

The Sharing Economy: Does it Harm Businesses and Society?

Group JM (right to left)

Benjamin Cox (bhc1g24@soton.ac.uk)

Cole Harries (ch4g24@soton.ac.uk)

Harry Winchester (hw3g24@soton.ac.uk)

Molly Gulvin (mag1g24@soton.ac.uk)



The Sharing Economy: What is it?

- Economic System
 - Peer-to-peer model [1]
 - Supported by digital services [2]



The Sharing Economy: What is it?

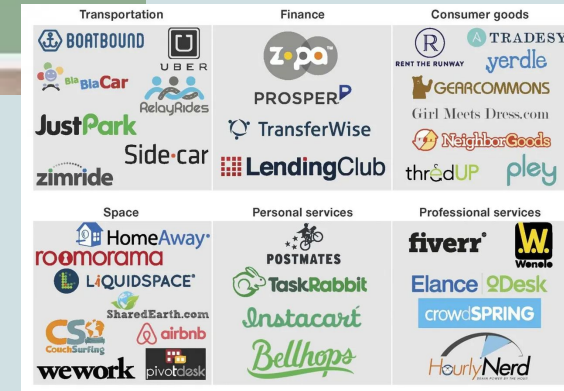
- Economic System
 - Peer-to-peer model [1]
 - Supported by digital services [2]
- Also known as collaborative consumerism [3]

- But this is the work that is done to drive the sharing economy [4]



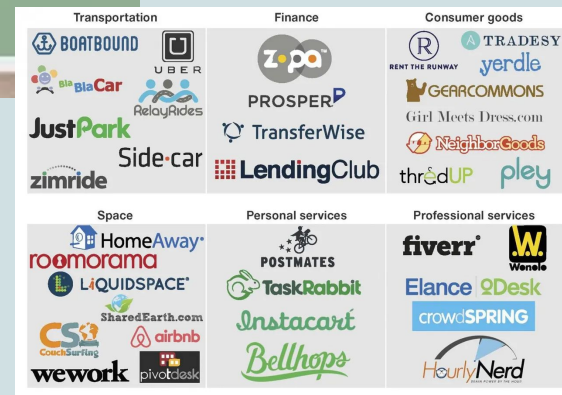
The Sharing Economy: What is it?

- Economic System
 - Peer-to-peer model [1]
 - Supported by digital services [2]
- Also known as collaborative consumerism [3]
 - But this is the work that is done to drive the sharing economy [4]
- Important to consider how it impacts traditional businesses and society



The Sharing Economy: What is it?

- Economic System
 - Peer-to-peer model [1]
 - Supported by digital services [2]
- Also known as collaborative consumerism [3]
 - But this is the work that is done to drive the sharing economy [4]
- Important to consider how it impacts traditional businesses and society
- Is the growth a positive thing or does it cause more harm than good?



The Sharing Economy Timeline

1978

‘collaborative consumption’
was introduced by Felson
and Spaeth [5]

The Sharing Economy Timeline

1978

‘collaborative consumption’
was introduced by Felson
and Spaeth [5]

1995



AuctionWeb (aka ebay) is
launched the first online
Peer-to-peer market.

The Sharing Economy Timeline

1978

'collaborative consumption'
was introduced by Felson
and Spaeth [5]

2007



airbnb founded - an
online service for renting
homes.

1995



AuctionWeb (aka ebay) is
launched the first online
Peer-to-peer market.

The Sharing Economy Timeline

1978

'collaborative consumption'
was introduced by Felson
and Spaeth [5]

2007



airbnb founded - an
online service for renting
homes.

1995



AuctionWeb (aka ebay) is
launched the first online
Peer-to-peer market.

2009 Uber

Uber is launched - a
transportation company that
provides ride-hailing services.

The Sharing Economy Timeline

1978

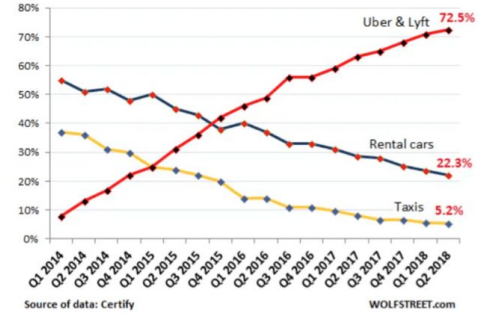
'collaborative consumption' was introduced by Felson and Spaeth [5]

2007

airbnb founded - an online service for renting homes.



