



Think Like a Platform: Reimagining the Future of Work

Dr. Jovana Karanovic

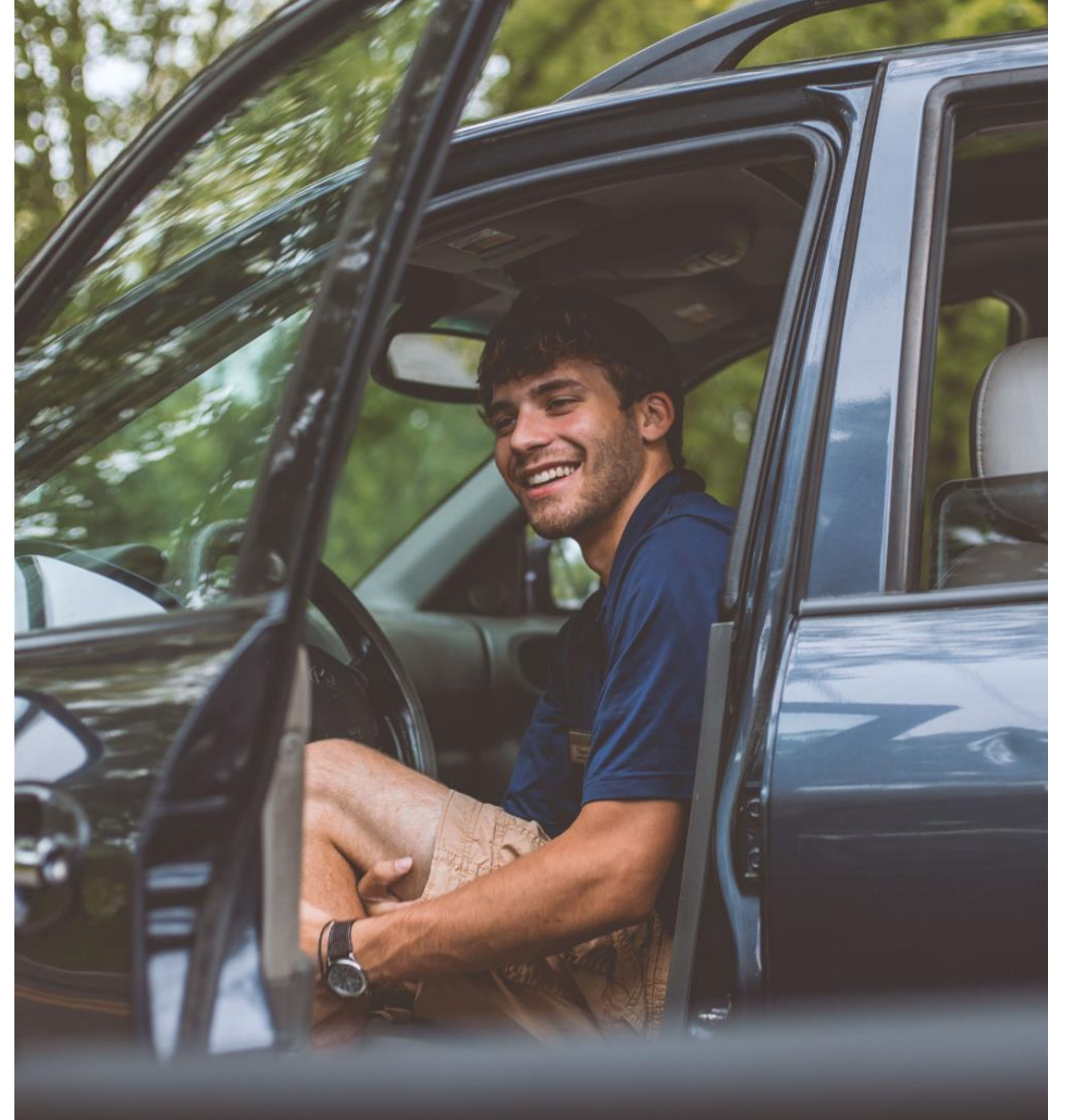
*Platform Economy Expert,
Rotterdam School of Management
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Uber

