Platform Revolution: Making Networked Markets Work for You

Program Details
The ranks of today’s most valuable companies are increasingly populated with those that successfully build and control platforms—the digitized, open, and participative business models creating commercially connected ecosystems of producers and consumers. The networks and markets forming around and orchestrated by companies like Google, Airbnb, Uber, and other virtual exchange enterprises are altering the structure of major industries and transforming familiar business processes, such as value creation and consumer behavior.

The ability to leverage platforms is no longer restricted to Internet upstarts. If your firm can use either information or community to add value to what it sells, then there is potential to create a viable platform for your business—or even a platform revolution in your industry. Those who understand the new business model can begin building tomorrow’s platforms in a way that leverages existing assets to create new forms of growth and value.

Platform Revolution: Making Networked Markets Work for You is a new, four-week program that introduces participants to the many ways networked markets are transforming the economy and provides strategies for designing, monetizing, and launching a digital platform. Combining rigorous theory with real-world experience, this program is presented as a digital toolkit of weekly live webinars, recorded video lessons, presentations, and exercises released weekly that you can access however and wherever works best for you. Topics include platform startup, converting existing businesses, openness, network effects, innovation, cannibalization, pricing, governance, and competition.

Each week of the program will approach the platform revolution from a unique angle. Program modules and webinars will emphasize practical approaches and draw from social media, healthcare, entrepreneurship, enterprise software, mobile services, and consumer products to provide foundations and definitions. This course will also demonstrate established economic principles from the literature on industrial organization, two-sided network effects, information asymmetry, pricing, and game theory.

Program Experience
Platform Revolution is flexible and designed to accommodate your personal learning style—you choose when, how, and where you learn. The program will take you on a learning journey where you’ll build the competencies, skills, and confidence to apply key frameworks, models, and insights in your teams and organizations.

Each of the four Learning Modules will be released on Monday of their respective week (on June 20th, June 27th, July 4th and July 11th) to allow you the opportunity to view and review the content as and when you wish. When each new module is released you will still be able to go back to the previous modules and revisit key learnings and concepts.

A weekly Live Webinar hosted by Professor Geoffrey Parker (delivered at 12 p.m. EDT on June 20th, June 27th, July 6th and July 18th) will reinforce key elements from each week’s Learning Module. These webinars will be recorded and posted to the online platform within 24 hours of their delivery to allow you to re-watch at a convenient time. The program provides you with:

- Online learning management system (LMS)
- Weekly live webinars
- Pre-recorded class lecture videos
- Learning module videos
- Section quizzes

http://executive.mit.edu/rev
## Takeaways
By the end of this course, participants will be able to:

- Define platform businesses, distinguishing among input suppliers, markets, and true platforms and understand why these differences matter.
- Recognize and know how to compete in winner-take-all markets, one- and two-sided networks, and the context of multi-homing.
- Understand how traditional pricing models break down in the context of platforms, choosing from an array of freemium, bundled, and two-sided pricing.
- Address the barriers that firms face in trying to organize themselves as platform firms.
- Develop strategies for launching new platforms when critical mass is important.
- Articulate the process of making markets.
- Develop recovery strategies in declining platform markets and understanding timing in the cannibalization of an old platform by a new one.
- Understand the anti-trust implications of platform strategies and safe harbor defenses.

## Participants
*Platform Revolution* is designed to prepare participants to operate effectively in platform business environments by providing a set of theory, frameworks, and tools to analyze and manage existing businesses and to develop launch strategies for new ventures. The diversity of industry coverage will provide tools for learners from diverse backgrounds such as general management and leadership as well as finance, marketing, operations, and strategy. This program is as applicable to entrepreneurs and executives in small and medium businesses as to executives in larger companies.

## Faculty
Geoffrey Parker is Professor of Management Science at Tulane University in the A. B. Freeman School of Business and a Visiting Scholar and Research Fellow at MIT’s Initiative on the Digital Economy. Parker has made significant contributions to the field of network economics and strategy as co-developer of the theory of “two-sided” markets. His current research includes studies of distributed innovation, business platform strategy, and technical/economic systems to integrate renewable energy. He received a B.S. in electrical engineering and computer science from Princeton University, M.S. in electrical engineering from MIT, and Ph.D. in management science from MIT.

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### Sample Program Schedule
(subject to change)

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<td>This first week will cover the dramatic changes that are taking place in the global economy, what is driving that change, and how nearly everyone is likely to be impacted in both their professional and day-to-day life.</td>
<td>Understand how network effects are present in well-known platforms such as Android, Apple iOS, Uber, and Airbnb. You will learn how these network effects have driven success and failure in markets such as credit cards and color television.</td>
<td>Learn the principles of platform design as distinct from pipelines (linear value chains) and the different revenue models that platforms might adopt. This session will also cover how to set prices that maintain networks effects.</td>
<td>This final week introduces the “chicken or the egg” launch problem that is so prevalent in markets with strong network effects. Eight ways to solve this launch problem are presented, including “follow-the-rabbit,” “seeding,” “big bang,” and “micro market” strategies.</td>
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### The Initiative on the Digital Economy (IDE)
brings together internationally recognized researchers seeking solutions to how people can—and will—thrive in a digital world. We are leading the conversation on the digital economy. Drawing on MIT’s strengths in technology and innovation, the IDE explores the profound impact of a rapidly advancing digital economy, and how it’s changing the ways we live and work.

To learn more about the IDE, including upcoming events, visit MIT Sloan Executive Education’s website.