Uber & Lyft Crush Taxis and Rental Cars
% of Ground Transportation Travel Reimbursements



The sharing economy continues to grow



1995



AuctionWeb (aka ebay) is launched the first online Peer-to-peer market.

2009 Uber

Uber is launched - a transportation company that provides ride-hailing services.

The Recent, Present and Future of the Sharing Economy

2023

- **9,829** companies
- **133** countries
- **25** different categories
- **72%** of Americans have used a shared service [6]

The Recent, Present and Future of the Sharing Economy

2023

- **9,829** companies
- **133** countries
- **25** different categories
- **72%** of Americans have used a shared service [6]

2025

- Current global market size of “**\$246.18 billion**”
- Sharing economy is the key to many platforms successes [7]
- Compound Annual Growth Rate (CAGR) of **26.5%**

The Recent, Present and Future of the Sharing Economy

[8]

2023

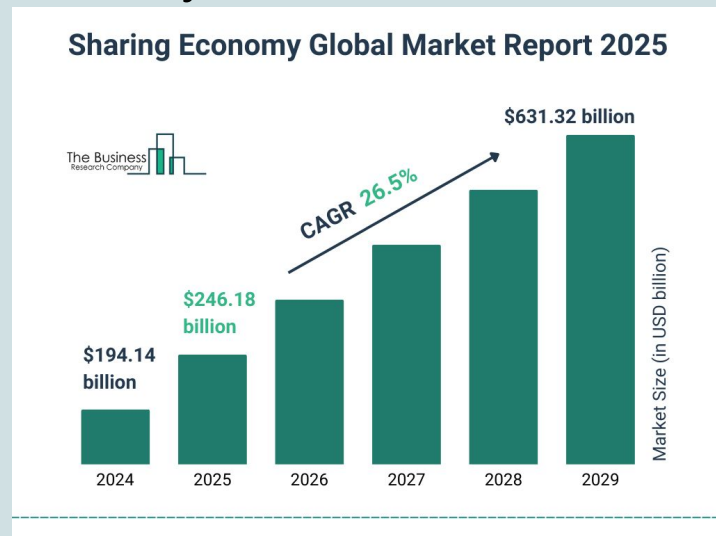
- **9,829** companies
- **133** countries
- **25** different categories
- **72%** of Americans have used a shared service [6]

2025

- Current global market size of “**\$246.18 billion**”
- Sharing economy is the key to many platforms successes [7]
- Compound Annual Growth Rate (CAGR) of **26.5%**

2029

- Global market size estimated to grow to “**\$631 billion**” [8]



How can traditional businesses and society benefit?

Convenience for consumers

- Ease of purchase
- One platform for many products



How can traditional businesses and society benefit?

Convenience for consumers

- Ease of purchase
- One platform for many products

Vinted

No need for physical storefront

- Run business from home
- Cost efficient



How can traditional businesses and society benefit?

Convenience for consumers

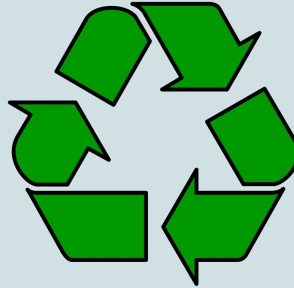
- Ease of purchase
- One platform for many products

Vinted

No need for physical storefront

- Run business from home
- Cost efficient

Decreased waste



How can traditional businesses and society benefit?

Collaboration

- Traditional businesses can work together with sharing economy businesses for many benefits

How can traditional businesses and society benefit?

Collaboration

- Traditional businesses can work together with sharing economy businesses for many benefits

Easier entrance to the market

- Easier, cheaper access to goods/services [9]
 - Lower barrier for entry
 - Aids business growth
- But what about bigger businesses?

How can traditional businesses and society benefit?

Collaboration

- Traditional businesses can work together with sharing economy businesses for many benefits

Easier entrance to the market

- Easier, cheaper access to goods/services [9]
 - Lower barrier for entry
 - Aids business growth
- But what about bigger businesses?

