

MBA 734, Electronic Commerce and E-Business, 3 Credits

1. General Course Information

Location: Enterprise Hall Room 173, Fairfax Campus

Time: Wednesdays 7:20-10:00 PM – August 31st, 2011 through December 14th, 2011

Course Homepage: Blackboard (mymason.gmu.edu)

Prerequisites: Completion of the MBA core or permission of instructor.

2. Instructor Information

Professor: Jesse Bockstedt

Email: jbockste@gmu.edu

Office: 150 Enterprise Hall

Office Phone: (703) 993-1788

Office Hours: Wednesday 5:00-6:00 PM or by appointment

3. Course Objectives

Young Internet companies with virtually no physical assets, such as Facebook, are being valued higher than industrial mainstays. Over 70% of American adults are active online. In 2007, online sales topped \$130B and online advertising expenditures surpassed \$25B¹. Social networking technologies and advances in Internet communications have exponentially increased the connectivity of our business and personal lives. Understanding eBusiness strategy has never been so vital for the modern organization. Are current eCommerce business models sustainable? How can organizations strategically leverage Internet technology? These are the types of questions we will address in MBA 734. Students will analyze business models of pioneering internet companies, such as Google and eBay, as well as newcomers that are changing the eBusiness environment, such as Facebook and Threadless. In MBA 734, we will develop our own eBusiness models and experiment with the creation of a real Internet-based business.

- Students will understand the contemporary issues in Electronic Commerce and eBusiness and how they affect the success of Internet-based businesses strategies.
- Students will learn the basics concepts of information economics, networked business models, and social media applications, and they will apply these concepts to analyze and implement successful Internet-based business strategies.
- Students will develop a business model for an Internet-based enterprise, and will create a publicly hosted working website to promote their proposed product or service (*no technical skills required*; students will use free tools that make website creation accessible to anyone).

¹ All statistics based on industry reports from IDC (idc.com).

4. Course Materials

Recommended Textbook: *Business Model Generation: A Handbook for Visionaries, Game Changers and Challengers*, by Alexander Osterwalder & Yves Pigneur, Wiley Publishing, 2010, ISBN-13: 978-0470876411. This book is not required but is highly recommended to help guide you as you develop your business model for the semester project. It is available at the GMU bookstore and online at Amazon.com

There are several required case studies and articles, listed below. Items 1 through 13 are available for purchase from Harvard Business School Press. Most of the items can be purchased and downloaded as an electronic PDF; however, the Threadless case is an interactive/video case that comes on a CD. All items can be purchased through our course listing at the HBS website:

<http://cb.hbsp.harvard.edu/cb/access/9970458>. The remaining required course materials are either freely available online (links provided) or through the E-Journal subscriptions in the GMU Library (see E-Journal Search Tab at <http://library.gmu.edu/>).

Cases and Articles for Purchase	Authors	Pub. Date	Case #
1. Webvan	McAfee & Ashiya	5/10/2006	9-602-037
2. Yelp	Piskorski & Chen	3/27/2009	9-709-412
3. Netflix	Shih et al.	4/27/2009	9-607-138
4. Groupon	Gupta et al.	6/13/2011	9-511-094
5. Triangulate	Eisenmann & Barley	1/3/2011	9-811-055
6. Google Inc.	Edelman & Eisenmann	12/14/2010	9-910-036
7. Hulu: An evil plot to destroy the world?	Elberse & Gupta	6/29/2010	9-510-005
8. United Breaks Guitars	Deighton & Kornfeld	8/25/2010	9-510-057
9. TopCoder	Lakhani et al.	1/15/2010	9-610-032
10. Threadless: The Business of Community (CD)	Lakhani & Kanji	6/30/2008	608707
11. Prediction Markets at Google	Coles et al.	8/20/2007	9-607-088
12. Twitter	Piskorski et al.	9/24/2010	9-710-455
13. Platform-Mediated Networks: Definitions and Core Concepts (Reading)	Eisenmann	10/2/2007	9-807-049
Cases Available Free Online			
14. Wikipedia (A) http://courseware.hbs.edu/public/cases/wikipedia/	Lakhani & McAfee		

