



**PRESIDENCY UNIVERSITY
BENGALURU**

**SCHOOL OF COMMERCE
END TERM EXAMINATION - JAN 2023**

Semester : Semester III - 2021

Course Code : BSE2003

Course Name : Sem III - BSE2003 - Digital Economics

Program : B.Sc. Economics

Date : 12-JAN-2023

Time : 1.00PM - 4.00PM

Max Marks : 100

Weightage : 50%

Instructions:

- (i) Read all questions carefully and answer accordingly.
- (ii) Question paper consists of 3 parts.
- (iii) Scientific and non-programmable calculator are permitted.

PART A

ANSWER ALL THE FOLLOWING QUESTIONS

10 X 2 = 20M

1. Digital economics is the convergence of _____ and _____
(CO1) [Knowledge]
2. Restate the meaning of Virtual economy.
(CO1) [Knowledge]
3. Layered internet model includes three components: _____, _____ and _____
(CO2) [Knowledge]
4. Elaborate DP, SP and ASP in the components of a Digital Economy
(CO2) [Knowledge]
5. A way of producing goods and services in which a large number of people (collaborators) take part in the development of the product is called _____
(CO3) [Knowledge]
6. The biggest drawback of _____ type of production tool is that the government does not have any control over the lenders and borrowers.
(CO3) [Comprehension]
7. The difference between the Physical and Digital Production model is the zero _____ cost.
(CO3) [Comprehension]
8. The market is best served by a single supplier rather than being shared among several suppliers. Identify the type of monopoly market.
(CO4) [Comprehension]

9. Facebook is not a _____
a) Natural monopoly
b) de-facto monopoly
c) de-jure monopoly
d) both a and c

(CO4) [Comprehension]

10. Microsoft and Apple are the dominating producers of operating systems for personal computers. Its the best example for which type of market and why?

(CO4) [Comprehension]

PART B

ANSWER ALL THE FOLLOWING QUESTIONS

4 X 10 = 40M

11. The academic field of digital economics overlaps and relates to other fields of economics. Digital economics is also known under different designations, each designation having a slightly different focus and scope. Name them and Elaborate on each of them in few sentences.

(CO1) [Comprehension]

12. The costs of processing an extra trade transaction on Amazon, posting a new message on Facebook, or downloading a video on YouTube are zero. Identify the feature off the digital good or service mentioned in the case above and also quotes your own example for the same feature to justify it.

(CO2) [Comprehension]

13. Operating system like Linux in which hundreds of computer scientists contributed to the evolution of the Linux software over many years. Wikipedia is also a similar example for that model. No one is coordinating the content or the evolution of the encyclopedia. Arbitrary readers are checking the validity of the articles, correcting errors, adding novel material, and writing new articles. Identify the production model and quote the famous example of GNU and its licenses provided for the same.

(CO3) [Comprehension]

14. YouTube is the best exampe for de-facto Monopsony. Give the meaning of Monopsony. Elaborate on the example in your words how they are classified as such Monopsony.

(CO4) [Comprehension]

PART C

ANSWER ALL THE FOLLOWING QUESTIONS

2 X 20 = 40M

15. Answer the following questions in detail.
i) Differentiate between Digital good and digital services.
ii) Explain different types of digital economy classification.
iii) Quote an example for Oligopsony.

(CO1,CO4) [Comprehension]

16. Quote the case studies on different Production tools existing in the digital markets which are used in the everyday world.

(CO4) [Application]