Higher ceiling

- Sharing economy provides:
 - Flexibility
 - Efficiency [10]

How can traditional businesses and society benefit?

Collaboration

- Traditional businesses can work together with sharing economy businesses for many benefits

Easier entrance to the market

- Easier, cheaper access to goods/services [9]
 - Lower barrier for entry
 - Aids business growth
- But what about bigger businesses?

Higher ceiling

- Sharing economy provides:
 - Flexibility
 - Efficiency [10]



What are the drawbacks?

Reliance on trust

- No customer protection [11]
- Lack of regulation [12]

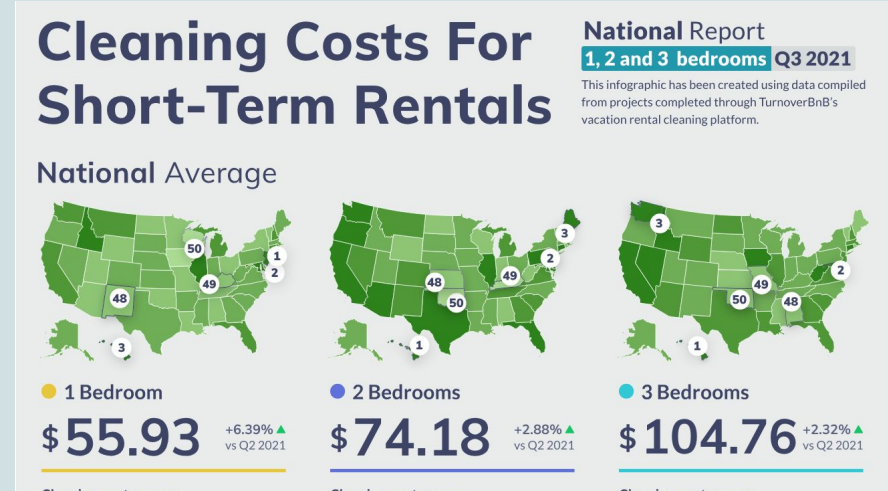
What are the drawbacks?

Reliance on trust

- No customer protection [11]
- Lack of regulation [12]

Responsibility dilemma

- Who is liable for damages
- Who owns the product being shared



What are the drawbacks?

Reliance on trust

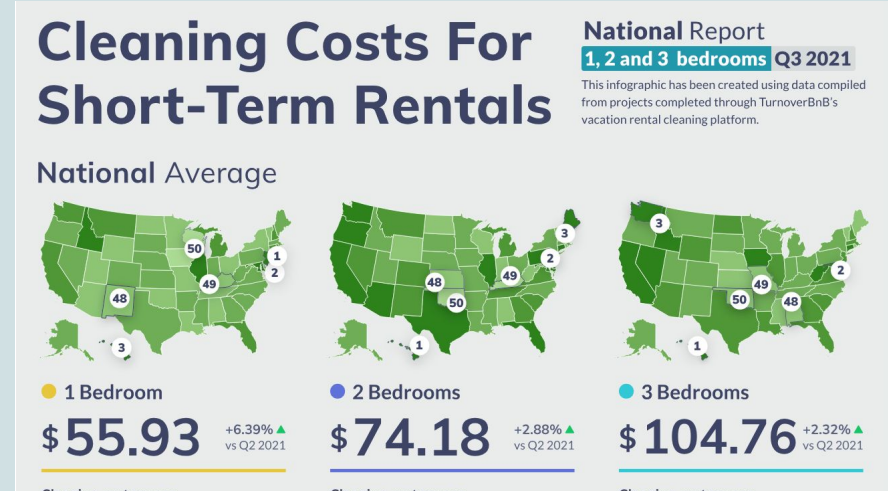
- No customer protection [11]
- Lack of regulation [12]

Responsibility dilemma

- Who is liable for damages
- Who owns the product being shared

Employment conditions

- Workers may miss out on benefits offered by traditional businesses [13]



What are the drawbacks?

