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Role of the sharing economy in the contemporary economy

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Summary. The article presents the essence and role of the sharing economy. Sharing economy owe its rapid development in recent years, the fast development of technologies like social communications, mobile technologies and portals supporting direct cooperation of people. The article presents the role of youth as current and future prosumers in sharing economy. The generation that is currently growing up surrounded by so widely and rapidly developing techniques and technologies of information transfer will be a very aware prosumer on the market.

Introduction

The sharing economy links consumers and develops its potential based on collective knowledge and other resources (including tangible) attracted from individual clients. Thus the role of the consumer increases and he/she also becomes a producer and seller of services. Factors contributing to the development of the sharing economy include rapid development of ICT techniques and technologies, and the activity of the society at social media. The article aims at providing a through and critical analysis of the sharing economy theory. Another aim is to highlight the role of the sharing economy in the collaboration economy and drawing attention to the fact that contemporary youth, being a generation of the Internet, is not only a consumer but becomes a prosumer in the sharing economy.

1. Prosumer in the sharing economy

The contemporary economy changes the approach to the consumer and his/her role in creating products and their consumption. Prosumption means that production and consumption are merged. The two processes merge and the difference between production and consumption decays. Prosumption is typical for another, after agricultural and industrial, third wave of the development of societies (Toffler, 1997, p. 44).

Involving the client into the final stage of product development is something well known and applied. However, there is a growing number of entities on the market which create the sharing economy. The paradigm assumes that intermediaries are eliminated and at the same time a platform offered, which links users with each other. Today, the sharing economy penetrates every area of the contemporary innovative economy.¹

Prosumption is expressed by the fact that consumers modify products according to their own ideas, and consequently companies lose their control over those products (Tapscott, 2008, p. 215). Since clients can use tools and materials they become partners for manufacturers. Prosumption is also present in the collaborative economy since users want to benefit from their involvement.

Prosumption creates and promotes a new model of life and a new style of work. Toffler showed that the traditional division of labour and free time decayed, and excess free time is filled with prosumption (Toffler, 1997, p. 423). At the moment, the phenomenon is omnipresent. It is also the result of a rapid development of the information society and continuous access to the Internet. Prosumers include those members of the society who consider the web to be a creative platform not only a venue of consumption. They become active consumers and creators having much freedom of choice, and not only the need to adjust products to their needs but also customise them. On the one hand, needs of the society have become more individual, and on the other, the tendency towards making collective decisions, dialogue and innovation strengthens (Tapscott, 2010, p. 140). Together with the technological advancement, we may observe a change in the behaviours of prosumers – from prosumers whose activity is controlled by corporations which provide them with specific components so they can put them into products according to their likes or modify them – to prosumers whose activity escapes the control of corporations. The latter case happens when consumers use products to create new solutions according to their own ideas and only later corporations can learn what consumers did with their products. Companies need to create communication platforms that enable using ideas and creativity of their clients to benefit from the process, otherwise they may lose those clients, since prosumers are interested in creating their own brands and adjust them according to their own tastes (Szul).

In the contemporary economy, a prosumer is more than a consumer. It is someone of broad knowledge about e-services offered and shares that knowledge with others. It

¹ <https://www.parp.gov.pl>.

is someone who would like to take an active part in developing products and services, and provides extensive knowledge in the decision-making process. The technological advancement and development of ICT technologies significantly influenced the phenomenon of prosumption, including prosumption in the Internet. It therefore had its impact on the development of the sharing economy.

2. The sharing economy

The sharing economy stems from the collaborative economy and frequently those terms are used interchangeably. It is based on the exchange of products, services, experiences and skills between people. One of constituent part of the collaborative economy is the sharing economy. The foundation of the collaborative economy is the tendency to collaborate, help others and share one's time and resources, which is reciprocal in various ways (tangible and intangible).

New technologies boost popularity and economic rationale of the collaborative economy, and it enables benefiting from the technological advancement.

In recent years, the collaborative economy rapidly developed due to technological advancement: social media and communication, mobile technologies, and portals supporting direct collaboration. Technology wise, further rapid development is going to be chiefly supported by Big Data and the Internet of things.

Although, in Poland, the collaborative economy is fairly new, companies have flourished based on that model. It should be noted, however, that the terminology related to the sharing economy (see tab. 1) first appeared in scientific publications already 40 years ago.

