

# The Sharing Economy And Collaborative Consumption

Holland Professional Club

April 2016



# WELCOME HOME

Rent unique places to stay from local hosts in 190+ countries.

How It Works

Where do you want to go?

Check In

Check Out

1 Guest ▾

Search











“

**People don't want to buy a quarter-inch drill. They want a quarter-inch hole!**

Theodore Levitt

@imranyounis

# Disintermediation

dis·in·ter·me·di·a·tion

dis, in(t)ərmēdē'āSH(ə)n/

*noun*

noun: **disintermediation**; plural noun:  
**disintermediations**

- 1 reduction in the use of intermediaries between producers and consumers, for example by investing directly in the securities market rather than through a bank.



# A TAXONOMY OF THE COLLABORATIVE ECONOMY: CATEGORIES AND EXAMPLES



⚙️ RE-SHARERS    
 ⚙️ NEO-SHARERS

# LAGreenGrounds.org creates gardens...



Photo Credit: [www.lagreengrounds.org](http://www.lagreengrounds.org)



# The drivers

## The drivers behind the rise of the sharing economy: Social, Economic and Technology



- Economic crisis
- Unemployment



- Internet becomes global
- Mobile devices and platform
- Payment systems evolve
- Social networking rise



- Increasing population density
- Drive for sustainability
- Desire for community
- Generational altruism

# Sharing economy sector and traditional rental sector projected revenue growth

## Sharing economy sector



Peer-to-peer lending and crowdfunding



Online staffing



Peer-to-peer accommodation



Car sharing



Music and video streaming

## Traditional rental sector



Equipment rental



B&B and hostels



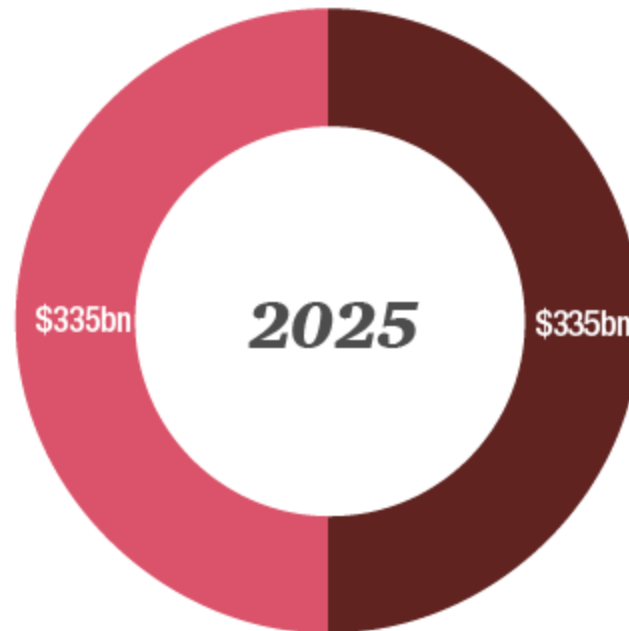
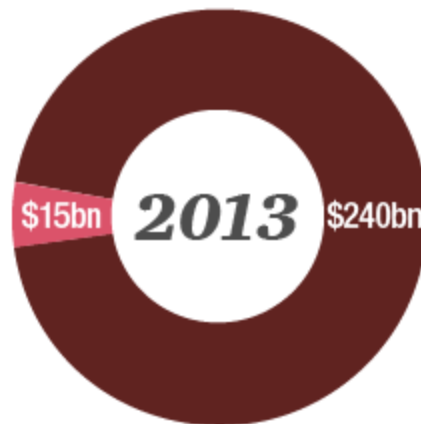
Book rental



Car rental



DVD rental



Sharing economy sectors ■ Traditional rental sectors



PHASE 1

Communication

YAHOO!



CompuServe

PHASE 2

Web 2.0

Google

PayPal

amazon.com.

ebay

skype

facebook

iTunes

Spotify

PHASE 3

Social Media and the new shared economy

Zilok.com  
Rent anything online!

LendingClub

zipcar



airbnb  
Travel like a human.

