

Sharing Economy: “Decentralized Ecosystem for New Age Businesses”

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Abstract: This article represents changing opinion of people in relation to sharing of assets and services. Article highlights how people is giving preferences to innovative concept of sharing economy over traditional sectors. It covers major classification, platforms and areas of sharing economy. Article gives importance to successful progression of Sharing economy .Additionally it traces some rewards from sharing economy like low-cost Goods and chattels, increases an effective environment of cooperation and coordination for communities ,as everything comes with some concerns; same is the case with sharing economy it has some complications like privacy of people are hampered, time is wasted etc. People are dependent on sharing economy platforms .Additionally sharing economy is having bright future in the India and abroad. Some suggestions are given and conclusions are drawn.

Keywords: Sharing Economy, platforms, progression, rewards and difficulties.

1. INTRODUCTION

Sharing economy emphasizes on the sharing of under-utilized assets, monetized or not, in ways that improve efficiency, sustainability and community.¹

“Social revolution” entails the utilization of “shared and open resources” across “multiple platforms” in order to create or derive value which, in turn, will benefit the community²

The sharing economy is a monetary model that is known as a peer-to-peer chastised activity of obtaining admittance to goods and services that are empowered by a community based on-line platform³The wide-ranging implications of the shift to a sharing economy, a new model of organizing economic activity that may supplant traditional corporations.⁴

2. ANTIQUITY OF SHARING ECONOMY

The world saw a swing in how people increased admittance to goods and mingle them in the arcade when eBay was introduced in nineties. The constant improvement of skills, principally of a social nature, contributed to the rapid movement of goods and services. The growth was so wild that the market had to find a way to keep up with it. There is also individual’s natural character to ponder on their self-centeredness when it comes to obtaining and consuming resources. So Sharing of resources is the solution the problem

The sharing economy an has transformed the approach of work and interaction⁵People around the world have shared the assets or belongings for years , but online platform has made sharing of bulky data easier and convenient . This sort of dynamic can also be referred to as the cooperative consumption, collaborative economy or aristocrat economy. Sharing economies permit people or groups to make currency from underused properties.

During past years, information technology have facilitated the upswing of collective consumption that is a form of consumption where individuals share goods and services virtually. It has been expected to lighten communal hitches like manic consumption, environment pollution and poverty by sinking price of economic coordination within societies. The sharing economy is estimated to grow from \$14 billion in 2014 to \$335 billion by 2025⁶.

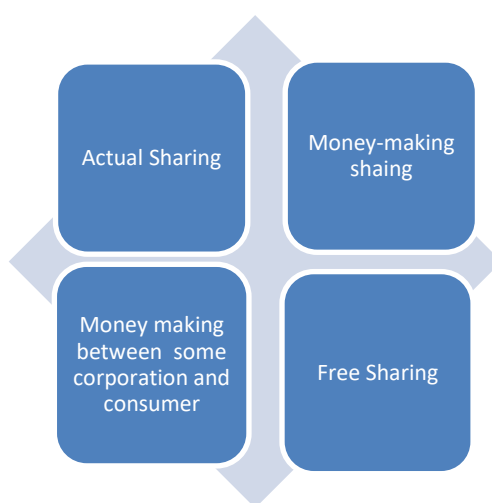
3. OBJECTIVES

- To study the importance of sharing economy.
- To identify core sectors of sharing economy.
- To study the trends in sharing economy.
- To study the basic challenges of sharing economy.

4. RESEARCH METHODOLOGY

- Some articles and reports related to sharing economy referred.

Classification of the shared economy platforms



1. Actual sharing
2. Money-making Sharing
3. Money making between some corporation and consumer
4. Free Sharing⁷

The first box is True sharing, which is not carried out for a monetary benefits and it is carried out between natural persons. This area does not bring any hullabaloo.

The second box consists of commercial activities provided in order to gain a profit on Peer to peer standard.

The third box consists of commercial Business to customer platforms. Their basic idea is that they use pioneering approach to carry out the already existing business to customer modules and they also use modern communication technologies and the Internet.

The fourth box is vacant and exclude non earnings activities.

5. NAMES AND EXAMPLES OF SHARING ECONOMY

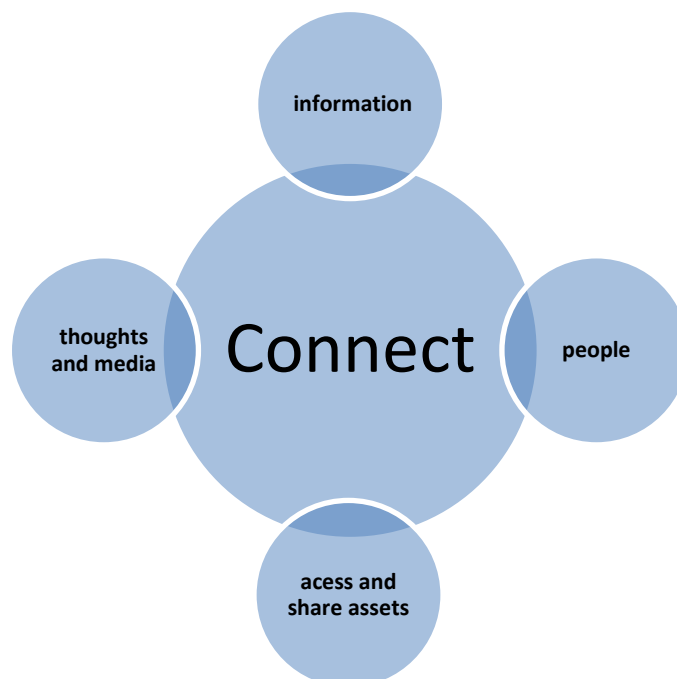
Name of Sharing Economy Platform	Examples
Sharing economy Office space	We share
Sharing economy vacation stays	Air bnb
Shared Economy Living Quarters	Nestaway
Shared Economy Transportation	Uber
Sharing Economy Finance	Zopa
Sharing Economy Appliance Rentals	Rent for household items
Shared Economy Domestic Animal Carers	DogVacay (USA)
Shared Economy Flights & Charter Jets	Jet setgo
Shared Economy Odd Jobs	Cleaning jobs on community basis

