

A: The scope and scale of the so-called “sharing economy” has increased exponentially over the past decade, to the point where it affects almost every aspect of our lives. Ride sharing has changed how we move. Food delivery apps have changed our eating habits. Airbnb has changed how we holiday. Dating apps have changed how we meet our partners. This shift to peer-to-peer transactions is often portrayed as an antidote to the consumer culture of modern society because it supports sharing instead of ownership. But have sharing platforms simply created a new form of capitalism? With me in the studio to discuss this question is Mark Simpson, a university professor who has done research in this area. Mark, what have you discovered?

B: Research suggests that rather than transforming us, the sharing economy simply repackages our same old consumerist impulses in a more appealing message. Studies have shown that people perceive, select and evaluate shared experiences in a similar way to commercial offers. For example, the criteria we use to select Airbnb accommodation or Uber drivers is similar to how we evaluate a hotel and transportation services. That is: price, location, service quality and reputation.

A: And I believe you’ve found that the factors influencing satisfaction and the likelihood of rebooking are the same.

B: Yes, and this affects how suppliers develop services. Sharing platforms use peer review comments and ratings to calculate the quality scores of service providers, recognising those of a higher quality. Just like TripAdvisor reviews of hotels, scores on the Airbnb peer review system influence the amount sharing providers can charge.

A: You’ve also written about the “commercialisation of authenticity”? Can you explain what you mean by that?

B: The number of people quitting their full-time jobs to become entrepreneurs of the sharing economy has increased. These entrepreneurs invest in assets, such as real estate or cars, and hire other micro-entrepreneurs to manage them. In these cases, the owners of the “shared” asset rarely interact with their guests. So instead of experiencing genuine feelings of hospitality and intimate social interactions, customers experience fleeting interactions and professional encounters. By transferring traditional professional services from the commercial economy to the shared economy, these entrepreneurs contribute to the commercialisation of “authentic” experiences.

A: And I suppose sharing platforms contribute to this ...

B: Yes. Airbnb provides a pricing tool, similar to those used by professional hotels, so hosts can monitor market trends and their competitors’ prices. Photography services help hosts present themselves professionally, as research shows the way hosts construct and present their online personality and identity influence their competitiveness. In order to thrive, micro- entrepreneurs need to adopt a professional operational mindset and commercial marketing practices.

A: So, doesn’t the ‘sharing economy’ simply dress up our consumerist tendencies in a more palatable ideology?

B: Yes. People who participate in the sharing economy are primarily motivated by financial rewards. Service providers use the income from “sharing” their assets to purchase larger houses or better cars, while customers seek cheaper deals than traditional providers can offer.

A: Are you saying then that the sharing economy hasn’t really changed people’s mindsets, values, lifestyles or behaviours?

B: Yes. People still wish to consume at the same levels, and for the same reasons, but in a different way. The sharing economy disrupts the traditional economy, but it has not transformed it.

#### Summary

The “sharing economy” now affects almost every aspect of our lives. For instance, ride sharing has changed how we move and food delivery apps have changed our eating habits. This shift to peer-to-peer transactions is often portrayed as an antidote to the consumer culture of modern society because it supports sharing instead of ownership. But have sharing platforms simply created a new form of capitalism? Rather than transforming us, the sharing economy simply repackages our same old consumerist impulses in a more appealing message. The sharing economy hasn’t really changed people’s mindsets, values, lifestyles or behaviours. It disrupts the traditional economy, but it has not transformed it.

#### Questions

1. Have you used any of the sharing platforms mentioned in the dialogue (Airbnb, Uber, food delivery apps, dating apps)?
2. What explains the rapid growth of the sharing economy?
3. Is the sharing economy just a fad, or is it here to stay?
4. What are the advantages and disadvantages of the capitalist system?