Syllabus: **MGx450: Project for MGT 250 Platforms, Jan-Mar 2023**
Hemant K. Bhargava, UC Davis
TA: Payal Kulkarni (pnkulkarni@ucdavis.edu)
(Revised 01/03/2023)

This is a 1-unit "digital platform business" project class for students to apply the ideas, concepts and methods from MGT 250 onto a concrete platform business problem. The business should be impactful, successful, and financially sustainable. You will cover product design, launch, data policy, pricing, network mobilization, costs etc.

Hypothetical vs Slightly-Real Project

- A hypothetical project would analyze and produce tactics and set goals - eg certain features would bring in 1000 users paying $10 a month. At the end, you have powerpoint slides and claims and a plan. In the absence of a real "system" or infrastructure means there is no real test, you can claim anything.

- In a "mildly real" project you would i) enroll participants on both sides, ii) create services for them that they value - such as search, discovery, matching, post-matching support, etc. - which cause them to join, and iii) enable transactions between participants of the same or other side, and so on. All this requires implementing some infrastructure (even it is rudimentary).

In both cases, you might get far along (as past groups have) to take this forward beyond the class, and build something real. However, it is more likely to occur if you start with some implementation, because that will test the reality of your ideas.

Project Idea: Mentorship Platform (for UC Davis GSM)

- Build a platform that will connect current students with alumni (and other industry partners)
- initial focus = mentoring relationships; expandable to internships, careers, etc.
- initial focus = GSM; expandable to UC Davis and beyond
- get adoption on both/all sides of platform ($\leftarrow$ create value proposition by building suitable services)
- develop monetization plan (what additional sides and/or services needed to make this happen?)

> A sample project report for "On Court" Platform is available on Canvas.

More Ideas

Here are 4 sample project ideas.

1. PETCare: A "Lyft" for pets (and potentially for farm animals and other such things). It would connect those who need their pets cared for with those who can provide the service. "Service" could range from pet-sitting to walking/teaching to medical care. Many variations and extensions are possible.

2. UC Davis "free lance" service: campus units frequently need short-term help on tasks that need specific skills, but external contracting is extremely slow and burdensome. Build a matchmaking system that can leverage internal campus resources for such task opportunities.

3. Food Waste Management service: every day tons of food (raw, cooked, packaged) gets wasted in Davis due to excess supply, while at the same time thousands of people are short of food or money for healthy food. Solve this problem with a web platform (covers discovery, matching, routing etc.).

4. Healthy Davis: barriers to fitness and healthy living include access to facilities, but also lack of motivation, expertise, equipment, fitness partners, social groups etc. Design a solution that leverages network effects, communities and other platform features to promote health and fitness within the Davis community.

Schedule and Overview and Exercises I

1. **Project Plan**: Develop a platform project idea as discussed in Session 1 (pick something comparable in scope to the examples given). Write a 1-page proposal. Define the platform in terms of the pain points it would address. The proposed business should have potential to be impactful, successful, and financially sustainable. The application work will cover platform definition, and issues of product design, launch, pricing, costs, etc.

2. **Core interaction**: Identify core value unit(s) and interaction(s) for your project, the sides of your platform (who is the consumer/producer? how do they consume/produce? how is quality determined?). Discuss what tools and services the platform should provide to support these sides (creation/consumption/customization, and also discovering, filtering and matching). 1-2 pages, use visuals to explain.

3. **Platform roadmap**: Identify how you would populate the sides of your platform (all in parallel, or in what sequence?). Explain how this maps to the *structure* of the value that your platform offers to its participants. 1-2 pages, based on analysis of the following questions.
   - What value do platform participants (on each side) obtain from the platform? What time-linked factor does this value depend on?
   - What cost do participants incur or perceive? (price + "bio-cost")
   - What do you offer, such that to a potential adopter, at the time of joining, *value* > *cost*?
   - How do you signal relevant network size to a potential adopter?
   - What other tactics might you employ to get sufficient number of early adopters?

4. **Platform monetization and business models**:
   - How will your platform make money (exceeding its costs)? What will you charge for? Who will you charge? When will you start charging?

Schedule and Overview and Exercises II

- ► Are there negative consequences that monetization will have on growth? How will you ensure that the net result is positive?
- ► What other alternative business models did you consider? (What are your 2nd and 3rd ranked models?)

5. **Platform community**: From your platform's perspective, what are the communities, and among these are they "givers" or "takers"? For a "giver" community that helps make the platform valuable to its users, what are the challenges in making this community "work for" the platform? What actions or techniques does/should the platform employ to motivate and manage the community? Hint: think about how these platforms do it – Waze, eBay, AWS, Tik Tok, Uber, Airbnb. (1 page write-up, use visual illustration.)

6. **Platform competition**:
   - ► While building and launching your platform, what are the biggest competitive threats and how will you deal with them?
   - ► Will you, and how will you, create lock-in effects within your platform network so that you can fend off competitors, and particularly prevent leakage of the "subsidy" side of your platform?

7. **Platform Project Discussion** You will soon have your final presentation (see Ex. 8). In half a page, describe your progress in laying out different elements of building your platform business. Include a summary of what you did in the previous exercises, identify a few open questions (around the tactics for monetization, mobilization, staging, scaling). Next: put it all together, tie any loose ends.

8. **Platform Presentation** Upload presentation (slides+notes) to Canvas for Professor to preview your presentation plan. Cover these topics (and any others relevant):

Schedule and Overview and Exercises III

- Summary of platform vision: purpose, sides, core value units and interactions, platform services.
- Monetization: Who pays? For what? What are prices based on? (Eg fixed amounts? percentage of some metrics etc?) What were alternative ways to monetize and why did you pick what you picked?
- Network mobilization: How (using what tactics) do you get participants on each side to join? and to engage? (Consider: what value they get, What cost they incur, including non-economic? other barriers to their participation - including lack of awareness and plain old inertia - how do you overcome all these?)
- Staging: What is the platform build sequence for the multiple sides, and how does the platform structure evolve? (Which side or sides come first, and how do those sides contribute to building out the later sides?)
- Scaling: What is the scaling up and rollout sequence? (Eg start with all sides locally in some regions, then expand ... or start all across but with fewer sides, then add other sides?)

Ensure consistent economic story (costs incurred, revenues) across the different elements (monetization, mobilization, staging, scaling).