

Rise of the Platform Enterprise

MIT Platform Strategy Summit

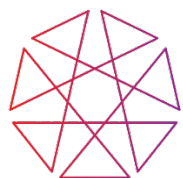
MIT Media Lab

July 15, 2016

Samuel J. Palmisano

Chairman

The Center for Global Enterprise



Convene • Collaborate • Create



The Forces of Globalization are Shifting..... once again

From manufacturing to finance to data/ information flows

Manufacturing era

1950-1980s



Finance era

1990-2008



Platforms/Networks/Data

Today








Technology-driven Integration.... on steroids

Rise of global platform companies

The Acceleration of Speed and Scale



Platform	Market Cap Q1 2016	Operations	Estimated user-base
	\$519 billion	200 countries	2.2 billion users across platforms
	\$325 billion	200 countries	1.65 billion users each month
	\$192 billion	200 countries	762 million users each month
	\$30 billion	190 countries	2 million listings world-wide
	\$26 billion	200 countries	430 million members
	\$9.5 billion	58 countries	100 million members

Sources: Company websites and Thomson Reuters, 2016

Rethinking leadership & management skills

Rise of platforms requires a shift in management focus

Global Management

Platform Leadership Skills

Six key areas



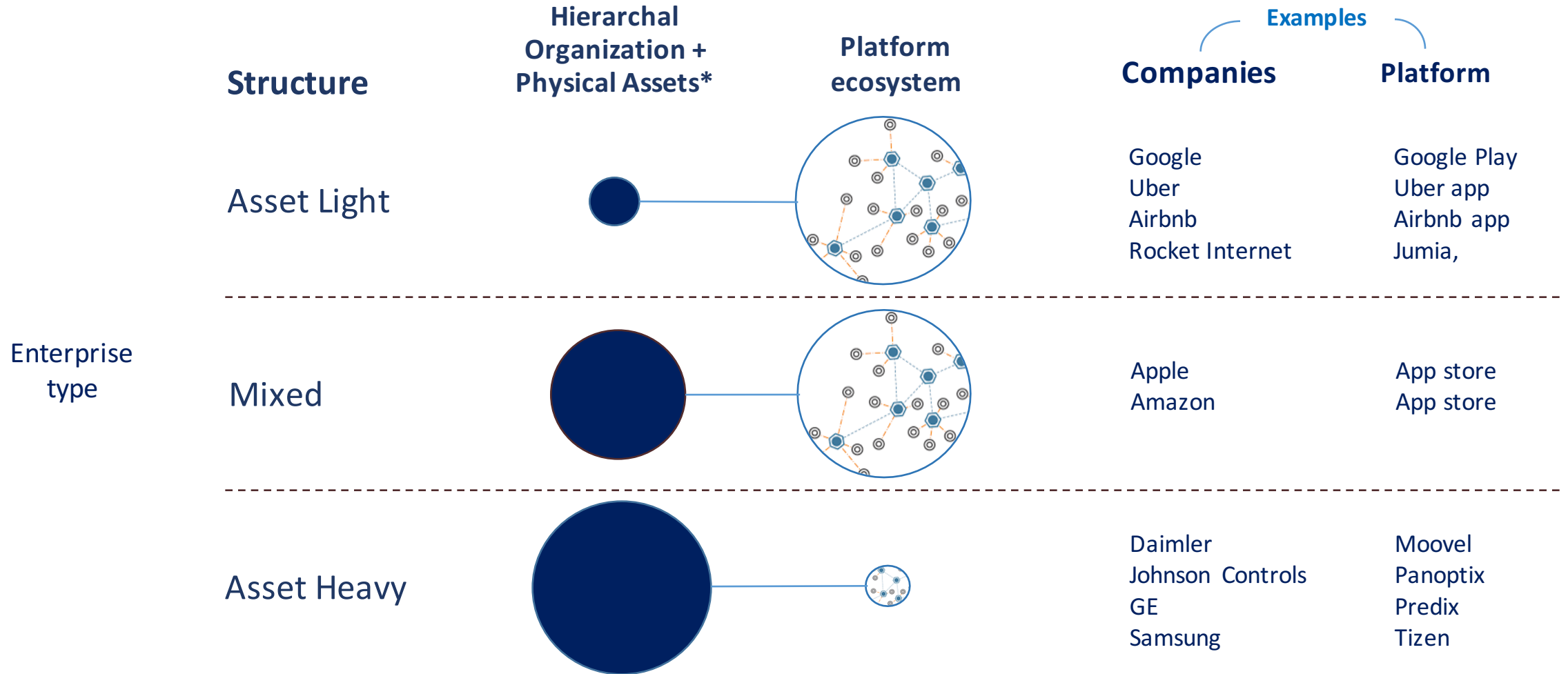
Build rich networks

Engage internally, externally

Inspire values across ecosystem

Lead value creation via platform

Rethinking value creation



* Includes HQ, other rooftops, retail outlets, manufacturing plants, service shops, etc.

CGE Mission – Insights & Learning for Leaders & the Enterprise

We Convene
Digital Supply Chain Initiative

CGE Global Experts Group

- Total revenue: > \$959bn
- Total market value: > \$1,847,000bn



We Create
Content for Leaders



We Collaborate

PARTNERS

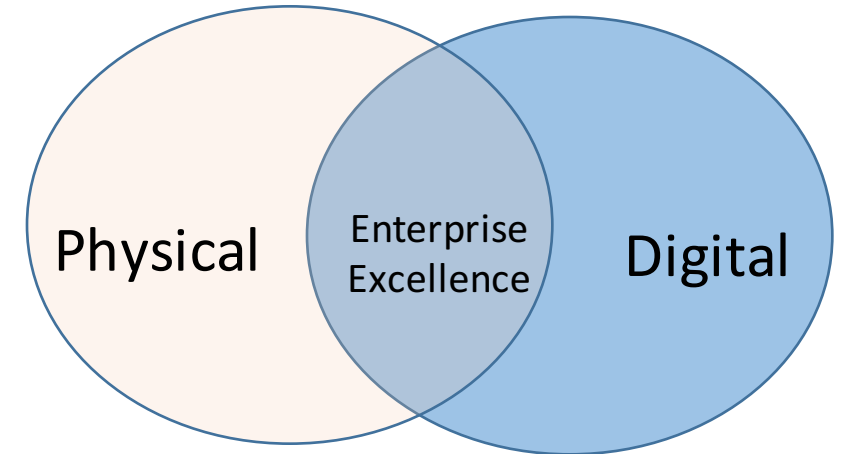


SUPPORTERS



Positioning for the future

A dual physical and digital world for business



- Management excellence will be determined at the intersection.
- Platform strategies have tremendous advantages and meaningful risks.
- Traditional physical models will always remain.
- Has platform formation plateaued? Unlikely.
- Can platforms demonstrate resilience? To be determined.
- How does management optimize this dual world for operational growth, agility and scale?

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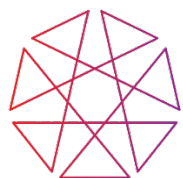
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