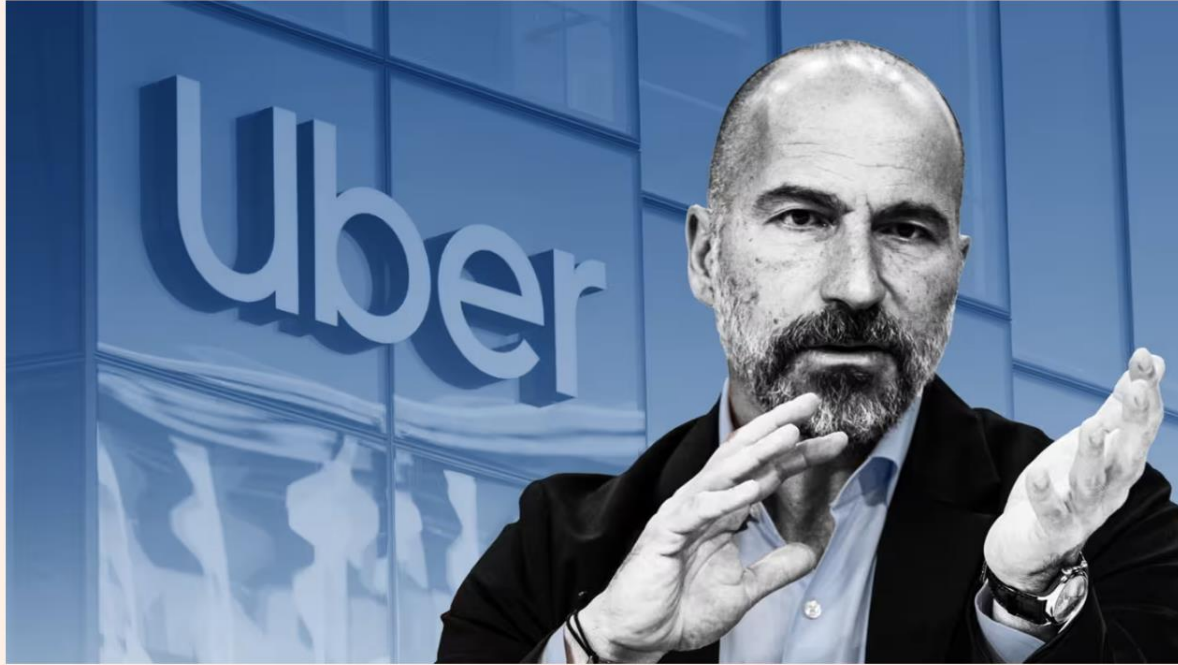


upwork



Uber chief unlocks \$136mn in options after beating \$120bn valuation target

Dara Khosrowshahi became entitled to award after meeting targets set before ride-hailing group's IPO



BI Business Insider

Airbnb is worth more than top three hotel chains combined, after IPO

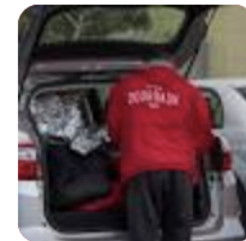
Airbnb closed at \$144.71 on Thursday, giving it a valuation of \$86.5 billion. Marriott, Hilton, and Intercontinental are together worth...



CNBC

DoorDash scores valuation of \$16 billion as coronavirus pushes it to top of food-delivery chain

Coronavirus lockdown orders spurred sales for DoorDash, placing the food-delivery service well above rivals GrubHub and UberEats.



YEAR 2007





2015
-1.4 million apps
-\$25 billion for developers



Agenda

- What are the core principles of platform thinking?
- The role of algorithms
- Applying platform logic
- Reflections & take aways

