Strategy and Technology
David B. Yoffie
Max and Doris Starr Professorship of International Business Administration

The course is structured into seven modules:

Network Effects and Increasing Returns: Technology-intensive businesses have unique attributes, which make their products increasingly valuable if more consumers buy their product or if more complements become available. Also, the cost structures of some technology businesses differ fundamentally from traditional manufacturing or service industries. What are the implications for market tipping, pricing, and growth strategies?

Strategy Rules: To become a great strategist in the technology world, we can learn critical lessons from the most successful CEOs in the sector over the last 3 decades: Bill Gates, Andy Grove, and Steve Jobs. This short module explores two principles of great strategy: “Look Forward, Reason Back” and “Make Big Bets, Without Betting the Company.” The following modules dive deeper into the critical role of platform thinking, tactics, and governance.

Multi-Sided Platforms: The most important competitive battles in technology are no longer between standalone products or services but between platforms. The most successful companies are those that build multi-sided platforms (MSPs), which spawn large ecosystems of users and third-party complementary products and services. Why and how do MSPs differ from "normal" firms? What are the key strategies for creating successful MSPs?

Tactics-Judo & Sumo Strategy: Fast-moving technology businesses face critical challenges that are tactical in nature. How and when should firms cooperate and/or compete with firms within their industry? How can small firms use the larger competitors' size to their own advantage? When and how can large firms impose their will against other players in their ecosystem, without running afoul of anti-trust laws?

Intellectual Property: A defining characteristic of technology industries is the disproportionate share of value which resides in intellectual property (IP) assets such as patents and copyrights. This module covers how the patent system works, why the market for IP is inefficient, and how licensing and open-source business models can capture value from their IP.

Governance of Technology Firms: Technology firms face two special governance problems: extraordinary uncertainty and asymmetric information between management and boards of directors. This module explores solutions to these challenges in both early-stage startup firms and large, incumbent players.

Look Forward, Reason Back: One of the most critical problems in the technology world is trying to understand how the future landscape will evolve. We use cases and exercises to explore how to “look forward” into the emerging technology markets of tomorrow and then “reason back” to concrete strategies for today. This module looks at the future of media streaming, voice as a user interface, robotaxis, cryptocurrencies, wearables, and virtual reality.