

The Hong Kong University of Science and Technology
Department of Information Systems,
Business Statistics and Operations Management

Seminar Announcement

*Large-scale Service Marketplaces:
Role of the Moderating Firm*

by

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Date: Wednesday, 24 February 2010

Time: 10:30 am – 12:00 pm

Venue: Room 4379, ISOM Conference Room (Lift 17/18)

~~~~~ All interested are welcome ~~~~~

**Abstract:**

Recent times have witnessed the emergence of large-scale, web-based service marketplaces where many individual service providers compete among themselves on catering customers with diverse needs. Customers who frequent these marketplaces seek quick resolutions and thus usually trade-off prices with waiting times. The existence of such a marketplace is due to an independent firm which constructs the infrastructure necessary for the interaction between customers and service providers. We refer to that firm as the moderating firm. Moderating firms vary with respect to their involvements in the marketplace. They can introduce operational tools, which aim to provide efficient matching between customers and service providers, and strategic tools, which allow communication and collaboration among service providers. The main goal of the paper is to discuss the role of the moderating firm in facilitating information gathering, operational efficiency, and communication among agents. Surprisingly, operational efficiency may be detrimental to the overall efficiency of the marketplace. Further, we show that to reap the "expected" gains of operational efficiency, the moderating firm may need to complement the operational efficiency by enabling communication among its agents. The study emphasizes the large-scale of such marketplaces and the impact it has on the outcomes.

**Biography:**

Eren Cil is currently a doctoral candidate in the Operations Management program at Northwestern University. His current research and teaching interests includes the areas of service operations, applied game theory, queueing theory and supply chain management. He also holds a M.S. degree in Industrial Engineering from Koc University, Turkey.