

Understanding the persistence of digital platform firms: A delphi study of India's consumer durables industry

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Abstract

This study aims to identify the factors that influence the persistence of digital platform firms in India's consumer durables industry and to develop a conceptual framework showing how these factors interact to support persistence in a dynamic digital environment. A two round Delphi survey was conducted among twelve experts, comprising eight industry practitioners and four academics, to identify and achieve consensus on the factors influencing the persistence of digital platform firms in the consumer durables sector. The findings highlight four critical factors—network effects, complementors, business model, and platform design—as significant drivers of persistence among digital platform firms in the industry. The study presents a conceptual framework linking these factors to strategy formulation. While the expert panel provided valuable insights, future research may benefit from incorporating the perspectives of additional stakeholders, such as consumers, regulators, and investors, to develop a more comprehensive understanding of platform persistence. The findings offer practical guidance for managers formulating and implementing strategies to sustain digital platform firms during periods of intense competition, thereby helping reduce the likelihood of failure. This study contributes to the underexplored area of digital platform persistence by focusing specifically on the consumer durables industry in India, an important yet understudied context.

Keywords: Digital Platform, Platform Persistence, Consumer Durables Industry, Delphi Method, Network Effects, Business Model, Platform Design, India

JEL Classification: L86, L81, L14, O32



1. Introduction

Digital platform firms have been nothing short of transformative in the digital economy and are in the perfect spot to generate and seize value. These firms are positioned to ease the sharing of resources and integrate them creatively in the global economy, where many resources may be digitized and can be used even if they are geographically scattered (Yoo *et al.*, 2010). Digital platform firms touch nearly every facet of our lives and have come to represent a dramatic upheaval that has swept through a wide range of industries in the modern business and technological landscape. A fundamental change in how we connect, conduct business, and receive services has been brought about by the growth of digital platforms, whether in commerce, healthcare, entertainment, or education. Digital platforms are everywhere now, and this has not only changed how industries function but also paved the path for a new era of creativity, connectedness, and productivity. These platforms have been integrated into the fabric of numerous industries, providing cutting-edge solutions and ushering in a time of unrivaled connectedness and comfort. The consumer durables industry is one such case in India that is anticipated to reach USD 118.4 billion in 2025 (Mathur, 2023). It is one such sector that has undergone this digital revolution. Consumers are spending more time online and offline, actively embracing video in their shopping experience across categories of consumer durable products. Consumers typically browse websites and read reviews and consumer videos before making such purchases. Digital adoption on account of retailers and traders has also resulted in increased margins, greater competitiveness, higher online sales, and easier access to working capital for retailers. By 2025, the durables category will have a general trade channel that is digitally enabled, accounting for about \$3.8 billion in procurement (Kumar, 2023). Meanwhile, retailers and distributors must engage across multiple channels as shoppers spend more online and offline time.

The consumer durables industry is famous for its dynamic nature, where the survival of digital platform firms depends on their capacity to adapt and deploy pertinent strategies in this constantly changing digital landscape. Persistence fosters resilience by enabling these digital platform firms to recover from setbacks, modify their strategies in response to changing conditions, and identify novel solutions. Additionally, it helps firms to maintain their long-term objectives despite temporary failures. McIntyre *et al.* (2021) defined persistence as “its continued presence as a viable means for interaction and transaction among the majority of current or potential users.” In this setting, it is crucial to identify and comprehend the significant factors impacting digital platform firms’ persistence in the expanding consumer durables market, thereby determining the long-term survival tactics formulated and implemented by the management and other stakeholders.

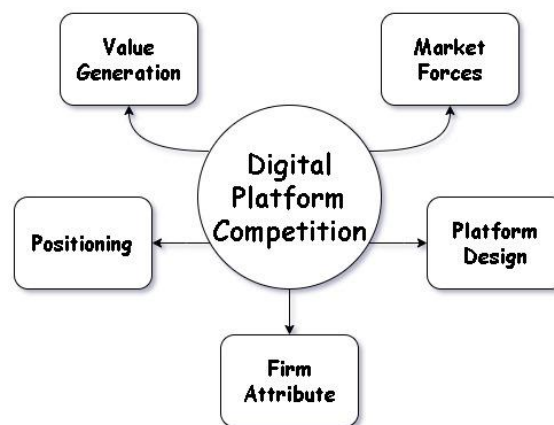
To achieve the objective of this study, the entire study is structured into five sections, including the present introductory one. Section 2 presents the literature review on persistence. Section 3 describes the methodology, presents the results, and discusses the findings with a conceptual framework; Section 4 provides the conclusion and relevant implications.