CAR  
2GO

HOUSE  
TRIP

ARTIFY • IT

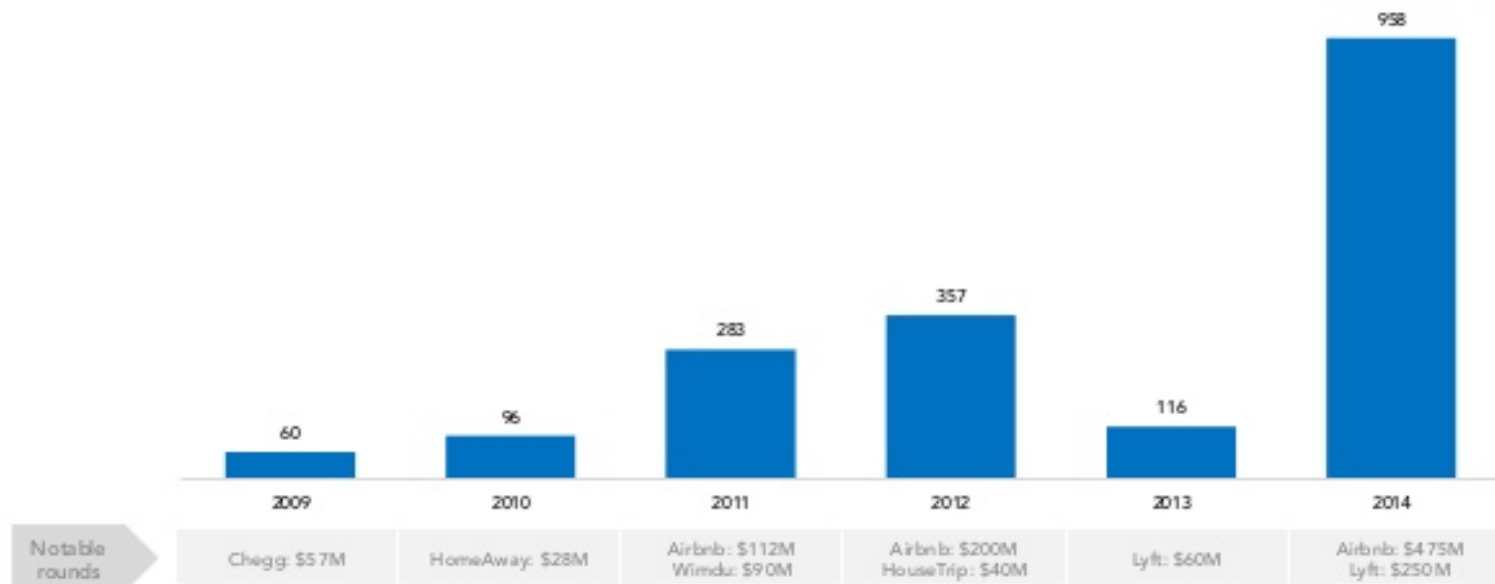
velib'

kodesk  
My office is Your office

ParkatmyHouse.com

# Sharing Economy: Trend in overall funding

Total Funding in Sharing Economy Start-ups by Year (\$M)



- Airbnb, over \$120m funding. –  
[Crunchbase](#), July 2013
- Lyft over \$60m in total funding. –  
All [ThingsD](#), May 2013
- Uber over \$55m in total funding. –  
[Crunchbase](#), July 2013
- Uber raises large round of \$258 from  
Google Ventures with Valuation over  
3B., [Techcrunch](#), August 2013



- Google invested \$125 million in LendingClub, peer to peer lending – [NYT](#), May 2013 peer-to-peer lending player, LendingClub: “Loans funded to date: \$2,138,108,325. - [Source LendingClub data](#), July 27, 2013

- 1) **Economic Benefit, But Simple:** Allowing users to utilize their assets as actively or passively as they like; extra income, but the frequency is scalable according to the sharer's desire.
- 2) **Limiting Risks:** Holistic rating systems, social media endorsements, and payments technology all lessen the degree to which a user of the sharing economy is being exposed to risk.
- 3) **Ubiquitous Offerings:** Scale such that users can reliably depend on the sharing economy to fulfill their needs.

