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## COURSE INFORMATION

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Course Number: MGT 857  
Course Title: Digital Strategy  
Term and Year: Fall-1 2023  
Class Meeting Time, Day:  
Section 01:  
Tue / Thu 1:00 pm – 2:20 pm, Evans Hall 4210  
Section 02:  
Tue / Thu 2:40 pm – 4:00 pm, Evans Hall 4210  
Section G1 (MMS GBS):  
Tue / Thu 4:10 pm – 5:30 pm, Evans Hall 4210

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## CONTACT INFORMATION

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Professor(s)	TA(s)
Name: Vineet Kumar	Fei Teng
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Office Hours: By Appointment	<a href="mailto:richard.archer@yale.edu">richard.archer@yale.edu</a>
(see Canvas for Link)	
	Michael L. Robinson (TBD)
	<a href="mailto:michael.l.robinson@yale.edu">michael.l.robinson@yale.edu</a>

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Review Sessions: *As Needed*

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## COURSE MATERIALS

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Textbook(s): None required

**Recommended Books:** Instructor will provide required book chapters via Canvas.

**Readings:** *See Detailed Outline of Class Sessions*

**Software:** *Excel may be used for assignments and project if needed.*

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## COURSE DESCRIPTION AND OBJECTIVES

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*Disclaimer:* Syllabus is tentative. Please check latest version on Canvas by “Last Updated” date.

### Course Description:

Digital Strategy is a course that builds upon topics in strategy, marketing and economics to understand issues in markets where digital technology plays an important role. Through a mix of case studies and lectures, the course brings together a variety of issues unique to markets significantly impacted by technologies. The course is divided into 4 modules. Each module will feature a lecture session laying out the conceptual foundations followed by 2-3 case studies.

We study the essential elements of **business models**, the principles of hypothesis-driven choices.

We investigate reasons that we observe a variety of business models in the market for digital products and services, and identify outcomes to assess the performance of business models and the challenges in implementing them. Second, we focus on understanding strategies and how business models can be used by **disruptors and complementors**, with a view to evaluating drivers of success in the marketplace. Third, we study **platforms** to understand the primary issues in developing multi-sided platforms as well as the perspective of participants on each side. Fourth, we examine **technology-driven transformation** both from a technology perspective (with AI and blockchain as key emerging technologies), as well as from a firm perspective (with The New York Times).

### Course Objectives:

The course is designed to provide a strategic perspective on digital technologies, but given the broad scope of the topic, aiming for comprehensive coverage in a few sessions does not seem feasible. I've had to make tradeoffs in selecting areas to examine in depth. My goal is that a student who completes the course successfully should be able to:

- Understand growth and monetization tradeoffs in adopting business models
- Determine whether a disruptor or complementor strategy is more appropriate
- Evaluate design and governance decisions for platforms
- Develop a perspective regarding new emerging technologies and how they could reshape markets and firms
- Understand challenges and opportunities involved in undertaking a digital transformation

**Note 1:** This is NOT a digital marketing course, and will not focus on social media or digital marketing or advertising, Search Engine Optimization, Google / Facebook Analytics etc.

**Note 2:** This course is not suitable for an auditing option.

### COURSE REQUIREMENTS

Course Component	Details	Points
Assignments (Individual and Group)	See details below	50
Project Paper (Group)		25
Attendance and Participation (Individual)	Every class	25

Please see the Yale SOM Grading Policy at <http://portal.som.yale.edu/page/grading-policy>

**Class Participation:** You will be encouraged, and likely cold-called to air your views in class. Evaluation will be on the quality and to a lesser degree, the number of comments you make. Please come prepared to each class by reading the assigned material and thinking carefully about the preparation questions.

### DESCRIPTIONS OF ASSIGNMENTS/PROJECTS/PROBLEM SETS

You will be required to form a group of **X** people within your section for the group assignment and project. *Groups need to be within section* since we have a group presentation. If you need help forming a group, the TAs will help. (Note: X might depend on the section and will be announced in class or via canvas).

**Project:** After forming a group, submit a one-slide with project proposal idea on canvas. Then, you'll set up a meeting with the professor to go over the idea and obtain feedback and approval. We will send out links to help schedule meeting times during predefined blocks. Assignment groups CAN overlap with project groups, in fact that's probably less complicated for everyone to manage.

**NOTE: Project ideas must be submitted by canvas or e-mail for pre-approval to instructor by Sep 15, 2023.**

**Final project deliverable:** a slide deck report with a 15-slide maximum.

While I have in mind specific types of projects detailed below, I'm open to custom projects if you send me a carefully thought out one-paragraph written proposal if you want to do something different. **However, note that the same or similar project(s) cannot be submitted or presented in multiple courses.** The types of projects I have in mind are detailed below:

- A) Developing a new business proposal based on "emerging" digital technologies (We'll define this as "something not in widespread use but has a reasonable chance of becoming widely adopted in a few years"). Please check with the instructor if you have questions. The focus here will be on identifying how the technology can create value, and how the value can be taken to market.
- B) Examine the transformative impact of "emerging" digital technologies on the business of an incumbent provider, taking the perspective of both the disruptor and complementor.
- C) The product and company you evaluate will originate from TechCrunch's Startup Battle Field Leaderboard (<https://techcrunch.com/startup-battlefield/leaderboard/>). The overall focus will be to identify a new product or service that adds value at the intersection of technology and finance, health, education, automotive, etc. and present its business model analysis in depth, including alignment and considering counterfactual analysis for choices made by the firm.

Projects will be evaluated on the following aspects: (a) creativity, (b) clarity of thought and writing, (c) quality of argument and (d) insights obtained. Depth is valued more than breadth or comprehensive coverage. The instructor will discuss project details in class.

