Taking the Pulse of the Sharing Economy

Joe Atkinson
PricewaterhouseCoopers

Follow this and additional works at: https://scholarworks.umass.edu/ttra

https://scholarworks.umass.edu/ttra/2015marketing/Proceedings/26

This Event is brought to you for free and open access by ScholarWorks@UMass Amherst. It has been accepted for inclusion in Travel and Tourism Research Association: Advancing Tourism Research Globally by an authorized administrator of ScholarWorks@UMass Amherst. For more information, please contact scholarworks@library.umass.edu.
Perspectives in the sharing economy
Hospitality & Leisure
Consumer Intelligence Series
Joe Atkinson
US Entertainment, Media and Communications Advisory Leader

Joe is the US Advisory Leader for the Entertainment, Media and Communications practice at PwC. With over two decades of experience in the industry, Joe has built a reputation as a trusted, pragmatic and thoughtful advisor to clients.

He is a recognized thought leader and has spoken frequently to industry and trade organizations on emerging issues, including consumer trends around video consumption and the impact of the changing regulatory landscape on Entertainment & Communications companies. Joe has been quoted by industry and mainstream press, including Variety, Multichannel News, Fortune, The Chicago Tribune, The Los Angeles Times, and USA Today, among others.

(267) 330-2494
joseph.atkinson@pwc.com
@j_c_atkinson
Sections

1. Research Methodology
2. Assessing the Sharing Economy
3. The Business of Sharing by Industry
4. Industry implications
Research methodology
What is the sharing economy?

Sharing economies allow individuals and groups to make money from underused assets. In this way, physical assets are shared as services.

Examples:

A car owner allowing someone to rent out their vehicle when not in use

A condo owner renting out their condo to someone while they are on vacation
Sharing takes on multiple industries

What are consumers willing to share?

- **9%** for **Entertainment and Media**
- **8%** for **Automotive and Transportation**
- **6%** for **Hospitality And Dining**
- **2%** for **Retail**
How the research was conducted

- Immersion sessions in NY and SF
- Online survey: 1,000 participants
- Social listening study
- Roundtable discussions with industry experts to size up the future of sharing and implications on enterprise and society
- Report, video, and infographics
Assessing the sharing economy
The sharing sprawl

Trust, convenience and sense of community are pushing adoption of the sharing economy

44% of US consumers are familiar with the sharing economy

19% of the total US adult population has engaged in a sharing economy transaction
The impact of sharing

Grasping the scale of disruption:

Airbnb averages 425,000 guests per night – 22% more than Hilton Worldwide.

Uber was valued at $41.2 billion – a number that exceeds the market capitalization of large airline companies such as Delta, American, and United Continental.
Who is sharing?

- 44% of adults are familiar with the sharing economy
- 6% of the US population has participated as a consumer in hospitality sharing
- 18% of adults have participated in the sharing economy as a **consumer**
- 1.4% of the US population has participated as a provider in hospitality sharing
- 7% of adults have participated in the sharing economy as a **provider**

The more familiar consumers are with these services, the more excited they feel.
Sharing is caring

US adults familiar with the sharing economy perceive many benefits to it

83% agree it makes life more convenient and efficient

76% agree it’s better for the environment

63% agree it is more fun than engaging with traditional companies

86% agree it makes life more affordable

pwc.com/CIS
Sharing concerns

However, mitigating the potential unreliability of strangers is still a challenge.

34% of consumers familiar with the sharing economy said they were more likely to trust a leading hotel brand than Airbnb.

Better pricing
Unique experience
More choice

vs.

Security
Uncertain quality
Hygiene
The business of sharing
Core pillars of the sharing model

- Digital platforms that connect spare capacity and demand
- Transactions that offer access over ownership
- More collaborative forms of consumption
- Branded experiences that drive emotional connection
**Trust above all**

64% of customers say that in the sharing economy, peer regulation is more important than government regulation.

72% Feel that the sharing economy experience is not consistent.

69% Will not trust sharing economy companies until they are recommended by someone they trust.

pwc.com/CIS
Industry implications
**Hospitality implications**

6% of the US population has participated as a consumer in the hospitality sharing economy

**Keep in mind:**

- Customization and local flavor are at a premium
- Identify underutilized assets – and find ways to leverage and optimize them
- Solidify reputation management
- Embrace your own disruption
Key disruptive levers to consider

- Create marketplaces
- Develop a mitigation strategy
- Engage in sharing your own asset base
- Effectively tap talent
- Speak up in shaping regulatory and policy frameworks
- Expand the brand through shared economy experiences
- Never settle for stable
This presentation has been prepared for general guidance on matters of interest only, and does not constitute professional advice. You should not act upon the information contained in this publication without obtaining specific professional advice. No representation or warranty (express or implied) is given as to the accuracy or completeness of the information contained in this publication, and, to the extent permitted by law, PricewaterhouseCoopers LLP, its members, employees and agents do not accept or assume any liability, responsibility or duty of care for any consequences of you or anyone else acting, or refraining to act, in reliance on the information contained in this publication or for any decision based on it.

© 2015 PwC. All rights reserved. PwC refers to the US member firm or one of its subsidiaries or affiliates, and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see www.pwc.com/structure for further details.