

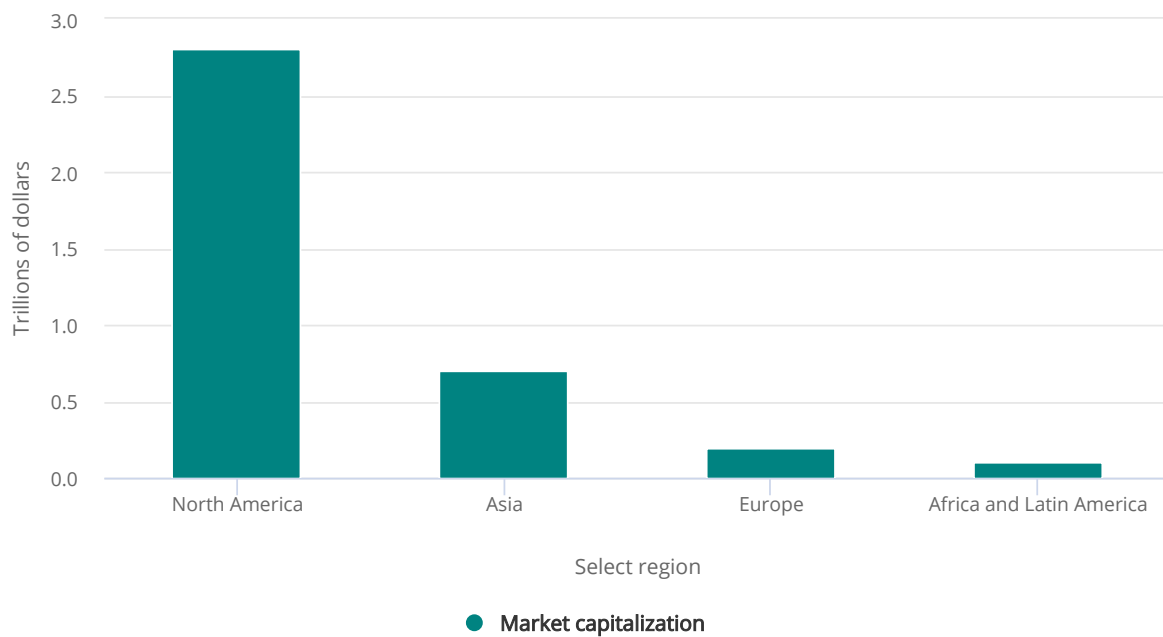
SIDEBAR

### Platform-Based Companies

“Platform-based” companies combine a set of marketing and organizational innovations with novel linkages to external resources, including user-created content and data, to create new and innovative business models. These companies combine existing products and services and ICT infrastructure in new ways. They leverage ICT infrastructure and technology to create networks or social media platforms that help create demand for their products and services and provide a vehicle for targeted advertising and collecting extensive data on user’s preferences that can be sold to third parties. Platform-based companies operate in and compete directly and indirectly with traditional companies. For example, Uber is a direct competitor to traditional taxi companies and indirectly competes with automobile manufacturers, as some consumers decide not to own automobiles. Other examples of platform-based companies are Apple, Airbnb, Facebook, Instagram, Google, Amazon, WhatsApp, and Netflix. The United States dominates the new platform-based companies by a wide margin compared to the rest of the world (Figure 6-D) (Sturgeon 2016; Van Alstyne 2016).

FIGURE 6-D

#### Headquarters of platform companies, by selected region: 2015



**Source(s)**

Van Alstyne M, Platform Shift: How New Biz Models Are Changing the Shape of Industry (2016), <https://ilp.mit.edu/images/conferences/2014/ict/presentations/vanalstyne.ict.2014.pdf>.

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