

Platform Economics and Online Marketplaces
Module 3, AY 2019-2020

#### **Course Information**

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### 1. Course Description

#### 1.1 Context

#### Course overview:

The last decade has witnessed a meteoric rise in the number of online markets and platforms competing with traditional mechanisms of trade. Examples of such markets include online marketplaces for goods, such as eBay; online dating markets; markets for shared resources, such as Lyft, Uber, and Airbnb; and online labor markets. The exploding opportunities for employment and research in these areas therefore require students to have an exposure to the intersection between the technical possibilities that are opening and the ways in which they can create economic value. This course aims to plunge students into this platform economy by offering both a crash course in the key tools from economics, marketing, operation management and other disciplines that are being used to design and analyze online marketplaces, and exposing students to a range of concrete and topical practical problems in the area. The overarching aim is to prepare students for careers and/or dissertations in this field. In the first part of this course, we will cover the basic concepts and principles of platform economics from both theoretical and empirical perspectives. In the second part, we will specifically discuss and analyze some important online marketplaces.

### **Prerequisites:**

Prior exposure to Marketing or Economics will be strongly preferred.

### 1.2 Textbooks and Reading Materials

No required textbook.

The following books will be major references.

- *Matchmakers: The New Economics of Multisided Platforms* by David S. EVANS, Richard SCHLAMANSEE, Harvard Business Review Press, 2016.
- *Platform Revolution* by Geoffrey G. PARKER, Marshall W. Van ALSTYNE, Sangeet P. CHOUDARY, W. W. Norton & Company, 2016.

# 2. Learning Outcomes

# 2.1 Intended Learning Outcomes

Learning Goals	Objectives	Assessment (YES
		with details or NO)
1. Our graduates will be	1.1. Our students will produce quality	Yes. Case analysis
effective communicators.	business and research-oriented documents.	and group project
	1.2. Students are able to professionally present	Yes.
	their ideas and also logically explain and	
	defend their argument.	
2. Our graduates will be	2.1. Students will be able to lead and	Yes. Group project
skilled in team work and	participate in group for projects, discussion,	
leadership.	and presentation.	
	2.2. Students will be able to apply leadership	No.
	theories and related skills.	
3. Our graduates will be	3.1. In a case setting, students will use	Yes.
trained in ethics.	appropriate techniques to analyze business	
	problems and identify the ethical aspects,	
	provide a solution and defend it.	
	3.2. Our students will practice ethics in the	Yes
	duration of the program.	
4. Our graduates will	4.1. Students will have an international	Yes. Case
have a global perspective.	exposure.	discussion
5. Our graduates will be	5.1. Our students will have a good	Yes. Lecture
skilled in problem-	understanding of fundamental theories in their	
solving and critical	fields.	

thinking.	5.2. Our students will be prepared to face	Yes. Lecture and
	problems in various business settings and find	case discussion
	solutions.	
	5.3. Our students will demonstrate	Yes. Case
	competency in critical thinking.	discussion

## 2.2 Course specific objectives

This course is designed to help students develop: (1) A working knowledge of the current platform economics and strategic goals of different platforms; (2) A conceptual understanding of analytics process about those platforms to enable designing analytics plans, collaborating with data scientists, and applying skills in novel contexts.

## 2.3 Assessment/Grading Details

Participation	15%
Quizzes	50%
Case discussion	10%
Group project	25%

### A. Class Participation

You are expected to attend each class <u>on time</u>. You are also expected to read the text materials and <u>contribute to class discussion</u> by both listening carefully to your classmates and speaking out your own viewpoints. Learning depends heavily upon thorough and lively participation. Naturally, there are students who do not feel comfortable contributing verbally in the classroom. We should all try to make the classroom atmosphere as congenial as possible to assist all of us in the class participation process. This does not, however, mean that you must agree with every comment offered by your classmates (i.e., it's ok to disagree).

### **B.** Quizzes

Throughout the course, you will be given two or three in-class quizzes. They focus on your understanding of the course materials.

### C. Case Discussion

I will give each group cases which describe business of the current famous platform-based companies. You are responsible for presenting them and analysing them. Please be well prepared before the class and your contribution to the case discussion will be evaluated during each class.

## D. Group Project

In this group project, you need to find an important and valuable problem encountered by a platform-based company. Based on what we learn in the class, you need to analyse the problem and propose a solution to the problem. You may need to collect more data or conduct literature review to defend your solution and augment your argument.

## 2.4 Academic Honesty and Plagiarism

It is important for a student's effort and credit to be recognized through class assessment. Credits earned for a student work due to efforts done by others are clearly unfair. Deliberate dishonesty is considered academic misconducts, which include plagiarism; cheating on assignments or examinations; engaging in unauthorized collaboration on academic work; taking, acquiring, or using test materials without faculty permission; submitting false or incomplete records of academic achievement; acting alone or in cooperation with another to falsify records or to obtain dishonestly grades, honors, awards, or professional endorsement; or altering, forging, or misusing a University academic record; or fabricating or falsifying of data, research procedures, or data analysis.

All assessments are subject to academic misconduct check. Misconduct check may include reproducing the assessment, providing a copy to another member of faculty, and/or communicate a copy of this assignment to the PHBS Discipline Committee. A suspected plagiarized document/assignment submitted to a plagiarism checking service may be kept in its database for future reference purpose.

Where violation is suspected, penalties will be implemented. The penalties for academic misconduct may include: deduction of honour points, a mark of zero on the assessment, a fail grade for the whole course, and reference of the matter to the Peking University Registrar.

For more information of plagiarism, please refer to PHBS Student Handbook.

## 3. Topics, Teaching and Assessment Schedule

Week	Content
1	Introduction, Network Effect
2	Pricing
3	Online Advertising
4	Search
5	Platform Competition
6	Online Reputation
7	Comparison Site, Credit Card
8	Sharing Economy
9	Presentation