BUS 160a
Competitive Strategy

Course Syllabus

Fall 2018
Classroom TBD
Class days and times TBD

**Major changes expected (at least 2-3 sessions will be different)

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Associate Professor of Strategy & International Business

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Office hours: Monday afternoon and Wednesday mornings by appointment (email me to set time)
**BUS 160a COMPETITIVE STRATEGY**

**Purpose of the Course**
This course teaches students the basic principles of competitive and corporate strategy, focusing mostly on the business models and competitive dynamics in technology companies. The course also examines strategy in entrepreneurial firms, in two-sided platforms, and competition among firms that rely on social strategy. Additional topics covered include corporate diversification, M&As in technology companies, and strategy in sports.

*Beginning in the fall of 2018 the course will have a quant component. Students will be required to turn in assignments intended to teach them advanced excel skills and data visualization with Tableau.*

**Who should be taking this course?**
- students interested in strategy, consulting, entrepreneurship, and global management
- students interested in the challenges startup entrepreneurs face when launching new products or services

**Learning Goals and Outcomes**
1. You will learn the basics of strategic management; you will understand how strategists and CEOs tackle the main challenges they face when entering into a new market or launching a new product
2. You will develop oral communication and presentation skills
3. You will learn to think critically about business models
4. You will learn the basics of two-sided platforms (e.g., such as Uber or Tripadvisor.com) and you will develop tools to help you develop ideas using such platforms
5. You will develop advanced excel skills and basic data visualization using Tableau
6. Because the course has a strong focus on team work and decision-making with limited information, you will learn to:
   a. Use limited information to crack business cases (very useful for job interviews)
   b. Recognize personality traits that may handicap you in your future career and identify your own biases, stemming from both your background and your culture;
   c. Write short business memos about a variety of topics using simple frameworks that strategists worldwide use;
   d. Work with a team under pressure, with limited resources and information, and facing high uncertainty; and,
   e. Develop skills to prepare power points and presentations for investors or for boards of directors

**Prerequisite:** BUS 10a & BUS 152a (recommended)

**Expected workload**
Students should expect to invest 9 hours/week outside of class on the course. Questions to prepare each session will be posted on Latte.

**Materials for the Course**
The course relies mostly on Harvard Business School case studies, which are available for purchase at [link to be posted later] . Course packs are comprised of copyrighted materials, so please respect intellectual property by purchasing your own copy of the materials (Through the Harvard page we keep track of who buys the materials)
Grading
Here is a breakdown of how we are going to grade all the different assignments of the course. The overall composition of the final grade is the following:

- Participation 30%
- Excel + Tableau homeworks 20%
- 3 business analysis writeups 20%
- Final Project presentation 15%
- Final Project assignment 15%

GRADING GUIDE
Grades in Bus 160a are VERY different from what you may have experienced in other courses at Brandeis University. All of the work is graded relative to your peers. That is, it is all based on rankings of performance for each of the assignments. Why is this the case? Well, in the real world not everyone can get an A. On the contrary, people are competing fiercely in the work place to be the best. Your supervisors will have to evaluate you in relation to your peers (yes, more often than not ranking you). So take this course as your first contact with the harsh reality of the workplace.

How I calculate the final Grade:
At the end I will add up everything so that the maximum grade you can get is 100. I will then use these scores to rank students and to do a distribution of letter grades following a forced-curve (e.g., something like this 4 A, 6 A-, 8 B+, 8B, 4 B-, 2 C+, 1 D, etc...). The mean should be centered around B+, but the distribution can get stretched out to the right if people don’t turn in their assignments or miss too many sessions. In those cases the letter grades can go all the way to the Ds. So please do not assume you won’t get a D.

