



creatuse

GUIDE:

**INTRODUCTION TO SHARING AND
COLLABORATIVE CONSUMPTION**



Erasmus+

PROJECT

CREATive Urban Sharing in Europe is a two-years long international project started in 2015. This project is funded by the European Commission.

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GUIDE

GUIDE: INTRODUCTION TO SHARING AND COLLABORATIVE CONSUMPTION is an interactive guide about the rise of the global forces that are transforming the consumerism and the world.

4 chapters: A changing world, Sharing, Collaborative consumption, Entrepreneurship in sharing and collaborative consumption, case studies integrated with Multimedia and large Web links section for in-depth analysis needs.

The guide is to any kind of users: schools, Higher Education Institutions, municipalities and other Public Administrations, citizens committee, communities and anyone interested to adopt more sustainable lifestyles.

This guide is available in English, Spanish, Italian, Portuguese, Turkish and Polish.

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A METHODOLOGICAL INTRODUCTION

Peer economy, crowd economy, access economy, and gig economy, are a number of expressions that are now quite common in the public jargon. They try to grasp the same phenomenon that a more inclusive term labels as the *sharing economy* or more effectively the *collaborative economy*.

Despite the terminological variety and inconsistency, the collaborative economy refers to a peer-to-peer model of relationship, in which people can exchange goods, services, expertise and other resources through the use of a digital or physical platform. It therefore denotes an extensive and varied collection of practices and models that use digital technologies to facilitate collaboration among peers and maximize the use of latent resources: the peer-to-peer relations and the technological dimension are thus the basic characteristics of the collaborative economy.

At the same time, in the collaborative economy, the concept of the prosumer emerges: each person can be both the supplier and the user of a good or service.

The approach involved in the collaborative economy is also strongly multi-stakeholder; whereby a number of different actors are involved: from individuals to private and public organizations to authoritative institutions.

Reflections about the emergence of this phenomenon usually suggest a twofold set of reasons.

First, and in many cases, the main driver of collaborative practices and experiences is the search for a greater efficiency in use of resources. The model of business platforms, that use the technology to develop new markets by hinging upon the mobilization of widespread resources and social activism, tends to valorise and reproduce the essential features of the capitalist development model. In other cases, emerging experiences of the collaborative economy have a bottom-up perspective and use digital technologies to promote collaborative dynamics based on mutual solidarity.



Yet, in a more systemic and radical perspective, such experiences seem to question the neo-liberal paradigm and to suggest that alternative forms of economy are possible that are more centred on people, on sustainability and on the value of resource sharing. The paths and the models that characterize the collaborative economy are therefore not all the same and, as pointed out, one can find an array of drives and motivations to get involved in this new phenomenon.

Methodologically, this project seeks to distinguish and separate the capitalist-type experiences from those that have a more social nature. Whilst not denying the social and economic relevance of capitalist-type experiences, it privileges experiences and practices that are symptomatic of a deeper change in the way in which economic production and exchange are thought and carried out. It aims especially to emphasize the value and cultural dimensions that drive the need to collaborate, to share resources and business risk, and ultimately to generate new forms of integration between economy and society.

Such experiences, projects, and initiatives are already quite widespread in Europe, especially in urban areas. The preliminary research carried out by the CreatUse research group had the objective to identify and map the on-going best practices found within the old socio-economic fabric; with the belief that they can be replicated in other EU contexts. Such a selection was based on a number of relevant aspects: for instance, the social orientation of experiences, their fairness and sustainability, their replicability and their being ecologically friendly.



It is apparent that one important ingredient for such experiences to succeed is creativity. Defined as the individual's capacity to engage in cognitive processing to understand and resolve problem situations where a method of solution is not immediately obvious, creativity may also become a collective tool to search and support alternative ways of life, of public engagement, of closer social relationships as well as alternative employment activities, such as social enterprises.

The sharing economy also faces important challenges: from the equilibrium to be found between market experiences and truly non-profit and peer-to-peer experiences, to the attempts to avoid new socioeconomic inequalities and exclusion; from the innovative impulse to business organization arrangements and logics; to their co-existence and mutual exchange with existing organizations; and from the capacity to build new communities and new forms of relationships; to the risks connected to the formation of possible transnational communities.

The GUIDE is organised into four chapters.

Chapter 1 will introduce the general socio-economic context in which the sharing economy is developing in Europe and more generally in the western world. Chapter 2 and 3 will analyse respectively the sharing economy and collaborative consumption. Finally, Chapter 4 will consider a number of case studies about entrepreneurial initiatives inspired by the sharing economy and collaborative consumption.



CHAPTER 1

A CHANGING WORLD

The world is undergoing deep changes following the recent global economic and financial crisis but also as the effect of longer term dynamics such as climate change and the development of ICT (Information and Communication Technologies).

Rather than constantly questioning and challenging our beliefs and life styles, or being willing to think differently about the opportunities that are out there, we tend to withdraw into what we are used to.

In a world that is rapidly changing, this is a formula for vulnerability. In a context of significant transformations, one may run the risk of being more and more out of step with a world that reflects different sets of needs and provides different sets of opportunities. The capacity to consider many different perspectives, to get many different viewpoints and continually challenge our way of thinking as well as the capacity to come up with new ideas and new approaches; is likely to help us to become more effective in the fast changing environment around us.

In other words, finding ways to connect and participate in what we call knowledge flows can help us to participate in that world successfully.

GLOBAL CRISIS, CONSUMERISM AND GREEN VISION

The recent global crisis has contributed to change the economic landscape as well as the cultural perception of consumerism.

As stated by Rachel Botsman ⁽¹⁾, we have ignored for too long the negative consequences of modern consumerism and, in the past fifty years, we have consumed more goods and services than in all previous generations put together. The pressure to the endless acquisition of more stuff in ever greater amounts is called hyper-consumption. The circulation, purchase, sale, appropriation of differentiated goods and signs/objects today constitute a universal language, a sort of code through which the entire society communicates and converses. Such is the structure of consumption, its language, by comparison with which individual needs and pleasures are merely speech effects (Malpas⁽¹²⁾).

Hyper Consumerism, hyper-consumerism, hyperconsumption or hyper-consumption refer to the consumption of goods for non-functional purposes ⁽⁸⁾ and the associated significant pressure to consume those goods exerted by the modern, capitalist society, as those goods shape one's identity⁽⁹⁾.

Frenchy Lunning defines it curtly as "a consumerism for the sake of consuming".

Another characteristic of hyper consumerism is its constant pursuit of novelty: it encourages consumers to buy new objects and discard old ones. The product lifecycle can therefore be very short, sometimes measured in weeks. In addition,

the common folklore in the West has been that the cheapest way to replace many appliances is to throw the old ones away and buy new ones. "Planned obsolescence", implying that products are designed with the expectation that they will have a short life and be replaced, has become commonplace.

As anticipated, recent developments – i.e. the global crisis – urged a large part of the population to rethink about waste, the use of goods, to reflect on environmental benefits, to pay attention to local markets and producers, to sustain forms of production aiming to produce and co-produce goods by feeling part of a community where people are active citizens.

Lisa Gansky observes ⁽²⁾ that there is a fundamental shift in our relationship with stuff, with the things in our lives called “The Mesh”. Among other things, significant vectors of change are:

- the recession that has urged us to rethink about our relationship with the objects inhabiting our lives, specifically it urged us to align the value of goods/services with their true cost;
- population growth and rising urban density imply more people and smaller spaces; it is likely that we can possess less stuff;
- the climate change: there is increasing awareness of the value of preserving the environmental sustainability of our planet, especially with reference to future generations. With this regard, climate change is forcing up the cost of doing business, including the making and selling of throwaway goods.⁽²⁾

Together with other issues, such as the energy costs, the environmental sustainability of our lifestyles, climate change and consumerism have become heated topics in the public debate: for different reasons it appears clear that the ongoing lifestyles are no more sustainable. There is growing awareness about the environmental impact of our consumption habits.

THE NEED TO REDISCOVER THE COMMONS ⁽⁵⁾

With time there have emerged a number of alternatives to consumerism.

The Degrowth position suggests that the ‘growth society’ is a myth that is no longer sustainable as it is incompatible with the limits of the biosphere. The restless search for growth is not only undesirable from an ecological point of view but also unfair as it increases inequalities between those who have and those who have not.^{(22) (23) (24)}

Other movements have proposed GNH (Gross National Happiness) or HPI (Happy Planet Index) to measure economic success instead using GDP; Human Purpose ⁽¹⁵⁾ suggests a vision of the future society that is merits effort and struggle to build;

a recognition of the importance of family, community and social relationships; an appreciation of the importance of work done in a spirit of service; an introduction to the rational tools of science and the value of knowledge and crafts; a connection with nature, beauty and the arts; and an understanding of the ethical, moral and spiritual dimensions of life that lead to the refinement of character.

In this context, a valuable perspective is that of the commons. In reality, it means “what we share”, so the “COMMONS” refer to a wealth of valuable assets that belongs to everyone as they are often difficult to delimit. In addition, their use from single appropriators potentially has the effect to reduce the benefits for those who want to access the same resource (see among others, Ostrom, 2006).⁽²¹⁾

Following Walljesper, we enjoy the benefits of many things that are jointly rather than privately owned. These are essential to society because they're the crux of our social lives – the places where we connect as friends, neighbours and citizens.

These range from clean air to wildlife preserves; from the judicial system to the Internet. Some are bestowed by nature (i.e. natural resources), Others are the product of cooperative human creativity. Certain elements of the commons are entirely new – think of Wikipedia.

Other are centuries old shared by all humans, and that increases in value as people draw upon its riches.

But this natural cycle of sharing is now under assault as the market economy becomes the yardstick for measuring the worth of everything, and more people are grabbing portions of the commons for their own private property.

An interesting point of view is a Commons-based society: a way of life that values what we share as much as what we own – it refers to a shift in policies and values away from the market-based system that has dominated modern society for the past two hundred years, with a particular vengeance during the past thirty. A Commons-based society would place as much emphasis on social justice, democratic participation and environmental protection as on economic competitiveness and private property.

Market-based solutions would be valuable tools in a commons-based society, as long as they don not undermine the workings of the Commons itself.⁽⁵⁾

What is interesting is the point of view coming from the Commons: a strong need to reshape our vision after consumerism pressure; and that's the basis for the phenomena described later in next chapters (ref. sharing economy and collaborative consumption).

In times of scarcity, wars, natural catastrophes and social upheaval; history shows that people have a tendency to pool their resources together to increase everyone's chance of survival in such adverse circumstances. Sometimes this kind of sharing is merely transitory; sometimes it sparks lasting societal change.⁽¹⁰⁾



Cities are where we gather, in part, to share basic infrastructure, to socialize, to satisfy our human instinct to congregate, to make culture together...

Chris Carlsson, Shareable author

ref. www.shareable.net

THE ROLE OF THE CITIES ⁽⁷⁾

Cities are built for sharing. It is what makes cities engines of prosperity, innovation and cultural exchange.