Core Principles of Platform Thinking



1. A Shift from Owning Assets to Enabling Connections

➤ Lower transaction and search costs

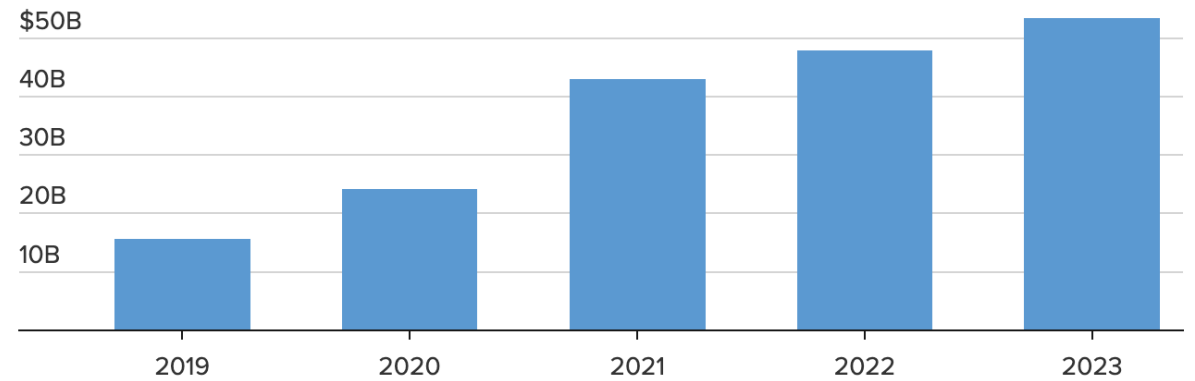


Allows for
scalability



Walmart U.S. total net sales from e-commerce

Fiscal years



Source: [Company reports](#)



2. Leveraging communities vs. features of the product

➤ From resource control to resource orchestration

Community
as the chief
asset vs.
resources

AIRBNB EXPERIENCES

One-of-a-kind activities hosted by locals

Category	Activity	Host
ANIMALS	Discover the arctic foxes	Stéphanie Et Rodolphe
ANIMALS	Horse Whispering...	Antonia
ADVENTURES	Sweden Island Kayak	Helena
BOXING	Boxing with Fire	Keisher
CLASSES & WORKSH...	The Language of Drums	Aryo

The image shows a screenshot of the Airbnb Experiences interface. At the top, it says "AIRBNB EXPERIENCES" in red. Below that, the main heading is "One-of-a-kind activities hosted by locals" in white. There are five activity cards displayed in a row, each with a category label at the top, a title, and the host's name at the bottom. The categories are ANIMALS, ANIMALS, ADVENTURES, BOXING, and CLASSES & WORKSH... The activities are "Discover the arctic foxes" (hosted by Stéphanie Et Rodolphe), "Horse Whispering..." (hosted by Antonia), "Sweden Island Kayak" (hosted by Helena), "Boxing with Fire" (hosted by Keisher), and "The Language of Drums" (hosted by Aryo).

Get help. Gain happiness.

Just task.

🔍 I need help with...

