

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. What do you mean by product differentiation?
- ii. Define Moral hazard problem.
- iii. What is lock-in cycle?
- iv. Define Arbitration.
- v. What do you mean by future market?
- vi. What do you mean by positive feedback?
- vii. What do you mean by "Value Subtraction"?
- viii. Define spot market.
- ix. What is complementary product?
- x. Define Preemption.

Group "B"

Short Answer Questions

[6 × 5 = 30]

2. Define Speculation. Which one is better: profitable speculation and unprofitable speculation? Explain.
3. Explain the difference between adverse selection and moral hazard in insurance markets.
4. Why is versioning of information goods done? Give two examples of information goods with different versions.
5. Mention the various lock-in strategies for buyers.
6. What are the various generic strategies in network market? Explain.
7. Write short notes on:
 - a. Optimal search rule
 - b. Network Externalities

Group "C"

Long Answer Question

[2 × 10 = 20]

8. What do you mean by knowledge Organization? Explain Ten-step road map to implement Knowledge Management process.
9. What is market research? Explain the reasons for market failure.

