

## 15.567 Reading Guide

### Session 22: Emerging Electronic Markets

When we discussed search theory, we found that lower search costs could facilitate the emergence of new markets. In some cases, those opportunities will be among people who previously had little interaction with IT. Since the vast majority of world's people are in developing nations, the social and economic effects of IT can be proportionately more important there. The eChoupal case provides a closer look at one such situation.

#### Readings

##### **Required:**

Upton and Fuller, "The ITC eChoupal Initiative", HBS Case 604016

##### **Optional:**

Malone, Yates and Benjamin, "Electronic Markets and Electronic Hierarchies", *Communications of the ACM*, 1987.

Sachs "The Digital War on Poverty" *Project Syndicate*. <http://www.project-syndicate.org/commentary/sachs144>

##### **URLs:**

<https://www.mturk.com/mturk/welcome>

[http://en.wikipedia.org/wiki/Amazon\\_Mechanical\\_Turk](http://en.wikipedia.org/wiki/Amazon_Mechanical_Turk)

##### **Study Questions**

Please think about the following questions as you do the readings.

1. What was ITC's motivation for creating the eChoupal?
2. What were the old and new physical flows and information flows in the channel?
3. What principles did it employ as it built the newly-fashioned supply chain?
4. What barriers did ITC face in embarking on this project?
5. How should ITC develop this platform for the future? Is it sustainable?
6. Are you optimistic or pessimistic about the prospects of the "Digital War on Poverty" as described by Jeffrey Sachs? Why?

##### **Required Assignment "One Pager" for Emerging Electronic Markets Class**

Please submit a one page memo addressed to Jeffrey Sachs, Director, Earth Institute, (max 300 words) by 9pm the day before Session 22. Please submit either a PDF or MS Word file, with your name, date and assignment title at the top.

**Question:** eChoupal uses relative simple technologies to connect poor farmers to an electronic marketplace. Similarly, Amazon has introduced the “Mechanical Turk” to create a global marketplace for simple Human Intelligence Tasks (HITs).

Based on the ITC eChoupal Initiative Case, your knowledge of Amazon’s Mechanical Turk and similar e-market and networking technologies discussed in class, briefly describe and advocate a new initiative that would help people in developing nations profit from the Internet or other digital technologies in a novel and interesting way.

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