

Oxford Internet Institute
Executive & Professional Education
Business in the Digital Economy



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It is no secret that business is rapidly diffusing into the digital realm. A recent report by the Boston Consulting Group makes the potential benefits of such a shift clear: on-line businesses grow faster and have wider reach. Business on-line—with its new practices and new market dynamics—can seem far removed from its off-line past. However, the fundamental psychological and behavioural forces that drive market behaviour on-line are closely related to those at work in the brick-and-mortar world.

Benefits

In this course you will:

- Explore the power of economics as a tool to exploit these fundamental constants in developing strategy and business practice in a world where change comes so rapidly without the benefit of a clear precedent or past experience for guidance.
- Gain important insights into e-commerce and on-line business more generally
- Benefit from the strength of a fundamentals-grounded approach in formulating strategy in response to an evolving commercial environment.

Since competition and regulation policy is often founded on economic analysis, the course will also shed light on the motivation for such intervention.

Course Outline

Understanding customers & competitors.

In this introductory session we will talk about the fundamental constants that shape economic behaviour, and how these form the basis of a powerful framework for strategic thinking in a rapidly-evolving business environment.

Product design, versioning & bundling.

How can you design your digital products to extract the most value from the market? That is the simple question addressed in this part of the course. We will examine the hallmarks of a successful market segmentation strategy, see what kinds of circumstances lend themselves to the use of such a strategy, and discuss practical approaches to implementation.

Lock-in, network effects, and critical mass.

Many digital products are 'network goods' that are at their most valuable when the installed user base is large. This session will cover the dynamic properties of industries characterised by such network effects, the strategic choice of product compatibility, and the leveraging of value created by a network of loyal users.

Platform pricing.

Rumours of the intermediary's demise have been wildly exaggerated. The internet has engendered a new role for so-called gatekeepers that connect transacting parties. More generally, many digital goods ultimately serve as an interface between disparate groups in one way or another so that there is de facto intermediation. Such 'two-sided' platforms give rise to subtle new considerations in pricing and promotional strategy. This session will examine how to effectively resolve the resulting chicken and egg pricing problem and maximise the vigour and profitability of your network.

Auctions: Market Design & Organisation

A number of important online markets eschew the typical organisational structure—characterised by posted prices—in favour of dynamic, decentralised selling mechanisms such as auctions. Examples include the selling of advertisement opportunities, B2B marketplaces, and airline ticket sales. This session will cover the ways in which the design of auctions can influence market outcomes, and the appropriate choice of bidding strategy.

Why choose this course?

This unique one-day course equips you to make a real impact within your organisation. As well as world-class teaching, based on the latest economic research into on-line business, you will:

- Gain familiarity with the key economic issues that make doing business on-line different
- Be equipped with strategies to capitalise on these idiosyncrasies, and
- Understand why and how existing online businesses have succeeded.

Building on a traditional lecture format, you will engage with contemporary real world examples in a participatory learning environment. You will also benefit from the opportunity to network with your fellow attendees over lunch in historic Balliol College. Participants will receive a certificate of participation on completing the course.

Faculty



The programme will be delivered by Dr Greg Taylor, Research Fellow at the Oxford Internet Institute at the University of Oxford, a leading world centre for the study of the impact of the Internet and digital technologies. He has an engaging and interactive teaching style which is highly popular with OII students. [Watch Greg in action](#) summarising one of his lectures to undergraduates.

Dr Taylor's research focuses on the microeconomics of marketplaces that exist on, or are mediated by the Internet. Read [Greg's full profile](#).

If you have any questions about the course, please contact Greg at greg.taylor@oii.ox.ac.uk.

Who should attend?

Leaders, strategists and consultants responsible for developing strategy and business practice online. The course is accessible to non-specialists and no knowledge of economics is assumed.

Venue Date & Fees

The course will be held at the [Oxford Internet Institute](#), University of Oxford, 1 St Giles, Oxford OX1 3JS

Date	Duration	Fees *
Friday 9 September 2011	1 day	£650

* Fees (which are exempt of VAT) include instruction, materials, lunch at [Balliol College](#) and breaks. 10% discount for holders of Oxford Alumni card. Group discounts are also available.

How to apply

Registration: Please email your name and affiliation to events@oii.ox.ac.uk or telephone +44 (0)1865 287209

Oxford Internet Institute Executive Education

Terms and Conditions

1. Programme

The Oxford Internet Institute (OII) will endeavour to deliver the programme as described in the brochure and on the OII's website, however the OII reserves the right to make alterations to the programme including the timetable, location, content and method of delivery, in response to operational demands.

2. Fees

Participants taking up the offer of a place on a programme agree to pay the programme fees in full within 30 days of receipt of invoice. In circumstances where the offer is made less than six weeks before the commencement of the programme, the fees are payable immediately on receipt of invoice.

Places on programmes are allocated in the order that the payments of fees are received. Some programmes require a deposit to be paid by the participant for a place to be held. Deposits paid in such circumstances are strictly non-refundable.

Participants who have not paid the fees in full shall not participate in the programme.

3. Cancellation by the OII

The OII may cancel the contract with a participant to provide any of its programmes, by giving notice in writing not less than six weeks before the commencement date. In such circumstances the OII's liability is limited to a refund of any fees already paid in respect of the programme.

4. Cancellation by the participant

Participants may cancel their enrolment on a programme by giving at least six weeks' notice in writing. Any fees paid, with the exception of any non-refundable deposit and a cancellation charge of 10% of the programme fee will be returned to the participant. Cancellation at less than six weeks' notice is subject to the following fees:-

- Between 6 weeks and 3 weeks prior to commencement – 50% of the programme fee
- Less than 3 weeks prior to commencement – 100% of the programme fee
- After the commencement of the programme – 100% of the programme fee

5. Substitutions by the client

Substitutions are accepted free of charge provided that the full course fee has been paid. Registration of the substituted individual must be made in writing no less than 7 days before the start of the programme.

6. Governing Law

This contractual Agreement shall be governed by and construed in accordance with English law. In the event that the mediation is unable to resolve any issue, the English Courts shall have exclusive jurisdiction to deal with any dispute which may arise out of or in connection with this Agreement.

7. Third parties

For the purposes of the Contracts (Rights of Third Parties) Act 1999 this Agreement is not intended to, and does not, give any person who is not a party to it any right to enforce any of its provisions.