

Twitter Thread by Andrew Chen



Andrew Chen

[@andrewchen](#)

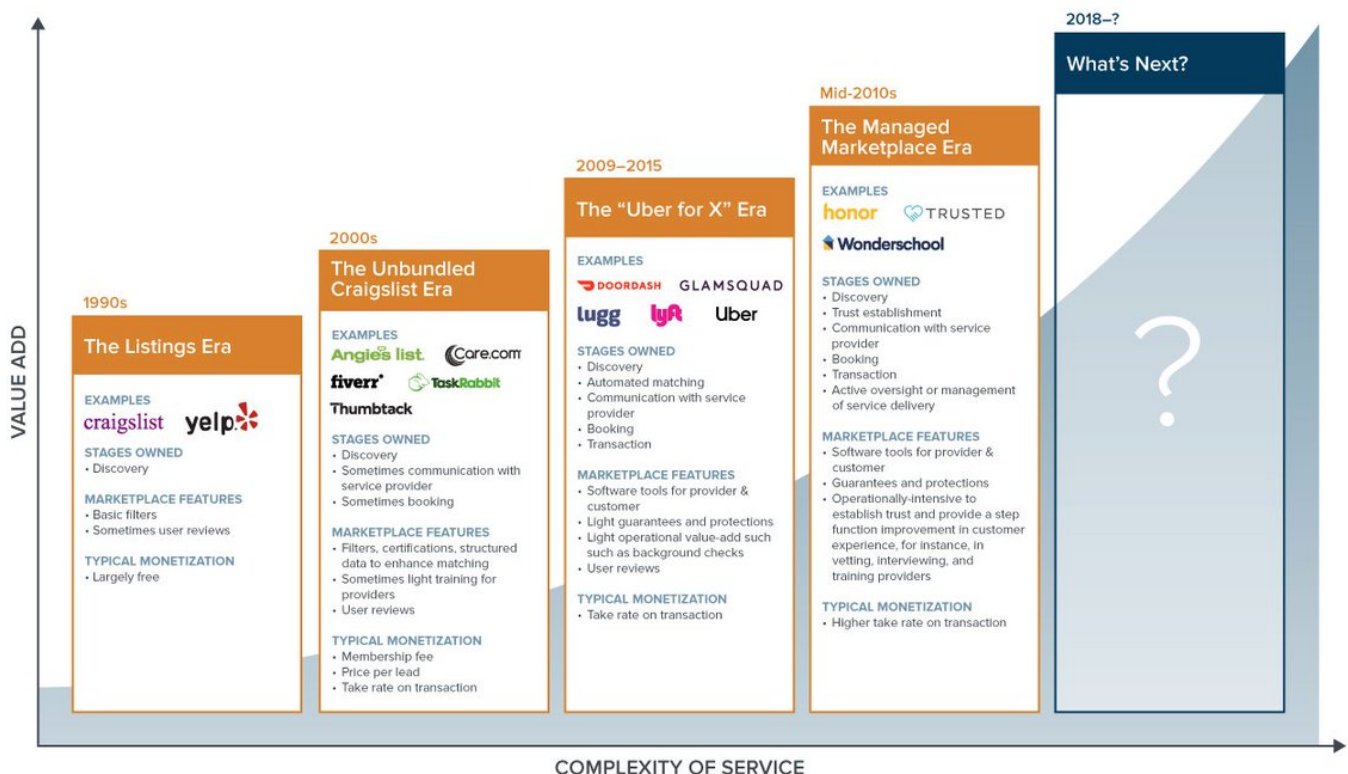


1/ new essay: What's next for marketplace startups? Reinventing the \$10 trillion service economy, that's what. Co-authored with [@Ijin18](#) <https://t.co/fgKbrHTnH5>. A short thread ■