2. Literature Review

Product marketplace boundaries are no longer important for characterizing the type and intensity of competition and identifying the relevant rivals as value rapidly changes away from standalone products and toward platform systems. Businesses are growing increasingly dependent on digital, and digital platform competition is becoming increasingly important to a firm's ability to compete (Cennamo & Santaló, 2013). Digital technology advancements are extending the boundaries of businesses. The next market disruptors are digital platform firms, which use a "platform" to generate value by facilitating transactions between two or more interdependent parties. Platform-based digital marketplaces are fundamentally changing how businesses create and provide value to their clients and how they compete to persist in the market. It is essential, therefore, to analyze the nature of platform rivalry and the factors involved in a firm's persistence to comprehend the competitive dynamics of digital markets.

Factors influencing the competitive environment of the market in which these digital platform firms are a total of 19 as identified from literature that can be broadly categorized into five broad categories as shown in Figure 1, i.e., value generation, market forces, positioning, firm attributes, and platform design (Bourai et al., 2024). Value generation contains three sub-factors, namely network effects, network interconnectivity, and complementors, that determine the value creation, sharing, and capture in a platform market.

Figure 1. Broad Categories of Factors Affecting Digital Platform Competition



Source: Author's Elaboration

Firms do not stay in a vacuum; they are impacted by external factors such as buyers, market structure, sellers and antitrust, competition policy, and regulations covered in the broad category of market forces. Competitive positioning concerning the platform firm's business strategy for timing and product and service offerings helps them create their market and maintain dominance. The firm resources and capabilities influencing the platform competition are platform leadership, cost, business model, price, investment in marketing communication and research and

development, learning orientation, envelopment, and economies of scale and scope. The technical aspects of platform firms studied in technology management impacting platform competition are platform design and platform governance.

The word "network effects" refers to a phenomenon in which a product's value to one user increases as more people use it (Katz and Shapiro, 1985). The attribute, often called "the more, the merrier" (Lee, 2001), changes the firm's short-term success goals, how the market competes, and how people buy things. According to Eisenmann, Parker, and Van Alstyne (2006), a direct network effect, also known as a same-side effect, occurs when a user gains greater value from a service or product with each new user that joins the same side of the platform. Conversely, the mutual advantage that several sides of the platform derive from the characteristics and magnitude of the other side is known as indirect network effects or cross-side effects (Rochet & Tirole, 2003). Although participants engage and match on different sides of digital platforms, there are significant industry differences in how users in one market purchase goods or services from suppliers in another. The defensibility and profitability of digital platform enterprises are significantly impacted by this phenomenon, which is known as network interconnectivity. The network structure of Airbnb, for example, shows how various local markets are interrelated, with travelers being more concerned with the quantity of hosts in the locations they intend to visit than with the quantity of hosts in their own city. In a highly interconnected network, it is challenging for a new business to compete, particularly when buyers in one local market acquire services from other marketplaces. Producers of complementary goods who compete with one another to sell to the other side of the platform are known as complementors (Cennamo & Santaló, 2013; Parker & Van Alstyne, 2005; Rochet & Tirole, 2003). Video game consoles, like the Xbox from Microsoft and the PlayStation from Sony, are platforms where independent developers can make and play free-to-play games.