**Assignments: Group assignments** can be done in groups of X students (announced in class), whereas **Individual assignments** must be submitted separately by each person. Please indicate the contribution of each person for group assignments. Everyone in the group is expected to make a significant contribution to **each** assignment, so please budget time to discuss assignments. Groups must be within section, since we have a presentation.

Late assignments will not be graded. *No extensions or exceptions to any due dates should be expected -- we will discuss assignment answers in class.* We don't have any makeup assignments for missed classes or assignments. However, if you have an extenuating circumstance, please contact **AASL**, and they will determine an appropriate course of action.

**Group Presentation assignment:** all groups should be prepared to present in class. If logistics require, groups will be chosen to present in class based on quality of analysis and insights, as well as differential contributions relative to other groups. It is important to submit PowerPoint **Slides** through Canvas, so we can load them up before class. Except the Group presentation, all assignments should be submitted as a **PDF** document.

**Individual assignments:** Your individual assignment submissions must be **4 pages or fewer** (excluding any exhibits), in 11 or 12-point text font and double-spaced text. Please convert everything to one PDF file before submission and submit through Canvas. Please name the file in the following format:

### **Group04.pdf**

For individual assignments,

### **LastName\_FirstName.pdf**

Details of Assignments will be posted on Canvas. Due dates are listed in “Outline of Class Sessions” below. If you have any questions at all, please don’t hesitate to check with the professor or TAs.

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## **YALE SOM POLICIES**

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Please see the Yale School of Management Bulletin at <http://www.yale.edu/printer/bulletin/htmlfiles/som/rights-and-responsibilities-of-students.html> for Rights and Responsibilities of students and for information on requesting a course recording.

### **Laptop/Device Policy**

Usage NOT allowed without the express permission of the instructor.

## OUTLINE OF CLASS SESSIONS (All Dates 2022)

Session	Date	Topic	Assignment Due (Time Due: 9 am)
<b>Module 1: Digital Strategy and Business Models</b>			
1	Aug 31 (Thu)	Course Introduction Overview of Business Models	
2	Sep 05 (Tue)	Dropbox: It Just Works (CASE)	A1 (Individual)
<b>Module 2: Disrupting and Complementing</b>			
3	Sep 07 (Thu)	Entry in Existing Markets (Disruptors and Complementors)	
4	Sep 12 (Tue)	Apple Pay (CASE)	A2 (Individual)
5	Sep 14 (Thu)	Robinhood (CASE)	
6	Sep 19 (Tue)	Zillow and Redfin (Dual CASE Presentations)	A3 (Group Presentation, submit PPT Slides on Canvas)
<b>Module 3: Platform Thinking</b>			
7	Sep 21 (Thu)	Platform Thinking	
8	Sep 26 (Tue)	American Well (CASE)	A4 (Individual)
9	Sep 28 (Thu)	Issues in Platform Design	
<b>Module 4: Transformation through Technology</b>			
10	Oct 03 (Tue)	Firm Transformation with Technology The New York Times Paywall (CASE)	A5 (Individual)
11	Oct 05 (Thu)	Blockchain (In-class Exercise)	
12	Oct X (Fri)	Guest Lecture	
13	Oct 12 (Tue)	Overview of Emerging Technologies & Course Summary	
Project Proposal (Group) Due on <b>Sep 15</b> Project Report (Group) Due on <b>Oct 19</b>			

Note: The content of some sessions may change.

## DETAILED OUTLINE OF CLASS SESSIONS

Please note that “**Preparation Questions**” are provided to help you prepare better for class discussion. These are NOT assignment questions and do not need to be turned in. **Assignment questions will be posted separately on Canvas.**

**Readings available only on Canvas are marked with a (\*)**

### Session 1: Introduction to Digital Strategy

#### *Learning Material:*

- (a)\* [Background Reading] The Five Competitive Forces That Shape Strategy, by M. Porter [VIDEO] [https://www.youtube.com/watch?v=mYF2\\_FBCvXw](https://www.youtube.com/watch?v=mYF2_FBCvXw)
- (b)\* [Background Reading] What is Strategy? By M. Porter, HBR  
(My guess is you've probably read Porter in other courses or elsewhere, I'm listing it for reference. You can read this after class)
- (c) What is a Business Model?, A. Ovans, HBR  
<https://hbr.org/2015/01/what-is-a-business-model>
- (d) Rethinking Strategy in a Networked World, D. Tapscott  
<https://www.strategy-business.com/article/19911>
- (e) Why Software Is Eating the World, by M. Andreessen  
<https://a16z.com/2016/08/20/why-software-is-eating-the-world/>
- (f) [Optional] From Strategy to Business Models and onto Tactics, R. Casadesus-Masanell and J.E. Ricart. (A more academic take on the distinction between Strategy, Tactics and Business Model)  
<https://www.dropbox.com/s/3bep9b3vfmwqyjk/From%20Strategy%20to%20Business%20Models%20and%20to%20Tactics.pdf?dl=1>

#### **Preparation Questions:**

- (1) What is Strategy? What are the differences between Strategy and Tactics? Is there a clear boundary or is this a gray zone?
- (2) What is the difference between a strategy and a business model? Which do you begin with when faced with a new market opportunity?
- (3) Look up the cumulative market value of the large technology companies (Microsoft, Apple, Google, Facebook, Netflix). Think about factors that have contributed to their success. Can you articulate the strategy for each of these companies? What choices have they made?
- (4) How has Digital has changed the nature of strategy? To what extent is the 5-forces view useful? Do we miss anything if we restrict ourselves to this perspective / theoretical lens?