Get help today

Mounting

TV Mounting

Furniture Assembly

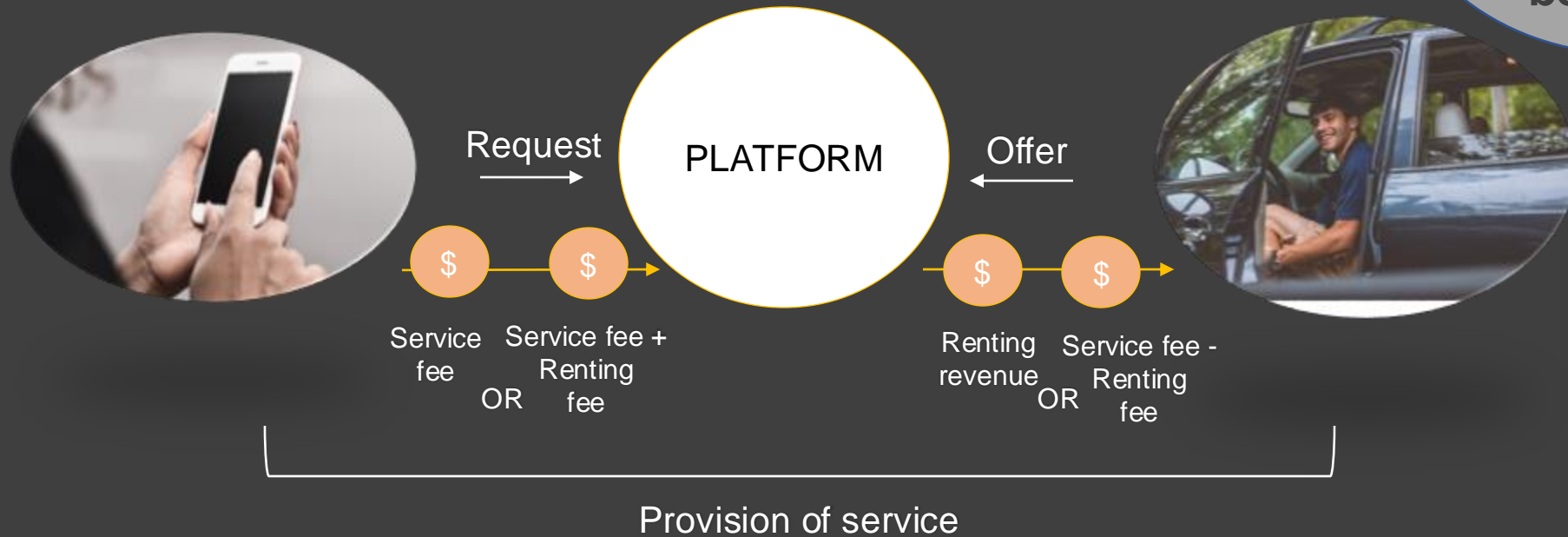
See More



3. Growing by the power of network effects

➤ The larger the network, the better the matches

As more people join, the more valuable the network becomes







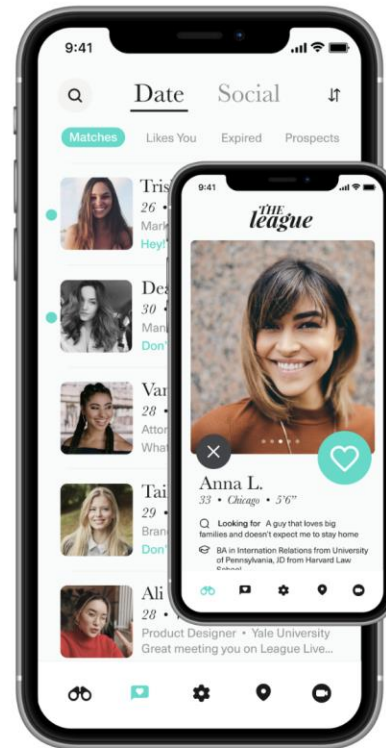
**Is ‘getting big fast’ the
winning strategy all
platforms should pursue?**



WHY JOIN THE LEAGUE?

If you're picky, busy, and don't like wasting time, Membership is for you. Become a Member and see increased speed, quantity, and quality of Matches.

Members support our mission to keep The League a selective and high-quality dating and social networking community. The League brings together users of all ages, nationalities, sexual orientation and educational backgrounds – the common thread is ambition and a drive to succeed! And a strong desire for a partner that shares those traits, of course. Is there a more important search in your entire life? We don't think so. Some things in life are important enough not to leave up to chance, and we believe stacking your odds of meeting The One is the best investment you can make in yourself.



4. Ecosystem-Oriented Innovation

- Viewing Competitors as Collaborators
- Building Trust and Mutual Benefits

Building trust
with external
parties
becomes
crucial

LinkedIn's ATS & Talent CRM Partners

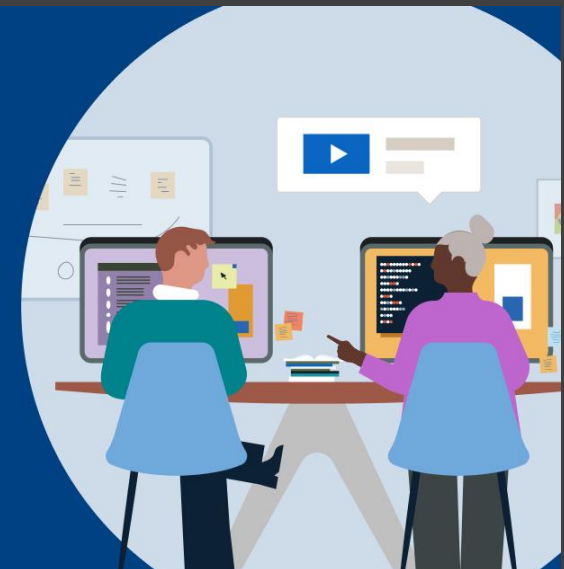
The entire hiring journey is improved when LinkedIn seamlessly integrates with your ATS & Talent CRM - it's a win-win for both you and your candidates. That's why we're partnering with your ATS & Talent CRM to streamline your end to end recruiting process.