Impact on traditional businesses

Uber

- London cabbies sue over low wages [14]
- Have ridesharing services eliminated the traditional taxi industry? [15]
 - Or can they continue to grow by joining the platforms, actually furthering the Sharing Economy [16]

Uber faces £250m London black cab drivers case



REUTERS

| This is not the first time that Uber has faced a challenge in London

João da Silva
Business reporter

2 May 2024

Uber is facing a multi-million pound legal case being brought on behalf of almost 11,000 London black cab drivers, in the latest challenge to the firm in the UK capital.

The claimants allege that in order to obtain a licence to operate in the city, the ride-hailing giant deliberately misled Transport for London (TfL) about how its app worked.

What are the drawbacks?

Impact on traditional businesses and society

Uber

- London cabbies sue Uber over low wages [14]
- Have ridesharing services eliminated the traditional taxi industry? [15]

Uber faces £250m London black cab drivers case



REUTERS

This is not the first time that Uber has faced a challenge in London

Joko da Silva
Business reporter

2 May 2024

Uber is facing a multi-million pound legal case being brought on behalf of almost 11,000 London black cab drivers, in the latest challenge to the firm in the UK capital.

The claimants allege that in order to obtain a licence to operate in the city, the ride-hailing giant deliberately misled Transport for London (TfL) about how its app worked.

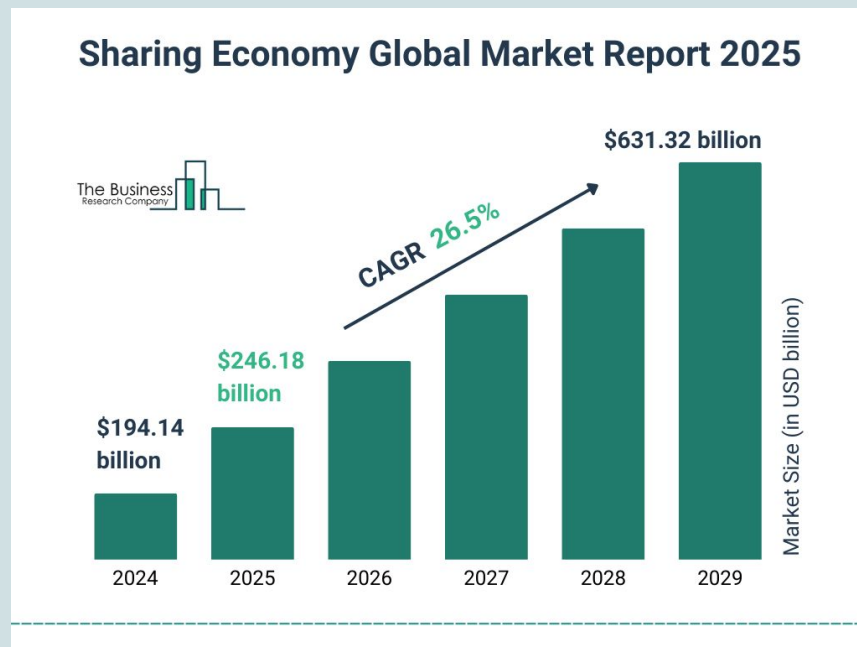
Airbnb

- “First not Second homes” movements
 - The holiday home industry is impacting the housing market negatively [17]
 - Also seen as potentially a catalyst for societal issues like homelessness[18]



Conclusion: Is the sharing economy harming traditional businesses?

- Optimise the lifetime of a product
- Decrease waste
- Easier and cheaper access to goods and services