In certain situations, a "winner-take-all" situation in the platform market is determined by the quantity of customers, their homing propensity, and their preferences. Even if a technology or product is inferior, its high consumer adoption rate can lock it in place. For instance, the QWERTY keyboard design is still the industry standard today even though there are ostensibly better options like the Dvorak Simplified Keyboard design, which is intended to significantly increase typing speed (Rietveld & Schilling, 2021). Regardless of whether it's American antitrust laws, EU competition policies, or Indian regulations, they all have the same goal: they are a collection of laws designed to guarantee fair competition in the digital platform market by restricting the use of market power by digital platform firms. This promotes platform competition by opening up new players to the market and enabling consumers to use the goods and services offered by other digital platforms. The market structure of the digital platform market is determined by the number of firms that operate in the market, the type of competition between them, and the kind of goods or services offered. The likelihood of new firms entering the market, the number of already-existing firms, innovation, the number of sellers, the number of connected complementors, and the degree

of regulations and antitrust laws in existence all have a role in determining the intensity of competition in a given market.

Timing is a key component that drives all of a digital platform firm's strategic decisions. When a new firm enters the market, launches a new product or service, or responds to competition, it determines whether it has a first mover or later mover advantage (Schilling, 1998; Suarez & Utterback, 1995). Previous studies have suggested that early entry may be detrimental to a digital platform firm, with many late entrants successfully outselling incumbents to ensure future survival (Evans, 2003; Tellis et al., 2009; Hidding et al., 2011). However, prior research has indicated that early entry gives enterprises a greater chance to develop their installed base. In addition to contributing to uniqueness, a platform firm's goods and services are utilized to gauge the caliber of the platform (Cennamo, 2021). In order to take advantage of network effects and ensure their survival in the market, platform enterprises must distinguish their products. These days, the service contributes to this difference more than the product (which tends to be similar). For example, even though the bulk of buyers started out on a single digital platform, some might be willing to move to another because the superior service provided by the smaller digital platform makes up for the site's lower network benefits.

Innovation and technological advancement are essential for a digital platform firm to emerge and remain in the market since they herald a period of technical discontinuity and variety (Tushman & Rosenkopf, 1992). Significant technological advancements impact a digital platform firm's product and service sales, manufacturing, and distribution. This has a positive feedback loop effect on the sector because of network effects (Cozzolino & Rothaermel, 2018). Reaching a significant market share requires a platform firm to make judgments about its marketing mix that affects many clients (Shankar & Bayus, 2003). Platform firms are investing more in early-stage R&D development than later-stage expenditures as more and more platform enterprises join the market and technology advances continuously. A digital platform needs visionary leadership to succeed because they can use digital technology to further the organization's goals and have the long-term vision, drive, and ability to do so (Berens et al., 2019). In addition to meeting an organization's business needs, they help shape those needs by creating cutting-edge technological solutions that give them a competitive edge in the face of opportunities or obstacles.

Curtis (2016) notes that globalization, digital technologies, and digital platform firms have profoundly impacted the global innovation landscape and the factors determining the prevalent competition. This means, more than just adapting industrial and investment policies, the government-wide response to cross-sectoral, economy-wide challenges should include digital strategies like developing the right digital infrastructure, boosting research and science, upgrading skills, and adopting retraining policies, promoting e-government services and cyber security, establishing a clear framework for data use, transfer and protection, and, in some countries, promoting the growth of national firms in digital services.