This is especially true for cities that are well-connected cities: they have the unique capacity to raise per capita production and innovation while using dramatically less energy. For this reason, cities may be our best hope for achieving widespread prosperity within the earth's natural limits.

We are on the cusp of a monumental shift taking place in cities around the world. From innovative technologies and business models to redefined concepts of equity and safety, the sharing economy is impacting cities. At the same time, cities make the sharing economy work and power its ability to grow worldwide. With more than half of the world's population living in cities - a figure projected to rise precipitously in coming years - perspectives seem extremely positive.⁽¹³⁾



As indicated by Clay Shirky : “In the past, we filled our free time with the tools at our disposal. Television became a kind of universal part-time job and sitcoms and soap opera sponged up our cognitive surplus: the collective surfeit of time, intellect and energy at our disposal. Today, tech has finally caught up with human potential. New tools don’t just let us consume, but create and share.” ⁽³⁾

THE ROLE OF THE NEW TECHNOLOGIES

When a new technology arrives, it has to become integrated into society somehow.⁽³⁾

In effect, the internet has made it radically easier for people to connect with one another and to coordinate their activities.⁽⁶⁾

What is new is the prospect of creating that mutual regard across much larger and more widely dispersed groups; such groups pool their efforts without sharing a physical location and whose creations can be valuable not just for the participants but for the rest of the world as well.⁽³⁾

Cutting-edge technologies seem to facilitate a return to ancient and tribal behaviours. They are letting us live as we are truly meant to live, in conditions of ‘mutualism and reciprocity’, conditions that have been corrupted by the hyper-consumerism of modern society.⁽¹¹⁾

The next chapters will analyse some of the concepts introduced in this chapter in greater detail, namely the sharing economy and the collaborative consumption.



CHAPTER 2

SHARING

THE SHARING ECONOMY: PROVIDING A DEFINITION

Since the 90s, the development of Information and Communications technology (ICT) and the dissemination of Internet Protocols (IP) have produced a new phenomenon that, formerly as a niche in the technological field, has soon spread to other sectors of the economy and society by leading to the emergence of a new economic and social model.

As the New York Times writer, Thomas Friedman claims: "we are experiencing the beginning of a new era called The Age of Collaborative Economy or Shared Economy".⁽²⁶⁾

This reference is precisely for the Sharing Economy (SE) or to other synonyms such as 'collaborative consumerism', 'peer-to-peer economy', 'commons-based peer production', 'rental economy', 'on-demand economy'. Each of them refers to practices, models, and guidelines that can be quite different; it is for this reason that a lively scientific debate has emerged on the theme.



Despite the existence of different nuances, the literature has nonetheless converged on a series of common key factors:

- a) the presence of a technological platform where digital relationships take place;
- b) the cooperation as a relational dynamic among subjects that initiate a path based on the sharing of goods and services; and preferably;
- c) the horizontal relationships, that is; peer to peer relationships.

The different combination of these three factors produces a range of activities whose value and effects have a different impact on production and consumption patterns, on social innovation and on social relationships.

The SE implies an increased resource efficiency that involves a different management of physical assets (such as transport, bicycles, cars up to boats and trucks, but also clothing, accessories, phones etc.) as well as of products (i.e. books, movies, songs, shows), of spaces (homes and workplaces), of skills, ideas and money. Even the time management changes as it may develop synchronously (i.e. I share my place with another person) or may be delayed (I leave my house temporarily to another person).

Besides economic dynamics, the SE highlights the relevance of social relations in economic life. Thanks to the digital platforms, the social dimensions of sharing and collaboration, which seemed to characterize preindustrial societies or marginal social segments and poor communities, have returned to the stage and, in a market society, they are assuming a decisive role.

For a detailed view, have a look into Juliet Schor. Sharing occurred in the context of "neighborhood connections"; however, in today's society sharing occurs among "outsiders"; that is, among individuals not necessarily connected by community or family ties.

JULIET SCHOR

<http://www.greattransition.org/publication/debating-the-sharing-economy>

As anticipated, the phenomenon was initially observed in the field of software production, especially with reference to open source movements: it deals with software programs produced by developers' communities and advanced users and made available for free.

According to Rodolfo Carpintier, president of Digital Assets Development "In this new era we move from a world in which everything is left over from another one in which most of the time people cannot enjoy what this world offers unless things could be shared. "Those who cannot have it just need to be content to try it".

This approach makes this movement unstoppable.

This model gradually spread, gaining even greater ground in the market economy and civil society. A wide range of examples can be cited: the supply of housing (Airbnb), of urban (Uber, Lyft) and suburban (Blablacar) transport, the world of work (TaskRabbit, Handy), logistics (Instacart, Postmates), the banking sector and credit institution with social lending (Zopa, Prosper), crowdfunding (Kickstarter, Indiegogo), education (MOOC) and the launch of complementary currencies (Bitcoin, Faircoin), time banks, social street; such a list should not be considered exhaustive.

The 'modern' SE finds its roots in the United States but it soon spread throughout the world, particularly in metropolitan areas; the latter represent the

most suitable arenas for the growth of sharing practices due to their density and the presence of technology infrastructure.

For instance, the consultancy firm PwC has estimated that the sharing economy today generates a value of 15 billion dollars compared with 240 billion dollars deriving from the traditional economy in the same sectors; it also predicts that, by 2025, this amount will reach 335 billion dollars, equivalent to 50% of the total value. Nonetheless, some critical issues, concerning its capacity to create social cohesion and stable and long-lasting social relationships, also emerge and will be dealt with at the end of this paper.

(16)



THE PWC REPORT ON

"The sharing economy"

In his latest book ⁽²⁷⁾, Paul Mason suggests that the Collaborative Economy may be a new form of post-capitalist economy. The key is to know how to implement it, ensure it and then spread it. Mason's theory describes the current capitalism as a living organism which adapts to the environment; it has periods and cycles of life and has a tendency to stick to a survival instinct by promoting the technological change. Mason raises an interesting question, which is how to assess the interaction of technological change and the capitalist economic model and its consequences for today's society (see his article "The end of capitalism has begun" but also Juliet Schor's "Debating Sharing Economy").

DEBATING SHARING ECONOMY

"The end of capitalism has begun"

The SE arises in a context in which, according to OECD, the prospects for capitalism are; weak growth, inequality indicators at around 40%, and for 2060, the current dynamism may be interrupted.

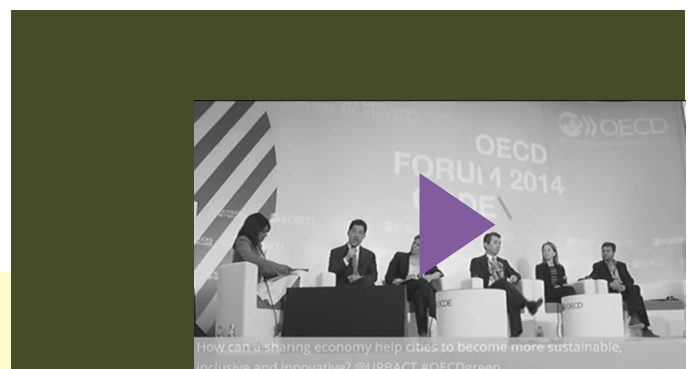
In 2008, billions of dollars of new money flowed to keep the whole system in motion. The economic crisis, which began that year, led also to a social crisis.

To face the global crisis two possible scenarios are likely: Firstly, people bear the cost of the crisis and face economic stagnation. Secondly, people break the consensus and decide either to pay the price of austerity or not. In this perspective a new form of economy seems to emerge based on collaboration or the common good.

It proposes an alternative economic model.

The SE emerged as a new business subculture and businesses that have grown over the past 10 years, as a result of the crisis of current socioeconomic structures and the contradictions of the present economic system.

Many studies show that the SE has the potential to benefit society, by reducing the environmental footprint, promoting access to new services and products and facilitating a more equitable distribution of wealth. Likewise, the SE fosters positive social values of exchange and collaboration, through innovation and technology.





Sharing Economy (SE)

To better understand the phenomenon under investigation, it is useful to first point out the areas of its development.

Practices and processes concerning the SE are occurring in the following fields:

MODELS AND PERSPECTIVES ON THE SHARING ECONOMY

Learning

Professionals and the public make knowledge procedures and production available to everyone so that they are widespread and accessible (i.e. MOOC, Wikipedia, online courses, conferences);

Production

The sharing of skills and resources are geared towards innovation for production purposes (i.e. open manufacturing Fablab, coworking).

Consumption

The "sharing" is understood as sharing of good or service (i.e. car sharing), as bartering (the exchange of goods or services versus goods) or services (i.e. time or books), as trading, renting, giving, swapping or exchanging used items.

In contrast with the traditional barter, the SE uses internet tools and suggests a different cultural approach to consumption.



Finance: ranging from financial instruments to alternative currencies, the sharing dimension in the financial sector allows the raising of the necessary capital for the development of new ideas and, on the other side, it allows the sponsors to choose the recipients of the loan itself (crowdfunding, social lending etc).

Governance, in this field, sharing and participatory mechanisms help to create, develop and strengthen relations between private individuals or between citizens and public administrations.

Concerning new organizations, the existence of a technological platform redesigns the organizational processes and the value chain and calls into question the boundaries between work and leisure-time, between paid and volunteer work, and between professionalism and recreational practice.

Following Schor and Fitzmaurice ⁽²⁸⁾, one can identify four broad categories in which sharing activities fall:

Recirculation of goods, reusing goods was initially an experience limited to goods of little value.

It has now become a new lifestyle.

Exchange of services, refers to the exchange of goods or services: one of the first experiences in this perspective were "time banks", non-profit activities that involve an exchange of time between individuals on the basis of an equal value.



Increased utilization of durable assets, refers to the fact that, in rich economies, purchased durable goods (and services) are not always fully exploited, but only partially. The classic example concerns the car that for long periods of time is parked, but similar trends take place also in the context of public properties.