- **Sharing economy Office space:** Companies that provide shared open work cosmoses for freelancers and entrepreneurs in key cosmopolitan areas.
- **Shared Economy Vacation Stays-** People who live in a house can offer individual rooms or the entire house to people looking for vacation stays or short term rentals.
- **Shared Economy Living Quarters** These startups permit people to rent out rooms in a fully furnished house.
- **Shared Economy Transportation:** Shared Economy for transport comprises of a vehicle owner registering on a platform to offer users a trip from some specific location to their ultimate destination.
- **Shared Economy Finance:** Shared Economy finance has transformed the space of Companies into a merged platform for prospective creditors and debtors.
- **Shared Economy Appliance Rentals:** These platforms countenance people to rent out common domestic items without owning them.
- **Shared Economy Domestic Animal Carers:** These platforms allow pet owners to list themselves on a site to enable connecting with vacationing pet owners.
- **Shared Economy Flights & Charter Jets:** It allows people to reserve charter flights on some common website platform.
- **Shared Economy Odd Jobs:** This platform allow people to make themselves accessible for everyday labor.⁸

India is struggling with a fragmentary of e-payments regulation, telecoms regulations that once outlawed and still restrict calling including internet VOIP services like Skype as well as how to regulate crypto currencies like Bitcoin and Ether. Similarly, there has been a piecemeal approach to regulating taxi aggregators like Uber and Ola.⁹

6. AREAS OF SHARING ECONOMY

Sharing Economy concept deals with information, people, sharing of assets ,thoughts and media.



Source: The Sharing Economy: Understanding the Opportunities for Growth, The Sharing Economy, Good Lab, 2016

It has been observed that sharing economy is replacing traditional rental sectors. Following tables are showing that sharing economy is emerging far better than traditional rental sectors:

S. No.	Traditional Rental Sectors	Projected growth rate in 2013-25	Major Sectors of Sharing Economy	Projected growth rate in 2013-25
1.	Equipments	5%	Crowd funding	63%
2.	Bed ,Breakfast &Hotel	4%	Online Staffing	37%
3.	Book Rental	3%	Peer to peer accommodation	31%
4.	Car Rental	2%	Car Sharing	23%
5.	DVD Rental	-5%	Music & Video Streaming	17%

Source: Phocuswright , Mastercard Report,USB Estimates,2016.

7. REWARDS FROM SHARING ECONOMY

1. Low-cost Goods and chattels

Sharing specific goods, services, and skills can reduce costs for existing goods, services, and time. The sharing economy reduces the Additional role of intermediate person.

2. Robust Communities

Many sharing economy service providers have built ratings and reviews mechanism that help service providers and consumers to act honest. Also it increases an effective environment of cooperation and coordination.

3. Revenue for Benefactors

An owner can make the prospective worth of any Commodity.

4. Innovation for product or service

The sharing economy increases number of uses for any particular product or service.

5. Entrenches a sense of belief in the community

Sharing economy members see one another as equivalents due to constructive relationships shared in common platforms.

8. SHORTCOMINGS OF THE SHARING ECONOMY

1. Secrecy Worries

The sharing economy people worries about secrecy in transactions because common platform is shared by so many people at a specific period of time.

2. Few Guarantees

When people share resources with others whether through renting then there is a risk that the actual owner won't get paid if items shared will be damaged.

3. Threats due collaboration with others

Sharing economy involves cooperation between people that sometimes may lead to clashes and finally it can hamper independence of people.

4. Market Misrepresentations

The sharing economy's inherently disruptive effects sometimes feel downright punitive. Among the most widely studied are local housing market distortions precipitated by short-term rental platforms in major cities and popular tourist destinations.

5. Wastage of Time

When resources are shared between so many people, then people have to be dependent upon other person for get their work done; that finally increases the time for working a singular task.

9. THE FUTURE OF THE SHARING ECONOMY

1. Springiness in Life

Sharing goods and services makes elasticity of goods faster and easier with less uncertainty, and usually on individual personal terms.

2. More Ways to Earn and Save Money

Collaborative consumption offers economic benefits for everyone involved.

3. Less Worry about Valuable Possessions and Obligations

If someone go through the platforms of sharing economy, one live with lessor worries that involves scarcer treasured goods and services.

4. More Adaptable Businesses

Notwithstanding its increased eminence and growth, the sharing economy won't completely dislocate traditional economic grids anytime soon. It's more likely to force existing industries to become more like the collaborative platforms that challenge them, with potential benefits for everyone involved.

10. CONCLUSION

To conclude it is impartial to say that the Sharing Economy have encouraged so many people to combine together and share common platform under one roof. Share economy has successfully empowered convention sans proprietorship. Collective ingestion is a continuing in the world. Progression of Sharing economy is increasing than traditional rental sectors. Sharing economy popularity is growing outstanding because of innovation of cheap technology and easy available shared resources at reasonable price. Participation in sharing economy is increasing due to sustainability and gratification of the movement due to economic gains. But from a supplementary outlook sharing economy shares some hitches also because it is increasing dependence on other people. So sharing economy commonly is new age economy of world which is increasing innovation of people through information and thoughts.

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