

The platform play

Key questions for developing a platform strategy (Fig 1)

- 1 What is the value creation plan for different players (for example, platform owner and users)?
- 2 What is needed to deliver the new value, and what are the key components?
- 3 Which participants are needed to deliver the value?
- 4 How should interactions among the platform participants be structured?
- 5 How can the value be captured and monetised?

Four components of platform value propositions (Fig 2)

Search	Trust	Financial transactions	Physical/ digital delivery
<ul style="list-style-type: none"> Platform provides the functionality of searching for products and services User can search for item of interest 	<ul style="list-style-type: none"> Platform provides feeling of security and enables it with technology (such as encryption) Platform provides low-price guarantee Users can transact with unfamiliar parties 	<ul style="list-style-type: none"> Platform facilitates transaction and payment User saves time/effort and receives favorable prices 	<ul style="list-style-type: none"> Platform provides the buyer with full service for their transaction Users get end-to-end service for their purchases
Expedia, Vitality		Amazon, CEMEX GO, Netflix	
		Uber	

Main types of platform archetypes and participants (Fig 3)

Archetypes	Sales/services	Marketplace	Peer-to-peer
Monetisation model	<ul style="list-style-type: none"> One to many Focus on transactions 	<ul style="list-style-type: none"> Many to many Focus on transactions 	<ul style="list-style-type: none"> Many to many Focus on interactions
Direct Subscription or commission based	Netflix Dropbox	Vitality, Expedia, eBay, Amazon	Linkedin, Match
Indirect Ad-based, client data, other benefits	CEMEX Go Nike+	Craigslist, eCRATER	Twitter, YouTube, Facebook