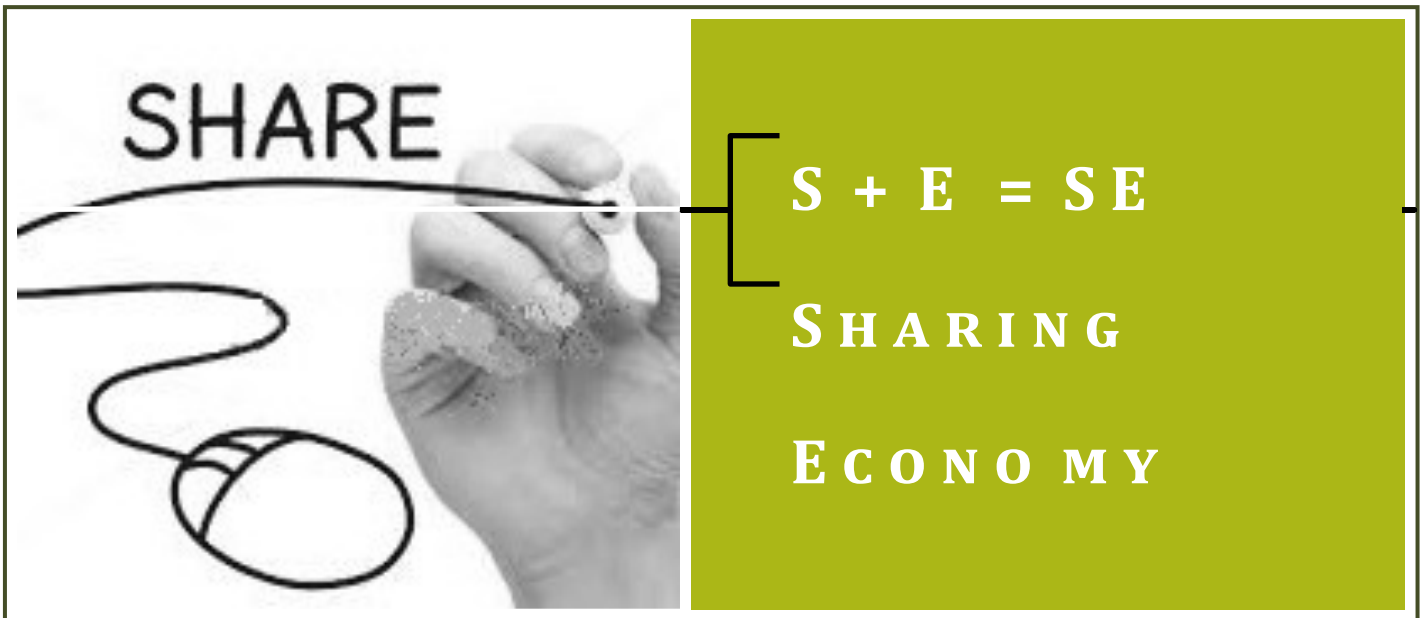
Sharing of productive assets, refers to the sharing of production spaces or assets; it therefore concerns production rather than consumption. Examples in this category are communal offices, and co-working spaces, etc...

According to Schor and Fitzmaurice, the qualifying principle of SE is its political intentionality, clearly directed towards the creation of an alternative to the market economy.

From economic and sociological perspectives, technology plays a key role as it is the necessary support to the activation of the sharing models. The platform, i.e. the website or the mobile app, eliminates geographical distance, but not necessarily, the social one, as one can see later; and it guarantees the issues of trust, credibility and reputation.

On the platform, cooperation schemes take place by reducing transaction costs. This is an important junction of the SE: the connection between individuals often occurs without the presence of any other form of mediation (so much so that one talks about disintermediation); supply and demand come together directly and if there is mediation, it is aimed at sharing. Such collaborative structures have become known as:

- peer to peer: where the relationship takes place on a ground of absolute equality (symmetry) of roles and no intermediation;
- business-to-peer and peer-to-business: when there is an intermediary who provides services that are used by individuals who then share them.



According to Smorto ⁽²⁹⁾, the true qualifying aspect of the SE is the absence of professional intermediation.

The innovative impact of the SE is in “the new possibilities for non-professional market participants to act as an economic actor. If there was a mediation, the economic relationship would fall in something already existing”.

However, it is apparent that there is a continuum between profits/non-profit, from voluntary experiences (i.e. time banks, social streets) in which there is no monetary exchange (i.e. Shareyourmeal) up to traditional models for market profit (Airbnb, Uber) through some hybrid cases (Blablacar). It also happens that free of charge experiences modified their nature by introducing transaction costs.



Schor and Fitzmaurice ⁽²⁸⁾ propose a scheme of sharing activities according to the market orientation and the organizational structure (table 1).

From the intersection of the two variables, four quadrants emerge.

The first quadrant on the upper left side frames those experiences (i.e. time banks) in which the platform favours the encounter between peers who exchange their time according to a principle of equivalence.

The alternate is the one in which the exchange takes place among peers but they have a profit goal (i.e. those looking for housing and those who want to rent a private room).

The other configuration 'business to peer - non-profit' refers to "makerspaces" that is shared spaces with machinery and tools, similar to laboratories, whose environment will generate knowledge and collaborative networks.

B2P includes those cases in which a company owns some assets and it puts on the market to be optimized by other companies.

	Peer to peer (P2P)	Business to peer (B2P)
Non-Profit	P2P Non-profit sharing i.e. Food swaps, time banks	B2P Non-profit sharing i.e. Makerspaces
For-Profit	P2P for-profit sharing i.e. Relay rides, Airbnb, Uber	B2P For-profit sharing i.e. Zipcar

An interesting aspect of the SE is that it does not solely connect individuals but it increasingly involves collective actors (groups). It is important to stress that the collaborative economy, both in its market or community form, has no universal outcomes: costs and motivations are tied to cultural and value factors, that influence its spread and call the development in new business areas.



Starting from the evidence of the rapid spread of this phenomenon, this section aims to shed light on the variety of factors promoting it.

THE EXPANSION OF THE PHENOMENON: SOME EXPLANATIONS

The transition from a model of purchase and ownership of goods/services to their sharing and exchange was first and foremost justified as a shift deriving from the economic crisis; it therefore dealt with a global and systemic shift. This is certainly true but only partially.

Some studies show that sharing practices are used by different categories of people that are not necessarily hit by economic hardship: for instance, the new model is particularly widespread

among young people who are the main users and developers of the technological infrastructures that are so crucial for sharing practices.

The Sharing Economy is intended to change the world through a new type of consumption: the collaborative model.

We are at the beginning of a revolution embracing new technologies with an estimated potential of more than 100,000 million dollars although nowadays it only represents 30,000 million.

THE SHARING ECONOMY AS A BASIS TO EXCHANGE AND SHARE GOODS INSTEAD OF OWNING THEM.



The SE appears as a chance to answer the new needs of citizens and to approach in different ways to economic problems.

THE SHARING ECONOMY AS A SEARCH FOR SOCIABILITY.

Partially related to this is the development of an alternative economic vision that intends to ease the hardest aspects of the neo-liberal creed and towards the valorization of environmental sustainability, processes' democratization and the valorization of individual as well as collective opportunities.

The sharing economy seems therefore able to fill a space that neither the market nor the State and its regulatory intervention are able to capture. Neoliberalism, and in a smaller measure, the previous Keynesian system, have led to the disembeddedness of economic relations from social ones that ended up being confined into two separate spheres, if not opposed.

The SE seems to create a space between the State and the market. Re-use, exchange, and share permit relationship creation, but they may also be the response to strong pressure towards more sustainable consumption and production patterns and more responsible use of environmental resources. The reduction of transaction costs, represented by the information management and behaviors, has allowed the emergence of non-marketrelated skills, or at least, of skills not directly related to the professional market. Finally, one should mention the motivational component, that is, the desire of belonging and of experiences that enhance the perception of shared values and goals.



Other trends interpret the Sharing Economy as a response to frustration, combating an uncontrolled capitalist system which has brought disappointment and social inequality. There is a need to find new answers and new ways that give meaning to our lives.

SHARING ECONOMY AS A SOCIAL RESPONSE TO FRUSTRATION

This insight considers Collaborative Consumption as a Trojan horse within a failing system, a breath of fresh air to stop price abuse, bad service and poor regulation.

Frustration within a system in which, at the same time, there are more than 500,000 unused objects worth millions of dollars and millions of people worldwide suffering from hunger.

This vision goes beyond supply and demand.

It is a response to inequity and inefficiency of a world in which:

- 40% of world food is thrown away;
- 95% of private cars are not used;

- 80 million drills have been used for only 13 minutes on average;
- more than 9 billion people are expected on Earth in 2050;
- unemployment will be a pandemic.

Just to make some examples, it is estimated that, for instance, in Spain there will be 53% of citizens willing to share or rent a property in the context of collaborative consumption. This is 9 points higher than the European average.

In Portugal and Greece average ratios are above 60 and 61% respectively.

See the European sharing to grow by ING

STUDY BY ING

European sharing to grow by a third in the next 12 months



CHAPTER 2 - SHARING

GUIDE INTRODUCTION TO SHARING AND COLLABORATIVE CONSUMPTION



According to some scholars, the SE has many opportunities both in a scenario of traditional developed economy and developing economy, from the point of view of optimization of resources, job creation and widespread use of new technologies.

OPPORTUNITIES ASSOCIATED WITH SHARED ECONOMY

The first examples of large collaborative companies have become huge technological platforms, leading business giants to solve potential problems in highly regulated markets. Some large companies have exposed the collaborative opportunity model within dominant sectors: Uber (connecting passengers and drivers), with over 4 years of trade represents an estimated value of over 18 billion and with presence in 132 countries; Airbnb (search and share accommodation worldwide) is a search tool for accommodation.

This business started in 2007 and provides accommodation solutions for more than 10 million people. On their and, governments should work towards a fair regulation which, for instance, could allow people to rent occasionally. For instance, Spain represents the 3rd market with more than 57,000 properties. This service does not destabilize the construction industry, but it curbs the housing construction sector.

More generally and in the context of appropriate conditions, the SE has the potential to generate employment and wealth by mobilizing underused resources, taking into account its social and community component, including its vision of honesty and controlled consumption of resources. Sharing, lending, and renting models are expanding as never seen before by the world economy. In developing regions such as Latin America ⁽¹⁷⁾, the SE is still in its early stages. In these countries the opportunities for SE are immense.

Experts points out Brazil as the most developed market to create local initiatives. Start-up companies are following the great models of best known success, but the most important point is that a new type of sharing economy could lead the way in quickly promoting this system over the territory.



Quality of the relationships

Economic impact

The field of work

Environmental impact

Social innovation

SOME CRITICAL ISSUES

Reflections on the heterogeneity of the SE experiences and of the changes introduced by its growth have raised many questions about the opportunities opened up, the potentiality, and the benefits involved, but also about its possible ambiguities.

First, the simple existence of social relationships does not say anything about the quality of the relationships themselves.

In many cases, the alleged social relationships

are in fact economic social relationships that have little to do with reciprocity and mutuality and are unable to fully promote greater social cohesion. In addition, albeit unintentionally, the SE circuits, even non-profit ones, are exposed to the risk of creating gender and racial discrimination and therefore reinforce inequalities: this is due, on the one hand, to a reduced access capacity from disadvantaged social groups (i.e. with low incomes or low-skills) and, on the other, to the dynamics connected to the SE.

The reference is to the mechanisms of information's creation and transmission which, by assuming the principle of equality, run the risk of reproducing discrimination and prejudice.

A second aspect concerns the economic impact of the SE. If the opportunities provided by the SE are undoubted (among others, optimization of goods and services, market expansion, reduction of transaction costs, lower competitive barriers), it should also be mentioned the possible negative effects related to the tightening of competitive practices (especially in highly regulated economical sector) due to the reduction of intermediators' role.

At the same time, some observers believe that, due to its working mechanisms, the platforms underlying the working of the SE lead to monopolistic positions.

Their success depends in fact on the huge numbers of participants that sell and buy; this in turn reduces competition and the very goal of the SE.