Articles Freely Available Online or Through GMU Library Electronic Journals

- “Why Business Models Matter”, by Joan Magretta, Harvard Business Review, May 2002, Volume 80, Issue 5, pages 86-92. (Available electronically through GMU library E-Journals.)
- “Special Report: The Future of the Web”, MIT Sloan Management Review, Spring 2007, Volume 48, Number 3, pages 49-64. (Available electronically through GMU library E-Journals.)
- “The Long Tail,” by Chris Anderson, Wired, October 2004, Issue 12.10. (Available electronically at <http://www.wired.com/wired/archive/12.10/tail.html>)
- “Harnessing the power of the Oh-So-Social Web”, by Bernoff and Li, MIT Sloan Management Review, Spring 2008, Volume 49, Number 3, pages 36-42. (Available electronically through GMU library E-Journals)
- “The Rise of Crowdsourcing,” by Jeff Howe, Wired, June 2006, Issue 14.06. (Available electronically at <http://www.wired.com/wired/archive/14.06/crowds.html>)

Optional Books: These books are not required, but may be of interest to students looking for more depth on the topics covered in class.

- *Information Rules: A strategic guide to the network economy*, by Shapiro and Varian, Harvard Business School Press, 1999.
- *Infotopia: How many minds produce knowledge*, by Sunstein, Oxford University Press, 2008.
- *The Long Tail: Why the future of business is selling less of more*, by Chris Anderson, Hyperion, 2006.
- *Here Comes Everybody: The power of organizing without organizations*, by Clay Shirky, Penguin, 2009.
- *Crowdsourcing: Why the power of the crowd is driving the future of business*, by Jeff Howe, Crown Business, 2009.
- *Free: The Future of a Radical Price*, by Chris Anderson, Hyperion, 2009.

Links to relevant articles from the popular press will be posted to the course Blackboard website and the instructor's blog throughout the semester. For help or support using the Blackboard system contact courses@gmu.edu or call ITU Support at (703) 993 -8870.

5. Tentative Course Schedule

Week	Lecture Topic	Cases/Readings
8/31/2011	Class Introduction, overview of business models	Syllabus and Why Business Models Matter Article
9/7/2011	Module 1: Internet-Based Business Models Information Goods, Pricing Information, and Versioning	Webvan Case The Future of the Web Article <i>Blog Setup Due</i>
9/14/2011	Information Goods and Network Effects	Yelp Case
9/21/2011	The Long Tail	Netflix Case Long Tail Article
9/28/2011	Search Costs	Groupon Case
10/5/2011	Internet Technologies	Triangulate Case
10/12/2011	Platform Mediated Networks	Google Case Platform-Mediated Network Reading
10/19/2011	Multi-sided Network Markets	Hulu Case
10/26/2011	Module 2: Social Media and the Social Web Social Media and the Modern Firm	United Breaks Guitars Case Oh-So-Social Web Article
11/2/2011	Wikis, public and for business	Wikipedia Case
11/9/2011	Crowdsourcing	Threadless Case The Rise of Crowd Sourcing Article
11/16/2011	Mass Customization	TopCoder Case
11/23/2011	Thanksgiving Break – No Class	
11/30/2011	The Wisdom of Crowds & Big Data	Prediction Markets at Google Case
12/7/2011	Student Business Model Presentations	Final Business Model Report Due
12/14/2011	Take Home Final Due	Twitter Case

6. Grading and Assessment

Take-Home Final Exam: 25% (individual assessment)

Case Study Write-Ups: 25%; 2 @ 12.5% each (individual assessment)

In-class Participation: 10% (individual assessment)

Blog: 10% (individual assessment)

eBusiness of the Week Presentation: 10% (individual/group assessment depending on enrollment)

Group Project - Business Plan and Prototype: 20% (group assessment)

Total: 100%

Take-Home Final Exam: There will be a take-home written final exam worth 25% of the course grade. The exam will be handed out on the last day of class and due by the end of the assigned Final Exam period. The exam will be based on the Twitter HBS case study and students will be given a list of essay questions that they must address in a formal write-up. This is an individual assignment. Students are allowed to refer to course readings, lecture notes, case studies, and outside materials when completing the final exam as long as all references are properly cited.