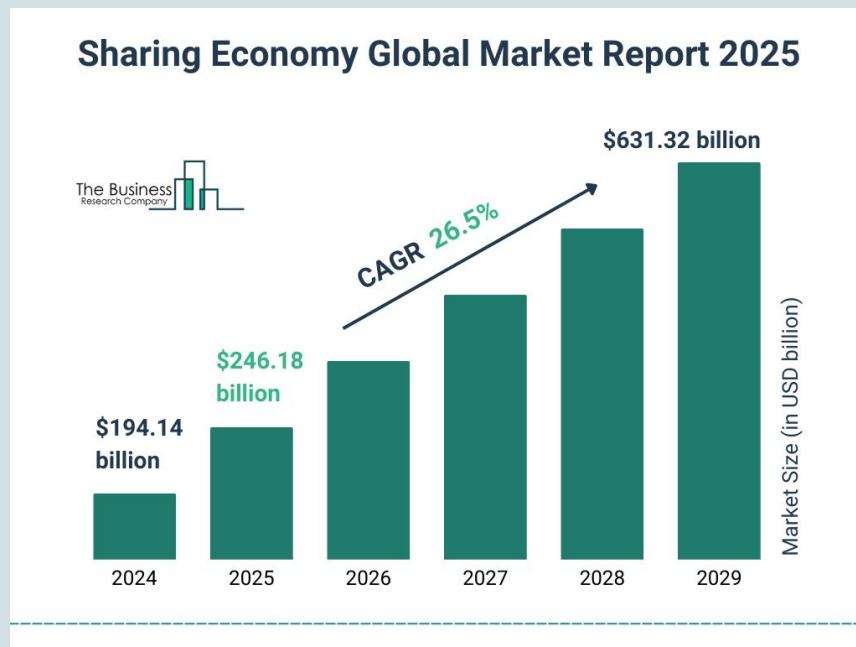
Projected sharing economy worth [8]

Conclusion: Is the sharing economy harming traditional businesses?

- Optimise the lifetime of a product
- Decrease waste
- Easier and cheaper access to goods and services

But...

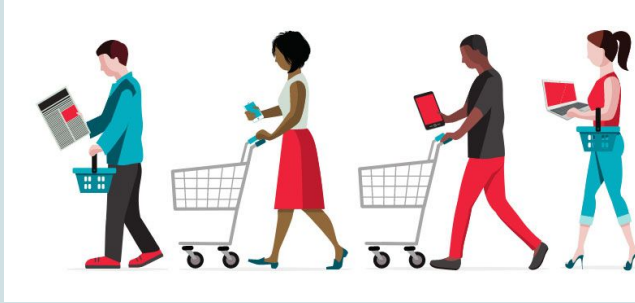
- Regulation is lackluster
- New market can undermine already established traditional businesses



Projected sharing economy worth [8]

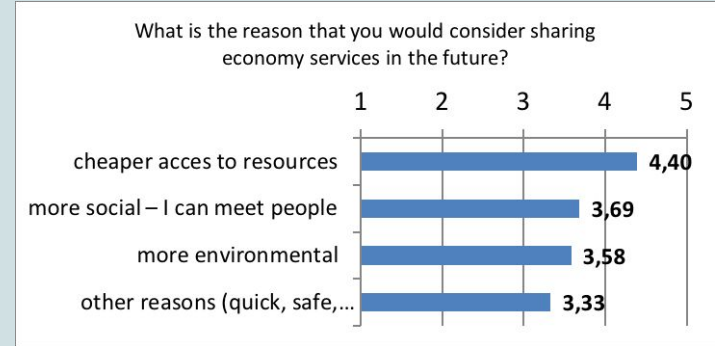
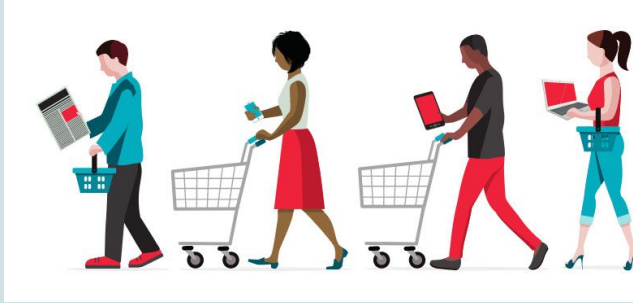
Who really wins?

The consumer!



Who really wins?

The consumer!

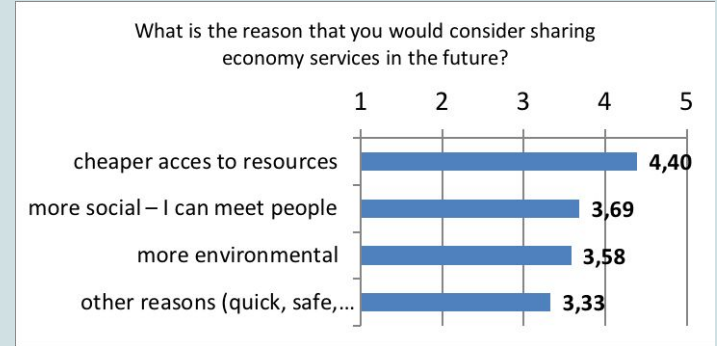
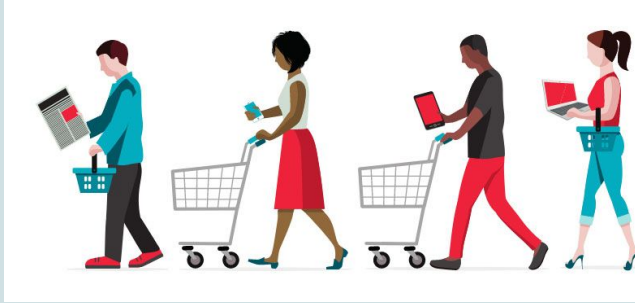