Some ambiguous effects also concern the field of work. By offering different services from traditional ones, the SE tends to activate new skills and underutilized capacities but also incentivizes microbusinesses, businesses and voluntary activities that often feed occasional or non-professional work, poorly paid activities, and unprotected performances.

Nonetheless, in general terms thanks to the use of innovative technology, the SE tends to attract highly qualified workers with advanced skills and positive economic conditions.

Another controversial effect related to the SE refers to the environmental impact. The need to more carefully consider consumers' behavior plays a decisive role in the choice to participate in sharing and collaboration activities. In a general sense, the sharing of production and consumption practices should naturally lead to a reduced waste of natural resources. This perception, however, does not always find evidence from data. In reality, the environmental impact is difficult to measure: benefits seem temporary and may be insufficient in the long run.

The contribution of the SE in terms of social innovation is huge, despite the possible negative downsides. In this sense, it is imperative not to block the experiences that are spreading rapidly also through innovative governance mechanisms. In order to grasp new needs, but also the unexpressed ones, government institutions at different levels can play a new role, also by involving directly their citizens both in the decision-making process and in the implementation: many experiments are taking place in cities, where the attention can be focused on the shared management of common property or in the welfare.

For instance, in Italy, the Municipality of Bologna has issued a regulation for the care of urban commons with the aim to create collaborative practices between local citizens and the administration. Seoul funds has SE projects and has created a list of SE activities. Amsterdam does not oppose the SE but has emanated rules to regulate rental activities. These are just a few examples in which the institutions have a proactive role and lead to change.



Institutions can create supportive strategies to disseminate how they work, how they support the economy and local knowledge, building trust in a collaborative context.

CHALLENGES

Institutions could in fact:

- develop legal frameworks;
- enhance and build a confidence for activities that generate real impact and changes in their communities, where social dimensions become the center of attention;
- help the EC to expand it.

The EC places underused goods and services in the economic circuit, generating employment in alternative and untapped areas of the economy. Their potential for other areas of the economy has the capacity for improvement. The possible impact of the EC in creating small business net-

works, collaboration and improvement of economic conditions in small communities, development of capacities related to internet and mobile technologies makes it a means for social transformation.

Regulation is one of the key elements, especially in less local initiatives and where markets must be more flexible. In relation to local initiatives, we find that great opportunities for growth and regulation are less relevant than the context when based on areas such as training, services, manufacturing or environment.

These initiatives require further support, beyond legal framework, based on consumer confidence. There is a need to give a chance to new options and we must understand and explain that we are facing a different model.



CHAPTER 3

COLLABORATIVE CONSUMPTION

WHY COLLABORATIVE CONSUMPTION (CC)

In modern societies, people are often judged according to what they have. Their social status and happiness are heavily dependent on this. So one should not be surprised that over-consumption and planned obsolescence are becoming society's problematic issues. We are trashing our planet and are consuming the planet's resources so fast that we need to deal with this epidemic now. The short life cycles of our possessions, like for example design and electronic gadgets, make the environment suffer. In addition, the possession of goods may make us happier but only for a while, as the latest advanced that arrive to the market are faster than ever.



VIDEO by Annie Leonard, Louis Fox, and Jonah Sachs, directed by Louis Fox and produced by Free Range Studios

Accordingly, there is a generalised feeling that we should start changing our mind set of how and what we consume. Recycling and reusing reduce the volume of new materials and of energy needed to make new products; it also decreases CO2 emissions.

In this respect, CC could have a large impact, helping to change people's attitude towards consumption and fostering different ways of doing businesses.

There are several direct benefits for society, among other things:

- less CO2 emissions;
- less waste;
- sustainable lifestyles;
- responsible consumption - foster free choice and moral responsibility;
- protecting the environment;
- saving resources and money.

But also some, even more important, indirect effects on society, such as:

- the possible return to universal values: traditions, self-respect, friendship, responsibility, enjoying life, moderation, honesty and humanity;
- from me to us - building community, the sense of purpose and wellbeing;
- Yes we can – make people powerful and self-controlling (creating their own businesses), encouraging active citizenship and volunteering;



STORY OF SOLUTIONS

VIDEO by Annie Leonard and Jonah Sachs, directed by Louis Fox and produced by Free Range Studios



“Collaborative Consumption (CC) is an economic model based on sharing, swapping, trading, or renting products and services; enabling access over the ownership. It is reinventing not just what we consume but how we consume.”⁽¹⁾

DEFINITION AND MODELS

Thanks to technology (smartphones) and social media; the sharing of interests (Pinterest), what we are doing (Twitter), or our relationships (Facebook) have become a part of our lifestyles. Self-expression through objects became less important and old fashioned.

“We are turning products to services”.⁽¹⁾

More generally, collaborative consumers are people that, within capitalist principles, believe in a better world that could take well-being of larger communities.

Basically, there are different ways to participate in CC.

You can play the role of:

- ‘peer provider’ by providing assets to rent, share or borrow;
- ‘peer user’ consuming the products and services that are available;
- you may choose to do both.



Feel free to check some definitions here:

[The sharing economy lacks a shared definition: giving meaning to the terms.](#)



“Some collaborative consumers are forward thinking, socially minded optimists, but others are individuals motivated by a practical urgency to find a new and better way of doing things”.⁽⁴⁾

The reason for that might be an urgency to save money, time or to develop better services, to be more sustainable or to build stronger relationships with people rather than merely consume.

Swap trading, local exchange trading systems, peer-to-peer currencies, time banks, social lending, goods sharing and swapping, land share, coworking and cohousing, couchSurfing, bike and car sharing, peer-to-peer rental, and food co-ops are all examples of CC.

All those examples could be organised into three systems: Product Service System, Redistribution markets and Collaborative lifestyle.



P

roduct Service System

The key idea behind product service systems is that consumers pay for the benefit of the product without needing to own it.

“A product service system is a competitive system of products, services, supporting networks, and infrastructure. The system includes product maintenance, parts recycling and eventual product replacement, which satisfy customer needs competitively and with a lower environmental impact over the life cycle. Product service systems require a coordinated approach by several groups of stakeholders, industry, government, and civil society.

If employed on a global level, product service systems can lead to the reduced use of resources and waste generation since fewer products are manufactured. The increase in the sales of services can offset the initial reduction in the sale of tangible goods; employment lost in manufacturing could be balanced by the jobs created in services. As a business concept, product service system could have the potential to improve the standards of living worldwide.

However, this change will require a cultural shift to new values which focus on quality and utility. With product service systems, consumers have less need to buy, maintain, dispose of, and eventually replace a product. In fact, the quality of the service, and thus consumer satisfaction, may improve with product service systems because the service provider has the incentive to use and maintain equipment properly, increasing both efficiency and effectiveness. The incentive also exists for producers to design closed-loop systems for equipment based on designs for higher durability and recyclability”.⁽²⁵⁾

In practice, for a consumer this means to saving money and protecting the environment.



Redistribution markets

“Social networks enable used or pre-owned goods to be redistributed from where they are not needed to somewhere or someone where they are, fuelling the second type of collaborative consumption, redistribution markets.”

“Redistribution is the fifth ‘R’- reduce, re-cycle, reuse, repair & redistribute”.⁽¹⁾

This approach frees up space in landfills and cuts down on the need to manufacture new goods. Thousands of groups dedicated to connecting people who want to give away something to people with a need are forming worldwide. Those networks work best when the group

members live in close geographical proximity because it is more convenient and uses less energy when items are exchanged.

Goods are redistributed:

- for free - when a person passes on an unwanted item to another for free;
- to people who need that item (ex. Freecycle, UNISwap, Around Again);
- sold for points - (ex. BarterQuest);
- sold for cash- (eBay);
- swap for similar goods or similar value;
- some markets are mixture like Gumtree, SCoodle.



Collaborative lifestyle

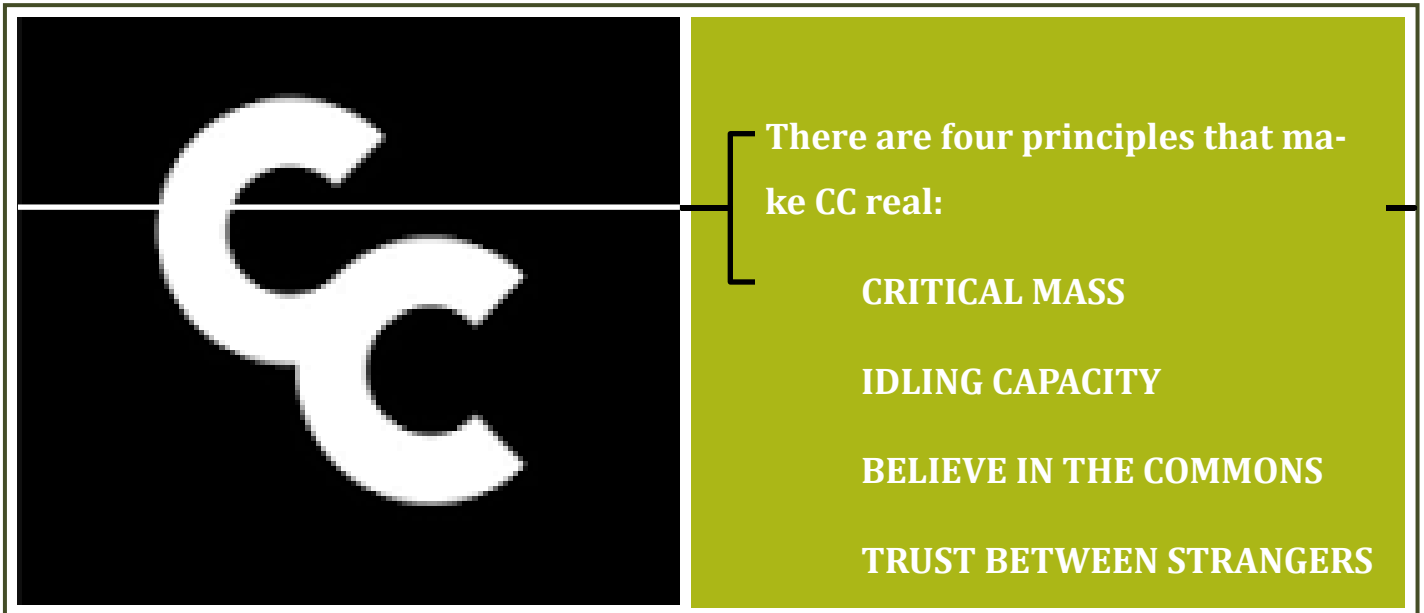
The sharing of goods and of resources has been well known for a very long time, for example bartering, swapping food or objects in exchange for services and tools.

People did it to gain a benefit or because of a lack of resources. It was a reality during some socialist societies and is still in practice in many cultures. By contrast, for an over-consumption society this concept might be a synonym of poverty.

