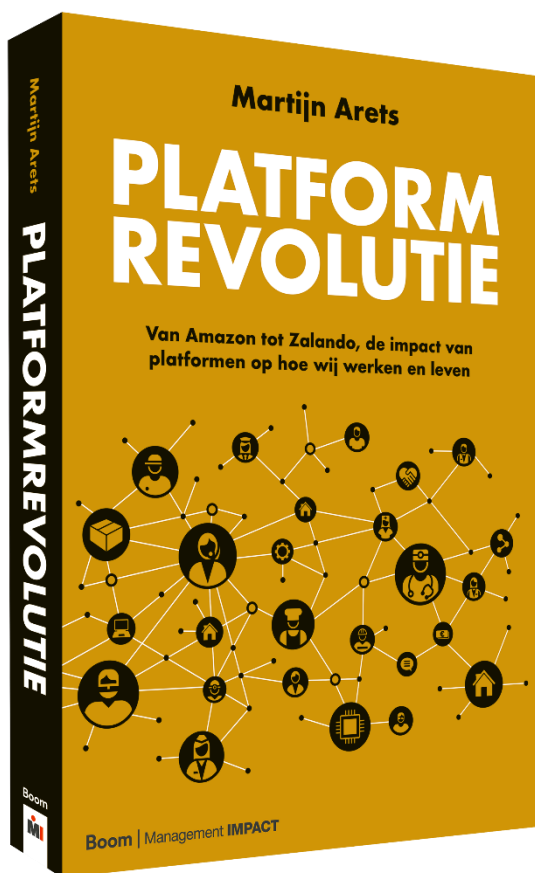


PLATFORM REVOLUTION



From Amazon to Zalando, the impact of platforms on how we work and live
Martijn Arets – Management Impact 2020

SAMPLE TRANSLATION

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Recently our society has been shaken up by new platform organizations like Amazon, Uber and Booking.com. With exponential growth capacities and unorthodox strategies, these companies become global moguls within a few years. The platform revolution is disruptive for all sectors.

While the platform revolution offers great possibilities, there are also questions. What do platforms do differently, what can existing organizations learn from them, what is the role of government in the platform economy and how do we use the chances while avoiding the negative side effects?

These were the key questions for entrepreneur, international platform expert and author Martijn Arets during 60 travels to 16 countries where he interviewed over 500 stakeholders in the platform economy in the last 8 years. In *Platform Revolution* Arets analyses the most important developments and players. He exposes the most pressing dilemmas and outlines a vision and roadmap towards the future.

“*Platform Revolution* by Martijn Arets is a masterclass in the platform economy.” – Henny Portman, HWP Consulting partner

“A must-read for anyone who is an entrepreneur, strategy professional, marketer or innovator.” – Sjors van Leeuwen, author and CRM professional

Recommendations

“Thanks to the well-documented facts and excellent examples, Martijn Arets succeeds in circumnavigating the hype without losing focus on the bigger picture. If you are looking for an accurate current status of the platform economy, with honest estimates of the dangers and opportunities, you will have a hard time to find a better book.” – *Rogier de Langhe, economics philosopher at Ghent University*

“*Platform Revolution* meets a need. We have too little understanding of how platforms work and why they do. This book gives you a glimpse and so much more, thanks to the many examples. Both the economical and the social aspects of the platform economy are being examined.” – *Carine van Oosteren, senior officer at the Dutch Social-Economical Board*

“Martijn Arets has been following the platform economy for over ten years and shares his knowledge in this book. By combining theory and practical examples he creates a broad view and an easy read. *Platform Revolution* is a must-read for platform employees, competing organizations and governments.” – *Ronald Egas, CEO at Werkspot*

“Platforms have become an essential part of our society. In *Platform Revolution*, Martijn Arets doesn’t just mention the usual suspects, the book features the diverse nature of platforms, their accessibility, their success and their complexities. The author’s broad knowledge on platforms is remarkable. Platforms are a challenge for most governments but with Martijn’s vision and perspective on how governments can cope with these challenges and opportunities are highly recognizable and confronting. But overall, it provided new insights. To continue the dialogue with partners and platforms, remains the key to success.” – *Nanette Schippers, project manager for the city council of Amsterdam*

