

"A man is
great by
deeds, not by
birth"

-Chanakya

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Platform Ecosystem and Networked Firms: A Review of Literature and Research Agenda

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Agenda

Abstract:

Platforms over the years have created a novel paradigm in the field of business operations and management. Platform ecosystems are hybrid organization structures whereby firms facilitated by a central stable component, interact and transact among each other. The value created or destroyed by one enterprise influences the value offered by others in the ecosystem. With the advantages of being flexible, having a modular architecture and opportunities of platform envelopment, platform ecosystems have devised new ways of building knowledge and traversing across boundaries in their international ventures. This paper aims to study the literature on platform ecosystem and also the literature on networked firms thereby coupling them together under the same umbrella and providing research directions for future researchers. As on one hand, platform ecosystem literature narrates the presence of certain ecosystem specific advantages that are specific to platform ecosystems alone, likewise, networked firms survive in the competitive business environment owing to the factors that affect the platform structure in the market. These factors include network effects, multi-homing of network users and platform differentiation offered to customers. This study explores the existing literature in these fields and identifies possible research arenas where there lies a pressing need of extensive studies to mend the research gaps. Such future researches will add to the existing body of knowledge and at the same time will have immense practical implications. As platform ecosystems aim towards making their presence more prominent across the world in developed as well as emerging markets, deeper theorization and additional research is required to make the mesh finer. This paper identifies certain under-researched areas thereby advancing future agendas for scholars in the research community.

Keywords: platform ecosystem, networked firms, complementors, research directions.

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