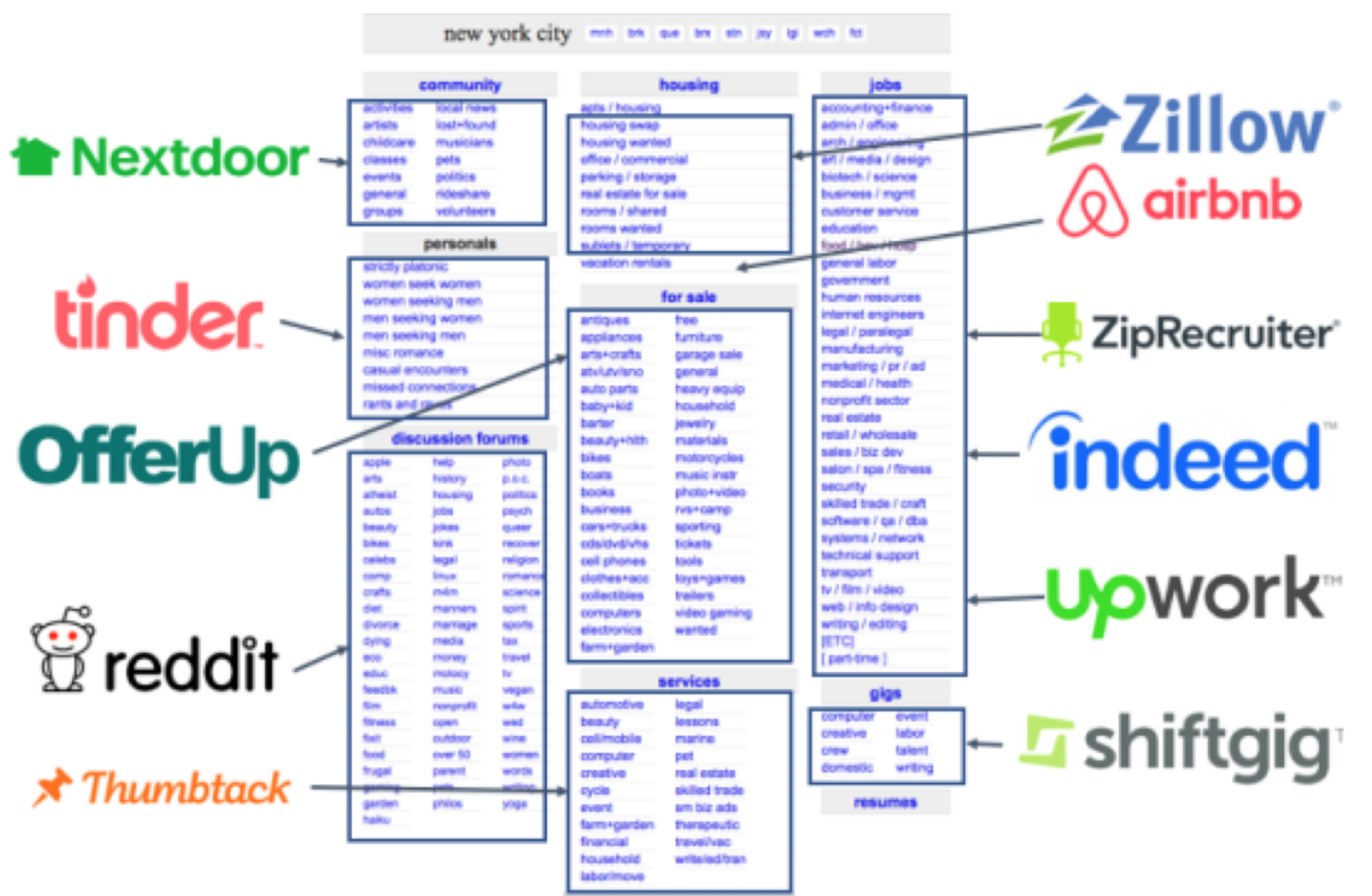
2/ Marketplace startups have done incredibly well over the first few decades of the internet, reinventing the way we shop for goods, but have been less successful services. It's bc services are complex, subjective, fragmented, and often in real life. Makes it hard