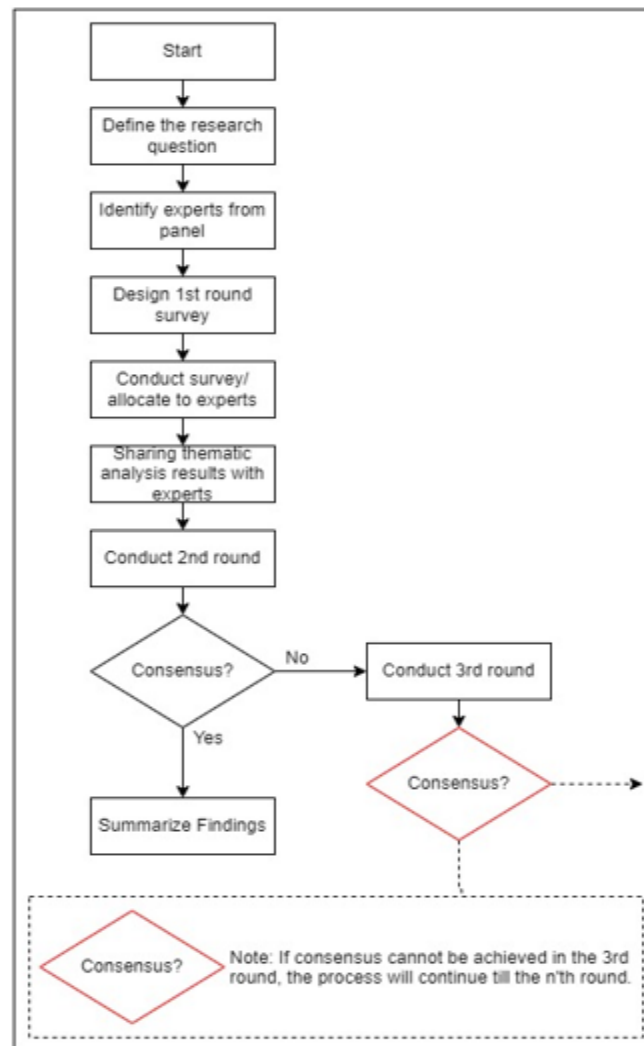
In a nutshell, the existing knowledge base is inconclusive about the factors determining the persistence of digital platform firms in the consumer durables industry, especially after a change in government policies. The present study fills this void and attempts to identify the factors for the persistence of incumbent digital platform firms.

3. Methodology

In order to ascertain experts' opinions of the most pertinent and significant aspects influencing the persistence of digital platform firms in the consumer durables market, this study modified a two-round Delphi study. Consensus-building is the main goal of the Delphi Method. The Delphi Method allows participants to respond to questions anonymously, which frequently puts them at ease and results in opinions that are uninfluenced by others' opinions (Sangal, et al., 2022). According to Thompson (1990), the Delphi method is a strategy for integrating expert opinion under the assumption that the experts are independent. It is a technique for obtaining expert opinions, assessments, and consensus using specially created instruments. Also it is a systematic and qualitative forecasting method (Miller, 1994) that involves asking a group of experts a series of questions. Figure 2 presents the flowchart of the Delphi method (Tee *et al.*, 2022), which illustrates that it is adaptable and well-suited, especially when the goal is to increase understanding of issues, opportunities, and solutions or to create projections (Skulmoski *et al.*, 2007). Therefore, Delphi is suitable for investigating disagreement, ambiguity, or controversy (Iqbal & Pippon-Young, 2009).

Twelve Indian-based experts took part in the Delphi research. In contrast to traditional surveys, the panel size for a Delphi Method does not need a statistically significant number of participants to be legitimate. Eight professionals from the industry and four academics made up the participating group. Table 1 displays the characteristics of the Delphi Study's participants.

Figure 2. Flowchart of Delphi method



Source: Author's construction

Each expert had to satisfy two of the following minimal requirements in order to be eligible to participate in this study. (1) Academic qualification: possesses a degree (B-Degree, M-Degree, or Ph.D.); (2) knowledge and experience of at least 8 years in the consumer durables industry; (3) published articles in peer-reviewed journals, books, or conferences in related or on consumer durables industry, strategic management, or digital platform firms; (4) teaching experience: has worked as an instructor in the teaching of courses focusing on strategic management focusing on digital platform firms or recognized related field and (5) Capacity, willingness and time to participate.

Table 1. Delphi Participant Profile

Current Position	Industry Sector	Years of Experience	Highest Educational Qualification
Academic	Higher education	10	PhD
Academic	Higher education	9	PhD
Academic	Higher education	13	PhD
Academic	Higher education	8	PhD
Accounts Executive	Consumer durables	8	B. A. Honors
Business Operations Manager	Consumer durables	15	M.B.A
Operations Supervisor	Consumer durables	15	M.Tech
Sales Manager	Consumer durables	8	B. A. Honors
Senior Manager	Consumer durables	12	M.B.A
Senior Manager	Consumer durables	11	M.B.A
Team Lead	Consumer durables	10	M.B.A
Zonal Head	Consumer durables	16	M.B.A

