

What Is the Impact of Within-Platform Competition in Two-Sided Markets?

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Overview

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- ▶ Use a Diff-in-Diff and RD strategy analyzing US airports.
- ▶ Airline competition helps airports which adopt a two-sided pricing approach.
 - ▶ Increase per passenger commercial revenues and landing fees.
 - ▶ Overall financial performance improves as well.

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- ▶ Nice policy change used with simple, intuitive empirical analysis.
- ▶ Novel way to look at airports from a two-sided market perspective.

Thoughts and Suggestions I

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- ▶ Need a formal model to capture moving parts.
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- ▶ What explains residual pricing vs not? Capacity constrained vs. not? How does unobserved quality interact with this?

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 - ▶ A priori, seems that treatment and control airports are very different (Also, in Snider and Williams, 2015)
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- ▶ Use Diff-in-Diff with an RDD? Use different bandwidths for RDD.

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- ▶ Are airports really two/multi-sided markets? Not clear...
 - ▶ If yes, which are the two most relevant sides?
 - ▶ Different across Snider and Williams (2015), Ivaldi et al. (2017), Gagnepain and Marin (2005).