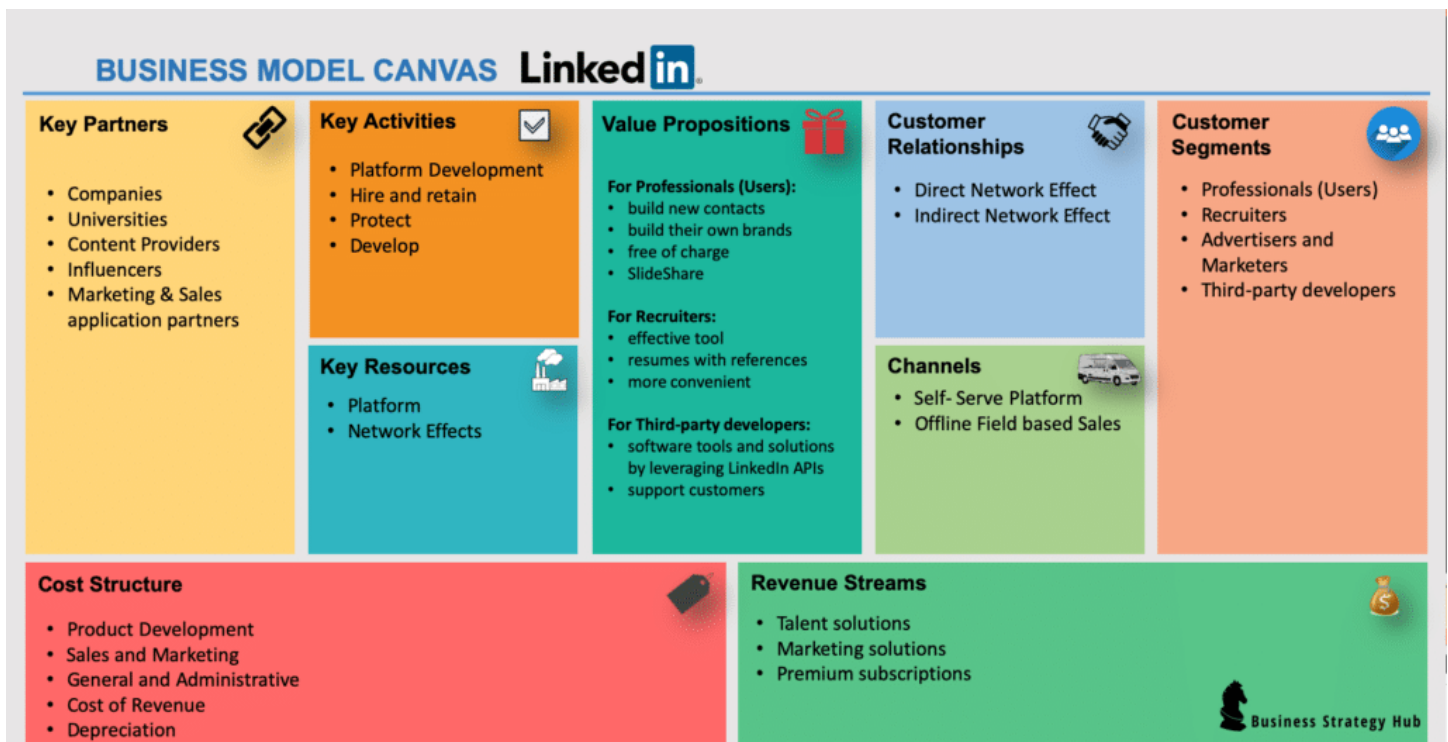Student ID .... Family Name: …………...…..… Given Name: ………………………

GSOE 9758: Network Systems Architecture
Term 1, 2022: Mid-Session Test

Question I: [20 points] Use the figure showing the Business Model Canvas (BMC) for **LinkedIn**, a platform for professionals to network (now owned by Microsoft), to answer the questions below (2 marks each):

BUSINESS MODEL CANVAS Linked in

Key Partners
- Companies
- Universities
- Content Providers
- Influencers
- Marketing & Sales application partners

Key Activities
- Platform Development
- Hire and retain
- Protect
- Develop

Key Resources
- Platform
- Network Effects

Value Propositions

For Professionals (Users):
- build new contacts
- build their own brands
- free of charge
- SlideShare

For Recruiters:
- effective tool
- resumes with references
- more convenient

For Third-party developers:
- software tools and solutions by leveraging LinkedIn APIs
- support customers

Customer Relationships
- Direct Network Effect
- Indirect Network Effect

Channels
- Self-Serve Platform
- Offline Field based Sales

Customer Segments
- Professionals (Users)
- Recruiters
- Advertisers and Marketers
- Third-party developers

Cost Structure
- Product Development
- Sales and Marketing
- General and Administrative
- Cost of Revenue
- Depreciation

Revenue Streams
- Talent solutions
- Marketing solutions
- Premium subscriptions

Business Strategy Hub

(a) LinkedIn allows a user (namely a working professional) to build new contacts, relationships, and their own "brand". Explain in simple words (with an example) how a user does this.

(b) Explain in simple words how LinkedIn makes it convenient for recruiters to find and evaluate potential candidates for a job.

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(c) LinkedIn's "Customer Relationship" relies on the "network effect" – briefly explain what this means.

(d) LinkedIn is free for users, yet it made over 8 billion US dollars in 2020. What are some of the sources of revenue for LinkedIn? Justify your answer.

(e) LinkedIn's channel is largely "self serve" – explain in simple words how this works.

(f) LinkedIn's key resource is their platform – briefly explain two technology elements of their platform.

(g) Briefly explain how companies and Universities are key partners of LinkedIn.

(h) What are LinkedIn's biggest costs? Explain in brief.

(i) Briefly describe (with examples if possible) how LinkedIn uses data analytics to improve its business.

(j) LinkedIn was acquired by Microsoft in 2016 for US$27 billion – how do you think Microsoft benefits from this acquisition?

[END OF TEST]