Write-ups
There will be two write-ups (1000-2000 words) about three different current topics. The write-ups will require students to use the frameworks discussed in class to analyze a piece of business news selected by the professor. There will be one question or two posted in advance on Latte, a link to a short article or blog post. Two years ago one writeup was about whether Tesla should merge with SolarCity (a solar panel maker and distributor), another one was about Telegram, an encrypted messaging system that is the preferred platform for terrorist organizations. Last year students analyzed the merger of Amazon and Whole Foods and the business model of Soundcloud, a streaming platform for new artists and dj’s. Students are required to do industry analysis (e.g., about the competitors, the suppliers, the buyers, etc...) and all of the strategy frameworks used in entrepreneurial firms (i.e., the lean startup, two-sided markets framework, or the social strategies note) to do their analysis of these examples and produce a 2000 word analysis with recommendations for the firm in question.

Group project:
Students will work in teams of 4 people on a final project. The group project consists of a 5-10 slide PowerPoint deck (with quantitative appendices if necessary) and a class presentation in which students will present a new product or service using the tools studied in class.

Students need to setup their teams by mid October
Project outlines, with proposed topic and team member names, due in October
First presentations will be before Thanksgiving break
Final presentations will be on the first week of December

Disabilities
If you are a student with a documented disability on record at Brandeis University and wish to have a reasonable accommodation made for you in this class, please see me immediately before or after the first class.

**Academic Integrity**
You are expected to be honest in all of your academic work. Please consult Brandeis University Rights and Responsibilities for all policies and procedures related to academic integrity. Students may be required to submit work to TurnItIn.com software to verify originality. Allegations of alleged academic dishonesty will be forwarded to the Director of Academic Integrity. Sanctions for academic dishonesty can include failing grades and/or suspension from the university. Citation and research assistance can be found at LTS - Library guides.

**Office hours**
Office hours are on Monday afternoons and Wednesday mornings at Lemberg 252. Please email me to sign up for a 20 minute time slot.

**LEARNING BY THE CASE METHOD**
Because this course is based on the case method of learning, class participation by all students is critical. We will assume that everyone has prepared the case and readings thoroughly--there is simply no time to explain or reiterate case facts. Our discussions will aim to be analytical, not descriptive. This does not mean that we will ignore the facts; to the contrary, students should strive to back up their arguments with the facts of the case. In sum, I will expect three P’s from students in every class:

- **Presence:** You are expected to prepare for and attend all class sessions. It is your responsibility to catch up on material for any class that you miss.
- **Preparation:** You are expected to do the class assignments and be ready to start class or answer assigned questions if called on. In addition, it means that you have analyzed the case and exhibits, not just read them lightly. Where there is numerical analysis to be done to understand the financials or economics of the case, you will be expected to do this. It is often extremely useful to work in groups in preparing the cases for each class; you are encouraged to do this. *(THERE ARE COLD CALLS IN EVERY SESSION)*
- **Participation:** You are expected to share your views and questions in class. Your class participation grade will depend on the cumulative quality of your contributions in class.

**Laptops, tablets and phones** are not needed during class and **should not be open at all unless we are analyzing the exhibits of a case;** even "quiet" screens are distracting to those around you. Preferably, you should print the materials you need for class and take notes on paper, as it is not possible to analyze a case deeply without marking it up. Calculators are allowed in class, text-messaging and Internet access are not. Failing to follow these rules will lead to a penalization in participation for the day *(see participation grades above)*. Disrupting class repeatedly with technology will lead to direct penalization on the final grade.
Course Outline

- **Cases and required articles** are in case packet: http://cb.hbsp.harvard.edu/cbmp/access/66142094

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Part III. Social Strategies

17 XX Framework #6: Social Strategies

“Competing with Social Networks: Designing Social Strategy” + Data Visualization assignment due (REVIEW)

18 XX “Twitter”

19 XX “Facebook”

20 XX “Social Strategy at Nike”

###Second writeup due TODAY

21 XX Students present projects

22 XX Team meetings with Professor in classroom

Part IV. Strategy in Large Corporations across borders, in acquisitions, and in sports

