

St Xavier's University Kolkata

Faculty of Commerce and Management

Department of Commerce

Value-Added Course

Course Name: Platform Economy

Course Coordinator(s): Prof. Sovik Mukherjee

Credit: 2

No of Hours: 30

Course Outcomes (CO):

At the end of this course, students will be able to

CO1:Understand the characteristics that define a platform market.

CO2:Apply the concept of network effects to **state** the differences between conventional and platform business models.

CO3: Analyse the behaviour of users in theplatform environment and the process of value creation.

CO4:Evaluate and **analyse** the pricing and expansion strategiestaken up by the platforms to succeed in a platform market in line with the prevailing market structure.

CO5: Calculate the market power of platforms and **identify** the need for anti-trust regulations.

CO6: Develop new ideas to work on the platform economy.

Course Content:

Module No.	Module Name	Topic(s)	Description	No of Hours allotted (details)	Marks allotted	Credit of each Module	Associated Course Outcome (CO)
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I	Platform Economy: Introduction	• What is a Platform? • Evolution of Platforms • Role of network effects	Emergence of Platform Economy	2	5%	0.1	CO1
II	Classification of Platforms	• Types of Platforms - Basis- Level of centralization; Level of competition; Level of participation • Platform Models in different industries (including case studies)	Overview of Platform Business Models	4	10%	0.2	CO1, CO2
III	Value Creation	• Three-level model of efficiency - Value creation - Value delivery - Value capture • Launching a Platform: Chicken-and-Egg problem • Value for Platform users (including case studies)	Platform's competitive position through network effects	4	20%	0.4	CO3
IV	Pricing Strategies	• Membership fees and Usage fees • "Money" side vs. "Subsidy" side – differential pricing • Monopoly Platform vs. Competing Platforms & price distortion • Network Effects, Product Variety, Govt. Policy and Pricing Instruments • Pricing and the Formation of Users' Expectations (including case studies)	The basics of Platform Pricing	8	30%	0.6	CO4

V	Growing a Platform	• Divide-and-Conquer Strategy, Seeding Strategy • Coexistence with brick-mortar shops • Building Trust among users • Platform Expansion – Platform Design – Consolidation – Behaviour- based pricing – Targeting (including case studies)	Strategies for Expanding a Platform	8	20%	0.4	CO2, CO4, CO6
VI	Regulating a Platform	• Platform Governance, Risks • Anti-trust Regulations – predatory pricing, anti-competitive merger-acquisition, cartels, etc. (including case studies)	Monitoring a Platform	4	15%	0.3	CO5

Suggested Readings

- Athique, A., & Parthasarathi, V. (Eds.). (2020). *Platform capitalism in India*. Cham: Palgrave Macmillan.
- Belleflamme, P., & Neysen, N. (2023). *Platform Strategies: A Guidebook for Entrepreneurs in the Platform Economy*. Routledge.
- Belleflamme, P., & Peitz, M. (2021). *The Economics of Platforms*. Cambridge University Press.
- Belleflamme, P., & Peitz, M. (2015). *Industrial organization: markets and strategies*. Cambridge University Press.
- Evans, D. S., & Schmalensee, R. (2016). *Matchmakers: The new economics of multisided platforms*. Harvard Business Review Press.
- Gawer, A. (Ed.). (2011). *Platforms, markets, and innovation*. Edward Elgar Publishing.
- Meijerink, J., Jansen, G., & Daskalova, V. (Eds.). (2021). *Platform economy puzzles: A multidisciplinary perspective on gig work*. Edward Elgar Publishing.

- Méndez, L. M. (Ed.). (2020). *Regulating the platform economy: International perspectives on new forms of work*. Routledge.
- Parker, G. G., Van Alstyne, M. W., & Choudary, S. P. (2016). *Platform revolution: How networked markets are transforming the economy and how to make them work for you*. WW Norton & Company.
- Tirole, J. (1988). *The theory of industrial organization*. MIT press.

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Course Coordinator(s)

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