**Sharing Economy**

Traditional models of ownership are changing. A sharing economy (also referred to as collaborative consumption or peer-to-peer collaboration or rental), often utilizing social technologies, allows users to share resources, goods, services, and even skills.

**How It’s Developing**

Population growth, urbanization, increasing concern for limited resources, a down economy  and the development of social technologies have helped advance a sharing economy that prioritizes access over ownership. Consumers have found new ways to connect and leverage the unused capacity of things they (or others) own or services they (or others) can provide. [[1](http://www.ala.org/transforminglibraries/future/trends/sharingeconomy#Notes and Resources)] This connection allows consumers to more easily achieve a variety of goals and to potentially save or earn money on products and services that might otherwise have been un- or under-used.

The sharing economy is a broad term that is used for both activities conducted by non-profits, community-based organizations, or governments for the benefit of communities or by for-profit business creating services rooted in a concept of sharing (Airbnb, Lyft, Uber). [[2](http://www.ala.org/transforminglibraries/future/trends/sharingeconomy#Notes and Resources)]

According to a 2014 Nielsen survey of more than 30,000 internet users in sixty countries, 68% of consumers are willing to share or rent their personal items for payment and 66% of consumers are willing to use products and services from others. [[3](http://www.ala.org/transforminglibraries/future/trends/sharingeconomy#Notes and Resources)] Respondents identified electronic devices (28%), power tools (23%), bicycles (22%), clothing (22%), household items (22%), sport equipment (22%), cars (21%), camping gear (28%), furniture (17%), and homes (15%) as the products they would be willing to share or rent for a fee and 26% of respondents also indicated a willingness to rent lessons or services. [[4](http://www.ala.org/transforminglibraries/future/trends/sharingeconomy#Notes and Resources)]

The sharing economy relies heavily on trust, which social technologies help advance through publicly shared feedback, reviews, comments, and connections.

**Why It Matters**

Libraries have been leaders in demonstrating the value and potential for free/shared resources and spaces. As the sharing economy advances and moves in new directions – electronic devices, transportation, tools, education, equipment – the roles that libraries play as sharers may need to change and adapt. Libraries will need to see what they can do - and share - to stay relevant in the sharing economy and to meet the needs of people interested in sharing. [[5](http://www.ala.org/transforminglibraries/future/trends/sharingeconomy#Notes and Resources)]

Legal issues and regulation may pose significant hurdles for the sharing economy. [[6](http://www.ala.org/transforminglibraries/future/trends/sharingeconomy#Notes and Resources)] Enforcement of laws, permit requirements, and tax interests may limit or challenge the operations of some for-profit sharing economy activities, like room rentals (Airbnb) and ride shares (Lyft and Uber). [[7](http://www.ala.org/transforminglibraries/future/trends/sharingeconomy#Notes and Resources)] Regulation could also help ensure ventures remain true to the fundamentals of the sharing economy and limit the opportunities for exploitation. [[8](http://www.ala.org/transforminglibraries/future/trends/sharingeconomy#Notes and Resources)] Participants in the sharing economy may need resources to help them navigate legal requirements for their participation and libraries and information organizations that develop new programs or services rooted in the sharing economy may need to exercise caution navigating policies.

Appreciation and interest in the sharing economy may be generational. According to Nielsen’s survey, younger generations – 35% of Millennials and 7% of Generation Z – are more willing than older generations -  17% of Generation X and 7% of Baby Boomers – to use or rent products. [[9](http://www.ala.org/transforminglibraries/future/trends/sharingeconomy#Notes and Resources)] This could mean renewed interest in the sharing value of libraries, but may require that libraries update the scope of services and programs available for sharing to keep up with interests of younger generations.

Cities and governments will likely see opportunities in the sharing economy to help improve the experiences of citizens (e.g. bike share programs).   Libraries may have the opportunity to align themselves with sharing economy services (repair cafes, garden sharing, work spaces) that promote social good. [[10](http://www.ala.org/transforminglibraries/future/trends/sharingeconomy#Notes and Resources)]

The sharing economy will increasingly depend on the trust established between and among participants. Trust in the sharing economy will likely be based on data, reviews, and profiles created on web sites and online communities. This dependence on trust may also compel individuals to develop a public/sharing persona that participates in the sharing economy and manages a reputation and a private or normal persona that participates in day-to-day life. Individuals may need help determining and navigating the trustworthiness of individuals and information in these sharing economy spaces. [[11](http://www.ala.org/transforminglibraries/future/trends/sharingeconomy#Notes and Resources)]

**Notes and Resources**

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[2] “We-commerce: The sharing economy's uncertain path to changing the world.” Lyndsey Gilpin. *TechRepublic*. September 8, 2014. Available from [http://www.techrepublic.com/article/we-commerce-the-sharing-economys-unc...](http://www.techrepublic.com/article/we-commerce-the-sharing-economys-uncertain-path-to-changing-the-world/)

[3] “Global Consumers Embrace the Share Economy.” Nielsen.  May 28, 2014. Available from[http://www.nielsen.com/lb/en/press-room/2014/global-consumers-embrace-th...](http://www.nielsen.com/lb/en/press-room/2014/global-consumers-embrace-the-share-economy.html)

[4] “Global Consumers Embrace the Share Economy.” Nielsen.  May 28, 2014. Available from[http://www.nielsen.com/lb/en/press-room/2014/global-consumers-embrace-th...](http://www.nielsen.com/lb/en/press-room/2014/global-consumers-embrace-the-share-economy.html)

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[7] “We-commerce: The sharing economy's uncertain path to changing the world.” Lyndsey Gilpin. *TechRepublic*. September 8, 2014. Available from [http://www.techrepublic.com/article/we-commerce-the-sharing-economys-unc...](http://www.techrepublic.com/article/we-commerce-the-sharing-economys-uncertain-path-to-changing-the-world/)

[8] "San Francisco’s New Housing Rules Are the Best Thing to Happen to Airbnb." Marcus Wohlsen. *Wired*. October 8, 2014. Available from [http://www.wired.com/2014/10/san-franciscos-new-limits-best-thing-happen...](http://www.wired.com/2014/10/san-franciscos-new-limits-best-thing-happen-airbnb/)

[9] “Global Consumers Embrace the Share Economy.” Nielsen.  May 28, 2014. Available from[http://www.nielsen.com/lb/en/press-room/2014/global-consumers-embrace-th...](http://www.nielsen.com/lb/en/press-room/2014/global-consumers-embrace-the-share-economy.html)

[10] “’Smart Cities’ Should be ‘Sharing Cities.’” Julian Agyeman and Duncan McLaren. *Time*.  September 29, 2014. Available from <http://time.com/3446050/smart-cities-should-mean-sharing-cities/>

[11] "Building Trust in the Sharing Economy." Michael Sacca. *Tech Cocktail*. October 28, 2014. Available from <http://tech.co/building-trust-sharing-economy-2014-10>