23 XX "Haier's U.S. Refrigerator Strategy"

24 XX "$19B 4 txt app WhatsApp...omg!"

25 XX "Real Madrid Club de Futbol"

26 XX Final student presentations
**DETAILED CLASS SCHEDULE (SUBJECT TO CHANGE SO PLEASE FOLLOW LATTE)**

***************EXAMPLE FROM LAST YEAR. IT WILL BE DIFFERENT THIS YEAR***************

- **8/31 Introduction to strategy**

  **Introduction to strategy**

  *if you are not sure you will stay, at least buy the note "What is Strategy?" and the cases for the classes you are planning to attend. Not reading is penalized with negative participation points.

  **Reading assignment:**
  “What is Strategy?” Porter

  **Assignment questions:**
  - What is strategy?
  - How can companies differentiate themselves (i.e., what sources of strategic positioning are there)?
  - What is “strategic fit”?
  - Go online and try to figure out: What’s the strategy of Twitter? What’s the strategy of Google?

- **9/5 Five Forces**

  **Framework #1: Michael Porter’s Five Forces**

  **Reading assignments**

  - "The Five Competitive Forces that Shape Strategy," Michael Porter
  - “Cola Wars: Coke vs Pepsi”

  **Assignment questions**

  1. Be sure you understand Porter’s “Five Forces” model discussed in the article and apply the model to the case. We will use this model in the next few classes. For each of the “forces” in the market for carbonated sodas think about whether their bargaining power is HIGH, MEDIUM, or LOW.
2. Make sure to get the slide with the basic financial ratios from Latte and make sure to analyze the profitability of the soft industry. Answer the following question: Why is the soft drink industry so profitable? Consider this question for two separate segments of the industry: (1) concentrate producers and (2) bottlers.

3. Why do concentrate producers want to integrate vertically into bottling?

4. How has the rivalry between Coke and Pepsi affected the industry’s profitability?

**Don't forget to fill in your info in the following Google doc to facilitate the professors life remembering you

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9/7 Five Forces in High Tech Industries

Reading assignments

- “Apple Computer 2006”

Assignment questions

- Look at the financials of Apple. What story do they tell us? What's Apple’s secret sauce before 2006?
- Before the launching of the iPod and the iTunes store, what explains the failure of Apple computers to become the dominant player in the industry?
- How did Steve Jobs turn around Apple? What are the key components of his plan?

BEFORE CLASS PLEASE READ THIS

- In the last class many people were unprepared (even for the coldcall). That is unacceptable! so please prepare the questions above and prepare your analysis of the exhibits of the case.
- Go to the following Google doc and fill in the information I need to remember you.
- Also, if you don't have a Twitter account, please open one here and start Tweeting. It can have any name you want and it can be about whatever you want, but the objective is to amass the largest number of followers possible by April, when we have the class on Twitter. Whoever gets
the largest number of followers will receive a big prize during the Twitter class. Just please keep track of which tweets got you more followers. It is important for you to know that it is "social media," so being social is super important to get followers (Re-tweeting, citing tweets, getting into conversations with other users or into discussions of topics that are trending (look for popular #hashtags, etc. usually gets you more followers).

9/12 Strategy, Value Chain, and Profitability (Framework #3)

Reading assignment:
"Competitive Advantage: The Value Chain and Your P&amp;L" (Joan Magretta)

Study questions:

1. What is competitive advantage? How do companies gain competitive advantage according to Porter?
2. What is value chain?
3. Use the Apple Computer 2006 case and think about how Steve Jobs thought about the value chain of the personal computer business Apple had. What parts did he let go? What parts did he add? Why?
4. Now think about the entire value chain of the ipod according to the case (or if you know about the iphone go for it) and think about where Apple is inserted. What’s the point of having the apple online and physical store? Why not just let the distribution and repairs to third parties? Think about how value is captured in this market?
9/14 Core Competencies and Competitor Analysis (Framework #2)

Reading assignments:

- “Competing on Resources”
- “Amazon 2015”

Study questions:

1. What business is Amazon in? Is it spreading itself too thin or is it well positioned for the future?
2. Who are Amazon’s competitors? What is Amazon’s competitive advantage? What are its core competencies?
3. Does it make sense for Amazon to have a Studio?
4. Amazon just bought WholeFoods for close to $20bn, does it make sense for its business model to have a brick and mortar store?