“How do you learn to understand something as new and complex as the platform economy? Not by thinking it will make you rich overnight – it is not going to happen! But by learning from someone who has spent much more time thinking about it and has interviewed a lot of people about this topic. Martijn Arets has combined a lot of examples in this book and offers a frame of reference; tools to get a grip on the matter. A great book for easy followers.” – *Marijke Blom, top economist for ING Bank*

“*Platform Revolution* is a multidisciplinary peek behind the curtains. Martijn Arets has gathered information, insights and knowledge for governments, entrepreneurs and scientists who need to reflect on a technology-driven reality and our increasingly platform-powered society. The author does more than just interpret the methods and meaning of platforms, but he brings a valuable contribution to the discussion on platforms and he addresses the responsibilities of leadership.” – *Rosalie Koolhoven, scientific author and university professor in IT Law at the University of Groningen*

“In his own way, Martijn Arets has researched the platform economy and its impact on our society. He provides clear insights and an overview and he also zooms in on the role of government in the platform economy. Unions recognize that workers have a lot to gain from platforms, like easy access to the labor market and the possibility to have a better voice in better balancing work and private life. We feel that platform employees have the same rights and that regular labor laws should apply to them too. The government, as the labor market’s umpire, should take its responsibility. This would assure that platform employees could also benefit from the leap that the platform economy is currently making.” – *Zakaria Boufangacha, employment condition coordinator for the FNV – federation for Dutch trade unions*

“A clear, complete and objective narrative on how the platform economy has developed and matured. The share of platforms in the current global economy is growing every day, but what goes on behind the walls of platforms and what can we expect for the future? Questions that often remain unanswered. *Platform Revolution* provides relevant answers and shows the challenges and opportunities of the platform economy.” – *Michelle van Os, CEO at Helpling*

“*Platform Revolution* gives a clear analysis of the role of platforms in our society and economy, provides practical tips and gives examples of the chances, risks and unsolved issues of the platform revolution.” – *Jan Middendorp, member of the Dutch house of representatives*

“Martijn Arets is, without a doubt, the best-informed expert on the platform economy. And he combines theory, practice, experience and insight effortlessly in *Platform Revolution* while taking the reader along a fascinating journey of various platforms. And he doesn't shy away from addressing all the critical issues. Its strengths are the countless examples, showing the effects that platforms have on people, institutions, establishes interests, the entire society in fact.” – *José van Dijck, professor media and digital society at the University of Utrecht and co-author of The Platform Society*

“Martijn Arets has traveled around the world the last couple of years to witness how people and companies are building the future. He paints a fascinating picture on the sky-high ambitions and the many struggles that this development is encountering. *Platform Revolution* inspires and makes you think, but above all it gives you the necessary boost to start being a part of the platform economy.” – *Hans van der Loo, bestselling author of Musk Mania and founder of Energyfinder*

“Platform Revolution gives a detailed report on the developments, principles and possibilities of online platforms. Martijn Arets discusses the obvious examples like Airbnb and Uber that have disrupted entire market segments by now. But especially the chapters on government in the platform economy have made me aware of the huge impact that platforms have on our society. He exemplifies Estonia as a government that is developing itself like a platform. Platform Revolution is a must-read and makes you think about the role of platforms in both public and the private organizations.” – Marco Derksen, advisor, speaker and founder-partner of Upstream

“Martijn Arets guides you through the complex matter of the platform economy with personal anecdotes and sharp analyses. A must-read for students, policy makers and others!” – Koen Frenken, professor innovation studies at the Copernicus Institute for sustainable developments at the University of Utrecht

“Martijn Arets is a guide in the world of platforms. In his book he gives an objective view of the developments in the platform economy from all angles. His intrinsic purpose and mission are to help this interesting and complex playing field develop for the better and Platform Revolution is a practical and successful effort to achieve this. Something that we all can learn and gain from.” – Peter Knol, founder of BKSJ

