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SSE RIGA

# Sharing Economy Contest

The background of the slide is a photograph of a lecture hall. In the foreground, the back of a person's head and their raised right hand are visible. The hand is open, palm facing forward, and is positioned as if voting or participating in a discussion. The person is wearing a dark blue long-sleeved shirt with a grey ribbed cuff. In the background, other audience members are partially visible, and a blurred lecture hall environment with a whiteboard and some equipment can be seen.

First lecture: Sharing Economy  
Fundamentals.

Zoom 10.12.2020.

By

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# Agenda

- Recap on the previous event
- Why sharing economy?
- Key concepts and definitions
- Who is playing?
- Business models in sharing economy
- Discussion on further developments



# Did you know?

- We are currently consuming 1,7 Earth
- If nothing changes, we will need 3 by 2050
- In 2018 yearly sustainable resources were consumed by 1st of August
- You need 3781 liters of water to produce a pair of Levi Strauss 501®



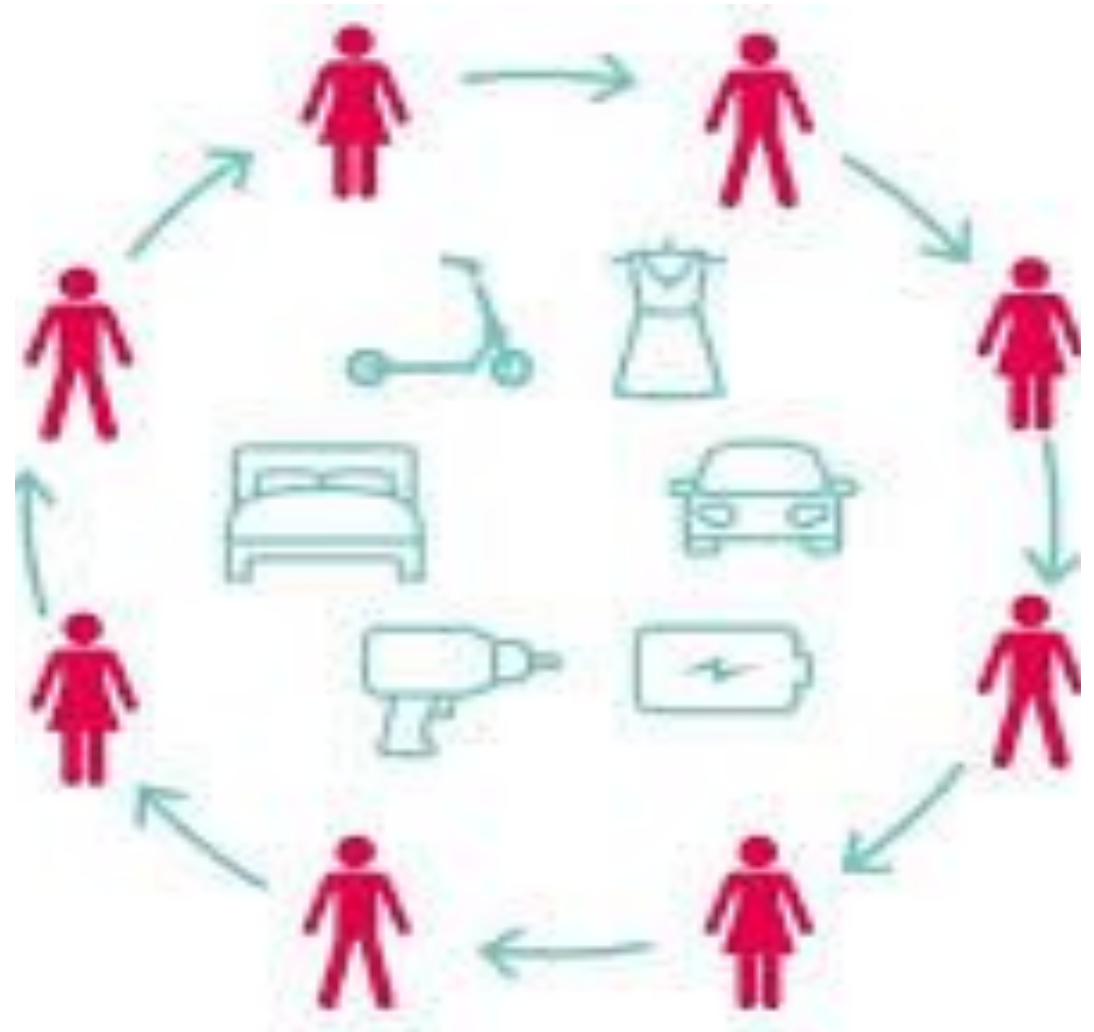
# What we leave behind?

- The consumption leave a footprint on
  - Carbon
    - Leads to climate change
  - Water
    - Leads to shortage and droughts
  - Natural resources
    - Depletion, shortage, price increase, impact on nature etc.



# What are the choices?

- Further increase in wealth cannot be achieved without changes in resource consumption.
- We need to become more efficient in resource use.
- New models and approaches are needed to satisfy the consumption hunger.