9/19 Competitor Analysis II – Wal Mart

Reading Assignment

- “Wal-Mart Stores in 2003”

Study questions

1. What are Wal-Mart’s sources of competitive advantage in discount retailing? Examine the value chain at Wal-Mart and explain the advantages Wal-Mart has in each part of the value chain.
2. Compare the financial performance and cost structure of Wal-Mart to that of its competitors (focus on Target and K-mart) and explain the differences that you see (work with the exhibits). In fact, see if by looking at the comparison in financials you can come up with a story of why Wal-Mart is the leader retailer in the world.
3. Why are many communities so resistant to allow Wal-Mart to establish locally? Is Wal-Mart good or bad for the local community?

***WRITE UP #1 ASSIGNMENT WILL BE POSTED HERE (DUE Date 10/10)***

**9/26 Technology, Innovation and Competition: Tesla and the Rise of the Electric Car**

**Readings:**
Tesla Motors, HBS Case

**Questions to prepare for class:**
1. Should BMW expect Tesla to grow into a strong direct competitor like Audi or is Tesla a niche player? Is Tesla at a competitive advantage or disadvantage?
2. Analyze the value chain in the automobile industry from autoparts to consumers. What activities does BMW do? What activities does Tesla do? What are the main differences?
3. What barriers to entry did Tesla have to overcome? Can other companies follow suit?
4. What are the biggest threats for the Tesla business model in the near future? Do 5 forces analysis and figure out where the weak points are. What resources does Tesla have that are capabilities?

**9/28 Disney: Strategy in Large Corporations**

*Sustaining Competitive Advantage over time: Walt Disney Co.*

**Reading assignment:**
"Choosing Corporate and Global Scope" & "The Walt Disney Company: The Entertainment King" HBS Case

**Study questions:**
1. Why has Disney been successful for so long (do full analysis using all frameworks)?
2. What were the key elements of success of Michael Eisner's rejuvenation plan?
3. Does Disney have the right corporate scope or is it too diversified?
4. Would you invest in Walt Disney Company?

10/3 Part II. Strategic Mgmt in Entrepreneurial Firms
Strategy in Entrepreneurial Firms II    Design thinking workshop

Reading assignments
[Required] “Hypothesis-driven entrepreneurship” HBS NOTE

Study questions:

0. What are the steps entrepreneurs should follow to test a new idea/product/service?
1. What is MVP?
2. What is optimism bias? How can we prevent optimism bias?
3. If we were designing a site/app to facilitate the rental of skiing equipment among college students, how would go about testing the idea? What would an MVP look like? What hypotheses would we need to test? What are the potential problems for such an idea?
Reading assignment:
“Dropbox: It just works”

###First writeup due TODAY (before 5PM)

Study questions:

1. Dropbox is a late mover in a crowded space. What opportunity did Houston see? Specifically, what are the key elements of Dropbox’s current business model?

2. Is Dropbox profitable as of June 2010? Are you optimistic about its prospects? How does your estimate of Dropbox’s current profitability influence your evaluation of the venture’s prospects?

3. When he applied to Y Combinator (see case Exhibit 2), what hypotheses did Houston hold about key elements of Dropbox’s business model? As of June 2010, which of these hypotheses have been confirmed, and which have been discarded? What is your assessment of the approach Houston used to test hypotheses? Did he waste time/resources or make notable mistakes? Can you imagine better ways to test key hypotheses?

4. Imagine that at the same time Dropbox was founded, Google decided to target the opportunity that Houston had identified. How would Google’s approach to pursuing “G-Drive” have differed from the approach that Dropbox’s team followed?

