



भारतीय प्रबंध संस्थान बेंगलूर  
INDIAN INSTITUTE OF MANAGEMENT  
BANGALORE

## MARKET DESIGN: EMERGING MARKET PERSPECTIVES

Name of the Faculty:	Sreelata Jonnalagedda
Designation:	Associate Professor, IIM Bangalore
Teaching Area:	Marketing
This course may be offered to:	GNAM
Credits (No. of hours):	3 credits (30 hours)
Term / Quarter:	March 2023
Course Type: Offered as:	Elective GNAM course: 5-day continuous course in IIM Bangalore
Are there any financial implications to this course?	Costs pertinent to GNAM week. No additional course costs

## Course Summary

Markets facilitate value exchange. Markets are everywhere and they affect all of us. If farmers are only able to sell their produce in certain markets like mandis, then their income depends solely on what type of buyers visit mandis. When prospective students can secure a spot in universities only if they can pay high tuition fees, only students from wealthy families would be able to afford higher education. Imagine if marriages can only happen within a religious or caste community, then sustenance of small religious communities is threatened. If kidney disease patients are unable to access deceased donors, the cadaveric organs go under-utilized while living patients continue to suffer. In modern day markets online, consumers base their purchase decisions on reviews, ratings, and product information on the platform, and internet marketplaces spend substantial amount of money and resources on market design.

The design of markets affects buyers' access to products/service and sellers' access to markets/segments of interest. In general, market design affects everything from what and where we eat, where we study and work, to who gets to live a healthy life or even live at all. In short, market design impacts participants: buyers, sellers, consumers, etc., and their welfare.

This course aims to introduce students to the workings of a market, and the principles that guide its functioning. Some topics include: (i) price discovery, (ii) information asymmetry and role of signals, (iii) matching markets, (iv) online markets, (vi) bargaining, and (vii) reputation issues. In addition to universally applicable principles of market design, the course will bring in perspectives from the Indian context, to enable an understanding of socio-cultural factors that impact market design.

## Learning Objectives / Outcomes

The course is designed with the following specific objectives and learning outcomes:

- a. Understand basic principles of market design
- b. Explore factors that help markets succeed/fail
- c. Introduce emerging market perspectives in market design
- d. Enable students to experience economic, social, and cultural issues that impact market design

## Pedagogy

The course-sessions are designed as a combination of lectures, case discussions, guest talks, field visits, and panel discussions. Students will also be able to learn the challenges of market design in India, by interacting with peers and experts, engaging in classroom discussions related to cases/experiential sessions and undertaking project work

## Session-wise plan\*

Day	TOPIC	Morning	9 - 10:15	10:30 - 11:45	12 - 1:15	2:15-3:30	3:45 to 5	Evening
SUN			Arrival Day			Arrival Day		
MON	Market Design through an Economist's Lens		Inauguration + Introduction to Market Design	Why do agri-markets fail Indian farmers? Case: Onion prices make India cry	Experiential Session When prices do the talking. Introduction to Auctions	Guest Session: Tea Auctions in India	Do auctions always work? Case of ebay, Google Ad-auctions, and franchise sport	Campus walk followed by welcome Dinner @MDC 7:30 PM
TUE	Socio-cultural aspects of market design	Yoga + Breakfast	Signalling + Screening: Dealing with information asymmetry and signalling costs	Guest Session: The market for entrepreneurial funds, the case of NSRCEL.	Bargaining to negotiate market value: An Economic Perspective	Field visit: Why we like to bargain and other 'Indian' aspects of markets.		
WED	Matching markets	Nature Walk	Understanding issues in matching markets	Guest session: The market for human organs	Dating, marriage, and matchmaking	Panel Discussion: Design of Matrimonials and Dating Apps		Cultural Evening
THU	Contemporary issues in market design	Yoga + Breakfast	Guest session: MBA Job market @IIMB	Online market design. Case: Verb Studio	Reputation system design	Pitch time: Students work in groups or by themselves and pitch an idea for improvements in market design for their chosen market		Free time for Project work
FRI	Society, values, and market design	Yoga+breakfast	What we pay for and who we pay? Role of values and networks in markets	Interactive session: Tracing the roots of performing art market in India		Student Presentations + Certificate Presentations		Departure
SAT		Departure						

\*Tentative plan. Subject to change

**Instructor: Sreelata Jonnalagedda**



### **About Sreelata Jonnalagedda**

Sreelata Jonnalagedda is a Professor in the Marketing department at Indian Institute of Management Bangalore, India. Dr. Jonnalagedda develops and teaches a course on Pricing Strategy, covering the economics, operational, and tactical aspects of pricing for second-year MBA students. She also teaches Marketing Management for MBA students and Marketing Models for doctoral students. In her research, Dr. Jonnalagedda aims to construct a theoretical and empirical basis to understand the incentive structures that drive pricing (on the sellers' end) and purchase behavior (consumers' end). Structuring the price of innovative durable products, and understanding how bundles, retail prices and assortment choices influence consumer perceptions are among her research interests.