Source: Sample Information

Participants in this study stated how much they agreed or disagreed with items supplied to them on a questionnaire. Participants were allowed to recommend additional variables and sub-factors at the end of the questionnaire to help lessen the possibility of bias resulting from the limited selections. There were two sections to the questionnaire. The nineteen persistence factors—Network effects, Network interconnectivity, Complementors, Buyers, Antitrust, competition policy, and regulations, Market structure, Sellers, Timing, Product and service offerings, Leadership, Cost, Business model, Price, Learning orientation, Investment in marketing communication and resources & development, Envelopment, Economies of scale and scope, Technology and innovation and Platform governance—are measured in the first section's

statements. The factors were rated on a 4-point Likert-type scale wherein the levels of importance on the scale were unimportant (1), slightly important (2), important (3), and very important (4). The respondents' titles, highest education levels, genders, industries, and levels of business intelligence experience were among the general demographic data acquired in the second segment.

The participants were told to rate each factor based on how important they thought it was for the digital platform firm to stay in the consumer durables industry. To start the second round, the questionnaire was emailed after 6 weeks to the people who took part in the first round. In the second round, each participant got a personalized questionnaire that showed their answer from the first round and a summary of the replies from the other participants. In the second round, people could change their ratings of how important something was based on the new information they had learned. The second round of the Delphi survey was filled out by all twelve experts, or 100%.

After the first round, the amount of consensus is often chosen. Miller (2006) says a topic can be agreed upon if a certain percentage of the votes come within a certain range. One criterion says there is consensus when 80% of the votes on a seven-point scale fall into two groups (Ulschak, 1983). This, however, is not applicable to our study since there is a four-point Likert scale. Green (1982) says that at least 70% of Delphi participants need to give a score of three or higher on a four-point Likert scale. The median score needs to be 3.25 or higher, which was used to figure out which factors are important for digital platform firms to stay in business in the consumer durables industry.

4. Results

The final findings of the Delphi technique are shown in Table 2. Table 2 shows that there are many points where everyone agrees 100%. In the first round, there was agreement on only 3 of the 19 factors. The Delphi method says that the factors that get the most votes can either be left off the next round's poll or added, giving you a chance to get a higher level of agreement. By taking out the factors, the next poll will be shorter, making it less likely that people will drop out. The agreement factors were taken out of this study. So, the second round poll only used the 16 factors that no one agreed on. In the second round, everyone agreed on only 1 factor. The Delphi study was concluded after two rounds, wherein everyone agreed on only 4 of the 19 factors.

Table 2. Results of the Delphi Study

Factor	Round One Consensus (%)	Round Two Consensus (%)
Network Effects	100	
Network interconnectivity	0	0
Complementors	60	100
Buyers	0	0
Antitrust, competition policy, and regulations	0	0
Market Structure	0	0
Sellers	0	0
Timing	0	0
Product and service offerings	0	0
Leadership	0	0
Cost	0	0
Business model	100	
Price	0	0
Investment in Marketing Commu. and R&D	0	0
Learning Orientation	0	0
Envelopment	0	0
Economies of scale and scope	0	0
Platform Design	100	
Platform governance	0	0

4.1 Discussion and Conceptual Framework

4.1.1 Endogenous Factor

Digital platform firms do not operate in a vacuum; they are impacted by unique exogenous factors-network effects and complementors, which shape the structural dynamics of the digital platform firm and impact the prevalent competition in the market and the subsequent strategies formulated and implemented.

4.1.1.1 Network Effects

The attribute, which is often called "the more, the merrier" (Lee, 2000), changes the firm's short-term success goals, the way the market competes, and how people buy things. In the case of network effects, the rule for success is to maximize the installed base quickly instead of skimming off the marginal profits. Once a technology or product becomes the most popular, getting people to switch to something else is very hard, even if the new option is better (Farrell & Saloner, 1986; Redmond, 1991). Consumers' decisions to buy a product are heavily influenced by what they think will happen with the installed base in the future and how the "the more, the merrier" effect will affect them.