What should Houston do about the decision posed at the end of the case, i.e., creating a separate version for small and medium-sized business (SMB) customers? What process should he use to make this decision?

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Reading assignment
Rent the Runway (abridged)

###Final project team sign up sheet HERE##

Study questions:

- Apply the hypothesis-driven entrepreneurship (lean startup) framework to this case. Understand the problem they are trying to solve and their MVP? Create a timeline of actions undertaken by Rent the Runway’s cofounders. Do you agree with the decision to pursue each action? Which actions were important in validating business model hypotheses and refining the concept? Can you suggest different actions that the cofounders should have taken?
As the case ends in January 2010, the cofounders are considering whether to: (1) stick with their original plan to pursue operational improvements in 2010 before raising more capital in early 2011; or (2) accelerate fundraising in order to expand inventory and product range, enabling RTR to serve a broader set of customer segments and usage occasions. What would you do about this decision?

10/17 Learning from entrepreneurs: Borrowlenses.com

Preparation
Borrowlenses.com (visit the page);
read https://blog.eapps.com/case-studies/qa-with-borrowlenses-com.html and
watch the video

Last day to sign up for final project team--sign up sheet HERE

Study questions:
Read the interview with Mark Gurevich, our guest, and think about the following.
1. If you were thinking about launching this company, what would be your MVP?
2. Where do you test the market?
3. If you wanted to do some surveys to see interest, where would you do them?
4. Calculate the gross profits (gross margin) and net income (net margin) for this business
At the end of 2012 using the following assumptions:
· Per year, the average customer rents equipment that new would cost $3500
· Average rental price is 5% of equipment value and the variable cost per rental is $87
· They have 35,000 total renters per year, each renting around 2x per year
· In terms of fixed costs we have: 20 employees making around $60k per year, 3 management (assume $150k per year); and they are running credit card debt, so interest payments of $80k per year. Finally, sales and marketing expenses of $1M (for adwords, etc.)
5. Breakeven analysis:
· if the average piece rents 20x per year (for 8 days on average). How long before they can break even for each piece of equipment?
· If the average piece has a useful lifetime of 3 years, how much do they make per piece (without taking into account resale) over the lifetime of the product?
· If pieces can resale after 3 years for 90% of their original value, how much do they make per piece after reselling them?
6. Finally, for extra points. At the end of 2012 the owners were thinking about selling the company. How much is it worth? (this one is a hard one so don't feel bad if you have no clue of how to answer it)
10/19 2-Sided Platforms (Framework #5)

Reading assignment:
“Strategies for Two-Sided Markets”

###Team project outline due today!###

Study questions:

1. What are the components of a two-sided platform?
2. What are network externalities? What role do they play in two-sided platforms?
3. Think of a site/app like YouTube. Does it fit the framework of two-sided platforms? If so, can you explain it’s success using this framework? What’s the money side in the case of YouTube?
4. Why can’t YouTube just charge us a fee upfront like Netflix? (in fact, they are already trying to do that, so the relevant question is: Will it work?)

10/24 2-Sided Taxi apps

###DEADLINE FOR TEAMS TO SUBMIT PROJECT OUTLINES###

Reading assignment:
“Safer Taxi” (an Uber like App for taxi rides in South America)

Study questions

How would you do a minimum viable test for Safer Taxi? What confirmation would you need to avoid biases?

Using the lean startup framework, what did Safer Taxi do right? What did they do wrong?

As Safer Taxi thinks about scope and competitive advantage, please think about what the right mix of business lines is for them. The case mentions they have two types of business models, one is for corporates and the other one is for people on the street. Does it make sense for them to be on both? Shouldn’t they focus on competing with Easy Taxi (their biggest competitor in South America) and Uber, where they need more resources to do marketing? Should they consider the corporate market at all?