95% of guests said they choose Airbnb for ease & security of payment.



Who really wins?

The consumer!



Hey it's your Uber driver here.. Am outside



Thank you for listening!
Any questions?

References

The Sharing Economy: What Is It?

- Image of people passing objects - Guadamuz, A. (2015) *The sharing economy is anything but*. <https://www.technollama.co.uk/the-sharing-economy-is-anything-but>.
- Access vs Ownership Image - Mosher, B. (2020) *Access vs. Ownership Awareness Campaign : A Design Conjecture* <https://desis.osu.edu/seniorthesis/index.php/2020/09/15/access-vs-ownership-marketing-campaign-a-design-conjecture/>.
- Image of Sharing Economy Companies - Yohn, D.L. (2015) *What you can learn about customer experience from sharing economy companies*. <https://www.forbes.com/sites/deniselyohn/2015/03/04/what-you-can-learn-about-customer-experience-from-sharing-economy-companies/>
- [1] Ahmed Abdul Hadi Haqqani "Sharing economy: A systematic review of definitions, drivers, applications, industry status and business models," IFAC-PapersOnLine, <https://www.sciencedirect.com/science/article/pii/S2405896322017311>
- [2] Puschmann, T., Alt, R. Sharing Economy. *Bus Inf Syst Eng* 58, 93–99 (2016). <https://doi.org/10.1007/s12599-015-0420-2>
- [3] L. Grauerholz, (PDF) collaborative consumption - researchgate, https://www.researchgate.net/publication/303960052_Collaborative_Consumption
- [4] Collaborative consumption: Determinants of satisfaction and the likelihood of using a sharing economy option again - möhlmann - 2015 - journal of consumer behaviour - wiley online library, <https://onlinelibrary.wiley.com/doi/abs/10.1002/cb.1512>

The Sharing Economy Timeline

- [5] M. Felson and J. L. Spaeth, "Community structure and collaborative consumption: A routine activity approach," *Am. Behav. Sci.*, vol. 21, no. 4, pp. 614–624, Mar. 1978.
- Ebay logo - <https://pages.ebay.co.uk/announcement/>
- Airbnb logo - <https://www.airbnb.co.uk/>
- Uber logo - <https://www.uber.com/gb/en/>
- Uber vs taxi - <https://d3.harvard.edu/platform-digit/submission/uber-vs-taxi/>

The Recent, Present and Future of the Sharing Economy

- [6] "How the Sharing Economy Is Transforming Business," WSU Online MBA Blog, Feb. 27, 2023. [Online]. Available: <https://onlinemba.wsu.edu/blog/how-the-sharing-economy-is-transforming-business>.
- [7] R. Grant, "Disownership is the new normal: The rise of the shared economy," *VentureBeat*, Apr. 3, 2013. [Online]. Available: <https://venturebeat.com/business/disownership-is-the-new-normal-the-rise-of-the-shared-economy-infographic/>.
- [8] "Sharing Economy Global Market Report," The Business Research Company, 2025. [Online]. Available: <https://www.thebusinessresearchcompany.com/report/sharing-economy-global-market-report>.

