Introduction to the Competitive Strategy, Economics and IS Mini-Track

Eric K. Clemons
The Wharton School
University of Pennsylvania
clemons@wharton.upenn.edu

Robert J. Kauffman
Singapore Management University
rkauffman@smu.edu.sg

Thomas A. Weber
École Polytechnique Fédérale de Lausanne
thomas.weber@epfl.ch

As always, this year’s mini-track showcases current research on a range of topics at the intersection of information economics, technology, and strategy.


The topic of the second session is “Open Source and Platform Strategies.” The paper by Gang Peng, Xianjun Geng, and Lihui Lin, “Modularity and Free-Riding in Open Source Software,” asserts that modular architecture can increase code contribution from developers, but may also increase free-riding. Jian Chen, Yifan Dou and D.J. Wu’s research about “Platform Pricing with Strategic Buyers” develops a model with strategic buyers, who have less influence on a vendor’s pricing strategy under a subscription approach than under licensing or limited-time free use. The next article, by Ravi Mantena and Rajib Saha, “Competition and Strategic Partnership between Intermediary Platforms in the Presence of Heterogeneous Technologies,” analyzes the conditions for platform operators to share their technologies user bases, and why this approach may be a “win-win” outcome.

The third session is on “Internet and Social Media Issues.” It features “Content Contribution under Revenue Sharing and Reputation Concern in Social Media: The Case of YouTube.” The authors are Qian Tang, Bin Gu, and Andrew Whinston, whose work is both analytical and empirical. The authors identify a structural model of content providers’ utility functions using data from 340 video content providers on YouTube. The analysis suggests that content providers benefit in the long run more from subscription payoffs than through short-lived gains from public views of shared social media. The next paper, “Network Centrality and Contributions to Online Public Goods: The Case of Chinese Wikipedia” by Alex Wang and Xiaquan Michael Zhang, uses empirical data from 2002 to 2007 to study how collaboration network structure affects the effort and contribution behavior of individuals in online collaboration platforms. The last paper of the session is “Live Shows Everywhere: Distribution Dynamics and Internet Influence on Concert Location.” The authors, Daegon Cho, Rahul Telang and Michael Smith, report that there is a more dispersed distribution of concerts in the presence of consumer broadband services adoption, and for artists who have been active in the online channels with their fans.

The theme of the final session is “Digital Piracy and Information Security.” The first paper, “Versioning Strategy of Information Goods with Network Externalities in the Presence of Piracy,” by Shivendu Shrivendu and Zhe Zhang, examines the conditions under which versioning is optimal and why network externalities diminish its necessity. Robert Easley, Daewon Sun and Byung Cho Kim focus on “Optimal Digital Rights Management with Uncertain Piracy” in the second paper. They show why firms use price discrimination to offer files with different protection levels simultaneously, with less protected files commanding a higher price. The last paper is “Network Externalities in the Security Software Market,” by Debabrata Dey and Guoying Zhang. They view negative externalities as a key driver for the fragmentation and lack of market coverage by vendors of security software. They also explain why this market is so different from those for other kinds of packaged software. This paper is also our mini-track’s best paper award nominee for the Organizational Systems and Technology Track at HICSS this year.