LinkedIn Learning Solutions

LinkedIn Learning

A modern, online learning platform teaching in-demand skills that can benefit all employees.





**Can your “enemy”
become your “best
friend”?**

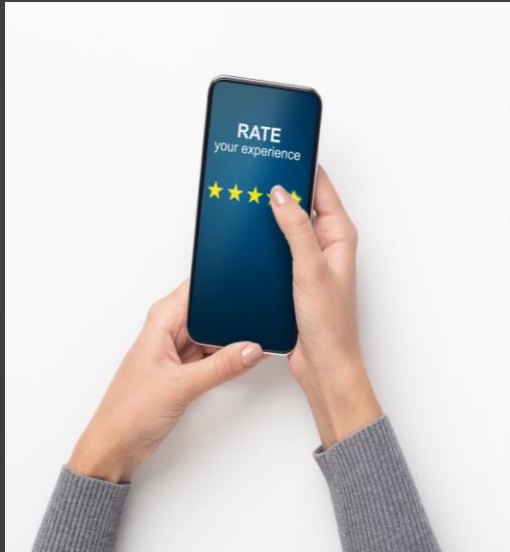


The Role of Algorithms

Why algorithms matter for platforms?

- Efficiency
- Personalization

- Scalability
- Network effects



Uber – task allocation, pricing, performance monitoring



Upwork – freelancer matching, job recommendations



Facebook – Managing billions of daily posts, comments, and interactions while enforcing community standards



LinkedIn – content algorithms prioritize posts, articles, and updates

Algorithms as invisible managers

- Algorithms give workers incentives (e.g, bonuses)
- They may automatically deactivate workers
- They exercise 'soft surveillance' through data collection – algorithmic nudging
 - E.g. drivers' movements are tracked using GPS, working hours, driving behavior...



Algorithmic discrimination

The image displays four profile cards for freelance professionals, each with a heart icon in the top right corner. The cards are arranged horizontally. Each card includes a profile picture, a name, a location, a daily rate, a job title, and a list of skills in rounded rectangular tags.

- Ella**: Located in Amsterdam, € 500/day, Freelance Copywriter | Communication Consultant. Skills: Copywriting, Web Copywriting, Writing, Blog, Social Media.
- Bart**: Available (confirmed), Located in Amsterdam, € 925/day, Data Engineer. Skills: Data Engineer, Python, PostgreSQL, Kubernetes.
- Nathalie**: Located in Heerenveen, € 1.200/day, Marketing & Communicatie Consultant. Skills: Marketing, Communicatie, Marketing strategie.
- Floris**: Located in Utrecht, € 900/day, Change Specialist, Management Consultant, Founder. Skills: Change Management, Management Consulting.



**How can workers appeal
to a boss that's an
algorithm?**

When using algorithms....



1. Build feedback loops for your stakeholders
 - Establish robust feedback mechanisms for your stakeholders to appeal algorithmic decisions
 - Can give workers a sense of agency and preempt potential reputation issues
2. Encourage transparency and communication
 - If your stakeholders know how decisions are made, they are more likely to trust the system
 - A proactive approach to communication can prevent misinformation and speculation
3. Build in more human oversight and third-party audits
 - Send challenging or outlier cases for review by human teams
 - Periodic external reviews of algorithms and company practices can identify potential issues before they become larger problems