Case Study Write-Ups: Each student is required to complete two (2) case write-ups worth 10% each. Students may choose any two cases used in the course (and not covered on the same day) for the write-up assignments with the exception of Twitter, which is not covered in class and is reserved for use in the final exam. Case write-ups are due at the beginning of the class on the day it is covered. They should be submitted as a hard copy in class and uploaded to SafeAssign on Blackboard. Case write-ups submitted after we have covered the case in class will not be accepted. Guidelines for case write-ups will be posted to the course Blackboard site during the first week of the semester.

In-class Participation: 10% of your course grade will be based on your attendance and participation in class. This will be an evaluation of your preparation for and involvement in class discussions and exercises. Since MBA 734 is heavily case and discussion-based, absences take away from the learning of the entire class. Participation will be evaluated primarily on the quality of contributions.

Blog: Each student of MBA 734 will be required to create and maintain a blog for discussing course topics and case studies. The blog must be setup by the beginning of week 2. Each week you must (1) write a blog post that either answers the weekly posted discussion question or discusses an aspect of the week's case study that you found interesting, and (2) comment on at least one other student's blog. Blogs will be worth 10% of your course grade.

eBusiness of the Week: We will start each class with a 15 minute eBusiness of the Week presentation. In groups of three, students will present and evaluate the business model of an operating eBusiness. The presentation will be worth 10% of your grade. Presentations should give an overview of the business model of the chosen eBusiness and a demonstration of the business's service and/or product. Please do not choose any of the businesses discussed in class lectures or case studies.

Group Project: In groups of 2-3, students will propose and develop a business model for a viable eBusiness. The group project will be worth 20% of your course grade and will consist of three key

deliverables: (1) business plan, (2) web prototype, and (3) in-class presentation. All deliverables will be due on the last day of class, when each group will give a 15-20 minute presentation of their proposed eBusiness. More details on the project deliverable requirements will be provided on Blackboard. At the end of the semester group members will be required to complete peer evaluations, which may be used to adjust individual project grades.

Grading Scale:

Grade	Percentage
A	greater than or equal to 93%
A-	greater than or equal to 90% but less than 93%
B+	greater than or equal to 87% but less than 90%
B	greater than or equal to 83% but less than 87%
B-	greater than or equal to 80% but less than 83%
C+	greater than or equal to 75% but less than 80%
C	greater than or equal to 70% but less than 75%
D	greater than or equal to 60% but less than 70%
F	less than 60%

7. Student Responsibilities

Students are expected to attend class each week and to participate in class discussions and exercises. Students are expected to complete assignments on time. Students are expected to use their gm.u.edu email accounts for communication with the instructor and other students in the class. All emails from the instructor will be sent to your gm.u.edu email addresses. Students are expected to contribute equally to all group project work. Students are expected to respect their instructor and fellow classmates, both in and out of the classroom environment. Students are expected to turn off or silence their mobile phones during class time.

8. Learning Goals

Learning goals for the MBA Programs

1. Our graduates will demonstrate the team leadership and interpersonal skills needed to form, lead, and work effectively on diverse organizational teams
2. Our students will demonstrate the ability to analyze uncertain complex management situations using appropriate tools, techniques and information systems for decision-making.
3. Our graduates will demonstrate the ability to integrate knowledge from all functional areas of business into a meaningful firm-level perspective.
4. Our graduates will demonstrate a perspective on how businesses operate in the global environment.
5. Our graduates will demonstrate written, oral and presentations skills necessary to explain problems and solutions effectively and persuasively.
6. Our graduates will have a sense of professional and social responsibility in the conduct of managerial affairs.

9. Honor Code Statement

Cheating and Academic Dishonesty: All students are responsible for knowing and following the GMU Honor Code Statement (honorcode.gmu.edu). Students will be given a 0 (zero) on any assignment where

the University Guidelines for Academic Honesty are not followed. This includes project work and exams. In the event of a violation of the GMU Honor Code, the violating student will be reported to the GMU Honor Committee.

10. Learning Disabilities

If you are a student with a documented disability and you need academic accommodations, please see me and contact the Disability Resource Center (DRC) at 703-993-2474, at the beginning of the semester. All academic accommodations must be arranged through the DRC.