To shift to CC, a meaningful change has to occur in our cultures and economies; basically, people should turn towards more socially oriented and collaborative practices. Communities can help people become more than they are as individuals and start to exchange less tangible assets such as time, space, skills, and money.⁽¹⁾

Those exchanges happen at both the local level (includes: sharing working and citizens spaces, cultural spaces, urban gardens and land share (rooftop farms, public propriety wilds), goods of neighbourhood (sharing time, tasks and errands), sharing skills, food (...) and parking spots), and at the global level, especially via the internet (sharing resources like finance (peer to peer social lending), traveller and hosting communities around the world (Airbnb, Couch Surfing)).





COLLABORATIVE CONSUMPTION (CC) PRINCIPLES

“**Critical mass** is a term used to describe a sufficient number of adopters of an innovation in a social system so that the rate of adoption becomes self-sustaining and creates further growth. It is an aspect of the theory of diffusion of innovations and crucial for Collaborative Consumption.(by Wikipedia).

Applied to CC, this means that swapping services offers enough goods for everybody to find something they like, and to feel they chose well. Consequently, the customers are interested in using that service again. The system will work

if the “users are satisfied by the choice and the convenience offered to them”.⁽¹⁾

CC is asking for action and reaction, to do something for others, to change our habits. How do we motivate people to cross the psychological barriers? According to the study “Less peer pressure, more peer information” is more efficient. “The message that ‘everybody else is doing it’ sometimes works better than trying to call to peoples sense of social responsibility or even to their willingness to safeguard resources for future generations”.⁽¹⁾

CRITICAL MASS

IDLING CAPACITY

Our society is surrounded by things that we do not or rarely use: we possess one or more cars per family - unused for most of their lifetimes - or other machines and tools like office space or equipment, and even evening dresses used only for special occasions. “CC is the reckoning of how we can take this idling capacity and redistribute it elsewhere”.⁽¹⁾

Sharing goods and resources becomes easier, thanks to modern technology, including social networks, and peer-to-peer and business-to-peer services. Now sharing a parking place and car, or using your own bike/car to offer transport and logistics services is possible. Thanks to CC we can borrow and swap goods according to the slogan ‘you have, I need’.

THE MEANING OF COMMONS

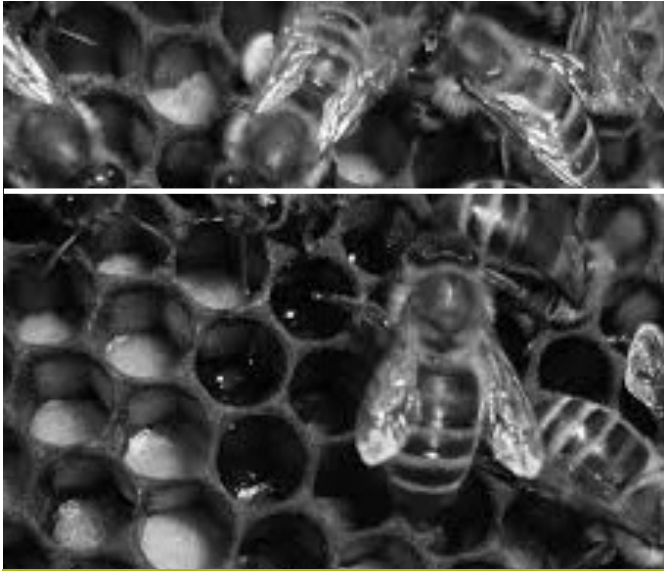
The value of the commons is a basis for applying CC and it is one of the principles of modern democracy. The Romans considered common goods public spaces and resources such as culture, language and knowledge.

The modern idea of Creative Commons seems to remind us of those ancient values and, thanks to new technologies, it is brought to the masses. CC is based on community and gives extra value to building up the community.

THE MEANING OF TRUST

By using peer-to-peer services (eBay or Airbnb) we are acting without intermediaries and we are dealing with strangers. This new situation can bring many risks for service providers and consumers. However, thanks to tools platforms that help people to self-manage exchanges and contributions, well desi-

gned reputation systems, and taking anonymity out of transactions, we are helping ourselves to make better decisions and to feel more comfortable. New online markets make up part of global villages where “abusers are easily weeded out, just as openness, trust, and reciprocity are encouraged rewarded.”



CHAPTER 4

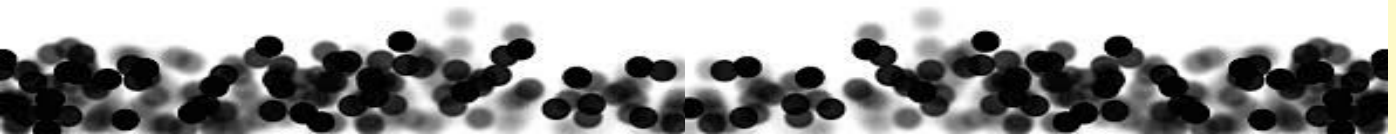
ENTREPRENEURSHIP IN SHARING

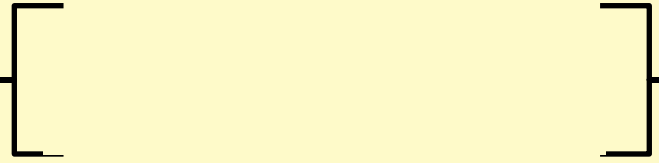
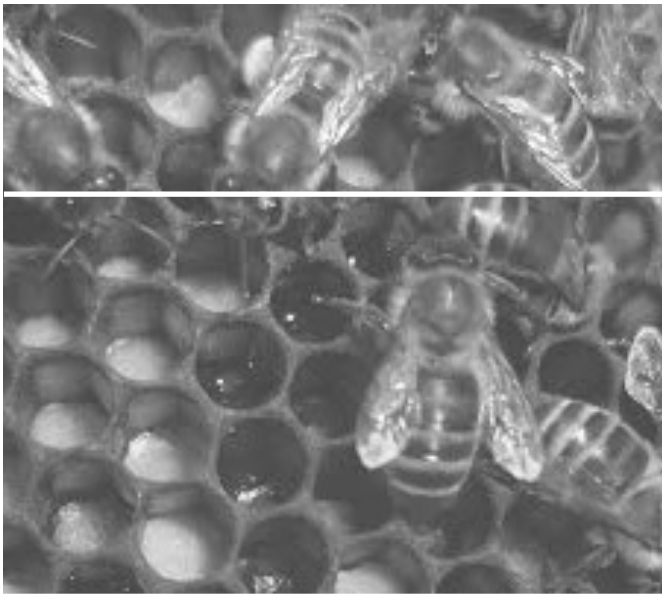
AND COLLABORATIVE CONSUMPTION

The field of Sharing and Collaborative Consumption is fast becoming one of the most important and influential branches of 21st century communication, business and society. It therefore acts as a perfect source for examples of fair, green and socially orientated entrepreneurial activities.

The use of ICT has been enhancing this process; considering these major changes that have been occurring:

- Now we are more comfortable making transaction through digital interfaces (buying stuff, sharing files, etc.)
- Technologies are now created for consumers, who will adapt them to business, while some years ago the technologies were created for business and then adapted to consumers
- We have created a digital network, which is a basis of trust in each one another.



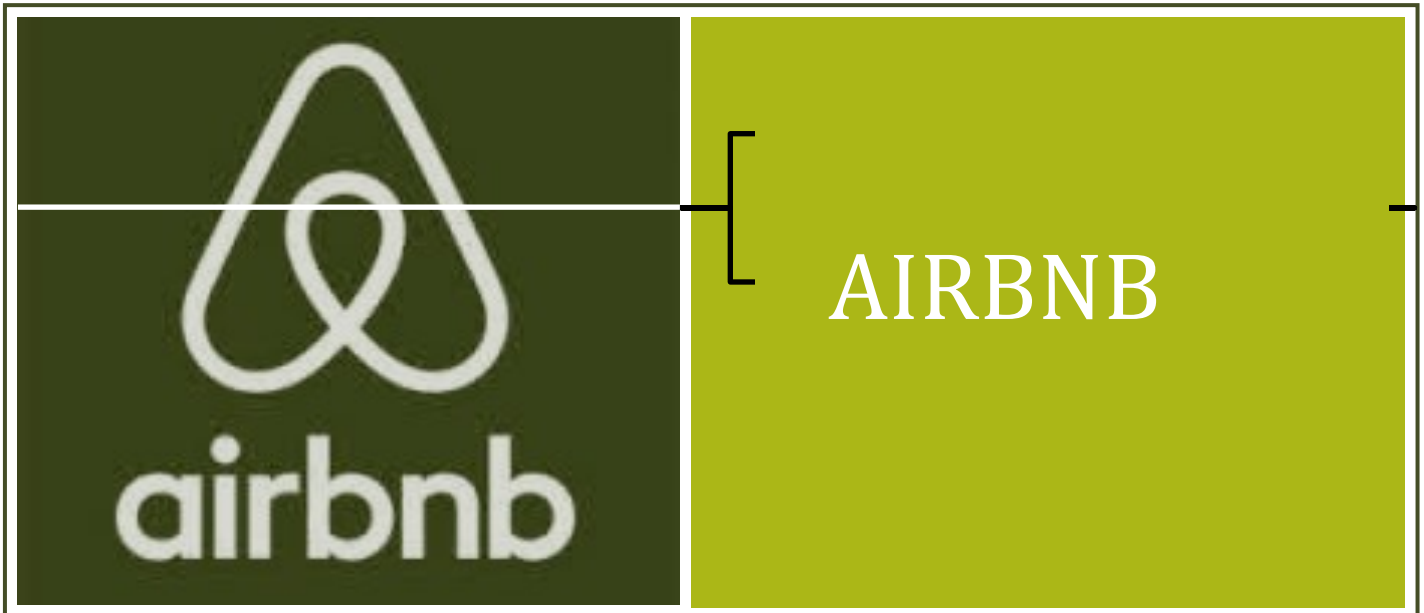


According to Sundararajan ⁽¹⁴⁾, businesses are changing from corporations to platforms, with great impacts on the economy. It will stimulate new consumption, raise productivity and will catalyse individual innovation and entrepreneurship. It is necessary to have a means to measure this impact, especially from small business. And it is important to change the regulation on business to allow these new entrepreneurs to flourish with their ideas on the market (example the protests of taxis against UBER).

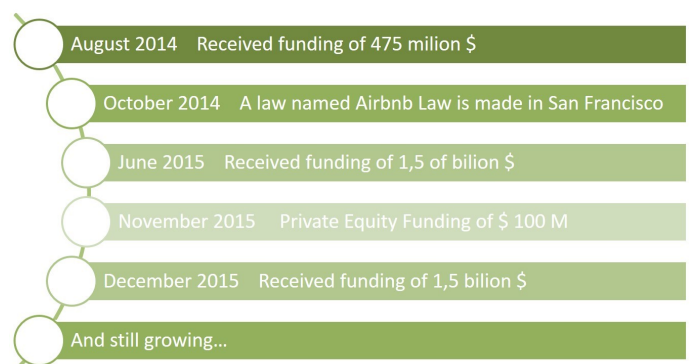
In this chapter we will present in great detail one of the most successful platforms on sharing and collaborative consumption,

and a great example of entrepreneurship — Airbnb. We will also present some good examples of entrepreneurship in sharing and collaborative consumption, including some with social orientations.