“Few people are as well-informed on the current developments in the field of platforms as Martijn Arets. He regularly speaks with the most important players: Estonian government officials who are realizing their platform ideas, to Swedish union leaders who have progressive ideas about shaping the online gig economy. This book provides an almost encyclopedic overview of the most important developments, visions and positions in the – sometimes heated – discussions on the rise of platforms.” – Martijn de Waal, Lector Play & Civic Media at the University of Applied Sciences of Amsterdam and co-author of The Platform Society

“Platforms will largely determine our future economy, as well as which role humans will play in it. Much is being written, speculated and agitated against about platforms in the broadest sense, people make the wildest assumptions. It is time for a well-researched foundation. From shared ownership, to algorithms, from employment to governance, from data to privacy, many interesting issues are being discussed. And international experts share their insights in this book. With *Platform Revolution* Martijn has laid a solid foundation for the social discussions we need to have in the future.” – *Ronald van den Hoff, co-owner Seatsmeet.com and author of Society 3.0 and Yes! It is getting complicated*

“Martijn Arets shows that platform entrepreneurs are not only using disruptive technology, but also a disruptive mentality and corporate culture. This makes *Platform Revolution* interesting for all marketeers, business leaders and entrepreneurs. The book explains how you can be committed to a large group of customers in a fair and sustainable manner, by using the internet in a clever way, and who doesn’t want to do that?” – *Arko van Brakel, internet entrepreneur, speaker, trainer, bestselling author of Entrepreneur With Impact and Everybody Entrepreneur*

“*Platform Revolution* by Martijn Arets is a masterclass in the platform economy. In over 350 pages and with over 135 fitting examples of platforms the author presents an objectively view on the world of platforms. The book is easy to read, avoids complicated theoretical contemplations but shares clear stories about various platforms. If you are unfamiliar with the platform economy, this is the book to delve in to, but don’t expect a ‘how-to’ guidebook on how to build a scalable platform.” – *Henny Poortman, HWP Consulting partner*

Platform Revolution is easy to read, no elaborate theories, scientific analysis, models or matrixes. It is a sober and comprehensive view from the real world, with a clear storyline and countless examples, experiences, insights, tips and attention points. The book is sure to help you develop your platform with more success. *Platform Revolution* is a must-read for every entrepreneur, strategy professional, marketer and innovator. Highly topical and the author shares a wealth of knowledge on the rise of platform companies, the social impact of platforms and the risks and opportunities that platform solutions offers for consumers, companies, citizens and governments. For those who don't know it yet, Bill Clinton nearly said it with: *It's the platform economy, stupid!*" – Sjors van Leeuwen, CRM professional, advisor and author

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Introduction

I am forty when this book is published, placing me in the ‘digital immigrant’-generation. We grew up in an offline world and we learned the digital language gradually. I must have been fifteen years old when the internet opened itself to me at the end of the last century. It lowered thresholds to get in touch with young people all around the world, through central platforms like IRC for instance. Later on I built my first website using WordPress, swapped the travel agency for a visit to Booking to arrange my vacations and I bought my first (second-hand) iPhone at eBay. The iPhone allowed me access to the App Store and an seemingly unlimited range of apps, developed by an unprecedented number of developers.

These platforms – the two-sided marketplaces like eBay, Booking and Uber Eats as pioneers – offered me unprecedented possibilities, also by lowering the transaction costs. I could do what until then was only available to large companies. My first fascination with platforms was established in 2011 when I was the first person in the world to complete a shares-based crowdfunding campaign on the Dutch platform Symbid. I raised 20,000 Euro from 170 investors to fund the translation and production of the English version of my book *Brand Expedition*. The book tells the story how I drove my old Volkswagen bus around Europa to have conversations with key figures at twenty of the most beautiful European brands.

‘First person in the world’ sounds impressive and I received several awards for this achievement. I beat out the Dutch media tycoon John de Mol and eighteen other high-profile entrepreneurs when competing for the title ‘Best Entrepreneur of the Year’. And I was invited to participate in the European debate as ‘European Young Leader’, but behind the screens I became the exception that no one took into account. The project failed, I lost over 100,000 Euro and failed to live up to the promise I made to all the investors. So what did I learn? Crowdfunding – a marketplace that brings the supply and demand for money together – is potentially

a valuable tool, provided that the conditions are right. I personally experienced that the conditions were not yet right at that time.