According to one of the study participants, *"Firms that can leverage or exploit network effects have rapid growth rates. Also, once you gain the upper hand, you usually hold it. The bigger you get, the faster your demand grows."* Another participant emphasized the importance of network effects by saying, *"You may use network effects to boost profitability and expand your firm by being aware of the underlying ideas that underpin them and the potential consequences."* *"Once you've gained significant market share, you can often sit back and let the network effect take over."* according to another Delphi participant, *"In essence, your current customer base and vendor network serve as your sales force to draw in new customers. Often, you have very little work to accomplish. This explains why businesses in network-effects markets sometimes compete intensely, in the beginning, to win over clients—sometimes even offering free products—but then raise prices once they have network leadership."*

The self-reinforcing nature of network effects is caused by the positive feedback effect we discussed earlier (Shapiro & Varian, 1999). Strong competitors get stronger, and weaker competitors appear after them. At its worst, good feedback can lead to a winner-takes-all market in which one firm or technology beats all the others. So, in terms of network effects, firms compete by trying to increase the number of additional goods that can be used with primary products. This creates positive feedback effects (Shapiro & Varian, 1999b)

4.1.1.1 Complementors

Through value co-creation, complementor engagement creates a symbiotic alliance between the platform and complementor that benefits both parties (Zhang et al., 2021). Platform ecosystems

gain from a functional extension that delivers significant value for end users by way of particular software solutions (Engert et al., 2021). Conversely, complementors have the ability to include their products in a wider range of offerings, making their value proposition(s) more appealing to consumers (Adner, 2017; Cennamo & Santalo, 2019). A platform could cut down on its competitors' position in the consumer durables markets by securing complementary applications through exclusivity agreements and denying access to rivals (Armstrong & Wright, 2007; Mantena et al., 2008). By asking for a contract, a digital platform firm can build close ties with application developers over time, making it easier to coordinate release dates and the type and quality of content an application developer makes (Yoffie & Kwak, 2006).

According to one of the study participants, *“Through the performance and cost of essential complements, businesses can manage consumers' opinions about the worth of their goods and services”*. Another participant emphasized the importance of complementors by saying, *“Collaborating with complementors is deemed useful as partners could better manage and coordinate their marketing and technical activities”*.

4.1.2 Endogenous Factor

The firm's internal resources and capabilities unique to digital platforms that have been majorly studied in technology management literature (Gawer, 2014), influencing its persistence in the market by distinguishing the digital platform firm from others and well as are a determinant of a firm's value creation processes (Benson-Rea et al., 2013) are digital platform business model and digital platform design.

4.1.2.1 Business model

The business model can be seen as a conceptual framework that explains how a business creates, captures, and delivers value (Osterwalder & Pigneur, 2010). It can also be seen as a system of interdependent activities that goes beyond the main firm and crosses its boundaries (Zott & Amit, 2010). Researchers have looked at the different types of business models (Tukker, 2004) and the skills needed to implement the new business models (Parida et al., 2014) in an industrial services setting. Customers can use goods without owning them, and service providers can open up new customer categories and revenue streams studied under different names and ideas. For instance, the use-oriented business model (UOBM) is a type of business model that manufacturers of consumer durables have increasingly employed. In this model, the product is still the core of the offering, but the provider keeps ownership of it and makes it available to customers through leasing (Tukker, 2004).

According to one of the participants, *“Businesses may relate their assumptions about consumer behavior to the ensuing economics—and their insights into the marketplace—much more closely thanks to business models.”* Another emphasized its importance by saying that every choice, every initiative, every measurement—when managers operate mindfully from a model of how the entire