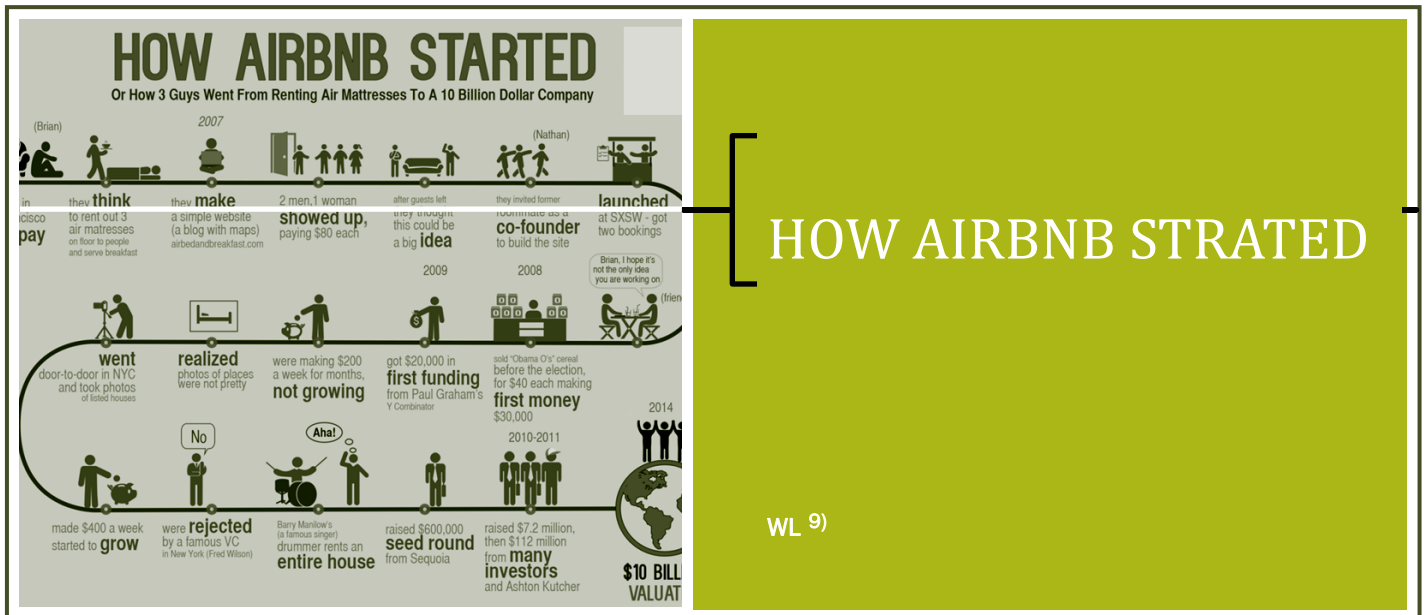
The seeds for a significant transformation within the tourism accommodation sector were laid in 2007 in the form of three air mattresses on the floor of a San Francisco apartment ⁽¹⁸⁾ A major conference was in town, and two recent university graduates had used a simple website to successfully advertise their apartment as an ‘AirBed & Breakfast’ for conference delegates looking to avoid the city’s high hotel prices.



Timeline of Airbnb



Feeling they had a business idea, the roommates recruited another friend and turned the website into a service for other people to similarly advertise their spaces as shared accommodation for tourists, initially focusing on major events. After enjoying some moderate success, particularly at the 2008 Democratic National Convention, the website was re-launched in 2009 as Airbnb.com, and the service was expanded beyond shared accommodations to also include the rental of full residences. Since then, Airbnb has grown extraordinarily rapidly and now books millions of rooms nights for tourists around the globe.^{(1), (19), (20), (30)}



HERE'S HOW THE BUSINESS WORKS

People willing to share space their homes in exchange for money advertise their properties online via Airbnb. The hosts provide property details including facilities, prices, and locality to give the customers the ability to customise their searches.

Where possible, properties are then photographed by professional photographers sent by Airbnb in order to market the properties to a high professional standard.

The Airbnb website and app allow travellers to browse available properties in the locations in which they wish to visit. There are filtering and preference tools available so that travellers can tailor their searches to perfectly match their needs.

The host sets the price for the duration of the stay and then the traveller books online through Airbnb. This eliminates the need for a physical exchange of money and makes the stay feel less like a purchase and more like staying at the home of a friend. There is also a fee that goes directly to Airbnb.

The booking is confirmed by the host and then the traveller is free to stay at the property. Airbnb transfers the amount to the host and also takes a small cut as commission.

BUSINESS MODEL (31)

The primary aim of Airbnb is to provide users with an online platform to organise rental opportunities as an alternative to the traditional hotel industries. Users have the ability to host their own properties online or rent a location from another user. These properties can be anything from apartments to boats; castle to cottages, and even igloos or islands.

Airbnb's business model does not rely on the traditional systems of product production. It utilises what already exists and creates new services. It uses a marketplace model, meaning that it provides services for its users acting as a facilitator rather than owning any of the hosted properties itself. It provides the interface in which property owners can match with perspective travellers.

The advantage of this over the traditional way of holidaying is that home owners can receive extra income from utilising unused space in their homes and travellers can find accommodation in prime locations at affordable prices.

Airbnb does provide some safeguards for its users by allowing hosts to take out insurance their properties in case of any damage. It also boasts comprehensive customer service provisions which can help alleviate potential disputes between stakeholders.

In order to promote the spread of the business and also to provide a constant stream of user evaluation; Airbnb asks users on both sides of the transaction to leave reviews on the stay and the Airbnb process. This gives users credible sources of information when booking properties and helps the company to evaluate its services and find out what the users really think.

Airbnb's business model focuses on collecting revenue from the service charge it includes in each transaction. This fee can be anywhere between 6-12% based on the cost of the booking. An additional fee for each host is also charged at 3% for every guest staying at the property.

The company has also had a lot of media coverage based on the huge amounts of investment that it has been able to secure through various funding rounds.

The business model of Airbnb has also raised money in several rounds of funding, especially in the years 2011 and 2014. According to reports, Airbnb has undergone a new round of funding in March 2015 which values the firm in excess of \$20 billion.

BUSINESS MODEL CANVAS

CUSTOMER SEGMENTS

Airbnb targets all types of travellers; from globe-trotters, to business commuters to frugal vacationers. Other key clientele are hosts looking to gain extra income through renting out space.

CUSTOMER RELATIONSHIPS

Dedicated customer services have greatly helped the company's reputation. The company offers 24/7 customer support, loyalty programs, dispute settlement services, personal recommendations and a supportive social media presence.

VALUE PROPOSITION

Customers choose to use the service thanks to the image of a personalised travel experience that has been propagated by the company. Airbnb promotes a cheaper, one-of-a-kind, convenient stay for guests as well as offering extra income and flexible options for guests.

CHANNELS

The main channels of communication for the company exist in the online domain, be they; via the online platform, through the mobile apps, or on social media, Airbnb is effectively utilising the best of the digital age. One of the great successes of the business is that 'word of mouth' advertising has significantly increased the customer base.

REVENUE STREAMS

Airbnb receives varying levels of commission on every transaction on the site. Given the number of guest-host interactions, this translates to extremely high levels of profitability.

KEY ACTIVITIES

The key activities of the now-established company include: the recruitment of more hosts, continued advertising and marketing, sponsoring events, maintaining platforms and web presence, and creating new partnerships.



BUSINESS MODEL CANVAS ...

KEY RESOURCES

Many of the key resources surround human capital. This includes: Tech professionals, creative teams, and host networks. Other resources include the brand's own databases and profitable brand image.

KEY PARTNERS

Airbnb's success revolves around its partners. These are namely their hosts and guests. As well as their customers, the company constantly interacts with tech experts, local designers, estate agents, and photographers; as well as governmental advisors and payment processing providers.

COST STRUCTURE

100% of the company's customer transactions take place online, however, Airbnb also engages in sponsorship campaigns, insurance agreements, and online maintenance.

DIFFICULTIES

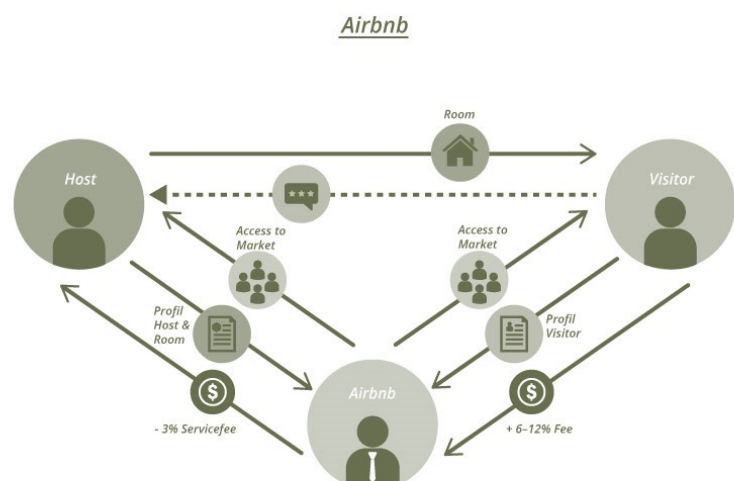
Trust Problem:

A major worry for many potential Airbnb customers is the fact that essentially they are offering their houses to strangers. The trust problem is seen as one of the major drawbacks to the company's business model and was one of the initial obstacles in the company's growth. Many are unable to overcome the fear that this can create. One of the ways in which Airbnb tries to alleviate this problem is by developing a verification process to provide assurances for both parties. Users are also invited to sync their Airbnb accounts with other social media platforms in order to provide further verification. If all of this is not enough to ease concerns, then users also have the insurance policy to fall back on, as mentioned above.

Traveler Retention:

Another potential problem is the fact that users are free to circumvent the Airbnb platforms in future trips. Once a host and traveler have connected once, there is nothing to stop them carrying out a similar transaction organised by themselves. This would be more cost-effective as there would be no service charges imposed by the company. Also Airbnb needs for its users to avoid traditional hotels and continue using its services. It tries to overcome these problems by offering incentives to loyal customers. These come in the form of discounts and special offers.

W|(10)



Business Model Toolbox

DISTRIBUTION OF PRODUCTION

The rise of the sharing economy has allowed businesses to operate in new non-conventional ways. We are seeing a diminishing impetus being placed on the industrial production based methods of operating. Businesses more and more are reliant on existing materials in order to reduce in-house costs and waste. It can be costly to manufacture new products due to costs related to raw materials, production line costs, factory costs, staff costs, and a whole host of other related expenditures. With companies such as Airbnb and Uber; business models take full advantage of outsourcing and rely on other people's resources. These lite, streamlined business plans are set to thrive in this new innovative field. We can now see less emphasis being placed on costly and inefficient ownership of products in favour of cheap, green sharing of materials.