I consider it a tuition fee, so to speak. I realized that the possibilities of these marketplaces go beyond just bringing supply and demand of money together. I was convinced that every sector would feel the impact of this development in the next few years. To discover the true nature behind the game of the platform economy, I spent the next eight years travelling the world on sixty separate trips, visiting sixteen countries and talking with over five hundred entrepreneurs, experts, policy makers, representatives, investors, supporters and opponents of this development. To see what exactly is happening here, why, who are involved, what their agenda is and what the biggest dilemmas are to be able to take a look into the future.

Around the world in sixty travels

I traveled to the famous OuiShare Fest in Paris, France several times. It is the place to meet everyone who is someone in the platform economy. And I made a journey to the source of the hype: Silicon Valley, to meet with entrepreneurs and experts in that area. In Israel I spoke with blockchain technology entrepreneurs and I made several trips to Estonia to see with my own eyes how a government can organize itself as a platform.

And since I was there, I stayed in Vuollerim for five days, visiting an engaged community that lives a mere ten minutes driving from the Arctic Circle. Here I enjoyed a dog sleigh ride, the Northern Lights and discovered that the platform philosophy isn't limited to the online world. Because of its natural conditions, this little village has become a prime example of an offline platform society.

My role as a participant

Besides making interesting journeys, I also participated in the rise of the platform economy. Talking about it is nice, doing it is even better. I rented out my cameras through GearBooker, regularly slept in an Airbnb, shared rides with BlaBlaCar, loaned my stuff through Peerby, rented cars through SnappCar, took an Uber and labored on a tiny Chinese shared bicycle alongside the canals of Amsterdam. And I participated in debates. In panels and presentations at conferences and meetings all over the world. I participated in international studies, had meetings with the Dutch Ministries of Economic Affairs, Finance and Social Affairs and Employment, the Social-Economical Council (SER), the Confederation of Dutch Industry and Employers (VNO-NCW). I spoke at international academic conferences and I had a seat in the 'short stay rental' thinktank of the City of Amsterdam. I was a member of the Regulatory Burden Advisory Board to explore the possibilities of the rise of the platform economy in reducing the regulatory burden.

I shared over three hundred video's, which reached hundred thousands of viewers on YouTube and my weekly newsletter forced me to summarize and share my opinions on the most relevant publications about the platform economy. Gradually my role shifted from participating to indicative, and I left the sidelines to become an independent source of information in the field. In my role as an expert, I contributed to countless blogs, articles, broadcasts and television discussions. I continue traveling, at least ten times each year, to gain new insights because the expedition continues, there is so much more to explore.

The real revolution is yet to come

While platform certainly provide opportunities, the platform revolution isn't proceeding without a fight. It is deemed *disruption* to overtake existing markets using platforms with the strategy 'shoot first, ask questions later'. And platforms are very good at avoiding responsibilities, which gave policymakers quite some anxiety: how can you safeguard the public values in an increasingly digital society?

In retrospect, we should be thankful for the ungrateful role these players played. Their actions made the policy makers of today less naïve and made them able to respond better and quicker to these developments. Enhancing the positive effects and avoiding the negative isn't just the responsibility of the platforms after all, all stakeholders should participate. If you look at the business market, then the achievements of consumer platforms like Uber, Helpling and SnappCar look like child's play. In short: the real revolution is yet to come.

What to expect?

In this book I will give you a look behind the scenes of the platform organizations I visited. What do they do and why are they doing that? What are they doing differently and what are the conditions for them to be successful? Then I zoom in on the possibilities for existing organizations and government. Should they start a platform on their own or should they collaborate with an existing platform? And what are the conditions for success? I will focus on the role of government in the platform economy. How can a government or society get a grip on platforms and how can platforms contribute to a better government? This requires a constant balance between platform capitalism on the one side and a totalitarian surveillance society on the other side. In the end, I look towards the future and give a blueprint of the conditions with which platforms can contribute to a more inclusive platform economy.

I have tried to give a picture of the platform economy developments in the broadest sense and objective perspective. And of the choices in which we take advantage of the opportunities and prevent the negative side effects. Without ignoring the challenges that await us.