# What are the concepts?

- Exchange economy
- Platform economy
- Collaborative consumption
- Crowd based capitalism
- Sharing economy

# The definition

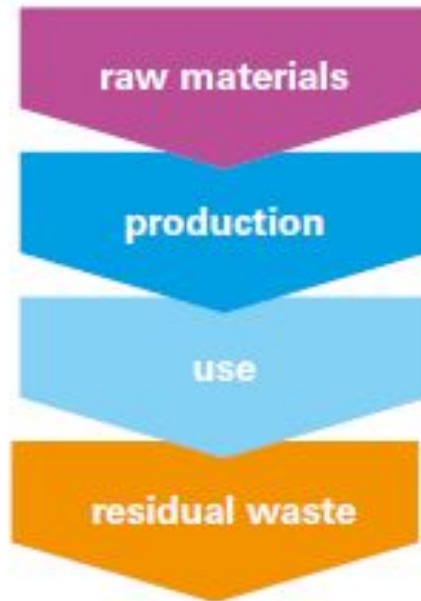
*The peer to-peer-based activity of obtaining, giving, or sharing the access to goods and services, coordinated through community-based online services. (Botsman & Rogers 2010)*



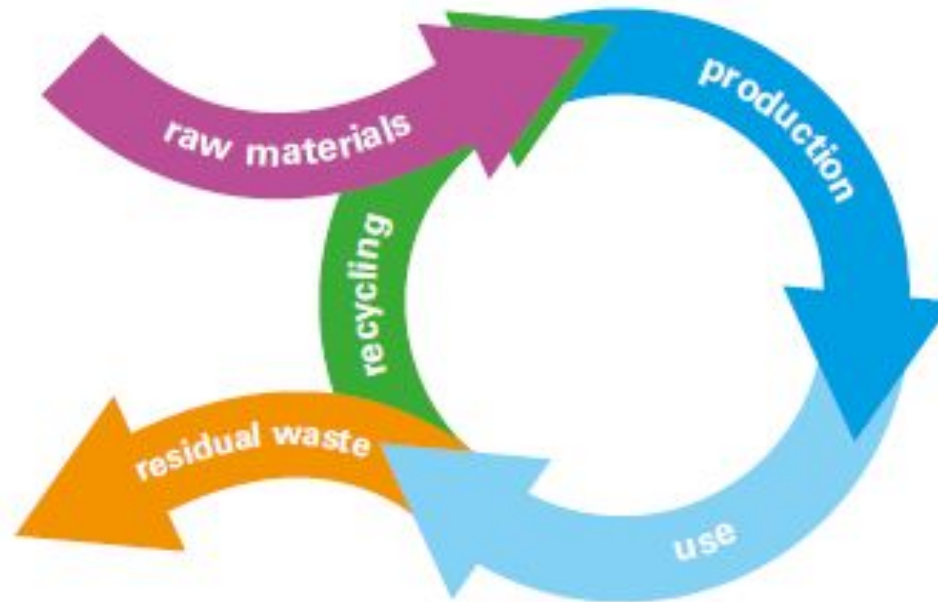


# The bigger picture:

LINEAR ECONOMY



ECONOMY WITH FEEDBACK LOOPS



CIRCULAR ECONOMY



# Value systems change

- From ownership to the usership
- Payment for the received benefit not the opportunity to receive one when needed
- Shared use of the product increase the utilization rate
- This leads to more savings of money and resources
- As a result people can afford to consume more without harming the environment
- <https://www.youtube.com/watch?v=yy7MH9TyZck>

# The role of people

- People are the crucial component in sharing economy and they have different roles:
  - Users
  - Suppliers
  - Creators
  - Distributors
  - Producers etc.



# Pros and cons of sharing economy

## Pros:

- Save resources
- Provide benefits cheaper
- New and better opportunities
- Lower barriers to employment
- Improved the work-life balance.

## Cons:

- Privacy issues
- Security and safety
- Less guarantees
- Possible loss of tax income
- Less social protection and security



# Strategic aspects of sharing economy

- Climate issues and global warming
- Increased environmental consciousness
- Accelerating network effects
- The environmental rules are becoming more strict and more governmental restrictions are expected to increase
- The consumers mindset is changing much faster

# Business and business models

- Who is your customer?
- Who is the consumer?
- Who is service provider?
- What are the benefits for **ALL** involved parties?
- How the exchange is made?
- What technical solutions (infrastructure) are needed?

<https://www.youtube.com/watch?v=DNBY8yNXGoA>

# The bottom line:

Sharing economy is here to stay even after the pandemic.

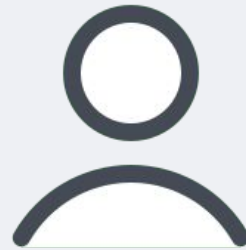
<https://www.youtube.com/watch?v=T8L8N9L7HEE>

# Assessment criteria

- How innovative the idea is?
- How feasible (doable) the idea is?
- How strong are the arguments provided for the idea?
- What is the scope and expected impact of the idea?



# Contacts



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# Thank You!

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