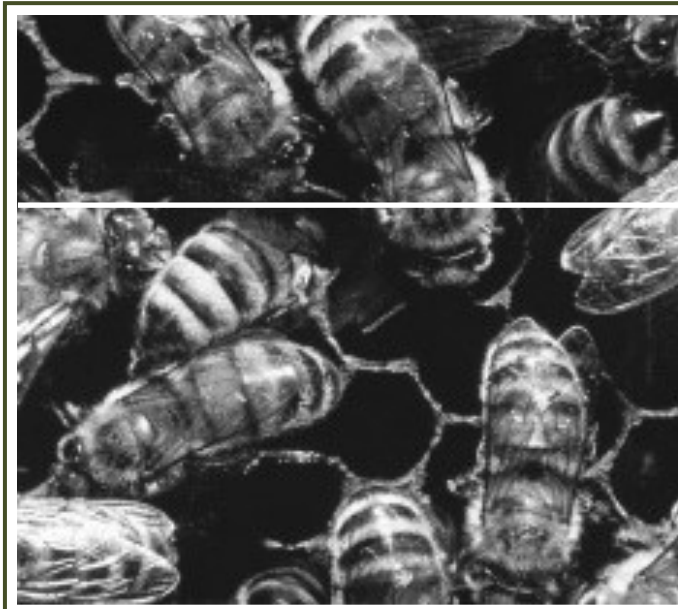
ENTREPRENEURSHIP WITHIN THE SHARING ECONOMY

LOWER BARRIERS TO ENTRY

The entrepreneurial barriers faced by start-ups become less obstructive when companies enter the collaborative consumption field as initial costs can be significantly reduced and networks can be rapidly built. The reduced demands for seed capital allow great ideas to flourish where they once would have drowned. The rise of sharing based businesses will ultimately lead to a shift in the status quo of consumer and business practices; which will slowly start to level the playing field between SMEs and corporations. Instead of balancing material production costs to 'stay in the red', fledgling businesses can now spend more resources on growth and profitability in the precarious early period of start-ups.

LESS OWNERSHIP, MORE MAINTENANCE

The field of collaborative consumption moves away from passive ownership and focuses on active maintenance service. For the company, fewer costs develop as a consequence. The customer fronts the initial costs and the company simply connects owners with consumers. This leads to less liability, fewer overheads and a more sleek business model. The Airbnb idea allows customers to generate extra income with minimal effort as they generate funds from idle resources. The sharing economy is [projected to rise](#) in value from its \$15 billion in 2014 to \$335 billion in 2025.



Examples

Next we present some more examples of sharing economy and collaborative consumption.
Examples with:

SOCIAL AIM

PRODUCT SERVICE SYSTEM

REDISTRIBUTION MARKETS

COLLABORATIVE LIFESTYLE



SOCIAL AIM

Who doesn't complain about lack of time to solve all the problems of day-to-day life? Who wouldn't want to be able to help others more or participate actively in the life of their community? Everyone, of course. We always come back to the same point: there is no time. Or rather, now there is. Because now there's a way to capitalize on goodwill and the spirit of solidarity. Simply open an account at the Time Bank. A personal account with essentially collective gains. This is a peer-to-peer service, in which 1 hour of work has the value of another hour of work, it doesn't matter what is the work, the time is the currency! One Timebank Hour equals exactly one hour of work.

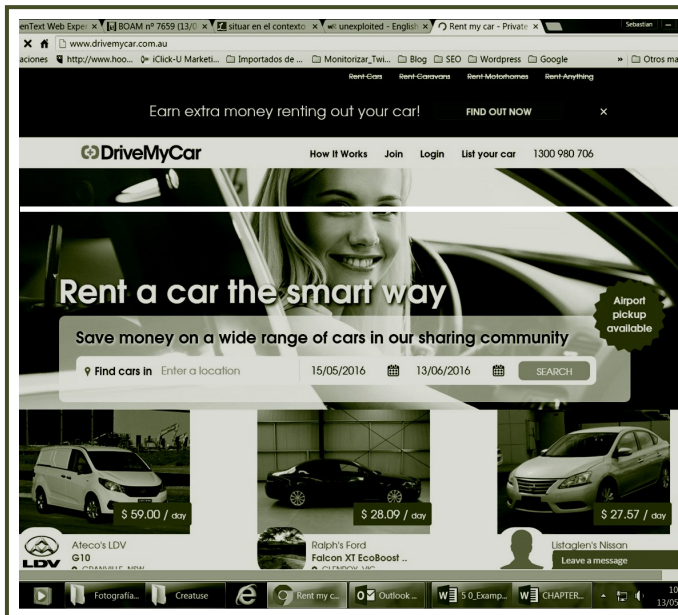
It allows you to share your skills, talents and knowledge with others who do the same. And doing it, you can meet new and interesting people outside of your circle of friends or colleagues.



SOCIAL AIM

The world's first food bank was the St. Mary's Food Bank Alliance in Arizona, founded by John van Hengel in 1967. In 1965, while volunteering for a community dining room, van Hengel learned that grocery stores often had to throw away food that had damaged packaging or was near expiration. He started collecting that food for the dining room but soon had too much for that one program. So he considered to have a building where it was possible to collect, store and distribute food, a Food Bank. This works like this: they receive donations of food from organisations and people, and they distribute to organisations recognised to help people, therefore it is business-to-peer. The food banks soon spread all over the USA, and also to Canada.

The first European food bank was founded in France during 1984. After the economic crisis in 2007, Food Banks have been spreading all over the world.



DRIVE MY CAR

PRODUCT SERVICE SYSTEM

DriveMyCar is Australia's first and largest peer-to-peer car rental service. They make it possible for people to rent cars from other people with confidence. They do this by creating a 'trusted marketplace' where owners list their vehicles for free and renters find and book the vehicles after passing the verification processes. Coverage is provided for accidental damage and theft.

Trust & Security

They have created a range of features to ensure that the car rental experience is as safe and secure as possible.

Insurance

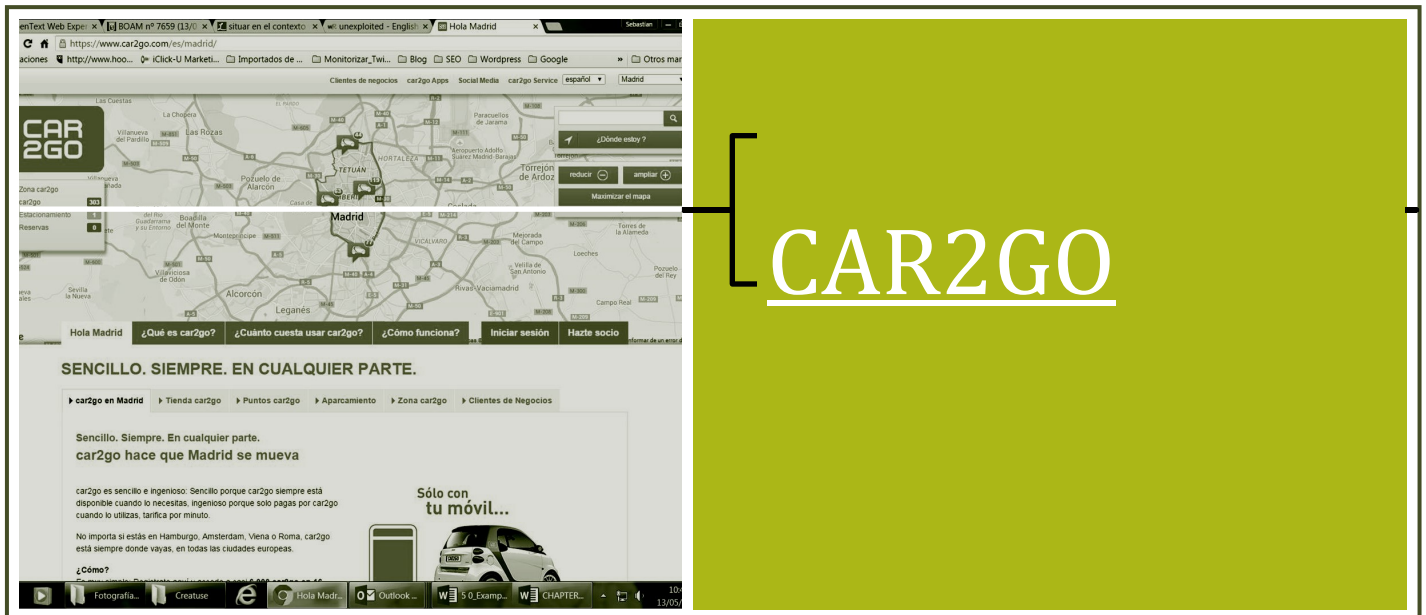
Coverage for damage and theft is included in the rental fees.
\$30 million third party damage cover. No hidden extras.

Long Term Rentals

People can save even more money when renting for six months or more.

DriveMyCar is a peer-to-peer service that makes it possible for car owners to rent their car to other people. Makes sense doesn't it? Owners earn money from their car and renters get access to a wider range of vehicles and save money compared to traditional car rental, especially for long term rental periods.

Trust and security is important when engaging with other people. DriveMyCar screens people before they can book a car. They verify Renter ID's, perform a credit check and collect the first payment & bond before a rental is confirmed. All vehicles are covered by insurance and 24/7 roadside assistance. You can also review feedback from previous rentals.



PRODUCT SERVICE SYSTEM

It is recognized as the most successful public vehicles company worldwide. Car2Go is present in 31 cities. In Madrid, Car2Go operates from mid-November 2015 and its success has exceeded the most optimistic forecasts of company managers. Just five months after its launch 53,000 users had registered to the service. The company started with 50 cars and now its fleet has increased to 500 vehicles.

Car2Go Madrid was born with many challenges to be overcome. Initially, the lack of rental car culture among the citizens of the capital and the tough competition on markets were the main problems the company had to face. However, the main difference with other companies is that Car2Go has electric vehicles so, people prefer to use them because they are sustainable with environment by reducing emissions.

People just need to register to access almost 6,000 car2go in 16 European cities. It is easy to use: book it, drive it, and park it. Simple and straightforward. There is always a vehicle available in your area. The cars are equipped with special GPS positioning systems to find them easily. You open it with the member card, you get when you sign up through the website or mobile app. You go from A to B, park your car2go again and that is all. It's fun, it helps to save money.



PRODUCT SERVICE SYSTEM

Relendo is the first online collaborative platform that enables consumers to rent goods among users of the same area. Relendo puts users in need for a particular product in touch with those willing to provide these items in exchange for a small financial compensation thus sharing costs and promoting responsible consumption.

How does it work? Through a platform, in a few steps you can discover that people around you have items you wish to borrow.

You can contact them at that precise moment. People just need to specify the dates to have the product and set specific conditions as shipping costs, deposit payment, etc... They are committed to transparency and reliability.

Relendo not only brings people together but also makes a collaborative and effective consumption. Relendo is a large community where you can learn in detail the users' profiles who offer or use items, thereby increasing security, protection and good relationships among all of them.