The purpose of this book is to inform you as a reader with the context in which the platform economy is developing. As the author, I assume several roles simultaneously: a platform optimist, a platform realist and a platform critic. The book is extensive but not inexhaustible. I focus on Western markets and I pay little

attention to emerging markets and China. And the examples I present are exemplary, since no one knows how specific platforms will develop in the future. Today's winners could be gone by tomorrow.

The rich diversity of topics and insights should enable that we discuss all variables, making it possible to make better choices and ask better questions. If there is one lesson that I hope you will learn from reading my book, is that the way platforms have an impact on organizations and society is a direct result of the choices that are being made. The platform revolution is more than just a technological development and not everything that makes sense technologically is immediately a good idea to execute. Making the right choices and that all shareholders take a responsibility is decisive for the outcome of whether platforms are the best or the most destructive development of our age will be.

Beginning of a constructive debate

My role in the book is that of an independent interpreter and I choose not to make (social) judgements on these developments. Do I own the truth? Everyone who says so is lying. With the best intentions and current knowledge I have tried to support the developments giving you a better insight in what exactly is going on. Making sure that your organization can make the right decisions. With this book I happily start a substantial and constructive debate.

Martijn Arets

PART 1:

TO PLATFORM OR NOT TO PLATFORM?

Everything is considered a platform nowadays. But what exactly is a platform and what makes the platform model different from the traditional models we already know and use? In this first part I will focus on online platforms and what they do differently. Also because there are lots of activities to which a platform doesn't provide an added value. Then we dive into the real world to discover which issues platforms raise, discussing the rise of platforms in a social context and perspective. This part is relevant for everyone who wants to understand the platform economy and learn which developments and questions are exemplary for platforms.

Chapter 1

The (un)limited possibilities of the platform economy

What is new with platforms? Which forms and functions can they have? That is the topic of this chapter and I also discuss a few developments we have seen since the start of the platform economy: from private to professional, from share economy to gig economy, the disbalance between online and offline and the introduction of platforms in the professional domain.

If I would have told you in 2008 that I wanted to start the biggest taxi company in the world, which would have provided ten billion rides within ten years, with an investment of over 24 billion USD of which not one penny would be invested in cars, you would have laughed at me, no doubt. Even more so if I would have told you that I would also launch a successful food delivery service, start the development of a self-driving car, a one-person helicopter and more. You would probably have asked me how I could have become so naïve and arrogant and where I picked up these fantasies. Yet, this is exactly what Travis Kalanick and his co-founders of Uber have done: in less than ten year starting the largest and fastest growing company in mobility in the world. Not by investing their own money in millions of cars and running the daily operations themselves, but by offering easy access to mobility for individual passengers to get them quick, flexible and cheap from point A to point B. Uber is a platform that makes it possible for any car owner to be a cab driver, even if it is for a few times each year.

With a traditional an linear business approach, it would have been impossible to start such an organization in such a short time. Impossible in investments, practical realization and organizing. No other company until then had been able to realize even a fragment of such achievements. No other company had attempted to centralize such a fragmented and localized market place. And I won't mention the entrepreneurial risks. But the disappointing stock market entry of Uber -- and other companies -- has taught us that there are still economical laws applicable to billion-dollar companies who throw garbage at the wall and hope that something valuable will stick to it. A half year before entering the stock exchange, there was talk of a value of 120 billion USD but that number was cut in half just one month later. And by the time this book was published the company was valued at a 'mere' 47 billion USD. The Uber business model isn't the greatest example in that regard but the platform -- which practically mirrored the grow of Airbnb -- introduced the platform economy to the world.

CROWDSOURCING WEEK EUROPE IN BRUXELLES, COPENHAGEN, EXPEDITION NORTHERN LIGHTS

Conference organizations invite experts from all over the world and pay their expenses to attend their events. This made conferences the ideal place for me to conduct interviews with quickness, efficiency and in large numbers. Most conferences accepted my application when I introduced myself as speaker or media partner, I did share the interview I made on my YouTube channel. This media partnership had the advantage that the conference organization would actively approach their speakers for an interview with me and they would share the content I made. And I saved on the costs of tickets for the usually high-paid events.

