

Digital Platforms: Creating Value through Network Effects under Pandemic Conditions

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Abstract : This article is a contribution to the research into the determinants of value creation via digital platforms in variable operating conditions. The dynamics of the market environment caused by the COVID-19 pandemic have made enterprises built on digital platforms financially successful. While many classic companies are struggling with the uncertainty of conducting a business and difficulties in the process of value creation, digital platforms create value by modifying the existing business model to meet the changing needs of customers. Therefore, the objective of this publication is to understand and explain the relationship between value creation and the conversion of the business model built on digital platforms under pandemic conditions. The considerations relating to the conceptual framework and determining the research objective allowed for adopting the hypothesis, assuming that the processes of value creation are evolving, and the measurement of these processes allows for the protection of value created and enables its growth in changing circumstances. The research methods, such as critical literature analysis and case study, were applied to accomplish the objective pursued and verify the hypothesis formulated. The empirical research was carried out based on the data from enterprises listed on the Nasdaq Stock Exchange: Amazon, Alibaba, and Facebook. The research period was the years 2018-2021. The surveyed enterprises were chosen based on the targeted selection. The problem discussed is important and current since the lack of in-depth theoretical research results in few attempts to identify the determinants of value creation via digital platforms. The above arguments led to an attempt at theoretical analysis and empirical research to fill in the gap perceived by deepening the understanding of the process of value creation through network effects via digital platforms under pandemic conditions.

Keywords : business model, digital platforms, enterprise management, pandemic conditions, value creation process

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