GO-TO-MARKET & PRICING

A marketplace is both referee and competitor

A B2B marketplace governs sellers while changing incentives. Separate monitoring, fairness, investment, and self-participation before choosing controls.

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MANAGEMENT SUMMARY

A B2B marketplace coordinates buyers and sellers, writes the rules of exchange, and may also trade inside the market it governs. That overlap is a governance problem. Sen, Kumar, Dubey, and Gupta study monitoring and procedural fairness in two-sided B2B electronic markets, then test how platform self-participation and platform investments change those associations. Their two-wave buyer study covers 184 usable responses across 82 platforms. The interactions define two bounded packages, not a universal playbook. Rösch adds a conceptual analysis of the marketplace owner's wider information position, while Homburg and colleagues show why route design still matters. The practical result is a role-and-outcome ledger that keeps governance, data access, participant incentives, seller performance, buyer experience, and platform economics separate.

Keywords: Marketplace governance · Platform strategy · Channel governance · B2B marketplaces · Procedural fairness

A B2B marketplace may set the rules of exchange and sell inside the market those rules govern.

Those are not the same role. The platform can be an intermediary, a rule-maker, an infrastructure provider, a data holder, and a participant. A marketplace that reports better seller performance may still leave an unanswered question: whose performance was measured, under which governance process, and with what access to the market's information?

The practical answer is not to declare the platform illegitimate. It is to keep the roles and outcomes visible before choosing a control package.

Why does a digital platform occupy conflicting commercial roles?

Rösch analyzes the case in which a marketplace owner enters its own marketplace as a supplier. The paper is conceptual. It describes five situations in which owner entry may be considered: quality control, competition, supply gaps, transparency, and profit. It also describes the tension created for third-party suppliers when the owner is both market-maker and participant.

The information position matters. An individual supplier usually sees its own interactions. The marketplace owner can observe and analyze transactions across suppliers. That difference does not prove unfair use of data. It does establish a question that a governance record should answer: who can see which patterns, and can the same organization use them while setting the rules?

This is a different problem from ordinary route ownership. The live route ledger for bookings, customer access, service burden, and incremental demand asks who controls a commercial relationship and what economics a route has added. The defensible evidence review supplies the stopping rule for testing a governance package against a named outcome. This article adds the governance question that appears when the route owner also participates in the exchange.

How do platform monitoring and governance fairness diverge?

Sen, Kumar, Dubey, and Gupta study two-sided B2B electronic markets as triadic systems. Buyers and sellers transact with each other, while the platform firm coordinates the environment and enforces the rules of exchange. Their study separates formal platform monitoring from informal procedural fairness.

Monitoring means supervising participant actions and outcomes against stated rules. Procedural fairness concerns whether the platform's processes are equitable, consistent, transparent, and open to the participants' views. Both are governance mechanisms, but they answer different questions. Monitoring asks whether a participant is meeting the rule. Fairness asks whether the process used to make or apply the decision is experienced as equitable.

In the reported model, both monitoring and procedural fairness are positively associated with seller performance as delivered to buyers. The outcome is important. It is not platform revenue, seller margin, or the marketplace owner's return. It is a buyer-side perception of seller performance.

What happens when the platform operator competes directly with third-party sellers?

The same study tests two structural conditions: platform self-participation and platform investments. Self-participation means that the platform firm directly transacts in its own marketplace. Platform investments include infrastructure such as invoicing, catalogues, order tracking, and other utilities that support exchange.

The reported interaction pattern is asymmetric. More self-participation weakens the positive association between monitoring and seller performance, while strengthening the positive association between procedural fairness and seller performance. More platform investment shows the opposite pattern: it strengthens the monitoring association and weakens the procedural-fairness association.

The authors describe two process-structure choice packages: self-participation with procedural fairness, and platform investments with monitoring. Read that as a bounded result from one study, not as a rule for every platform. The package is a starting hypothesis that needs a local outcome, governance record, and review window.

Where are the empirical boundaries of marketplace governance studies?

Sen and colleagues collected two temporally separated survey waves from purchasing managers in buyer firms that used B2B platforms. The first wave began with 4,100 invitations and produced 472 complete responses. The follow-up produced 191 complete responses. After seven responses with significant missing data were removed, 184 usable responses remained across 82 unique platforms.

The final sample is not a small footnote. It tells us how to read the result. The informants were buyer-side purchasing managers, and the dependent variable was their perception of seller performance as delivered to buyers. The design uses observational survey data, even though the waves are temporally separated. It does not randomly assign monitoring, fairness, investment, or self-participation.

Homburg, Vomberg, and Muehlhaeuser reinforce the route boundary from a different multichannel setting. Their manufacturer and partner data show that the sign of a governance mechanism can differ between direct and indirect channel designs. The result does not test this marketplace. It does make the transfer problem visible: a control that appears to work in one route design cannot be evaluated without naming the route.

How should brands maintain a role-and-outcome governance ledger?

Table 1 Two bounded marketplace governance packages

Governance record	Structural condition	Reported reading	What it does not prove
Monitoring plus platform investment	Infrastructure supports the rule and the platform observes participant conduct	The monitoring-perform ance association is strengthened in the Sen et al. study	It does not prove higher platform profit or a causal effect in every market
Procedural fairness plus self-participation	The platform participates and must make its process credible to affected parties	The fairness-performance association is strengthened in the Sen et al. study	It does not erase the platform's incentive conflict or prove neutrality
Role and data ledger	The platform is rule-maker, intermediary, participant, and data holder where applicable	The organization can state who sees what and who decides	Disclosure does not prove fair use or improved performance
Outcome ledger	Seller performance, buyer experience, participant access, and platform economics remain separate	The evidence can be matched to the decision it informs	One outcome cannot stand in for the others

Sen, Kumar, Dubey & Gupta (2023), Rösch (2024), and Homburg, Vomberg & Muehlhaeuser (2020). The packages and ledger fields are the author's synthesis; the table does not promise platform or seller financial performance.

Run the ledger in five passes:

1. State the role. Record whether the platform is only an intermediary or also a rule-maker, infrastructure provider, participant, and data holder.
2. Choose the mechanism. Name monitoring, procedural fairness, investment, or another control. Do not hide different mechanisms under one trust or governance score.
3. Name the structural condition. Record self-participation, investment level, route design, participant dependency, and any rule change that could alter the interaction.
4. Freeze the outcome. Choose seller performance to buyers, buyer experience, participant access, platform economics, or another defined result. State whose perception or data supplies it.
5. Disclose and review. Write who can see cross-supplier patterns, who decides disputes, which incentive conflict remains, and when the package will be reviewed against the same outcome.

Why is platform self-certification insufficient for antitrust and commercial defensibility?

Calling a marketplace a referee does not remove its own participation. Calling it a competitor does not remove its governance obligation. The useful operating record contains both facts.

Sen et al. provide a reason to separate monitoring from procedural fairness. Their study also shows why self-participation and infrastructure investment should not be treated as background decoration. Rösch provides the conceptual reason to record cross-supplier information access. Homburg and colleagues provide a route-design warning.

Together, the sources support a bounded sentence: a marketplace governance decision is credible only when the platform’s role, control mechanism, structural condition, measured outcome, and disclosure boundary remain visible together. That is a governance record, not a neutrality certificate.

If the platform has only a seller-performance perception from buyers, report that. If it has a rule change and a dispute record, report that separately. If it claims improved economics, show the economic object and comparison. A platform may be referee and competitor. The evidence should not be either.

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END OF ESSAY

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