YO NO
DESPERDICIO

REDISTRIBUTION MARKETS

In February 2015 the launch of Yonodesperdicio was presented in Spain as the first web-mobile application for collaborative consumption. This was meant to reduce waste of food and to help disadvantaged people eat healthily avoiding hunger. The development NGO Prosalus, whose mission is to promote respect, protect and guarantee of human rights, presented this platform for exchange and donation of food. People can access this through the website or using the mobile app.

Based on platforms of collaborative consumption this website creates a community to share, exchange and donate food to reduce waste of food.

Web operation is very simple and emulates the operation of other platforms for exchange or sale of second-hand goods.

Registration is required as the platform works as a social network for the user community.

After registration you can either advertise the food you want to donate or share, or look for food that interests you by contacting the other party. The exchange location must be agreed.



ETSY

REDISTRIBUTION MARKETS

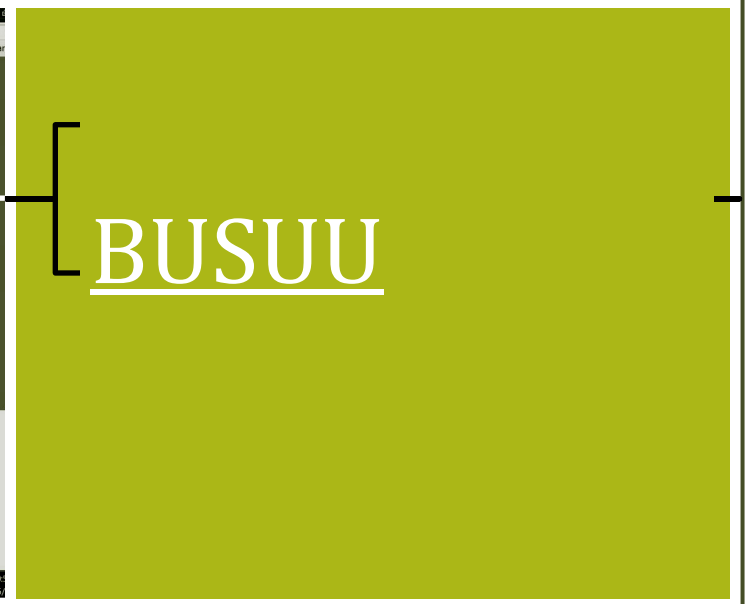
Etsy is a marketplace where people around the world connect, both online and offline, to make, sell and buy unique goods.

The heart and soul of Etsy is the global community: the creative entrepreneurs who use Etsy to sell what they make or curate, the shoppers looking for things they cannot find anywhere else, the manufacturers who partner with Etsy sellers to help them grow, and the Etsy employees who maintain and nurture our marketplace.

Their mission is to reimagine commerce in ways that build a more fulfilling and lasting world.

Etsy is building a human, authentic and community-centric global and local marketplace. They are committed to using the power of business to create a better world through their platform, their members, their employees and the communities they serve.

As Etsy grows, commitment to their mission remains at the core of their identity. It is woven into the decisions they make for the long-term health of our ecosystem, from the sourcing of the office supplies to the employee benefits to the items sold in the marketplace.



COLLABORATIVE LIFESTYLE

Busuu is a social network for learning languages. It is based on a freemium business model. The website provides learning units for 12 languages: English, Spanish, French, German, Italian, Portuguese (from Brazil), Russian, Polish, Turkish, Arabic, Japanese and Chinese.

Users select one or more of these languages and work through the self-paced units.

Busuu is the world's largest social network for language learning. Through online and apps, the business offers free and premium paid-for access to audio-visual courses for 12 languages.

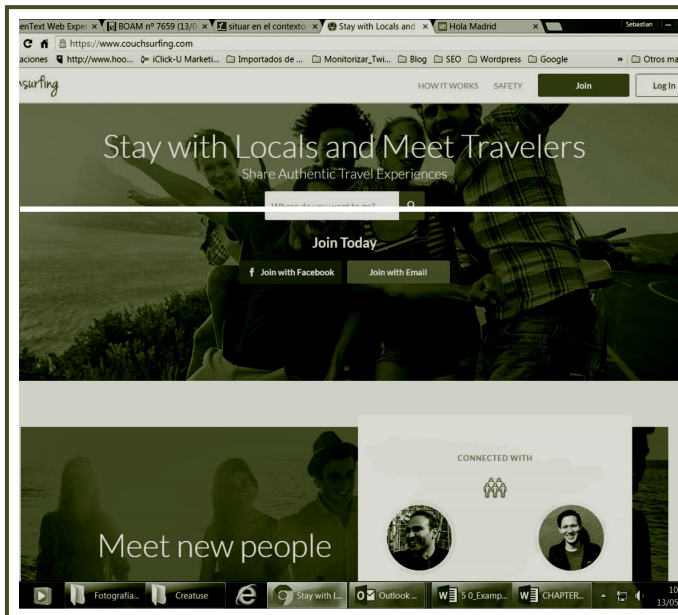
Busuu offers courses based on (CEFR) levels A1, A2, B1 and B2. Users enroll to study one or more languages. The study material for a language is typically broken down into around 150 units. Units consist of multiple-choice questions, speaking assignments, and writing assignments. Some sections within each unit include multimedia material, such as spoken multiple-choice questions. Users act as both student and tutor, correcting one another's work. They can converse via chat-window, an audio connection or a webcam connection.

There are two classes of members: ordinary and premium members. Grammar units and some of the multimedia functions, such as video units, voice recording, and podcasts, are available only to premium members. The site sells materials from its partners, such as grammar reference books from Collins.

Uniquely, the platform encourages collaborative learning by offering users the unique opportunity to learn the language and practise their listening, writing, reading and speaking with assistance from a rapidly growing community of native speakers. In this way, every busuu user is both student of a foreign language and tutor of their own 'mother tongue'.

Busuu also offers mobile apps for iOS and Android in 11 languages. All apps can be downloaded for free with a set of basic learning units. Additional units and content can be purchased. All mobile app content is free for busuu Premium members.

In 2013, the company launched two iPad apps for kids: 'Kids learn English' and 'Kids learn Spanish'.



[COUCH SURFING]

COLLABORATIVE LIFESTYLE

How does Couchsurfing Work?

You have friends all over the world, you just haven't met them yet. Couchsurfing is a service that connects members to a global community of travelers. Using Couchsurfing to find a place to stay or share your home and hometown with travelers. Couchsurfers organize regular events in 200,000 cities around the world. There's always something to do and new friends to meet.

Be a Great Couchsurfer

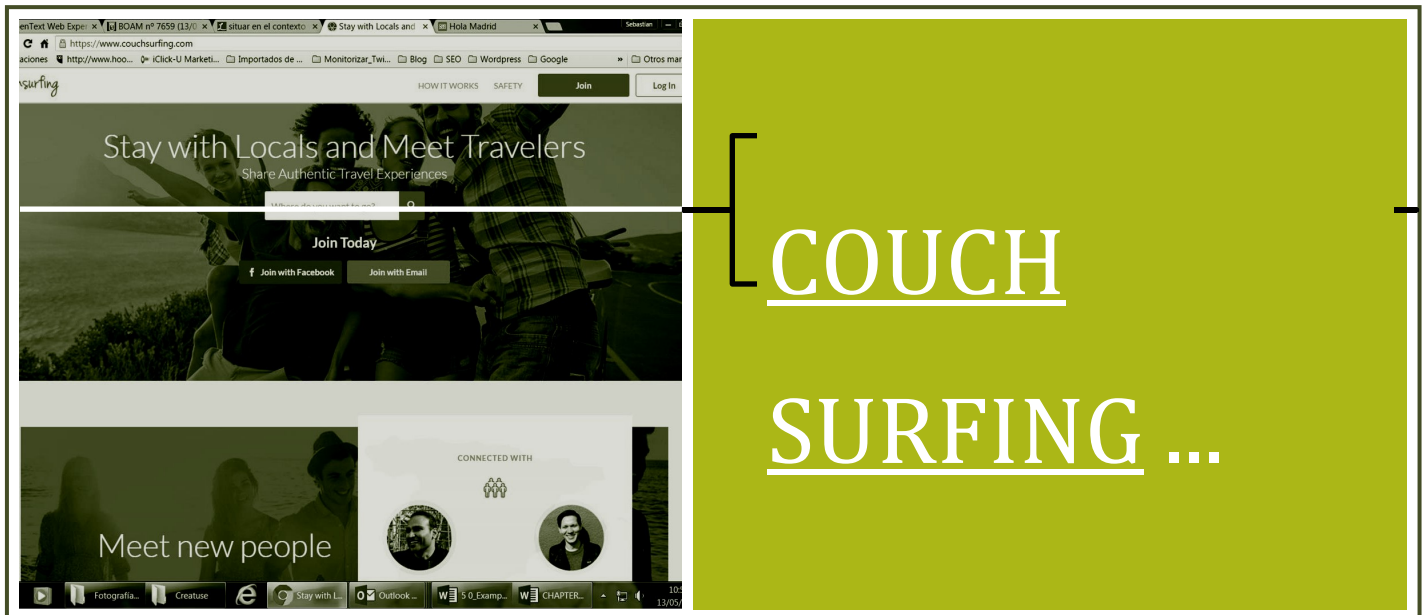
Whether you're traveling the world, hosting travelers, or making friends locally, being a conscientious and generous Couchsurfer will enrich the connections you make with the people you meet.

Share something

Be it stories, songs, food or your favorite coffee shop, Couchsurfing is about sharing and connection. Be open to giving, receiving, and discovering the unexpected.

Respect differences

Help to make the world smaller and friendlier. The diversity of people across the globe is a beautiful thing, so contribute by respecting and appreciating those differences, be they cultural or otherwise.



Participate

Spend time with your host or surfer. Make new friends and help each other to discover new things about the world. If you're new to Couchsurfing, tap into your local community first. It helps to know people near you, so meet other Couchsurfers in your area by joining groups and events.

Be neat

Hosts, tidy up your space before Couchsurfers arrive. Surfers, leave it better than you found it. Keep your things in order and always clean up after yourself.

Connect

Finding a place to stay is just part of the Couchsurfing experience. More importantly, it's about human connection. When you write a couchrequest, let hosts know why you think you'd enjoy each other's company and what you'd like to contribute to your stay. When you're there, get to know your host and their way of life. See what you learn.

Reliable

If your plans change, let your host or surfer know.

Trust the instincts

When looking for other Couchsurfers, always carefully review their profiles and especially the references. Communicate through Couchsurfing to get a better sense of who they are.

Leave a reference

Be sure to leave references for people after hosting or surfing. References help other members make informed decisions. Leaving truthful references are essential to accurately describe experiences with another member.

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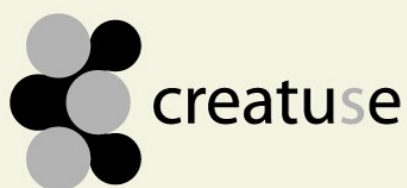
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