

The Hong Kong University of Science and Technology

Department of Information Systems, Business Statistics and Operations Management

Seminar Announcement



The Impact of Bifurcation on Platform Outcomes in a Q & A Community

by

Ms. Xiaomeng CHEN
Cornell University

Date : **Thursday, 24 November 2022**
Time : **09:30 am - 11:00 am**
Venue : **ISOM Conference Room, LSK 4047**



Abstract:

This paper studies platform bifurcation, where a subgroup of users from the original platform launches an independent spin-off platform. We identify the effects of bifurcation using a DID approach, which exploits the introduction of spin-off platforms in an online platform incubator. We find that bifurcation leads to a strong overall increase in contributions. While contributions in the home platform decline, the two bifurcated platforms generate more combined user contribution and attract more new users compared to a single united platform. We further explore how interconnectivity and platform differentiation affect users' platform choice. Our evidence indicates that users are less likely to migrate from an incumbent platform to a new specialized platform when the interconnectivity is strong. However, users are more likely to migrate when the specialized platform enables more differentiation. This paper is the first to empirically analyze the strategic implications of new platform entry at scale and to document the moderating role of interconnectivity and platform differentiation.

Bio:

Ms. Xiaomeng Chen a doctoral student in Applied Economics and Management from Cornell University, SC Johnson College of Business. She studies digital platforms, focusing on the implications of various platform strategies on platform outcomes. Her work involves econometrics and field experiments to understand the causal impacts of certain platform choice on platform outcomes.