What’s the biggest risk you see for a startup like Safer Taxi in the near horizon?
10/26 Crowdsourcing value: TripAdvisor

Reading assignment:

“TripAdvisor”

Study questions:

- 1. Why is TripAdvisor (TA) appealing to consumers? Why do consumers write reviews?
- 2. What do hotel owners and property managers feel about TA? How does TA manage to create a balance between consumers and hotel managers?
- 3. How does TA monetize its UGC? How does it differ from other UGC sites such as Yelp?
- 4. Why has TA been so successful in hotel reviews? Why is it not known for restaurant reviews?
- 5. Can TA replicate its success in China, vacation rentals and flights?
- 6. How should Kaufer prioritize TA’s growth options?

10/31 Uber vs. Governments

Reading assignment:

“Uber in China: Driving in the Gray Zone”

Study questions:

1. What is Uber’s value proposition? Explain their business model using what we know about 2-sided platforms.
2. What are the major risks to their business model in the United States and Europe?
3. Would you invest in Uber if you could?
4. Now, explain why Uber failed at outcompeting its Chinese peers?
5. Why did they end up doing a joint venture with Didi (explain it using what we know of strategy)?
11/2 Social Strategies

Framework #5: Social Strategies that Work

Reading assignment

“Competing with Social Networks: ”

Assignment questions:

1. What are social failures? Why do they exist?
2. What two main types of social failures are there? What subtypes of social failures are out there?
3. Now think of sites like eHarmony, matching people for serious relationships, what type of social failure are they solving? How do they solve it? What’s their social strategy? (if you don’t know eHarmony do a quick visit to their site)
4. What about gaming platforms such as Zynga (FarmVille, Words with Friends)? What social failures do they solve? How? What’s the business model? What’s their social strategy?

11/7 Twitter

Reading assignment:

“Twitter” HBS Case Study

Study questions:

14. How did Twitter amass so many users?
15. Which Twitter users contribute content and which ones do not? Why?
16. Who gets followed on Twitter and who does not? Why?
17. What’s the business model of Twitter? What are its core competencies?
18. What should Twitter do not increase its revenues?

Written assignment # 2

(Essay should be written in 11-point font, 1.5 spacing, with a max of 2500 words--I will stop reading on after 2500 words, plus up to 4 exhibits)

###DUE DATE IS 11/28 at 5PM###
11/9 Facebook

Assigned reading

“Facebook” HBS Case Study

Study questions:

- Why do people use Facebook and what do they do when they are there?
- Evaluate the success of advertising on Facebook?
- Evaluate Facebook Platform and Facebook for Websites
- Which of the three options should Facebook prioritize as it seeks to monetize its business model?

11/14 Nike’s Social Strategies

Reading assignment:

“Social Strategy at Nike”

Study questions:

- Evaluate the Nike+ ecosystem as a foundation for the company’s social strategy
- What’s unique about the way Nike uses Facebook, Twitter and YouTube for its digital strategy?
- What’s its digital strategy? What is its social strategy? Why are these two different? How does Nike integrate its digital strategy with its social strategy?
- What kind of capabilities did Nike have that allowed it to develop a rich, integrated social and digital strategy? Can Reebok or New Balance replicate it?
- Did the Nike social strategy work? How would you evaluate it? If you were presenting to the board of directors of Nike, what do you think they would ask? Think about how you’d answer those questions?

11/16 First pitch day for student projects

PROJECT PITCH DAY
ALL TEAMS WILL PRESENT TODAY. EACH TEAM HAS 6 minutes to make the first pitch & there will be 4 minutes for Q&A (prepare a 5 minute pitch that will give you 1 minute of slack).