The most popular reasons for using sharing services

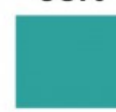
CONVENIENCE

78%



PRICE

68%



PRODUCT / SERVICE QUALITY

55%



COULDN'T FIND ELSEWHERE

40%



RECOMMENDATION

33%



SUSTAINABLE LIFESTYLE

25%



CURIOSITY

25%



CONNECT ONLINE

24%



CONNECT LOCAL

23%



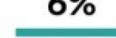
ACCESS OVER OWNERSHIP

15%



OTHER

6%



 REASON FOR SHARING

We asked: *In the past 12 months, have you ever used a website or mobile app for a sharing service?*

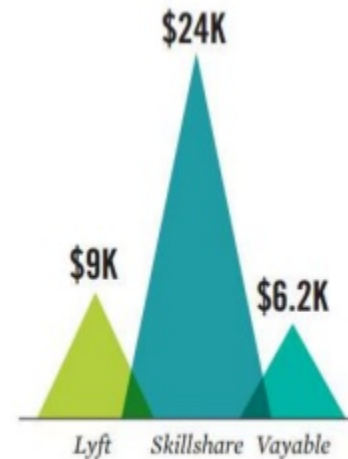
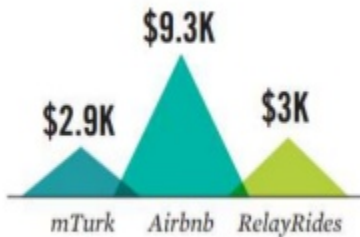


# Supplier-Sharer

## AT FIRST, IT'S ALL ABOUT THE MONEY

*Hard times mean people want to both save and make extra cash*

**AVERAGE ADDITIONAL  
INCOME EARNED BY PROVIDER**  
*in dollars per year*



# TIME

STRANGERS  
CRASHED MY CAR,  
ATE MY FOOD AND  
WORE MY PANTS.

TALES FROM THE  
SHARING ECONOMY

BY JOEL STEIN



Property  
al). The City of Holland Zoning Ordinance  
weekly rentals or weekend rentals in this zone  
ffered for rent for a minimum of 30 days  
y and two family district, and transient occu  
9-194 for Bed & Breakfast requirements  
N.)

It is the notice that all daily, weekly and wee  
ove all advertisements, listing this prop  
ch rental period must be a minimum o  
ed within 30 days from the date of this



*Uber Drivers in New York City Protest Fare Cuts- NYT-Feb 2016*



# **The Six Strategies Corporations Can Take to Address the Collaborative Economy**

- 1. Ignore it, and hope it goes away.**
- 2. Fight it with policy, lobbying, or marketing.**
- 3. Sponsor the startups.**
- 4. Acquire the startups.**
- 5. Integrate your business model.**
- 6. Build your own marketplace.**

# ENDING CAR OWNERSHIP AS WE KNOW IT

REDESIGNING AMERICA'S CITIES





TIME

Why General Motors  
is investing \$500  
Million in Lyft

“Its about the future of driving’

China's sharing  
economy worth USD  
\$298 billion  
The Economic Times

Feb.28. 2016

**GM car-sharing service  
Maven now open to  
anyone in Ann Arbor**

# Senior Care

- Honor Home Care
- Room2Room
- Lyft senior transport
- House share
- Cooperatives
- Multigenerational (non related) house sharing
- Senior to seniors
- The villages



# 10 Sharing Economy Predictions for 2016

1. Shared **autonomous vehicle**
2. Discourse of the commons is going mainstream
3. New growth for the worker co-op sector: **workplace democracy**
4. The sharing cities movement reaches higher levels of visibility
5. Funding by VCs will continue to increase, but slower rate
6. Funding will open up, franchises will enter the market, explosive growth from the far east (i.e. China and India), and rural/surburban coworking or suburban coworking will grow
7. The **Cosmo-Localization** of Production: global open design communities combined with local production in microfactories
8. Growing conversation between companies, unions and non-profits about gig workers' "**flexicurity**".
9. Short-term rental regulations to balance opportunities for small-scale livelihood generation with the potential displacement of long-term and vulnerable residents
10. Growing movement for value distribution.

Shareable 2016