10%
Class participation 5%
Case write-ups 30%
Final paper 30%
Final 25%

Dates

Case studies:


Other dates:

- Final paper proposal due - Tuesday 15th February
- Meet the Boss - Thursday 24th February
- Class cancelled - Tuesday 1st March
- Final paper due - Thursday 10th March
Introduction

- Shapiro and Varian (1999): “Information Rules”, Ch. 1

Strategy 101


The Nature of Information Goods


Pricing


Switching Costs and Lock-in

Network Effects

- Eisenmann and Coles (2009): “Skype”, HBS 9-806-165

Platform Markets


Dynamic Pricing

Reputation Mechanisms


The Advertising Industry


Price Dispersion


