



## How « sharing » is your company's operating model ?

### Sharing Economy

AlpRocket – Empowering Ideas for Success

By Bernardino Turchi & Sanja Fabrio

**Have you already rented out your flat when you left on a vacation or stayed in someone else's ? Took a ride in stranger's car or worked in a co-working place ? Sold your old bike in an online marketplace or learned a new skill by taking a class over the internet ? If yes, you were likely taking part in the sharing economy.**

This phenomenon that goes under names of access economy, peer-to-peer networks or the collaborative consumption represents an important shift in the way consumers are meeting their needs and the way companies are defining their value added.

Except for the digital interface, the rest is there since the dawn of times. We used to share trade and swap since the early days of the humanity. And now the sharing is back as a fast growing economic phenomenon.

The ease of search and the lack of expensive intermediaries reduce the marginal cost of the transaction, both financially and time-wise. The consumer interacts directly with other private parties turned suppliers through an online platform. This 'platform capitalism', facilitating the online economic meeting place between willing sellers and buyers, is resulting in some of the most staggering market capitalizations we have seen so far.

Beyond the names such as Uber or Airbnb that first come to mind, there are giants such as Etsy

(crafts and vintage market), WeWork (shared workspaces), Kickstarter (crowdfunding) or Bla Bla Car (car sharing service). And thousands of other app-driven market places for everything from jobs, knowledge, excess capacity or mobility and vacation, catering to consumers and businesses alike.

The growth of the sharing economy is set to quadruple in the next three years and reach EUR 100 billion as per the recent Deloitte report. So how will your company benefit from this massive trend? Or, indeed, prepare to compete in changing economic circumstances? How will it prepare to participate in the evolution of the digital market?

### Four steps to undertake in the sharing economy

#### #1 Select the adequate model of business

At the outset, it helps to select the right operating model that can fit into your sector or the industry. If you are in retail business, you have probably been present online for years and the digital is a

part of your operating model. Investing into one of the new peer to peer platforms in the industry or buying the one that is of particular interest may be the next logical step. The recent purchase of HomeAway by Expedia or Avis buying Zipcar are falling in that category.

If you are in the machine building, the choices may seem different at first. But the questions remain the same: How can you improve your customers' experience? How are you designing, manufacturing or delivering the product to them? Is your existing business model still the only way to keep your customers happy? Opening up the design process to the crowd like P&G's Connect + Develop program or leasing the construction tools to the customer instead of selling the lot like Hilti, the tools manufacturer can be an alternative. Another example is Caterpillar that chose to partner with Yard Club, a third party platform that allows the heavy equipment peer-to-peer rental.

Embracing the changes and disruptions before they leave you behind remains the choice of the frontrunners.

## #2 Review your own resource usage

Then there are company's own resources. Many assets that companies own, from the office and the storage space, to manufacturing and transport equipment, remain underutilized. Once security issues addressed, these assets could start generate revenue if opened for use to new partners. Be it a conference room or a spare desk rented through a platform such as ShareDesk, or a truck excess capacity shared through Cargomatic, the underused assets will be made to work.

## #3 Select the missing skills

On the labor side, a staggering 30 million independent contractors are offering their services in US alone. That figure will be growing to a 40% of the workforce by 2020. Economic downturn may have explained the starting point but now we see an increasing number of highly skilled contractors choosing to stay independent.

So when next looking for a specific expertise why not select it through a platform for highly skilled workforce such as Expert360. Whether a part time, full time or ad interim opening, the business preserves the flexibility of matching the evolving needs with the wide variety of competencies presented at the freelancing marketplace.

## #4 Get involved in the definition of the new regulation of the industry

Staying in the game for the long term will mean to shape the regulation of these trends at an

ongoing rate. In any industry that is being disrupted the regulator is the latecomer. But when the new rules arrive, things change for both the disruptor and the incumbent.

Companies on both end of the spectrum will be acutely aware of how the innovation alters the existing operating models. Those that are successful in sharing their vision on how that new space should be regulated will retain the first mover's advantage. And the others will have to adapt.

## Authors & Contact



Empowering Ideas for Success

### Berardino Turchi

Co-Founder & Managing Director  
M: +41 79 858 60 49  
W: [www.alprocket.com](http://www.alprocket.com)  
E: [berardino.turchi@alprocket.com](mailto:berardino.turchi@alprocket.com)

### Sanja Fabrio

Co-Founder & Partner  
M: +41 79 433 36 41  
W: [www.alprocket.com](http://www.alprocket.com)  
E: [sanja.fabrio@alprocket.com](mailto:sanja.fabrio@alprocket.com)

---

## References

- [1] Photo : MagicH, PX, CC0 Public Domain.
- [2] The Sharing Economy : Share and Make Money, Deloitte, 2015.
- [3] The Sharing Economy, PwC, 2015.