B.A. (VS) Insurance Management
Semester VI

DISCIPLINE SPECIFIC ELECTIVE COURSE - DSC-6.5

DIGITAL ECONOMY

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course Title & Code	Total Credits	Lectures	Tutorial	Practical	Eligibility criteria	Pre-requisite of the course
Digital Economy (DSC-6.5)	**4**	**3**	**1**	**0**	**Class XII**	**Nil**

Learning Objectives: The course aims to familiarise the student with the economics of the digital goods and services, characterized by transient market behaviour, feedback mechanisms, international impact, global markets, many stakeholders, and technological dependencies never seen in any markets before. It will cover the complex ecosystem, logic of the structures of the digital economy and its outcomes - such as powerful companies & non-monetary pricing, ethical and legal aspects & insights into digital consumer behaviour.

Learning Outcomes: After completion of the course, learners will be able to:

- explain the structural peculiarities of the digital economy and the consequences for market structures and market outcomes.
- develop expedient solutions by identifying structural incentives using prevalent economic models and concepts.
- examine structural incentives underlying the digital economy and its alterations to achieve different outcomes.
- identify ethically desirable states and behaviours and examine how to achieve these via adequate incentive structures.
- explain the logic underlying global efforts to regulate the digital economy
- appraise the consequences and ethical implications of various business models and behaviours in the digital economy.

Unit 1: Introduction to the digital economy: Evolution and digital economy eco-system**, d**igital goods and services, production and value creation models. (10 hours)

Unit 2: Fundamentals of digital economics: multi-sided platforms, network effects and positive feedbacks, path dependence, lock-in and switching costs, formation of monopolies in the digital economy, the "long tail". (13 hours)

Unit 3: Digital markets: Stakeholders and relationships in digital markets, the layered internet model, competition, cooperation, and coopetition;
Digital business, strategy and innovation: Digital innovations, Business models, Strategic positioning. (12 hours)

Unit 4: Some legal developments: Digital Markets Act, Digital Services Act; Ethical challenges in the digital economy; challenges for the Digital payment systems, Challenges for society, Challenges for ethics. (10 hours)

Practical Exercises:

The learners are required to:

1. make a group presentation on how digitization of the economy is impacting your neighbourhood. Search for news articles (2-3) and discuss how digitization influences the various sectors of the economy, the public sector and business domains. (Unit 1)

2. engage in a classroom discussion on the 5G systems and its linkage with the digital economy in India & globally. (Unit2)

2. prepare group presentations describing and discussing the eco-system for the Apple App store, Uber, or any other such platform. (Unit 3)

3. prepare a presentation on services offered in several market segments by any two-sided and multi-sided platform. (Unit 3)

4. engage in a group discussion on the business of streaming services and real-time online gaming with reference to net neutrality, resource sharing and network performance. (Unit 4)

Suggested Readings:

- Harald. Ø., & Audestad. J. A., (2021), *Intoduction to Digital Economics: Foundations, Business Models and the Case Studies* (2nd ed.). Sweden: Springer.
- Harald. Ø., & Audestad. J. A. (2018), *Digital Economics: How Information and Communication Technology is Shaping Markets, Businesses, and Innovation*, Scotts Valley: CreateSpace.
- Belleflamme, P., & Peitz M., (2015), *Industrial Organization: Markets and Strategies* (ch. 20-23). Cambridge: Cambridge University Press.

Notes:

1. Suggested readings shall be updated and uploaded on the college website from time to time.

2. Examination scheme and mode shall be prescribed by the Examination branch, University of Delhi from time to time.

******