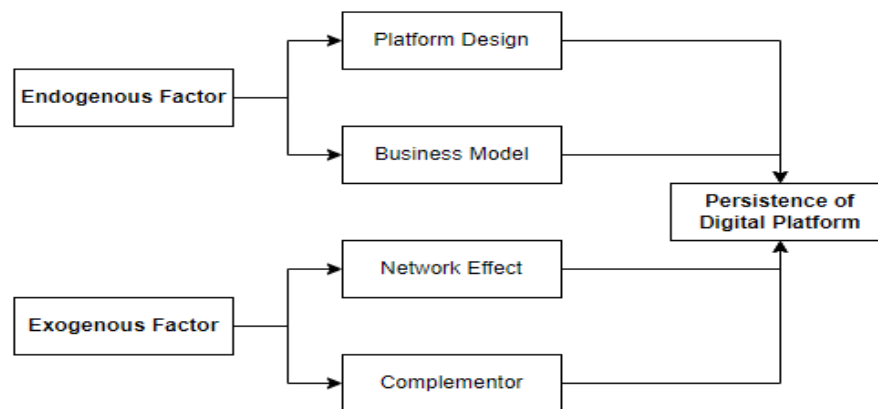
business system will function, insightful feedback. According to another participant, *“One of a business model's greatest advantages as a planning tool is that it draws attention to the way that each component of the system functions as a whole. It should come as no surprise that CEOs who understood the fundamentals of business model thinking were better positioned to guide the winners even throughout the Internet boom.”*

4.1.2.2 Platform Design

An essential qualitative aspect, the technical quality of a digital platform can be defined as the technical performance or utility derived by the user. Recently, researchers have emphasized the role of technical quality in dominance in the industry. For instance, in the video game console industry, Nintendo Wii and Sony Playstation captured a large market share due to their better technical quality, displacing the existing Microsoft Xbox 360. It is important to note that quality impacts platform competition but not on its own; multi-homing and consumer expectations, among others, also play a role (Cusumano *et al.*, 1992; Sillanpää & Laamanen, 2009). Compatibility is defined by Katz and Shapiro (1986) as *“whether different brands or technologies of the durable good (for instance, hardware) can utilize identical units of the complementary good (for instance, software)”*. For instance, in the realm of communications, all television sets are compatible (that is, they all receive and process the same signals), while incompatible AM stereo systems fight for survival. Digital platform firms must ensure that their technology, product, or service is compatible with other existing goods in the market to avoid lock-out or becoming obsolete.

According to one of the study participants, *“A platform frequently has no value at first because users produce all of the value. Platform design choices are essential to ensuring that platforms draw utilization even at a low value.”* Another participant emphasized the quality aspect of platform design by stating, *“The platform's scaling variable is the fundamental value of the unit (which includes products and services, among other things). The platform will be more valuable the more units it contains and the greater the quality of these units.”*

Figure 3. Conceptual Framework of Identified Factors



Source: Author's construction

The question of why some digital platform firms are able to sustain their presence in competitive markets while others disappear relatively quickly continues to attract attention in strategic management research. This issue becomes particularly salient in industries experiencing rapid digital transformation, where traditional sources of competitive advantage are frequently challenged by new technological and organizational arrangements. In such contexts, persistence rarely stems from a single strategic factor. Rather, it tends to emerge from the interaction between firm-specific capabilities and the broader ecosystems within which firms operate. To interpret the factors identified in this study, insights are drawn from the Resource-Based View, Dynamic Capabilities Theory, Platform Ecosystem Theory, and Network Effects Theory. Together, these perspectives offer a useful lens through which the persistence of digital platform firms in India's consumer durables industry can be better understood.

A logical starting point for examining persistence lies in the Resource-Based View (RBV), which emphasizes the importance of firm-level resources and capabilities in shaping long-term competitive outcomes. From this perspective, organizations gain sustained advantage when they develop resources that are valuable, rare, difficult to imitate, and not easily substituted. Within digital platform firms, such resources often manifest in less tangible forms than those traditionally associated with manufacturing or service industries. Technological infrastructure, proprietary algorithms, and innovative business models can all function as strategic assets that underpin a platform's competitive position. Platform design, in particular, represents a capability that determines how effectively interactions among multiple user groups are structured and facilitated. Likewise, the configuration of a platform's business model influences how value is created, distributed, and captured across the ecosystem. When these elements are developed in ways that competitors cannot easily replicate, they may form the basis of a durable competitive position.