Table 1. Terminology related to sharing economy

Year	English terminology	Polish terminology	Author
1978	collaborative consumption	wspólna konsumpcja	M. Felson, J.L. Spaeth
1984	share economy	gospodarka podziału	M.L. Weitzman
2008	sharing economy	gospodarka współdzielenia	L. Lessing
2009	collaborative economy	gospodarka współpracy	M.C. Jennejohn
2010	peer-to-peer economy	gospodarka partnerstwa	J. Silver
2010	mesh	współprodukcowanie	L. Gansky
2011	access economy	gospodarka dostępu	J. Blaisdell
2012	on-demand economy	gospodarka na żądanie	J. Wortham

Source: based on www.zgiep.com.

The sharing economy comprises companies that enable sharing of goods and services between various people. Certain authors indicate that the term of the sharing economy is often mistakenly used (Hern, 2015), namely sharing does not always involve common use, and therefore the collaborative or access economy should be rather used.

The sharing economy encompasses three categories of parties:

- service providers who share their goods, resources, time or skills – and those may include individuals offering services occasionally (‘peers’) or service providers who professionally provide services (‘professional service providers’),
- users of those services,
- intermediaries linking, via an online platform, suppliers with users and facilitating transactions between them (‘collaboration platforms’); in the sharing economy, transactions do not involve the transfer of ownership and can be paid or free of charge (Commission communication).

The collaborative economy consists of a network of individual users and communities (fig. 1) in the following areas:

- consumption (collaborative consumption) – it involves a maximum use of resources used efficient redistribution models and sharing with others,
- production (collaborative production) – it involves changes of planning, production and distribution of goods through a network of collaboration,
- education (collaborative education), which includes models of direct and open education and continuous learning.
- finance (collaborative finance), which includes models of direct banking.

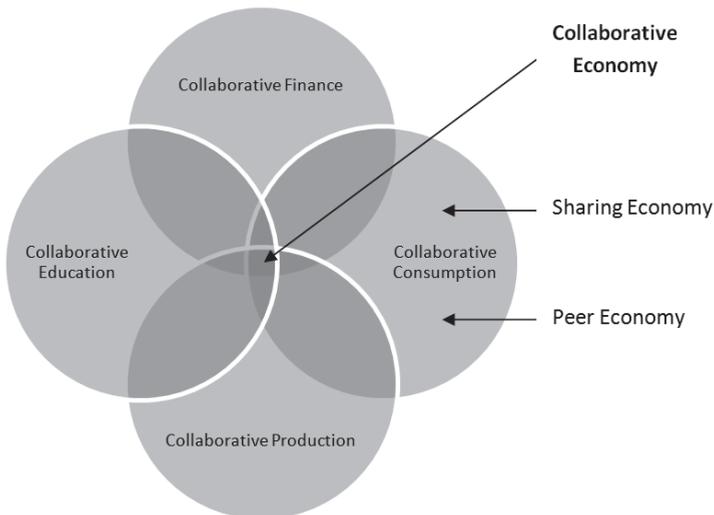


Figure 1. Structure of collaborative economy

Source: own material based on Botsman (2013).

As shown in figure 1, the sharing economy is an element of collaborative consumption which is an economic model based on the access to property and sharing of resources. In this model, emphasis is put mainly on the object of consumption, primarily

on ways in which goods (or services) are consumed. The collaborative consumption model includes the following systems:

- collaborative lifestyle involves online applications accessible to other members of a community, through which unused resources, both tangible and intangible, are available,
- product service system provides a paid access to benefits derived from using of a product, and
- redistribution markets where unused goods are sold.

The collaborative economy is a socio-economic system based on sharing human and material resources. It involves joint creation, production, distribution, trade and consumption of goods and services by various people and organisations (Zgiep). The sharing economy involves certain business models based on the intermediary role of a collaboration platform that comprise an accessible market for temporary use of goods or services frequently provided by individuals.

