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TRADEMARKS, M&A, AND ECOSYSTEM EXPANSION IN DIGITAL PLATFORMS: THE CASE OF IFOOD IN BRAZIL

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Digital platforms have become central actors in contemporary innovation processes (Srnicek, 2017; Zysman & Kenney, 2018). Platform companies – that is, those digital corporations that control digital platforms – such as Amazon, Alphabet, Meta, and Microsoft have transformed how innovation is conceived, organized, scaled and appropriated, increasingly operating as ecosystem orchestrators rather than standalone firms. A growing body of literature has shown that platform companies com-bine data-driven learning, platform-mediated coordination, and intensive merger and acquisition (M&A) strategies to sustain competitive advantage and expand across markets (Gautier & Maitry, 2024; Gawer, 2021; Li & Qi, 2022; Parker et al., 2021; Rikap, 2024; Rikap & Lundvall, 2020; Teece, 2017). In this context, innovation is often tightly associated with patent-intensive research and devel-opment (R&D), large scientific infrastructures, proprietary technological assets, and big data (Rikap & Lundvall, 2020).

However, this patent-centric view of platform-based innovation raises an unresolved puzzle: the existence of platform companies which innovate and

appropriate value in contexts where patent-ing plays a marginal role. This is particularly salient for emerging economies, where National Inno-vation Systems (NIS) are historically characterized by weaker patent regimes, lower formal R&D intensity, and stronger reliance on service-based and organizational forms of innovation (Albuquer-que, 1999; Albuquerque et al., 2016; Lundvall et al., 2009; Niosi, 2018). While the literature has extensively examined U.S. (Gautier & Lamesch, 2021; Gautier & Maitry, 2024; Ioramashvili et al., 2024; Rikap, 2024) and Chinese platform companies (K. Jia & Kenney, 2022; L. Jia & Winseck, 2018; Lundvall & Rikap, 2022; Motohashi & Zhu, 2024), much less is known about how platforms originating in middle-income economies innovate. This is relevant because by focusing on emerging economies, we have elements to broaden the empirical and theoretical scope of innovation research moving beyond the “West and the rest” framing (Jia et al., 2022, p. 1439), contributing to the “deimperialization of knowledge production” by highlighting how innovation strategies are shaped by NIS and sectoral characteristics.

Brazil offers a particularly revealing context to address this question. Over the past decade, the country has witnessed the emergence of a small group of large platform-based firms that have reached significant scale in domestic markets and compete directly with global incumbents (Mari, 2020; Silva et al., 2024). Among them, iFood stands out as the dominant food delivery platform in the country and one of the biggest platform companies in Latin America and the Caribbean (LAC). Unlike U.S. and Chinese platform companies, including food delivery platforms as DoorDash, Mei-tuan and Grab to name a few, iFood does not rely on an extensive patent portfolio. Yet, it has success-fully expanded its scope, diversified its digital products and digital intermediation services (DIS), and built a complex multi-product ecosystem.

Based on the previous fact that iFood does not rely on an extensive patent portfolio, a direct research question is: How do digital platform companies in emerging economies innovate in the ab-sence of strong patent-based strategies? We address this question through an in-depth case study of a Brazilian digital platform company, focusing on the mechanisms through which innovation is con-ceived, organized, protected, and scaled over time. Rather than treating innovation as the outcome of formal R&D activities alone, we examine how it is embedded in platform-mediated services and ecosystem expansion.

Empirically, the article reconstructs iFood’s innovation trajectory by triangulating three ana-lytical dimensions: i) its trademark registration strategies as a proxy

for innovation appropriation and scope expansion; ii) its M&A activities as a mechanism for internalizing capabilities; and iii) the evolution of its digital product and DIS portfolio. This combined approach allows us to move beyond conventional indicators of innovation and capture how platform-based companies innovate through service design, ecosystem orchestration, and strategic asset formation.

Our findings reveal a two-phase trajectory. In its initial phase, iFood prioritized horizontal scaling through M&A of competing platforms and functionally equivalent services, consolidating its position in the food delivery market, what seems to be in line with the evolution of other platform companies in general (Gawer, 2021) and food delivery platforms in particular. As the Brazilian food delivery market approached maturity (Teece, 2017), iFood shifted toward scope expansion, system-atically coupling new digital products and DIS, trademark registrations, and targeted M&A to build an integrated, multi-sided ecosystem, however, it does not rely in patent protection as an innovation strategy. In the absence of patent-intensive innovation, trademarks and M&A emerge as central mech-anisms of appropriation and capability building, enabling iFood to stabilize new services, protect

ecosystem boundaries, and internalize strategic functions ranging from logistics and advertising to financial services and restaurant management systems.

The article makes two contributions to the literature on innovation and platform-based firms. First, it challenges patent-centric conceptions of innovation by showing how service-based digital platforms can build and appropriate innovative capabilities through alternative mechanisms, increas-ing the scope of its offerings through ecosystem expansion (Gawer, 2021; Trabucchi & Buganza, 2020, 2021). Second, it conceptualizes trademarks and M&A as complementary instruments in plat-form innovation trajectories, particularly in service-intensive digital sectors (Castaldi, 2020; Castaldi et al., 2020).

Keywords: Platform-based innovation; innovation without patents; capability building; trademarks; mergers and acquisitions; emerging economies

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Palavras-chave: inoovation; digital plataforms; ifood.