Yet, relying solely on existing resources is unlikely to guarantee persistence in digital markets that evolve rapidly. Firms must also demonstrate the ability to adapt and reconfigure their capabilities as conditions change. This concern is addressed by Dynamic Capabilities Theory, which highlights the role of organizational processes that enable firms to sense emerging opportunities, seize them, and transform their resource base accordingly. Digital platform firms operate in environments where technological shifts, regulatory developments, and changing consumer expectations continuously reshape the competitive landscape. In such settings, persistence appears to depend not only on possessing valuable capabilities but also on maintaining the organizational flexibility required to renew them. Adjustments in platform architecture, experimentation with new revenue mechanisms, and the integration of emerging technologies may all be interpreted as manifestations of such adaptive capacity. Firms that manage these transitions effectively are often better positioned to remain relevant despite ongoing environmental turbulence.

While these perspectives focus primarily on firm-level capabilities, the distinctive nature of digital platforms requires attention to the broader networks in which they are embedded. Platform-based businesses differ from traditional organizations in that much of their value emerges through interactions among multiple external participants. This insight is central to Platform Ecosystem Theory, which conceptualizes platforms as orchestrators of ecosystems rather than as isolated producers of goods or services. Within these ecosystems, complementors play an especially important role. Complementors—such as manufacturers, service providers, technology developers, or logistics partners—extend the functionality of the platform and enrich the value proposition available to users. Their contributions often enhance the diversity of offerings within the ecosystem and strengthen user engagement. Consequently, the ability of platform firms to attract, coordinate, and sustain relationships with complementors may represent a critical element in maintaining their long-term viability.

Closely intertwined with ecosystem dynamics is the concept of network effects. The logic underlying Network Effects Theory suggests that the value of a platform tends to increase as participation grows. As more users join a platform, the benefits experienced by other participants may also expand, thereby creating a reinforcing cycle of adoption. In some cases, these dynamics take the form of direct network effects, where users benefit directly from the presence of other users. In other cases, indirect effects emerge when growth in one user group encourages participation from complementary actors. For example, a growing base of consumers may attract additional suppliers or service providers, which in turn enhances the attractiveness of the platform for new users. Over time, such dynamics can produce strong competitive advantages by making it increasingly difficult for new entrants to replicate the scale and engagement achieved by established platforms.

Taken together, these theoretical perspectives suggest that the persistence of digital platform firms is shaped by both internal strategic capabilities and external ecosystem relationships. Firm-level

capabilities such as platform design and business model configuration provide the structural foundation for value creation, while dynamic capabilities enable organizations to adapt these structures as the environment evolves. At the same time, ecosystem dynamics—particularly the role of complementors and the emergence of network effects—reinforce the competitive advantages generated within the firm.

In the context of India's consumer durables industry, these dynamics appear particularly relevant. The sector has experienced significant transformation in recent years, driven by digitalization, changing consumer preferences, and the increasing integration of online platforms into traditional distribution channels. Digital platform firms operating in this environment must therefore navigate both internal strategic challenges and complex networks of external actors. The findings of the present Delphi study identify four factors—network effects, complementors, business model, and platform design—as especially influential in shaping the persistence of such firms. These factors collectively reflect the interplay between firm capabilities and ecosystem structures, suggesting that long-term survival in platform markets depends not only on technological innovation but also on effective ecosystem orchestration.

5. Conclusion

The primary objective of this study was to find out what factors contribute to digital platform firms' persistence in the industry. The study found that network effects, complementors, business models, and platform design are all important for the persistence of digital platform firms in the consumer durables industry. This study is important because it makes people more aware of the things that can be taken into account when making and implementing strategies for staying in business in the changing consumer durables industry. Also, this study adds to the research on digital platform firms that stay in business. The primary limitation of this study was that we got our first list of persistence factors from looking at similar work in strategic management, economics, and information technology. Second, our first round could have been left open-ended so that the researcher could directly ask the expert group about the factors that make digital platform firms persist. Third, there were only practitioners and academics in our expert group. People with a stake in a digital platform firm must be involved. By getting other people's opinions, getting a more objective and complete picture of the important factors might be possible. Some of these problems need to be dealt with in future works involving empirical analysis.

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