

OPTION 2: ISSUE BRIEFING

Overview

This is an opportunity for you and your teammates to explore, in detail, a particular business issue of relevance to the economics of information. Your analysis should draw on personal contacts, library resources, course materials, and web-based information.

Detailed Description

Groups of 4-5 students will develop up-to-date information on relevant aspects of digital business and share this information with the rest of the class and others. Such up-to-date information is particularly important given the pace of change in the field of digital business. The goal of the project is to promote a common level of understanding and familiarity with the core technologies and issues that will be discussed in the course.

Teams choosing this option will deliver their findings via an in-class presentation, a written report and a blog post.

The written report should be no more than 10 pages long (2500 word maximum) and should include the following information:

1. Executive summary of briefing's findings and conclusions (300 words)
2. Explanation of the core technology or business issue
3. Implications for competitors, markets, and the future of digital business
4. Sources for more information, including a bibliography on the subject (with web links as appropriate)
5. A copy of the proposed blog post, including accompanying links and graphics.

A list of sample topics is found below. This list is by no means exhaustive, and groups are welcome to modify the listed topics or propose other topics of interest. If you are having trouble choosing a topic or would like to discuss a topic to see whether it is applicable, please talk to or email the Teaching Assistants.

Format

The issue briefings will be disseminated in three ways: via written reports, a blog post, and in oral presentations.

- **Written Reports:** The written reports should be no longer than 10 pages (2500 words maximum) including a 300 word executive abstract.
- **Blog Post:** The blog entry should be no longer than 250 words, but include appropriate links to other relevant sources and examples, as well as any suitable graphic(s).
- **Presentations:** The presentations will be in class and will run 8-10 minutes with an additional 2-3 minutes for questions and discussion.

Grading

Effective projects will show knowledge of both the underlying technology and the relevant business issues. Grading will be based on:

- a. how interesting the topic area is in its application to the economics of information (15%)
- b. the depth of your analysis (30%)
- c. the quality of your supporting data (25%)
- d. the quality of your presentation in its written, blog and class presentation (30%) formats.

Sample Topics

Below are suggestions that may make interesting topics for an project related to the Economics of Information. It is recommended that students choose a narrowly focused subtopic for their issue briefing instead of writing a general report on a broad topic. The list below is by no means exhaustive and teams are welcome to suggest others.

- combining online and offline revenue models for a publication like the *MIT Sloan Management Review*
- pricing of movie downloads over the internet
- revenue models for music
- bundling and unbundling of newspaper content
- prospect for a new business model by a start-up (e.g. Groupon) and its relationship to information economics concepts
- ownership of consumer purchase data and its use for recommending new purchases
- convergence of digital products and services in the home and the resulting standards battle
- prospects for Kindle and other e-books
- estimating the total amount of digital data created and consumed each year and future trends
- IT and the “superstar” effect: Does IT leverage the best of the best?
- IT and the Long Tail: Does IT help niche producers?
- IT and the CEO’s role: more impact or less?
- IT policy implementation and the structure of firm or corporate governance
- information services enabled by widespread adoption of WiMax, broadband cellular and related technologies
- data collection for evaluating medical service quality
- the integration of supply chain information between a large retailer and its key supplier
- the adoption of a CRM or salesforce automation system by a software firm’s salesforce
- a switch to a web-based customer support system at a high tech firm
- the adoption of new online banking services
- the roll-out of RFID tracking system at a manufacturer or retailer
- the adoption of a knowledge-management system at a large consulting firm
- the adoption of a “paperless” electronic document management system
- the effects of ultra-high quality videoconferencing on knowledge and information flows at P&G
- the prospects for in-store product recommendation kiosks at Home Depot
- creating a community of gamers around a new gaming platform
- evaluating the “Long Tail” and “Superstar” effects for motion pictures

- identifying the next big opportunity for outsourcing of virtual work and its implications
- mobile content revenue models
- targeted advertising for internet radio
- next generation recommender systems
- estimating the environmental benefits and costs of telecommuting or videoconferencing
- Which “web 2.0” technologies are having the most impact?
- Is there a Web 3.0 and if so what is it?
- How effective have prediction markets been and what are their prospects?
- Which companies have the most effective information analytics systems?
- Will Chrome displace Windows as the application platform of choice?
- What technologies and business models will most rapidly integrate the economies of developing countries with the rest of the world?
- Location-based services in mobile phones: what is the killer app?

MIT OpenCourseWare
<http://ocw.mit.edu>

15.567 The Economics of Information: Strategy, Structure and Pricing
Fall 2010

For information about citing these materials or our Terms of Use, visit: <http://ocw.mit.edu/terms>.