

Title:	<i>Doing business in digital economy</i>
Lecturer	Dr Mikołaj Klimczak
Lecture hours:	12 hours
Study period:	Summer School
Location:	Wrocław University of Economics, Poland
Examination:	<i>Written work in form of project</i>
Language:	English
Prerequisites:	<i>None</i>
Course content:	<p>Markets in the digital economy are very different from traditional markets for tangible goods. Music, films, software, video games can be reproduced without incurring significant additional costs. Internet and digital media allow for easy and quick searching for content relevant and interesting for buyers and easy comparison of offers and prices. New types of services are emerging.</p> <p>The main objective of the course is to enable students to understand, analyze and make informed decisions related to the digital economy. This can only be done by getting to know the technological and economic background to the exchange within the digital economy and the theoretical framework of economic analysis.</p> <p>The course content includes, among other things: (1) Basic concepts and issues (network effects, switching costs, etc.), (2) Power Law - popularity measurement, (3) New business models, (4) Long tail economics - facts or fiction, (6) Financing of Internet services: Google, Facebook, Microsoft, Twitter, (7) Double-sided markets, (8) Price and product strategies in the digital economy.</p>
Learning outcomes:	<p>During the course, the student should</p> <ul style="list-style-type: none"> - have a theoretical economic framework for analysing the digital economy, - understanding the technological and legal boundaries of the digital economy, - distinguish and describe the different phenomena taking place in the digital economy, - describe the various new business models that have emerged in the development of the digital economy, - evaluate and criticise new business models and assess their suitability in different conditions and situations, - be able to justify the usefulness of different pricing and product strategies in the digital economy.
Literature	<ol style="list-style-type: none"> 1. David Easley, Jon Kleinberg, <i>Networks, Crowds, and Markets: Reasoning About a Highly Connected World</i>, http://www.cs.cornell.edu/home/kleinber/networks-book/ 2. Erik Brynjolfsson, Brian Kahin, <i>Understanding the digital economy: data, tools, and research</i>, MIT Press, 2002

	<ol style="list-style-type: none">3. Gerhard Illing, Martin Peitz, Industrial Organization And the Digital Economy, MIT Press, 20064. Oz Shy, The Economics of Network Industries, Cambridge University Press, 20015. Don Tapscott, Anthony D. Williams, Wikinomics: How Mass Collaboration Changes Everything, Penguin Group US, 20086. Chris Anderson, The Long Tail: Why the Future of Business is Selling Less of More, Hyperion, 2006 <p>Supplementary books and articles may be used.</p>
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