MIT IDE
Platforms: Review & Outlook

July 15, 2021

Platform Trends to Watch

Peter C. Evans
Platform Strategy Institute
European continues to lag in platforms

Big tech backlash

Rapid Growth of B2B marketplaces

Platform-to-platform integrations

Race for platform talent

Creator Economy meets platforms

Low code/ no code tools

XPlatforms

Non-fungible Tokens (NFTs)

Metaverse platforms

Super app battles

Source: P. Evans, Platform Strategy Institute, 2021

Seeing Now

Beginning to See

On the Horizon
Shell and IBM combined strengths to create the first B2B marketplace for the mining sector Oren marketplace that provides co-selling and ecosystem partnerships for mining solutions.
TikTok has taken the world by storm with more than 1.5 billion downloads on the App Store and Google Play and more than 500 million active monthly users. The largest demographic of TikTok users is between the ages of 16 and 24 but that is now changing with other age groups now engaging on the platform.

TikTok for Business

#1: Create Your Own Content on TikTok

#2: Curate and Share User-Generated Content on TikTok

#3: Advertise on TikTok

#4: Influencer-generated Content

Source: https://www.socialmediaexaminer.com/4-ways-to-use-tiktok-business/
Platform-to-Platform integrations – scale with personalization

Merchants
1 million
175 countries

Customers
Prospects
Marketing/Sales

Continuous on-demand supply

Exploration
Integration
Deployment

experiences

TikTok Creators

Platform

Complement

Shopify

TikTok

Delivery

Shopify has established an integration with TikTok

TikTok has a massive network of creators to engage and create content.

Source: Platform Strategy Institute, 2021
Amazon is rapidly adding experiences to its platform.
Experiences drive new network effects

Adding experiences to eCommerce

Amazon Live and Amazon Explore are new platforms that provide a diverse menu of live events and engagement points for sellers. These new platforms, introduced since 2019, add new opportunities for positive network effects that complement Amazon’s existing powerful flywheel.

<table>
<thead>
<tr>
<th>Year</th>
<th>Experience platforms</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td><strong>amazon live</strong></td>
</tr>
<tr>
<td>2020</td>
<td><strong>amazon explore</strong></td>
</tr>
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</table>

Adding experiences to Amazon’s “flywheel”
Growth and structure of the emerging NFT industry

Blockchain innovation non-fungible tokens (NFTs) + marketplaces
$2.5 billion in NFTs sold in first half of 2021*

* NFT sales volume surges to $2.5 bln in 2021 first half, Reuters, July 6, 2021.

Source: Peter Evans & Pavel Kireyev
... Rise of the Super Apps

- **Deliveries**: Alternative to traditional delivery options including home-cooked food and dine-in restaurants.
- **Express**: Ride on the wave of e-commerce with parcel delivery services.
- **Mobility**: Alternative to traditional modes of transport including trains, buses and private cars.
- **Digital Advertising**: Alternative to traditional advertising mediums including print, television, billboards, and classifices.
- **Financial Services**:
  - **Digital Wallet & GrabPay Card**: Displace cash transactions.
  - **Insurance Incumbents**: Allianz
  - **Invest Incumbents**: BlackRock, Fidelity
  - **Loans Incumbents**: Citibank
  - **Remittance Incumbents**: WesternUnion, MoneyGram
Could the Super App battle brewing in SE Asia go global?

<table>
<thead>
<tr>
<th>Service</th>
<th>goto Valuation</th>
<th>Grab Valuation</th>
<th>SEA Valuation</th>
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</thead>
<tbody>
<tr>
<td>Ride sharing</td>
<td>$40 billion*</td>
<td>$40 billion*</td>
<td>$147 billion</td>
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<tr>
<td>Food delivery</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>eCommerce</td>
<td>✔️</td>
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<tr>
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<td>✔️</td>
</tr>
</tbody>
</table>

Source: Platform Strategy Institute, 2021
5 key platform trends to watch

- **Coming Super App Battles**
- **Blockchain innovation/ NFTs + platforms**
- **Experience economy + platforms**
- **Creator economy + platform integrations**
- **Industrial adjacency plays + platforms**

**Horizon**

**Beginning to See**

**Seeing Now**
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