The sharing economy concentrates more on a functional use of common goods, cars, houses, and individual skills. In Poland, international sharing economy corporations are the most popular, including **Uber**² which is a platform matching drivers and passengers, **BlaBlaCar or Airbnb**, a service used for renting private apartments, as well as **Skilltrade which is a platform** for exchanging skills and talents, such as knowledge of languages, dance or cooking. JadeZabiore.pl. provides for speedy delivery of parcels. On the one hand, the Service enables drivers to register the possibility of collecting mailings while planning a trip, and on the other, it enables checking whether anyone intends to travel to our desired location.³

Some doubts are raised by the regulation of business activity in the sharing economy and there are certain loopholes. Uber drivers treat the cooperation with the portal as their main source of income which is not taxed.⁴ Yet another problem is the use of a company car (instead of private) to provide paid passenger transport. Thus, they become service providers who are not taxed and they frequently try to excuse themselves by saying that they promote the superior goal of environmental protection. Another example are people cooperating with Airbnb who instead of renting their houses occasionally, provide the service all year round without paying taxes.

² Uber has become very popular and some people while describing the sharing economy use the term of Uberization.

³ The search engine helps user to check who plans a trip to a chosen location, send a mailing or a parcel to their destination.

⁴ On the one hand, they destroy more expensive competitors who need to pay taxes, and on the other, they reduce budget revenue.

3. EU funds supporting the development of the ICT for the sharing economy in Poland

The main factor contributing to the development of the sharing economy is the advancement of the electronic communication market. According to the Communication of the European Commission, the internal digital market should provide space for free flow of goods, people and services, and citizens and companies will be able to enjoy uninterrupted access to or be able to provide online services in line with principles of fair competition. The Digital Single Market is a priority for the European Union.

Its implementation necessitates adopting an EU wide harmonised legal framework that support the development of new technologies. At the same time, high level of consumer and personal data protection needs to be ensured.

Rapid development of ICT and information society contributed to the development of the collaborative economy. The society capable of using information technologies will be better prepared to deal with social exclusion resulting from unemployment. This will help bringing those people back to the labour market at least partially.

In the 2014–2020 budget period, funds⁵ are going to be invested in improving the standard of living for citizens in line with the economic growth and growth in employment. Funds implemented by the Ministry of Development, focusing on ICT and consequently the sharing economy, include the following:

- Digital Poland Programme designed to improve accessibility to the Internet, create citizen friendly e-administration to facilitate a number of matters dealt with using computers, and development of computer skills in the knowledge-driven society,
- Knowledge Education and Development Programme aimed at labour integration of young people below 30 who remain unemployed, education, and e-skills,
- Smart Development providing funding for research, development and innovation.

The programme supports among others joint research and development projects implemented by scientists and companies, where R&D findings should find their practical implementation in the economy. ‘From the idea to the market’ is the main objective of the programme. It translated into support to innovation, including developing of concepts for new products, services or technologies, by creating prototypes/pilot lines and then their commercialisation.

If properly used, those programmes may influence the growth of the Polish economy, increase in competitiveness, improved social cohesion, enhanced efficiency of the administration and competences of the information society, and the sharing economy.

⁵ The 2014–2020 EU budget for Poland will be implemented through 6 national operational programmes managed by the Ministry of Development and 16 regional programmes managed by Marshal Offices (Regional Governments).

4. Young people – prosumers in the sharing economy

The role of young people in the economy facing rapid development of the Internet and ICT techniques and technologies, in particular e-skills, is very important. Young people with e-skills become the main prosumers in the sharing economy. The literature distinguishes various approaches to young people and their role in the society. According to the first approach, represented by Mannheim, young people make the social structure more dynamic by contributing innovation, so much typical and needed by industrial societies. The second approach, promoted by Coleman, considers young people to be a generation group with common experience and a specific sub-culture which is not in major opposition to the national culture (Wardzała 2013). For young people, new media are a natural environment. Those young people prefer hypertext, graphics and pictures in their computers and other multimedia devices over the traditional written word. Additionally, young people think differently than generations of their parents or teachers. Young people born in the digital culture era are proficient in new digital technologies. They prefer picture and sound over a text. They are involved in multitasking and multiplication (Wardzała, 2015, p. 252).

While examining issues mentioned above, a survey was implemented in selected senior secondary schools in Szczecin⁶. The survey covered students of 16–18 years of age and was designed to study their preferences as regards forms of spending their free time. The response rate was 158 and the survey covered 88 female and 70 male students.