The Crowdsourcing Week is one of the conferences I visited regularly during my research and expeditions. Ernesto Spruyt (founder of the 'crowdpayment platform' Mobbr and founder of Tunga, a platform for software engineers in Africa) introduced me to Epi Ludvik Nekaj, the founder of this community of platform conferences, who lives in Singapore.

Besides the conferences in Bruxelles and Copenhagen I have fond memories of the Arctic Circle edition. Not far from the Arctic Circle is the small village of Vuollerim. Because the village is isolated from the rest of the world due to the snowy weather conditions several times each year, it has developed a strong community which is used to be self-dependent. When the village hotel had to close due to a lack of occupants, the community bought the hotel collectively and made it profitable again. They made similar actions for the supermarket, ski slope and there are more examples.

Everything we talked about in terms of platforms, crowdfunding and crowdsourcing was actually done in Vuollerim for over a decade but without an actual platform. It was a special experience to be part of the local community for three days and speak so many inhabitants about the conditions with which a village can be self-sufficient and tight. Seeing the Northern Lights on the final night of our stay, eating reindeer meat by the camp fire and the sleigh ride pulled by dogs contributed to making this adventure unforgettable.

A country like a platform

Platforms started as innovative startups but nowadays more private players and existing organizations are embracing the platform technologies and philosophies. There is a team at job agency Randstad developing a digital job agency, most car factories are starting their own car sharing service and is the car garage branch organization BOVAG launching a second-hand car market place.

In the public domain, Estonia is gaining international recognition for organizing the country like a platform, drastically decreasing the governmental transaction costs. And it gives people outside of Estonia the opportunity to start a company in Estonia as an 'e-resident' and work independently of your location. Estonia shows that the concept of 'country as a service' is right around the corner and it demolishes the cliché that large organizations are incapable of innovation. If a country with 1,3 million people can do it...

The rise of the platform economy

The rise of the platform economy is linked to the rise of the internet, the development of smartphones, GPS, Bluetooth, faster processors, connections and systems and algorithms that are able to automate artificial intelligence processes. A large and growing part of the human population has a small supercomputer in their pockets and are continually linked to the internet. Changes appear to happen in an instant, but in hindsight you can see the developments that preceded the events. The transition to autonomous vehicles started in 1945 with the invention of the cruise control. And this transition will take at least another decade before we finally have a fully and safely functioning self-driving car. If by then we are still convinced that the car is the best mode of transportation. The platform economy too wasn't conceived overnight. This series of developments gives a clear perspective of what historical events have contributed to the current 'explosion' of platforms:

1995: e-commerce and search engines (Amazon, Google)

2000: aggregation websites (Booking)

2005: social media (Facebook, Twitter, Instagram)

2008: share and gig economies (Airbnb, SnappCar, Peerby, Uber, Deliveroo)

2012: platforms in the professional domein

The development of e-commerce made us consumers familiar with financial transactions through an online channel. This might seem insignificant, but in my opinion this was the first and crucial step towards a more platform-driven and platform-organized economy. It is all a matter of changing behavior, which takes time. We learned that online shopping is easy and reliable and that it is perfectly safe to share your credit card numbers with a web shop. The introduction of e-commerce also made way for the development of payment providers, reputation rating systems and more. This frontier work made it possible for the platform economy to make a faster rise. Platform entrepreneurs where able to continue the development of their platforms in bitesize chunks, without having to invest their own time and money.

From private to professional

Like with most developments, the development of the platform economy was first and foremost something that happened in the private sector. Here it is easier to test and adopt new technologies. You don't have to take corporate continuity into account, compliance and other aspects that are part of the business sector. We recognize most platforms from private use but you can see a gradual shift towards the professional domain. And platforms are changing the so-called default user expectations both in the private and the professional sectors. If you have a private user experience of the Uber app showing you where the driver is and that makes it possible to contact him or her, you will less likely accept that UPS sends you an email 24 hours ahead of delivery with a large time frame and without any possibility to get in touch. That the expectations created in the private domain are

usually hard to implement in a business environment is of little concern to the consumer.