3/ There's been 4 major eras at making the service economy work online. The Listings Era, the unbundled Craigslist era, the Uber for X era, and the Managed Marketplace era

Evolution of Services Marketplaces



4/ Each era has added more value than the last, and utilized technology innovations, from internet to social / "read/write web" to mobile. The "Unbundling Craigslist" era was particularly epic at generating startup ideas



5/ The problem is, all the low-hanging fruit has been picked off. The techniques that got us to here won't get us to the next phase. So we have to do some pretty different things. That's why "Managed Marketplaces" have been a big deal - hire folks as W-2s, certify quality, etc.

6/ All the learnings from the previous generation of marketplaces will be needed - and more! - to unlock the next phase. Which will be focused on regulated, licensed professions. This is everything from teaching, legal work, healthcare, and more. This represents trillions (!!).

7/ Here's a view of what all of these sectors might look like.

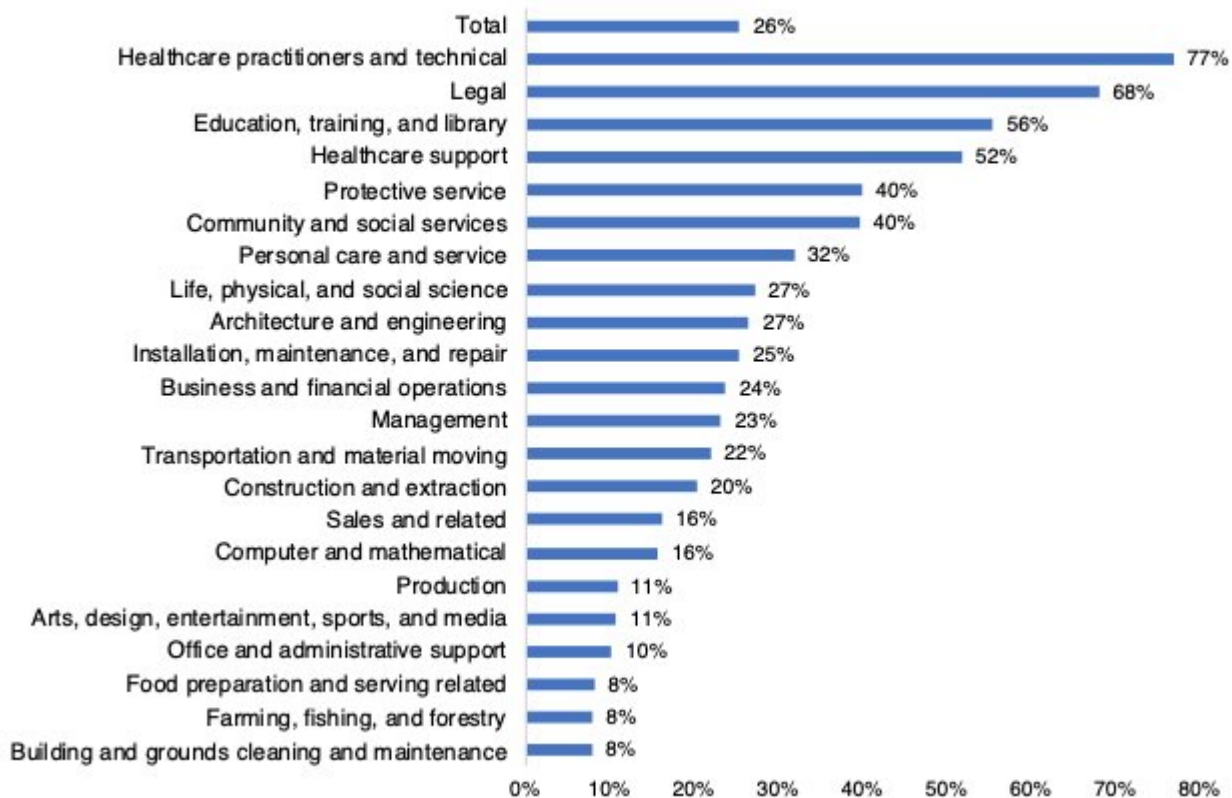
Companies Tackling Regulated Services

<div>Architecture & Engineering</div> <div>EXAMPLE OCCUPATIONS</div> <div>Engineers, cartographers and photogrammetrists, landscape architects, marine engineers, naval architects, surveying technicians, surveyors</div> <div>Architizer</div> <div>houzz</div> <div>KATERRA</div>	<div>Arts, Design, Media, Entertainment, & Sports</div> <div>EXAMPLE OCCUPATIONS</div> <div>Actors, coaches and scouts, editors, dancers, interior designers, interpreters and translators, media workers, radio operators, umpires, referees, singers</div> <div>HAVENLY</div> <div>HOMEPOLISH</div> <div>LAUREL WOLF</div>	<div>Building/Grounds Cleaning & Maintenance</div> <div>EXAMPLE OCCUPATIONS</div> <div>Grounds maintenance workers, janitors and cleaners, maids and housekeeping cleaners, pest control workers, tree trimmers, pesticide handlers</div> <div></div>	<div>Business & Financial Operations</div> <div>EXAMPLE OCCUPATIONS</div> <div>Accountants, appraisers, assessors, auditors, coroners, compliance officers, credit analysts, fundraisers, government property inspectors, insurance underwriters, loan officers, personal financial advisors, tax preparers</div> <div>visor</div>	<div>Community & Social Service</div> <div>EXAMPLE OCCUPATIONS</div> <div>Clergy, social workers, counselors, health educators, marriage and family therapists, probation officers</div> <div></div>	<div>Healthcare Practitioners & Technical</div> <div>EXAMPLE OCCUPATIONS</div> <div>Acupuncturists, allergists and immunologists, anesthesiologists, art therapists, chiropractors, dentists, dermatologists, midwives, neurologists, nurses, optometrists, oral surgeons, pharmacists, pediatricians, physical therapists, veterinarians</div> <div>CANDID Co</div> <div>Curology</div> <div>fuzzy</div> <div>INCREDIBLE HEALTH</div> <div>MDacne</div> <div>Nomad</div> <div>smile</div> <div>talkspace</div> <div>vetted</div>