Applying platform logic



Platforms vs Traditional Businesses

Median Values for Forbes Global 2000 Industry Control Sample and Platforms, 1995–2015		
Variable	Industry Control Sample	Industry Platforms
Number of firms	100	43
Sales (million \$)	4,845	4,335
Employees	19,000	9,872 ^a
Operating profit (%)	12	21 ^a
Market value (million \$)	8,243	21,726 ^a
Mkt value-sales multiple ^b	1.94	5.35 ^a
Sales growth vs. prior year (%)	9	18 ^a
Observations	1,018	374

Source: Cusumano et al. (2019)

Playing the platform game


BUILD

BUY


BELONG

IKEA's acquisition of TaskRabbit



 [What is TaskRabbit](#) [How it works](#) [FAQ](#) [Locations](#) [Book](#)

TaskRabbit connects you with a network of trusted Taskers to help you with your everyday home projects



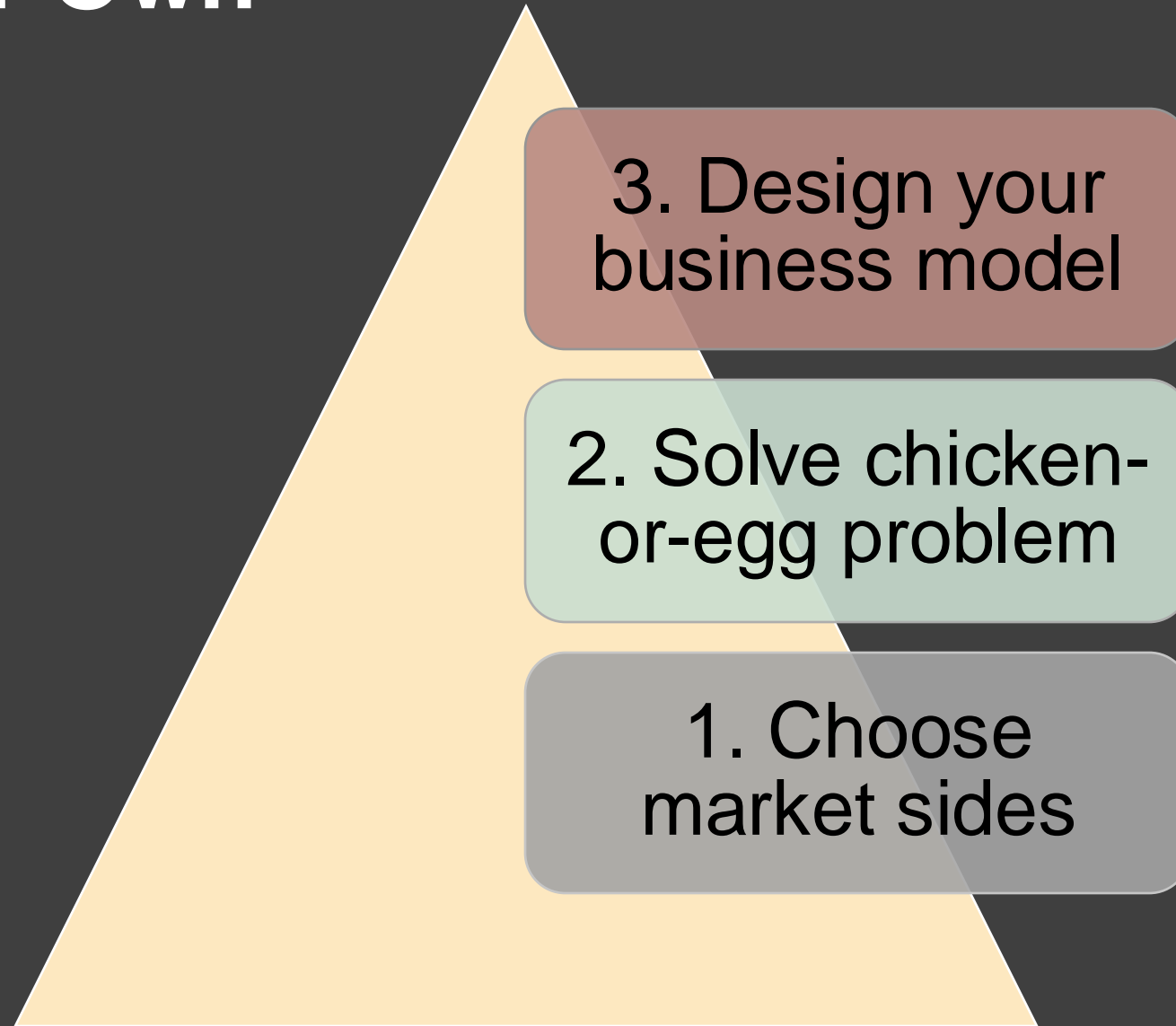
Meet a Tasker: Guillermo R.