A new type of intermedium

The growth in numbers of aggregation websites like Booking and Uber Eats is a direct result of this development. An aggregation website is a platform that gathers a large number of suppliers in one sector and makes their collective supply transparent for the consumers. In e-commerce, the suppliers were usually the web shops themselves and in a later stage a model was introduced with which third parties could sell their products like Amazon did. With the introduction of aggregation websites you see that local entrepreneurs outsource the sales and online marketing to the online platform. A hotel owner will not invest in his or her own website and online booking system, but uses an online platform in exchange for a fee per transaction. In this phase, local suppliers are getting used to the benefits of the internet. The consumer is getting used to order not just products but also services through the internet. This creates a new business category between supplier and consumer that handles consumer contact and service and by lowering thresholds and transaction costs isn't just uniting large and rich suppliers but also an incredible number of smaller suppliers. And since the transaction is a digital process, hooking up an extra supplier can be done virtually without extra investments.

How we use social media in our society is characterized by the fact that individual users can be both client and contributor. With the e-commerce and aggregation websites the suppliers were mainly professional organizations, but now we see that consumers are also becoming suppliers of content on the internet. Mostly in an amateur role but sometimes as professional content provider too. Just look at the large number of online influencers that have been able to reach millions of viewers with their amateur but consistently scheduled content by now.

A revolutionary step towards the share and gig economy

The development towards the share and gig economy is revolutionary. Platforms are becoming two-way market places and are facilitating different individuals to gain access temporarily to their gear and labor. In this share and gig economy you share the opportunity to use each other's resources for a short period of time. In a share economy for instance, you give other people access to your car, camper, home, drill or ladder. In the gig economy you give other people or companies access to your skills. These types of platforms allow each individual to offer his or her gear or services without big (financial) thresholds to an international audience. The media and the platform debate focuses on the large names but in the meantime there has truly developed a large ecosystem of platforms that offer its users unprecedented possibilities. My research in 2017 showed that there were 200 small share and job platforms active on the Dutch market.

The transactions that are being made through these platforms are not necessarily new. When a medieval village wanted to build a new church, they also gathered the money from the local community. Generous donations were rewarded with a name on a church bench, a private tombstone or more. That is exactly the crowdfunding model we have today. And sharing is also nothing new. I regularly loan out my car to friends and I sleep in the guest room of my in laws when we visit the north of Holland. Even as a society we have been using the benefits of scale when every citizen can use the infrastructure that can only be realized economically when everybody contributes a small part. The elaborate public transportation system might be the best example of this. It is not a coincidence that a train station is made up of platforms. The platform economy isn't entirely new. But the digital layer that platforms add to the existing world and its intermediates is new. It is a layer that offers the possibility to enlarge an existing market but it also endangers the concentration of power and might lead to monetizing social transactions.

What I feel is interesting about the development towards the share and gig economy is that for the first time the 'online' mentality and approach is being projected on the 'offline' world. In the online world it is possible to experiment with your users 24/7, allowing for quick learning and developing. The model is being adjusted on the fly and errors are fixed, you are building a car while driving it. It is efficient, because you can test new functions among your users, but the downside is that you are learning on your users' tab. The online world also has a focus on technology and ratio, which is countered by the mostly emotionally driven offline society. So what is the responsibility of platforms as keepers of the market?

A mismatch between the online mentality in the offline world

An example of a complete mismatch between these two worlds is Uber's 'project Greybal' affair. Each individual with a (not too old) car is able to become a cab driver through the UberPop app and Uber's strategy was at first not exactly appreciated by European governments. This led to many inspections to this new phenomena but inspectors were unable to catch Uber on acting irresponsible. But later on it was exposed how they were never caught: the company had applied an ingenious geofencing tactic. They placed virtual circles around government buildings and learned from their data which accounts could be inspectors. Everyone within several feet of these government buildings was tagged as a potential inspector and automatically provided with a shadow app which made it virtually impossible to order Uber cabs. An amazing feat of technological engineering and clever, but highly disputable from a social standpoint.