How can traditional businesses and society benefit

- Low threshold image - <https://www.flickr.com/photos/bionicteaching/39289049090>
- Sounds like a good deal - https://www.reddit.com/r/AQW/comments/gdluwy/sounds_like_a_good_deal/
- Vinted logo - <https://images.app.goo.gl/7xncnP7dLkyS1Nm7>
- Working from home image - <https://images.app.goo.gl/yqVToooJ5UHDs5jP8>
- Recycling logo - <https://images.app.goo.gl/6Q21NVH7Zjds6ers7>

References

How do traditional businesses benefit (part 2)

- [9] - IBTM World, "How Might The Sharing Economy Influence B2B Events?," IBTM World, Oct. 13, 2022. [Online]. Available: <https://www.ibtmworld.com/en-gb/blog/event-management/b2b-events-sharing-economy.html>.
- [10] J. Karsten, "Sharing economy offers flexibility and efficiency to consumers," Brookings, Jan. 9, 2017. [Online]. Available: <https://www.brookings.edu/articles/sharing-economy-offers-flexibility-and-efficiency-to-consumers/>.

What are the drawbacks? Case studies (will update numbers once other references are in)

- BBC Article - Das image - Weeks, J. (2022) 'Everyone wants a piece of Cornwall': Locals up in arms over Second Homes, The Guardian. Available at: <https://www.theguardian.com/society/2022/apr/01/everyone-wants-a-piece-of-cornwall-locals-up-in-arms-over-second-homes>
- Airbnb cleaning costs - "Turno Report: Airbnb Cleaning Service Cost in Q3 2021," Turno. <https://turno.com/national-cleaning-cost-data-q3-2021/>
- [11] V. Simic and A. Liem, "THE SHARING ECONOMY'S SUCCESS: ADVANTAGES, DRAWBACKS, AND APPLICATIONS," Proceedings of the Design Society, vol. 3, pp. 3493–3502, Jun. 2023, doi: <https://doi.org/10.1017/pds.2023.350>.
- [12] C. Grieco, "To Share or Not to Share?," Contributions to management science, pp. 41–73, Jan. 2024, doi: https://doi.org/10.1007/978-3-031-76279-6_3.
- [13] Z. Li, "Understanding the Sharing Economy," Thunderbird School of Global Management, J. (2024) Uber faces £250m London black cab drivers legal case. <https://www.bbc.co.uk/news/articles/c14kzw7x14vo>.
- First, not Second Home Management, Sep. 03, 2023. <https://thunderbird.asu.edu/thought-leadership/insights/understanding-sharing-economy>
- [14] J. da Silva, "Uber faces £250m London black cab drivers legal case," BBC News, <https://www.bbc.co.uk/news/articles/c14kzw7x14vo>
- [15] J. Cramer and A. Krueger, Disruptive change in the taxi business: The case of *uber*, Mar. 2016. doi:10.3386/w22083
- [16] "Become a black cab driver in London with uber," Uber, <https://www.uber.com/gb/en/u/black-cab/>
- [17] [1] M. Bevan, The impact of second and holiday homes in rural Scotland, <https://eprints.whiterose.ac.uk/192849/1/secondhomesscot.pdf>
- [18] N. Gallent, "Second Homes, community and a hierarchy of dwelling," Area, vol. 39, no. 1, pp. 97–106, Mar. 2007. doi:10.1111/j.1475-4762.2007.00721.x
- [19] G. Şahin, "An Important Part of Sharing Economy: The Uber Case," May 2020. [Online]. Available: <https://www.researchgate.net/publication/349870501>
- [20] The, "Sharing Economy Global Market Report 2024," Thebusinessresearchcompany.com, 2024. <https://www.thebusinessresearchcompany.com/report/sharing-economy-global-market-report>

Who really wins?

- [21] Woodward M. (2025) AIRBNB STATISTICS [2025]: USER & MARKET GROWTH DATA <https://www.searchlogistics.com/learn/statistics/airbnb-statistics/>
- [22] Olko S. (2019) Theoretical and Practical Approaches to Analysing Sharing Economy Business Models – Intercultural Perspective, International Journal of Innovation and Economic Development <https://researchleap.com/theoretical-practical-approaches-analysing-sharing-economy-business-models-intercultural-perspective/>
- Consumer image - <https://images.app.goo.gl/K5svnHELNNGeD2im8>
- Taxi image - <https://images.app.goo.gl/PARzbRTPZSew6SRh8>
- Uber logo - <https://images.app.goo.gl/pXdPkhv4VPNNGA49>
- Uber meme - <https://images.app.goo.gl/P5RP72fBDJ193Zin6>