<div>Education, Training, & Library</div> <div>EXAMPLE OCCUPATIONS</div> <div>Career/technical education teachers, kindergarten teachers, librarians, preschool teachers, special education teachers, vocational education teachers</div> <div>Lambda</div> <div>MAKE SCHOOL</div> <div>Outschool</div> <div>Wonderschool</div>	<div>Computer & Mathematical</div> <div>EXAMPLE OCCUPATIONS</div> <div>Actuaries, biostatisticians, computer systems engineers/architects, software developers</div> <div></div>	<div>Construction & Extraction</div> <div>EXAMPLE OCCUPATIONS</div> <div>Boilermakers, brickmasons, carpet installers, construction laborers, drywall and ceiling tile installers, electricians, elevator installers and repairers, floor sanders and finishers, hazardous materials removal workers, roofers</div> <div>PRO</div> <div>RENOVISO</div>	<div>Farming, Fishing, & Forestry</div> <div>EXAMPLE OCCUPATIONS</div> <div>Agricultural equipment operators, animal breeders, farmworkers, fishers, hunters and trappers, graders and sorters, nursery workers, logging workers</div> <div></div>	<div>Food Preparation & Serving Related</div> <div>EXAMPLE OCCUPATIONS</div> <div>Baristas, bartenders, chefs, cooks, dishwashers, food prep workers, hosts and hostesses, waiters and waitresses</div> <div>pared</div>	
	<div>Healthcare Support</div> <div>EXAMPLE OCCUPATIONS</div> <div>Dental assistants, home health aides, massage therapists, nursing assistants, phlebotomists, vet assistants, psychiatric aides</div> <div>SOOTHE</div> <div>zeel</div>	<div>Installation, Maintenance, & Repair</div> <div>EXAMPLE OCCUPATIONS</div> <div>Aircraft mechanics and service technicians, automotive body and related repairers, avionics technicians, electrical powerline installers, heating and air conditioning mechanics, home appliance repairers, locksmiths, maintenance workers, medical equipment repairers, security and fire alarm systems installers</div> <div></div>	<div>Legal</div> <div>EXAMPLE OCCUPATIONS</div> <div>Lawyers, court reporters, arbitrators, mediators, conciliators, legal support workers, title examiners</div> <div>atrium</div>	<div>Life, Physical, & Social Science</div> <div>EXAMPLE OCCUPATIONS</div> <div>Archeologists, astronomers, biological technicians, chemists, clinical psychologists, foresters, geneticists, hydrologists, microbiologists, physicists, psychologists</div> <div></div>	<div>Management</div> <div>EXAMPLE OCCUPATIONS</div> <div>Aquacultural managers, compliance managers, construction managers, education administrators, gaming managers, HR managers</div> <div></div>