I also had my personal Uber app blocked in a period after I wrote a critical blog about the company. Seemingly overnight I wasn't able to get an UberPop anymore when everyone around me had no problem with the same app on exactly the same location. I decided to make this the topic of a video and shared this in the blog 'Am I being blocked by Uber?' on social media. Thirty minutes later the Uber app was

functioning again. Was this a coincidence? Of course not. It is an example of the malpractices that gave the company a lot of serious problems later on and which made governments much more alert and professional today in response to these types of issues. Like Johan Cruyff once said: every downside has its upside.

The online environment in which these apps used to function was relatively safe and enclosed and the stakeholders were known. But when platforms started to interact with the physical world, the effects of these platforms appeared to be felt by primary and secondary stakeholders. Airbnb initially only looked at the primary stakeholders, the suppliers of temporary accommodations and their guests. Until it became clear that the true impact was felt by the secondary stakeholders, the neighborhood, the rise of real estate value and in some cities and neighborhoods the unexpected and undesirable growth of tourism in a certain area. And these are developments that come with new issues and questions for both the platform and the society it caters to. These developments show that there is a huge responsibility to the platform's market keepership and even more so with platforms in the online domain. Google promotes its own services in their search results, Amazon copies successful products from third-party suppliers and then suppress them on their own platform and Booking.com is being accused of misleading consumers with false information on the availability of hotel rooms. The platform is not a neutral and impartial player and its actions and choices have consequences on the physical surroundings, economy and society.

Platforms and the professional domain

The final step with which platforms are entering the professional domain is currently still in development but could potentially disrupt the entire world economy. While traditional financial services have a hard time adopting crowd funding, the online currency exchange platform Transferwise is able to handle 5 billion Euro each month with cheaper transaction fees than traditional banks ask:

they claim to save all their users a total of 1,5 billion Euros annually. That is the best example I have seen yet on the advantage of lowering transactional fees but there are more wonderful fintech examples that show how data-based platforms can beat their traditional operating competition. By the end of 2019, the payment platform Stripe announced to also start provide loans and they could use the financial history of their clients and an algorithm to quickly and accurately assess the risks for each person and make faster decisions and offer their loans at lower costs.

Since 2000, travel agencies lost to online providers and for intermediates in professional servicing that seems to be the same result right now. The economical bureau of ING Bank predicted in 2018 that within a decade 20 to 70 percent of all temporary work would be handled by platforms and the exact percentage depends on the regulatory flexibility -- how easy it is to hire someone as a freelancer -- and the technological developments. Deloitte predicts that in 2021 there will be 42 million people in the USA working in the 'alternative' section -- contractors, hired teams, freelancers and gig workers. That would be triple the number of 2017. Deloitte's most recent study about millennials showed that 60 percent preferred a 'side hustle' to earn some extra money. So it is clear that all the commotion on platforms isn't necessarily about now, but more about the near future.

Access to an infinite assortment

A platform is different from other online intermediates that provide for a large group of customers and the transition of the Dutch online retailer bol.com is a good example. Initially bol.com was a web shop that bought stock and offered it to customers through their online store, with the entrepreneurial risk fully in the hands of bol.com which is a beautiful and successful business model. But if you have the ambition to offer an infinite assortment this model is expensive and hard to organize. It isn't sustainable to stock a book of which you might sell four copies each year, yet you need to have it available for the customer who wants to buy one

today and have it delivered at home tomorrow. To be able to provide this kind of service for a infinite amount of items bol.com made the transformation in 2008 from e-commerce company to platform company. In 2008 the web shop catered to private suppliers who could sell their second-hand books and in 2011 the site opened up to professional retailers. Giving other suppliers access to the online store made bol.com the premier market place where consumers had access to an infinite assortment. And bol.com didn't have to stock all these items but it would facilitate others to sell their products to bol.com visitors and on bol.com conditions. Recent numbers show that nearly half of all sales through bol.com is delivered by third-party suppliers and the ambition is to increase this percentage in the next few years.

The real difference: the supply isn't your own property

The power of platforms is when you offer a nearly infinite assortment to your users but the crucial difference is that this supply isn't your own property. YouTube could become the world's largest video content platform without making their own videos, Airbnb became the largest provider of vacation accommodations with a hotel of their own, Peerby became the largest rental company without owning any gear and eBay is the largest pawn shop without any stock.