TIPS for your presentation

1. Do not prepare more than 5 slides
2. Make sure you explain the pain point clearly
3. The hypotheses and MVP have to be there and you need to explain how you're going to test your idea
4. What's the monetization strategy? What's the go to market strategy?
5. Do not just say "we will talk to x people"... actually say how many and WHO... or if you've been working on your test why not set the example and show us your test
6. If you're going to run a survey/focus groups tell us what questions you want to ask
7. Obviously you are not supposed to have EVERYTHING, but you need to have thought of every step.
8. DO NOT GO OVER TIME, you need the feedback from your peers.
9. We will have a secret ballot to choose the three best projects and three best pitches (that is the three best projects vs. three best presentations)... they will get extra credit.

11/21 Work in projects w/ Professor

We will use this session to work on the team projects. Each team will have a 15 minute time slot to discuss presentation/data/research/MVP, etc. with Prof. Musacchio. Please wait outside the room for your turn. It's ok to arrive when it's time for your team to meet with the professor, but you cannot be late.

2:00PM Team 1
2:15PM Team 2
3:30PM Team 3
3:45PM Team 4
4:00PM Team 5

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11/28 Haier Fridge Strategy

*****Warning, this case is harder than normal and you need to work with the numbers more than normal. So take more time to prepare it*****

Reading assignment:
“Haier’s U.S. Refrigerator Strategy” HBS Case

Study questions:
1. Why did Haier enter the US Market with compact refrigerators? Did it pay off?
2. Why didn’t other competitors get into the compact refrigerator market? Does it make sense for the biggest three producers to focus on larger refrigerators and let Haier dominate the compact fridge market?
3. Work the financials of refrigerators to explain Haier’s decision to play in the compact segment and not in the large fridge market? (complete the spreadsheet with Exhibit 10 using information from the case... we will work directly with those figures in class). Does Haier have the product or the cost position to compete in large refrigerators (18.2 cu ft)? How about in small refrigerators (1.8 cu ft)? What are its margins compared to those of its competitors in each of these two segments?
4. What advantages/disadvantages did Haier have for being a Chinese company?

11/30 WhatsApp's acquisition

Reading assignment:
“$19B 4 txt app WhatsApp…omg!” HBS Case

Study questions:
1. Using the frameworks we have studied, explain the business model of WhatsApp and how it monetizes or can monetize value?
2. If you were working for Facebook, how do you come up with the valuation of WhatsApp? How do companies value target firms for acquisitions?
3. Was Facebook's acquisition of WhatsApp for $22 billion the most outrageous waste of shareholder funds or the deal of the century? (explain the analysis that supports your position)
12/5 Real Madrid & Corporate Scope

Reading Assignment

"Choosing Corporate and Global Scope" and
"Real Madrid Club de Futbol"

Study questions

1. What's the business model of Real Madrid?
2. Who is Real Madrid's customer?
3. What's the competitive advantage of Real Madrid (please do five forces analysis and figure out competitive advantage and capabilities)?
4. What are the weaknesses of Real Madrid's business model?
5. The biggest news in the Summer of 2017 is that Paris Saint Germain (a team from France) bought Neymar Jr., a Brazilian player, from the team Barcelona FC for over $200M. Neymar's contract with Paris St. Germain gives him a salary of close to $40M per year. Some celebrated this as a sign that soccer is becoming more important in global markets, others complained that this would ruin the business of soccer because it would inflate the players salaries. Where do you stand?
6. Is the business model and its weaknesses exclusive of Real Madrid/soccer, or can your analysis apply to sports teams in general?

12/7 FINAL PITCH DAY 2

FINAL PROJECT PITCH DAY

The SECOND HALF of the TEAMS WILL PRESENT TODAY. EACH TEAM HAS 10 minutes to make a presentation & there will be 5 minutes for Q&A

Class logistics:

- Please arrive early and upload your presentation to the classroom's computer (no laptops will be allowed to facilitate smooth transitions)
- Seat with your team
- Do not waste time switching presentations. You should be ready to go as soon as the previous team finishes their presentation.
- Be respectful of other people's presentations. After class starts DO NOT talk to your team mates, do not open your computer (STRICTLY PROHIBITED), do not work on your team's presentation, and smile :)