<div>Office & Administrative Support</div> <div>EXAMPLE OCCUPATIONS</div> <div>Bill and account collectors, court clerks, dispatchers, freight forwarders, insurance claims clerks, switchboard operators, tellers</div> <div></div>	<div>Personal Care & Service</div> <div>EXAMPLE OCCUPATIONS</div> <div>Animal trainers, childcare workers, concierges, embalmers, fitness trainers, gaming service workers, hairstylists, cosmetologists, manicurists, personal care aides, skincare, travel guides</div> <div>GLAMSQUAD</div> <div>StyleSeat</div>	<div>Production</div> <div>EXAMPLE OCCUPATIONS</div> <div>Butchers, bakers, etchers, engravers, food processing workers, jewelers, gem and diamond workers, glass blowers, fiberglass laminators, fabric and apparel patternmakers, nuclear power reactor operators, plant and system operators</div> <div></div>	<div>Protective Services</div> <div>EXAMPLE OCCUPATIONS</div> <div>Animal control workers, correctional officers, fire inspectors, intelligence analysts, firefighters, police detectives, police officers, security guards, sheriffs, transportation security screeners</div> <div>Bannerman</div>	<div>Sales & Related</div> <div>EXAMPLE OCCUPATIONS</div> <div>Cashiers, insurance sales agents, parts salespersons, real estate brokers, real estate sales agents, securities and commodities traders, telemarketers</div> <div></div>	<div>Transportation & Material Moving</div> <div>EXAMPLE OCCUPATIONS</div> <div>Air traffic controllers, bus drivers, commercial pilots, crane operators, parking lot attendants, chauffeurs, boat captains, truck drivers</div> <div>CONVOY</div> <div>NEXT TRUCKING</div> <div>Uber Freight</div>

8/ Licensing *really* made sense information asymmetries existed all over the place, between consumers and providers. The taxi medallion meant something. But in a world of real-time info, GPS, user reviews, and mapping - don't we trust their rating more than their medallion?

9/ Feel free to argue about the value of licensing. It's not zero. But it holds back a lot of labor supply and makes the services expensive. Here's a view on the % of workers that require certification/licensing, in a world where it's certainly less useful and maybe just obsolete

Percent of workers with a professional certification or license, by occupation, 2015 annual averages



10/ If you agree with the premise that you can unlock supply in these markets, then there are 5 key strategies to make this happen: A) Making discovery of licensed providers easier B) Hiring and managing existing providers to maintain quality

11/ Also should include: C) Expanding or augmenting the licensed supply pool. D) Utilizing unlicensed supply. E) Automation and AI. Each one deserves a deep-dive.

12/ There are 125 million Americans who work in the service industry. And we're all consumers of this market. This is a big, big opportunity, and we're excited to be digging in.

13/ Here's the essay so you can read it: <https://t.co/fgKbrHTnH5>. And shoutout to my co-author @ljin18 who drove most of the writing on this one!