

BIM / Eighth Semester / ITC 230: Economics of Information and Communication

Candidates are required to answer the questions in their own words as far as practicable.

Group "A"

1. Brief Answer Question:

[10 × 1 = 10]

- i. Define non-neutral technological change.
- ii. What do you mean by market failure?
- iii. Why fixed cost associated with information product is called sunk cost?
- iv. What is arbitraging?
- v. List major assets of network market.
- vi. What is price discrimination?
- vii. What is promotional pricing?
- viii. What is disintermediation?
- ix. List indicators of internet economy.
- x. What is explicit knowledge?

Group "B"

Short Answer Questions

[6 × 5 = 30]

2. What do you mean by information problem?
3. How cost of information distribution can be reduced? Explain.
4. How business firms can lock in their customers and why?
5. What is standard war? Explain how standard change the game in network market.
6. What are the possible actions that government may take against monopolistic act in an information market?
7. What is digital economy? Explain any two technological shifts that raise the need of digital economy.

Group "C"

Long Answer Question

[2 × 10 = 20]

8. Why different versions of an information product are created? How versioning of information results in greater market reach? Explain with example.
9. Why positive feedback is called a potent force in network economy? Explain different strategies to ignite positive feedbacks for an information product along with their obstacles.

