



(online) = ISSN 2285 – 3642

ISSN-L = 2285 – 3642

Journal of Economic Development, Environment and People

Volume 8, Issue 1, 2019

URL: <http://jedep.spiruharet.ro>

e-mail: office_jedep@spiruharet.ro

FOREWORD

Digital transformation is shaping our lives continuously. The current economic trends confirm the shift to the digital economy and society. Significant changes occurred at micro and macro levels, new financial and commercial models emerged due to the digital platforms and ecosystems.

Digital platforms and ecosystems are created, managed and governed to support the private entrepreneurial initiatives. For the private sector, digital platforms come with the promise of exponential economic growth, scale through the network effects and no assets needed. Recent research shows that emerging digital ecosystems will score \$60 trillion in revenue by 2025, which represents more than 30% of the global corporate revenue, and for the moment, only 3% of companies have adopted an active platform strategy.

The public sector starts to benefit from digital platforms and ecosystems, being designed as strategic elements for smart cities or even smart nations. Future policies should focus on the impact of quickly growing platforms and stimulate the creation of economic and social value. Strong private-public collaboration is needed to take advantage of the positive impact of digital platforms for both industry and society.

Scientists looking at these transformations have concluded that the Fourth Industrial Revolution is tightly linked to the new digital and physical technologies. New business models are being developed not only in emerging organizations but also have been adopted by traditional economic entities. In a few short years, the ranking of most valuable companies by market capitalization has shifted to being dominated by one business model – digital platforms and ecosystems.

The reality is that digital platforms are expanding across economies, reshaping how companies are doing business in a wide range of industries, such as finance, education, health care, media, retail, etc. while creating new public and private responsibilities. The companies embedding digital platforms in their current business operations are diverse: start-ups, traditional well-established, giants of the digital world all of them are being driven by the need of business model innovation to keep up with their competition.



(online) = ISSN 2285 – 3642

ISSN-L = 2285 – 3642

Journal of Economic Development, Environment and People

Volume 8, Issue 1, 2019

URL: <http://jedep.spiruharet.ro>

e-mail: office_jedep@spiruharet.ro

The “network effect” is shifting the production from inside the company to outside, the companies that are using platform act as facilitators to value creation, users being those who contribute to value creation themselves. In this inverted business model, digital platforms are more important than the product itself. It is about an openness that managers raised on traditional competitive dynamics find difficult to cope with. But, once the scale is achieved, digital ecosystems become extraordinarily powerful. The issue is how to turn this power into positive impact not only at the economic level but also at the social level.

Is just a matter of time, the digital economy will become attractive for more and more economic entities. The future doesn't wait for traditional restructuring of the company to be planned and implemented. Only those that will realize the importance of this imperative change will survive to current digital “storm.”

Editor-in-chief,

Prof. Manuela Epure, PhD