



Collaborative economy

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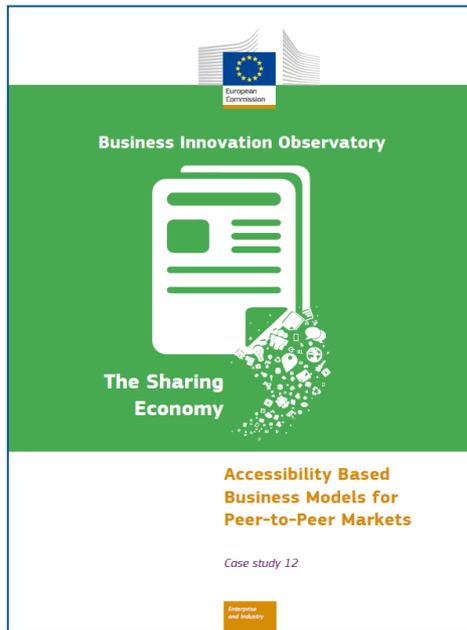
Sharing/collaborative economy?

- Sharing not new; sharing with unknown people is new
- Not only about consumption; also includes:
 - *production (e.g. maker movement, DIY, FabLabs)*
 - *finance (i.e. crowdfunding)*
 - *learning (e.g. massive open online courses or MOOCs)*
- Financial rationale is not the only driver
- No zero-sum economy, potential for 'net' growth
- Potential for positive externalities for society
- New paradigm in businesses



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About innovation & entrepreneurship



Business Innovation
Observatory
Sept. 2013



Business Innovation
Observatory
Summer 2015



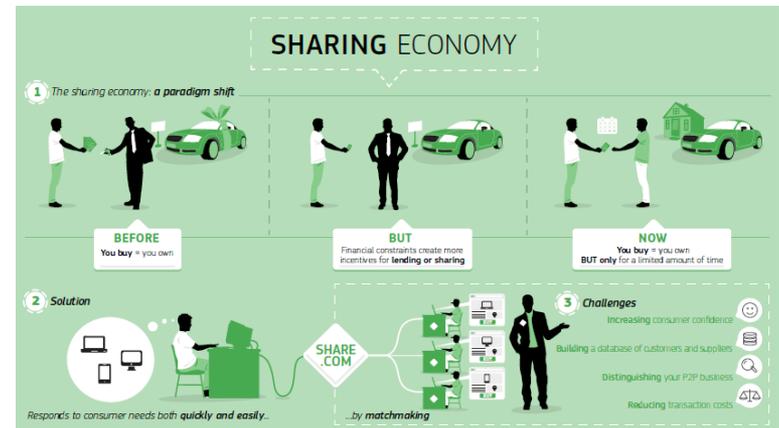
Social Innovation
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Mapping examples

- 6 cases in BIO case study
 - [Peerby](#) (NL) – sharing objects
 - [Shareyourmeal](#) (NL) – sharing food
 - [Sorted](#) (UK) – sharing skills
 - [Fixura](#) (FI) – sharing finance
 - [AirBnb](#) (USA) – sharing homes
 - [TaskRabbit](#) (USA) – sharing time



- More examples amongst many others:
 - [Blabacar](#) (FR and EU) – sharing cars, long distance
 - [Velib](#) & [Autolib](#) (FR and elsewhere) – sharing bikes and cars in cities
 - [Wikihouse](#) (UK) – making houses
 - [Wikispeed](#) (USA) – making cars
 - [Arduino](#) (SE) – making electronics and hardware



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Assessing economic importance

Today

- Out of 1 bn cars, 740 mn only occupied by 1 person
- An average house is filled with USD 3 000 of unused items
- On average, we use a drill some 15 min over our life
- 28% of global population already taking part
- EUR 1 bn raised in 2013 through crowdfunding in Europe

Prospects

(Source: PwC)

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



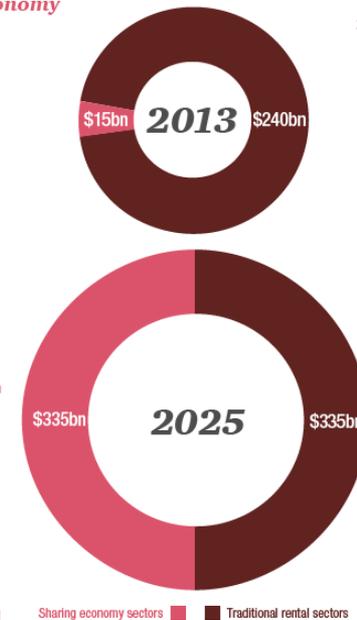
Book rental



Car rental



DVD rental



Sharing economy sectors Traditional rental sectors

Source: PwC analysis



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Understanding drivers

- Web & digital technologies (e.g. geolocalisation; ratings; algorithms for search and matchmaking)
- Financial reasons & effects of the crisis
- Environmental concerns (with circular economy)
- New consumption patterns ('prosumers') and distrust towards established intermediaries
- Open innovation, crowdsourcing & collaboration (software first and hardware now)
- Challenging the usual growth 'recipes' (e.g. property, consumption, competition, intellectual property)



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Managing risks

- Safety, standards, insurance and liability
- Unfair competition with regulated markets
- Infringement of intellectual property
- Ownership, use and commodification of data
- Misuse of rating mechanisms
- Impact on public budgets
- Increase of unstable and precarious work
- Regulatory uncertainty and irrelevance of rules undermining creation/growth of new businesses



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Exploring opportunities

- Making resources, skills & assets affordable / productive
- Efficiency gains, on-demand economy
- Enabling individuals to become economically active
- New business models (e.g. matchmaking, associated services)
- Quality improvement, overcoming information asymmetries
- Helping entrepreneurs find resources & partners
- Mass customisation and re-localisation
- Positive externalities (ecological footprint, fixing social issues)
- Allow the emergence of European world champions



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Questions?

Your views on opportunities and risks?

Potential policy actions?

Pro-active role of public sector?

Useful studies, links or organisations?



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A (non-exhaustive) list of links

- Business Innovation Observatory, [Accessibility Based Business Models for Peer-to-Peer Markets](#), Sept. 2013
- Nesta/Collaborative Lab, [Making Sense of the UK Collaborative Economy](#), Sept. 2014
- D. Woskow (for UK's Department for Business, Innovation and Skills), [Unlocking the Sharing Economy](#), Nov. 2014
- PwC Megatrends, [The sharing economy – sizing the revenue opportunity](#), webpage updated regularly
- Havas Worldwide, [The New Consumer and the Sharing Economy](#), Volume 18, 2014
- [OuiShare](#), European Platform for the collaborative economy