"Guillermo was wonderful, meticulous and put my IKEA cabinet together like a pro. I look forward to using his skills and services again" -Susan M.

Pharmapacks on Amazon



Build Your Own



Source: Cusumano, Gawer, & Yoffie (2019)

Is platform for you?

Questions to ask:

- Who are your current customers?
- How do you interact with them?
- How do they interact with one another?

Things to consider:

- Loss of control over products/services offered to your customers – as a platform, you can only influence the value created for them (by third parties or by interactions among themselves)
- Impact on your employees



Key Take-Aways

- Platforms are game changers and are likely to infiltrate various industries
- You don't need to be a pipeline or a platform company – you can be both
- There are various ways to participate in the world of platforms – remember who is part of your 'ecosystem' and how you can enhance the value for them
- 'With great power comes great responsibility' – innovate responsibly, build trust, self-regulate & involve your ecosystem participants in decision-making



THANK YOU FOR YOUR ATTENTION



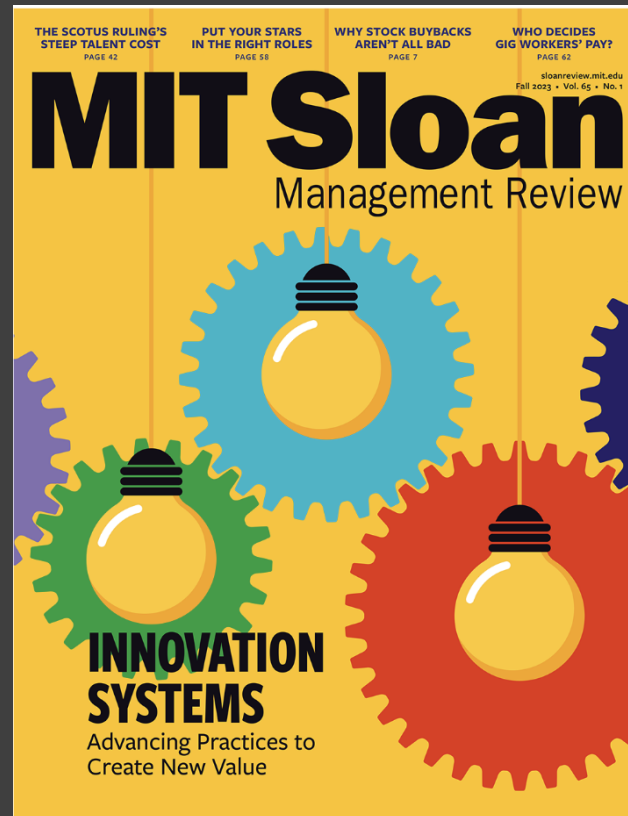
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Latest article

Who Should Price a Gig?

Successful platforms must balance economic considerations and power dynamics with providers and customers as they determine who sets prices.