According to the survey, over 60% of their free time young people spend using their computers or telephones. As regards extracurricular activities, young girls and boys designate respectively 24% and 21% of their free time.

The majority of the surveyed declared that while using the computer or a phone they have access to the Internet. Figure 1 shows breakdown of online activities.

Young people surveyed use the Internet to access social media: 68% girls and 57% boys, computer games: 54% girls and 82% boys, whereas web services related to education: 64 girls and 58% boys. However, we should emphasise that among those services young people include also non-educational ones (e.g. services linked with e-grade book), and web portals, such as *sciaga.pl* (cheat sheet). Yet another activity is watching and uploading films at Youtube: 64% girls and 60% boys.

⁶ Direct survey involving distribution of questionnaires; advantages include short measurement time, high return rate and control.

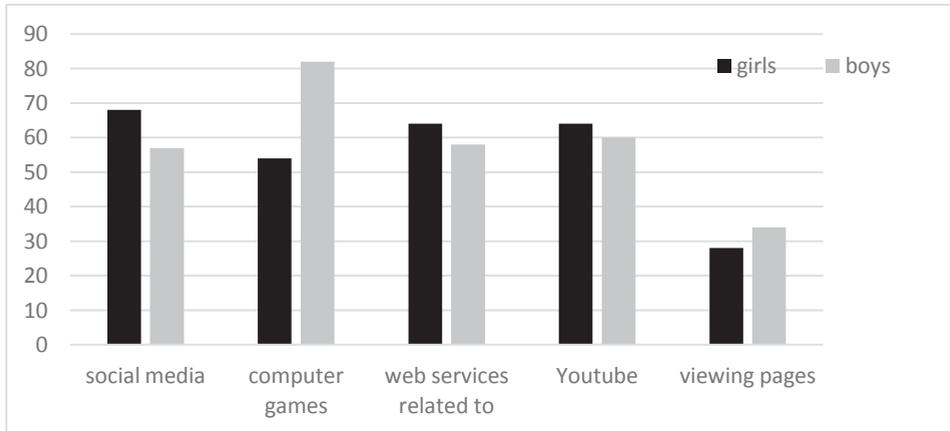


Figure 2. The use of the Internet among young people in secondary schools

Source: own materials based on survey.

Conclusions

It is worth analysing the phenomenon of the collaborative economy, since the collaboration supported by the technology enables people not only sharing but also creating, financing, designing, learning, curing, work, renting and helping.

The rapid growth of the collaborative economy is possible due to advancement in technologies. Those enabled tremendous development of social media. The development of social media is a very important part of the collaborative economy. Thanks to them people learned simple, fast and effective communication over the internet. Another very important factor is the financial support for IT applications as well as e-services and modern solutions that support online business processes (Drab-Kurowska, 2010, p. 167).

From the point of view of the national economy, sharing economy platforms optimise the use of available resources that previously were used to a lesser degree, e.g. real estate, commercial outlets and labour force.⁷ While summarising, it should be highlighted that the development of the sharing economy is possible due to the following factors:

- broad access to the Internet and mobile technologies,
- development of social media promoting communication, sharing ideas, thoughts and resources,
- development of the information society, in particular young people who become prosumers for the economy.

⁷ <http://www.pwc.pl/pl/pdf/technologie-mobilne-raport-pwc.pdf>, p. 49.

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ROLA GOSPODARKI WSPÓLDZIELENIA WE WSPÓŁCZESNEJ GOSPODARCE

Słowa kluczowe: gospodarka współdzielenia (sharing economy), gospodarka współpracy, prosument, ICT

Streszczenie. W artykule zaprezentowano istotę i rolę gospodarki współdzielenia. Gospodarka współdzielenia zawdzięcza swój dynamiczny rozwój w ostatnich latach gwałtownemu rozwojowi technologii: komunikacji społecznościowej, technologiom mobilnym oraz portalom wspierającym bezpośrednią współpracę ludzi. W artykule zaprezentowano rolę młodzieży, jako obecnych i przyszłych prosumentów w gospodarce współdzielenia. Pokolenie, które obecnie dorasta otoczone tak powszechnie i dynamicznie rozwijającymi się technikami i technologiami przesyłu informacji będzie bardzo świadomym prosumentem na rynku.

Tłumaczenie Agnieszka Budziewicz-Guźlecka

Cytowanie

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