15.575 Readings for Mar 11: Economics of Networks, Standards, Lock-In

Study Questions:

Please think about the following questions as you do the readings.

1) How do network externalities and switching costs differ?
2) Are network externalities and switching costs more or less important now than in the past? Will they be more important in the future?
3) How does information technology affect the importance of network externalities and switching costs?
4) If you are selling a product, do you want high switching costs for your product?