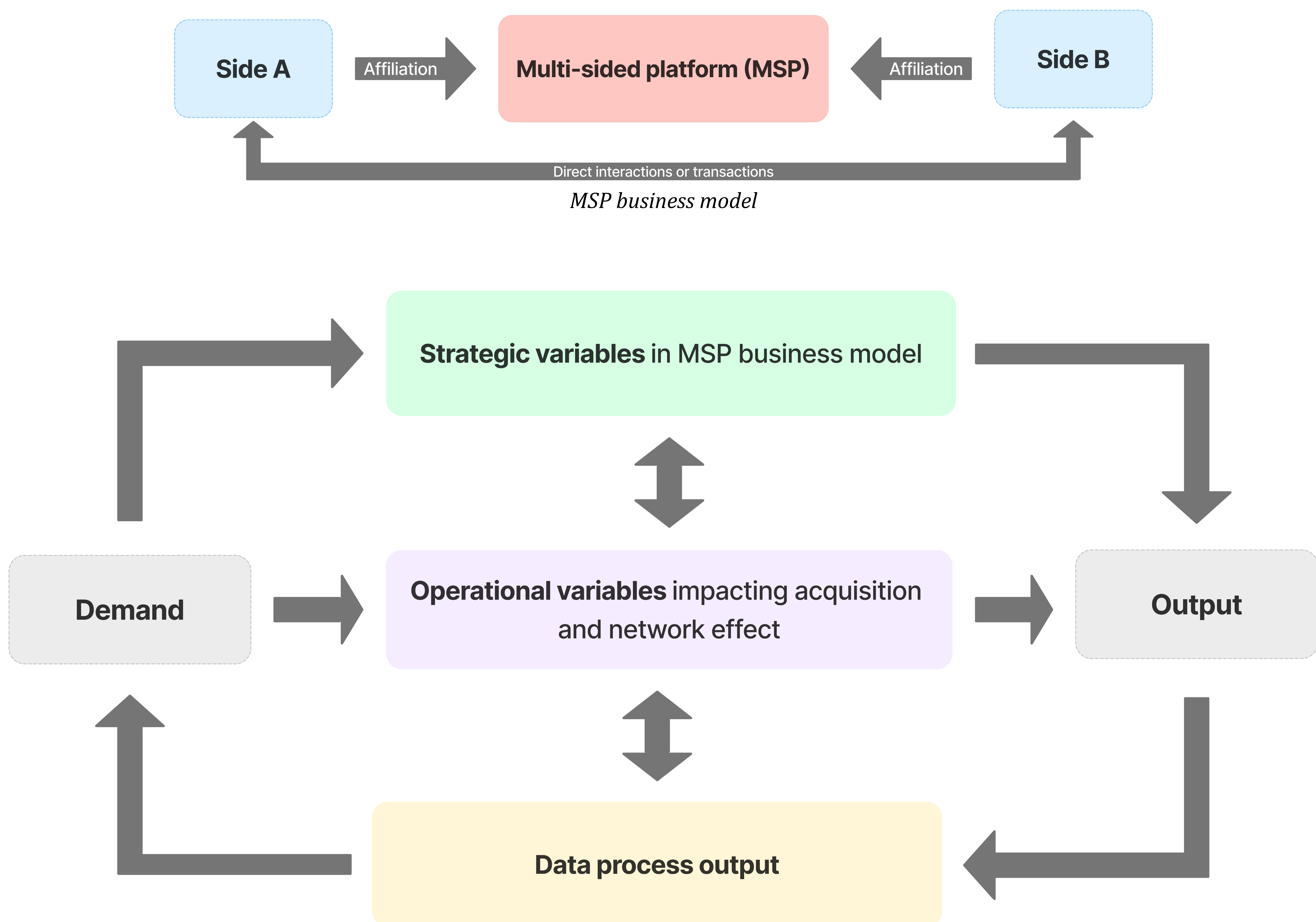


Engagement variables for multi-sided platforms



High-level framework representing macro-categories to consider in order to engage users in MSPs

Problem statement

This study examines multi-sided platforms—those connecting multiple actors in a specific market—and their need for targeted strategies to achieve a critical mass of users. While most research concentrates on major tech players, the rise of digital business models means that small and medium-sized companies also need concrete, actionable guidance to attract and retain users.

There are three key points to consider:

- **Customer acquisition:** Platforms must stand out in a competitive market, capturing attention and prompting initial involvement.
- **Prioritization of sides:** Given that multi-sided platforms rely on multiple user groups to generate value, deciding which side to target first is critical for growth.
- **Actor retention:** After attracting participants, the focus shifts to understanding the motivators and barriers influencing whether users stay or leave.

Effective strategies are measured through exponential growth in user numbers and a marked increase in cross-side interactions.

Solution concept

The study employs a multiple case study methodology, analysing four platforms across diverse industries. Data collection involved semi-structured interviews, secondary research, and expert feedback. Common variables were identified, categorised into three macro-categories, analysed and organised in a practical framework for platform decision-makers.

Results

The emerging common variables were grouped into three macro-categories to build a high-level framework:

- **Strategic variables for the MSP business model:** 1) Offers comparison 2) Matching 3) Beneficiary journey 4) A platform business on one side.
- **Operational variables impacting acquisition and network effect:** 1) A public component in the market 2) Congruence of interests 3) Digital market appeal 4) Tools for service providers 4) Dynamic and growing market 5) Competition 6) Brand reputation and value 7) Price sensitivity

- **Data process output:** 1) Trust and Safety 2) Data collection 3) C2C and C2B Interactions 4) Beneficiary onboarding

Each macro-category includes the common variables identified in the analysis. By further exploring this high-level framework, a more detailed framework was developed, referred to as the «consolidated framework», which illustrates all the relationships among the individual variables.

Since three of the four case studies focused on small and medium-sized platforms, the findings are particularly applicable to this type of platform.

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