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METHODS OF MONETIZING DIGITAL PLATFORMS

Summary. The methods of monetization of digital platforms are presented, which provides a comprehensive idea of the scale of their influence on the activities of enterprises in the conditions of digitalization. The competitive advantages of enterprises that use a platform business model are determined.

Key words: digital platform, online platform, digitalization, digital economy, platform business model.

Digital platforms exert a significant transformative influence on the socio-economic development of society, transforming traditional models of business organization into a modern digital format. They simplify the communication of participants within the framework of an interactive ecosystem in which value is created, contribute to the introduction of innovations in economic activity and the social sphere.

Digital platforms are driven by the ability to collect and analyze digital data, but their success depends on how they monetize that data for revenue. Data can be monetized by selling targeted advertising on the Internet, using e-commerce platforms, turning traditional products into service rents, or renting cloud services.

Some data components have little or no value; value arises after data is collected in large volumes and processed to provide understanding and the ability to make decisions based on this data by governments, businesses, organizations, individuals. Therefore, it is the ability to collect, process, transmit, store, analyze and interpret data that enables digital platforms to create value [7].

There are different ways to monetize digital platforms – from selling advertising content to charging interest on the value of transactions [1; 3; 5; 6]:

- a free digital platform provides free services, monetization occurs due to the delivery of advertising content to users (Facebook, Google (contextual advertising), YouTube, Ozon);
- conditionally free digital platform – free services are provided in the basic version, the user pays for advanced functionality (Spotify, Coursera, OLX);

- a digital platform with a commission - charging a commission for each transaction (eBay, Uber, Shafa);
- digital platform with payment for access - payment for access to information on the platform (Science Direct, Opentable, Linkedin, paid electronic mass media);
- digital platform with differentiated payment for access – only part of the users of the platform who are most interested in its services pay for access to services (dating sites).

However, connecting suppliers and consumers on the basis of a single online platform remains an unchanged type of business model of digital platforms. The profitability of the platform business model is determined by methods of creating conditions for suppliers and ways of connecting them with consumers, uniqueness and attractiveness [1]. Most of these methods make it possible to reduce the burden on end users.

The platform approach to economic activity is the basis of digitalization. Most companies are changing their business model from a manufacturer (seller) to a platform one, which proves its economic efficiency (Uklon, Rozetka, Amazon).

Companies that use a platform approach are more competitive. This is also confirmed by the rating of companies by market capitalization. At least 6 of the 10 most valuable companies in the world use digital platforms in their business (Table 1).

Table 1

**TOP 10 MOST EXPENSIVE COMPANIES
IN THE WORLD BY MARKET CAPITALIZATION**

Place in the rating	Company name / country	Type of activity	Market capitalization, trillion USD
1	Apple (USA)	Electronics, information technologies, software	3.36
2	Microsoft (USA)	Software development	2.99
3	NVIDIA (USA)	Development and production of graphics processors, application programming interfaces (API)	2.52
4	Alphabet (Google) (USA)	Internet, software	1.87
5	Amazon (USA)	Electronic commerce	1.80
6	Saudi Aramco (Saudi Arabia)	Extraction, processing of oil and gas	1.78
7	Meta Platforms (Facebook) (USA)	Internet	1.27
8	Berkshire Hathaway (USA)	Investment	0.99
9	TSMC (Taiwan)	Production of semiconductors	0.81
10	Eli Lilly (USA)	Pharmaceuticals, biotechnology	0.81

Source: compiled by the authors based on data [4].

Platforms provide traditional enterprises with new opportunities to use outsourcing to perform a number of tasks, which positively affects their organizational efficiency, promote the development of startups, help companies diversify their activities and expand product sales markets. Using the services of digital platforms,

companies mostly pursue several goals: reducing costs, increasing the efficiency of operations, access to information necessary for the implementation of innovations.

However, digital platforms can pose threats to traditional businesses. It is especially difficult for small and medium-sized enterprises to compete with them in certain industries [2]. This refers to the use of statistical data and algorithms to set prices, forecast demand and supply, study consumer preferences, and provide services at low prices or for free. Due to these advantages, platforms can create an uneven market playing field, which is made especially problematic by the lack of effective regulation. At the same time, the implementation of such regulatory mechanisms is necessary to establish a level playing field for both traditional companies and platforms, in particular in the areas of social protection, labor relations and conflict resolution.

However, the world's most successful companies, which are leaders in terms of market capitalization, use platform hybrid business models focused on digital innovation. The basis of this model is the network effect, which manifests itself in improving the usability of the platform thanks to unique content from new users, thereby increasing its value.

With the help of digital platforms, one of the problems faced by most companies is solved - the processing of a large amount of data, on the basis of which it is possible to create consumer profiles of users, study their preferences and predict their behavior, thereby strengthening the competitiveness of companies in the market and creating conditions for their development.

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