Exclusive Contents in Two-Sided Markets*

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Abstract

This paper investigates role of exclusive content provision in two-sided markets where both sides are allowed to participate multiple platforms. We consider a model of duopolistic two-sided platform market where there are monopolistic multi-product (content) firm in one side and consumers in the other side. The model shows that the monopolistic content provider decides how many contents to provide each platform exclusively to balance two opposite effects on its bargaining power: positive effect by increase in multi-homing consumers and the negative effect by restriction of distribution channels.

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