Jovana Karanovic, Elizabeth J. Altman, and Carmelo Cennamo • August 21, 2023

Reading Time: 16 min



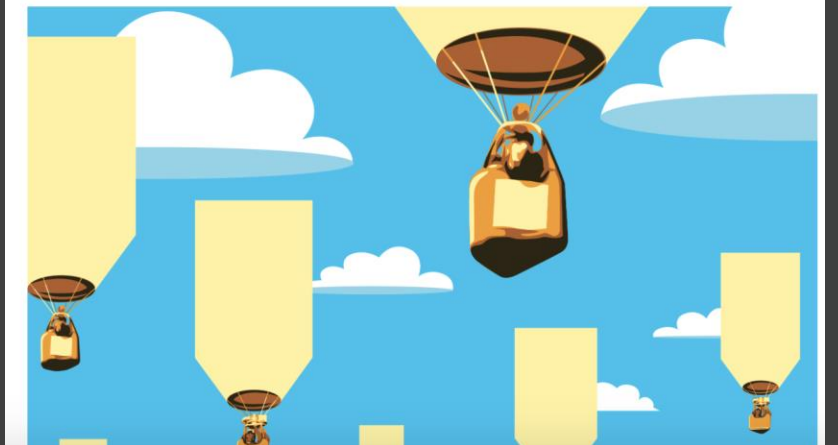
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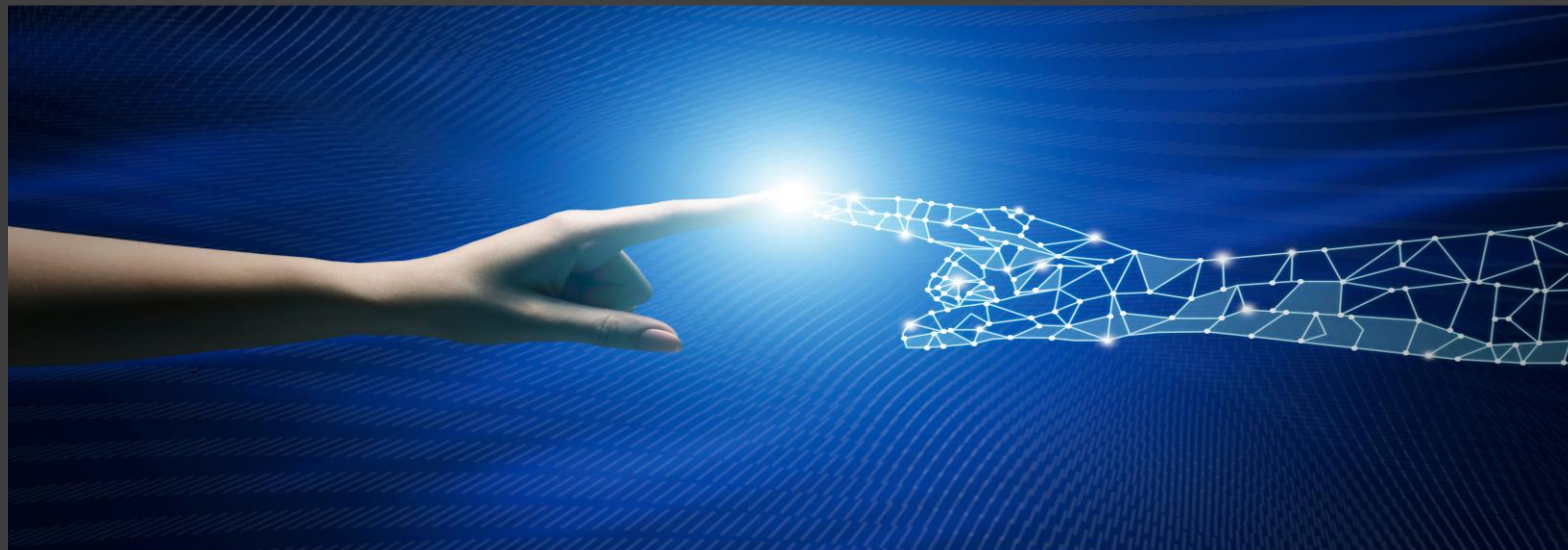
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A Look Ahead

New Technologies – New Opportunities

- Disruption as emerging technologies advance:
 - Artificial intelligence
 - Big data analytics
 - Blockchain
- Individual user and transactional data will increasingly become connected with different platform services and functions



Platform Expansion, Diversification & Specialization

- Proliferation of platforms in new industries such as healthcare and education
- More diversification in services offered by platforms as they explore new revenue streams and areas of growth
- A rise in specialized or niche platforms, providing a more curated experience for both service providers and consumers



Increased Regulation

- More government oversight
- Enforcement of worker protections (for labor platforms particularly)
- Cross-border regulations

