

# The 'sharing economy' simply dresses up our consumerist tendencies in a more palatable ideology

January 28 2019, by Marianna Sigala

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Credit: AI-generated image ([disclaimer](#))

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. And some of these apps may have influenced how we work, and whether or not we can pay our rent.

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?

Research suggests that rather than transforming us, the [sharing economy](#) simply repackages our same old consumerist impulses in a more appealing message.

## **We evaluate commercial and shared services in the same way**

The sharing [economy](#) both shapes and is shaped by [the providers and consumers of shared services](#).

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 commercial accommodation and transportation services](#). That is: price, location, service quality and reputation.

Studies also [confirm](#) the factors influencing satisfaction and the likelihood of rebooking are the same.

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](#).

Similar to TripAdvisor reviews of hotels, [scores on the Airbnb peer review system](#) influence the amount sharing providers can charge.

## The commercialisation of authenticity

The number of people quitting their full-time jobs to become entrepreneurs of the sharing economy has increased. [Data](#) from across 36 countries show 43% of millennials and 61% of Gen Z envision leaving their jobs within two years. Among millennials who would quit their jobs, 62% regard the gig economy as a viable alternative.

These [entrepreneurs invest in assets](#), such as real estate or cars, and hire other [micro-entrepreneurs](#) to manage them. The kinds of management services that might be outsourced include [cleaning](#), [pricing](#), [marketing and booking](#), [book keeping](#), and [meeting and greeting](#) services.

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 adapting and transferring traditional professional services from the commercial economy to the shared economy, these entrepreneurs contribute to the commercialisation of "authentic" experiences.

And it's hard for entrepreneurs to avoid using these kinds of services if they want their offering to be competitive among many other alternatives. Studies [show](#) non-professional hosts face operational inefficiencies, such as lower occupancies and pricing, compared to their professional counterparts.

Sharing platforms contribute to this. 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](#).

Success on Airbnb is determined by the extent to which [service](#) providers can convince customers to consume their [professionally curated](#) "authentic" experiences. In order to thrive, micro-entrepreneurs need to adopt a professional operational mindset and commercial management practices.

## **Not really communal or sustainable**

The sharing economy is often romanticised as a shift away from the evils of capitalism to a more communal and socially conscious way of life.

Some [studies do suggest](#) micro-entrepreneurs and customers do not discriminate on the basis of race, gender or sexual orientation when deciding how, and with who, they will "share" resources.

But if that's true, then why do people from minority groups [earn less on sharing platforms](#)? And why are platforms focusing on niche markets – such as [noirbnb.com](#) for people of colour and [misterbandb.com](#) for gay travellers – thriving?

If the sharing economy is supposed to [increase environmental sustainability](#) by reducing the ownership and production of bicycles and cars, how do we account for the waste visible in China's "[bike share graveyards](#)"?

Peer-to-peer marketplaces that redistribute and recycle [food](#), industrial

waste and other resources burden the logistics and transportation sector to an extent that may offset any other socio-economic benefit of food sharing. More research is required before we know whether the positives outweigh the negatives across the whole supply chain.

## **Consumption hasn't gone away**

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.

The sharing economy enables people to consume during the economic crisis, satisfying materialist needs, values, priorities and lifestyles in different ways – through "sharing" and "access," rather than "ownership."

People see the practice of sharing resources as a way to achieve [self-image, self-promotion, social appreciation and recognition](#). Even people living in more collectivist cultures see the sharing economy as a way to express community and social values.

For example, dating and "partner rental" platforms have [boomed](#) in China, a culture where it is taboo for young people to be gay or remain single. People aren't using these platforms to seek to find and meet new friends, rather they seek to satisfy a social need to present a certain lifestyle.

The sharing economy has not changed people's mindsets, values, lifestyles or behaviours. People still wish to consume at the same levels and they do consume for the same reasons, but in a different way. The sharing economy disrupts the traditional economy, but it has not transformed it.

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