

Seminar Co-opetition: A practical perspective to game theory in the game of business

This seminar offers an alternative perspective to game theory that complements the view taught in typical game theory classes at university (e.g., "Einführung in die Spieltheorie").

The standard approach is to study abstract mathematical models. The insights are helpful for real-life situations, specifically in many business contexts. However, in such contexts, games are often complex, and it is far from obvious how the *right* game looks like. Moreover, communicating game-theoretical ideas to subordinates and stakeholders may be as crucial as analyzing games.

In their 1996 book "Co-opetition," Nalebuff and Brandenburger address these issues by explaining game-theoretical principles through real-life stories. The authors argue rigorously but "hide" the underlying mathematical models. While some of the stories seem somewhat outdated by now, the lessons are still valuable for anyone interested in *applying* game theory.

In this seminar, each student will present the ideas from one part of the book, but is asked to think about more modern stories adapted to today's digital economy. Students are also encouraged to discuss how the lessons from the book relate to models and concepts in game *theory*.

The seminar starts with an **introductory (in-person) meeting on Wednesday, April 19 at 14.00 (20.30, R 0.019)** where the parts of the book will be assigned to students. The meeting is supposed to last for approximately one hour.

Each student presents her part of the book and her ideas to make it more modern in a **blocked event on May 22**.

Each presentation should last for max. 30 minutes and will be followed by a discussion. Full attendance at all presentations is required for successful participation in the seminar.

An **executive summary** of about 5 pages is to be handed in **by July 1**.

For further questions, don't hesitate to get in touch with Dr. Frank Rosar (rosar@kit.edu).

References

Nalebuff, Barry J., Brandenburger, A. (1996). *Co-opetition*. Currency Doubleday.