Sharing Economy or Skimming Economy?
A Review of the Sharing Economy’s Impact

Completed Research Full Paper

Florian Plenter
University of Münster, European Research Center for Information Systems (ERCIS), Münster, Germany
florian.plenter@ercis.uni-muenster.de

Abstract

During the last years, the Sharing Economy with its prominent trailblazers like Airbnb and Uber has become ubiquitous in our daily lives, enabling us to enjoy new and less expensive means of transportation, accommodation, and other goods and services. With the increasing success comes an increasing headwind from the media, unions, and legislators, claiming negative impacts like precarious employment situations or the promotion of tax evasion. These circumstances provide an uncertain environment for researchers or practitioners developing new sharing services. Conducting a systematic literature review, a comprehensive overview of claimed positive and negative impacts of the Sharing Economy is given. Based on this overview, guidelines are derived that are supposed to help address these issues during the development of the new sharing services and underlying information systems.

Keywords
Sharing Economy, Peer-to-Peer Sharing, Collaborative Consumption

Introduction

The Sharing Economy has become ubiquitous. The fast growth in terms of its market share and capitalization, as well as the broad range of existing services makes it a part of our everyday life, disrupts established industries, and provides us with innovative and cheaper means of transportation, accommodation, and access to a broad variety of other resources. After a period of fast growth, the success story of the Sharing Economy has experienced a few hits as negative headlines make the news and the most popular Sharing Economy companies, Airbnb and Uber face trials and accusations of promoting tax avoidance or being a risk to consumers due to lower safety standards (Benner 2016a, 2016b; Hardy 2016; Isaac 2017). Sharing Economy advocates argue with increased employment, environmental sustainability, and lower consumer prices being facilitated by the Sharing Economy. Critics argue that the platform operators or the investors behind the platform exploit their network’s growth to skim off all the benefits as in a monopoly - some already speak of a “skimming economy” (Malhotra and Van Alstyne 2014, p. 25; Theurl et al. 2015). Developing CrowdStrom, a Sharing Economy service for electric vehicle (EV) charging, we were confronted with the negative allegations as well as the positive claims of the Sharing Economy, but lacking a comprehensive overview and clear advice on how to handle this issue. Although there has been an increased number of research recently, examining individual effects, especially the impact of Airbnb on hotel revenue (Zervas et al. 2013) or the performance of Uber versus taxis (Smart et al. 2015; Wallsten 2015), the overall extent of positive and negative impacts or the net effect on participating individuals and the economy remains unclear. As the phenomenon grows in popularity, there is a recent increase in available literature that gives an overview on several positive and/or negative aspects of the Sharing Economy (Martin 2016; Sundararajan 2014, 2016). Nevertheless, there is still a lack of well-structured, complete overviews that connect positive with the contrasting negative aspects of the Sharing Economy and applies an information systems (IS) perspective.

Sharing Economy is a widely used umbrella term that comprises a broad variety of economic transactions like true sharing (Belk 2014), swapping, renting, reselling, co-owning, lending, or donating (Owyang et al. 2013) as well as a variety of concepts that are often used interchangeably such as “collaborative
Consumption” (Botsman 2013; Botsman and Rogers 2010), “access-based consumption” (Bardhi and Eckhardt 2012; Belk 2014), “peer-to-peer sharing and collaborative consumption” (von Hoffen et al. 2015), or “the mesh” (Gansky 2010). Others describe the Sharing Economy as a the “phase of an ongoing evolution of economy and society that is shaped in part by digital technologies” (Sundararajan 2016, p. xi).

The concept of sharing has been around for ages, e.g. within families, neighborhoods or similar communities with strong ties that enable a trusted relationship between the parties involved in the sharing transaction. It was the technological development of computers and (mobile) internet that would allow complete strangers to enter a sharing transaction by facilitating trust and reducing existing information asymmetries (Codagnone and Martens 2016; Gassmann et al. 2014). Today, IS play a crucial role in the rise of the Sharing Economy, as most of its services are based on sophisticated technology, which allows to connect supply and demand. The development of an innovative Sharing Economy service thus requires the design of a concept for the underlying IS as well as a viable business model. By their nature, Sharing Economy business models heavily depend on the participation of private peers, both as provider (peer provider) or user (peer user) of a certain good or service. Private peers’ acceptance of the service is thus a crucial factor for a successful business model in the Sharing Economy (Plenter et al. 2017). Having a clear overview of the debate on the Sharing Economy’s impacts and awareness of possible strengths and weaknesses will enable IS researchers and developers to better address possible concerns and at the same time strengthen possible advantages of the service, thereby cater for a more positive perception of the Sharing Economy with its users, regulators and other relevant authorities. The majority of the identified issues can thereby be addressed by the IS, e.g. the web portal connecting supply and demand of the resource to be shared, as it represents the main communication channel to its users. It is thus the goal of this research to provide an overview of the arguments made in favor and against the Sharing Economy and its impacts on its individual users as well as the economy. Using a systematic literature review, current publications are analyzed to add content to the debate. Based on the results from the literature, guidelines are derived, which may aide researchers and practitioners in the development of Sharing Economy services. To reach this goal, the following research questions will be answered:

**RQ1: What are claimed positive and negative impacts of the Sharing Economy?**

**RQ1: How can the development of a Sharing Economy service be supported in addressing these impacts?**

This paper unfolds as follows: The next section describes how the literature review was conducted, before the results are presented. Based on the findings, guidelines for the development of Sharing Economy services are derived. The CrowdStrom project, its approach and preliminary outcomes are briefly introduced, before showing how the guidelines were applied during its development.

**Method**

In order to identify potential and claimed impacts of the Sharing Economy, a systematic literature review was conducted in accordance with the guidelines suggested by Webster and Watson (2002) and vom Brocke et al. (2009). The search string comprises the most prominent notions for the Sharing Economy as well as synonyms for the impact on the economy.

```
("sharing economy" OR "share economy" OR "collaborative consumption") AND ("economic effects" OR "economic impact" OR "economic")
```

The literature search was conducted on the databases Elsevier Scopus and Google Scholar on 01/30/2017. Although the principles of the Sharing Economy are not new, the focus of this research lies on the IT-enabled Sharing Economy as a relatively young phenomenon. Thus, the year 2000 was set as a lower threshold for the literature search. The search process consisted of two steps: first, title and abstract were screened for relevance to sort out all publications irrelevant for this endeavor. Second, the full text was analyzed. Table 1 shows the results of the literature search. To the 26 publications considered relevant after conducting the two-step search process, 5 publications could be added as the result of a backwards search. Altogether, the literature search yielded a total of 31 publications that will be considered during this research.
Following vom Brocke et al. (2009), we use Cooper’s taxonomy for literature reviews (Cooper 1988) to set and communicate the scope of the review. The focus of this literature review is on theories on the various impacts of the Sharing Economy, but also includes research outcomes on this topic. The goal is to identify and summarize central issues in the discussion on the impacts of the Sharing Economy and the organization is conceptual. This work takes a neutral perspective and targets general scholars as well as practitioners as an audience. The literature covered in the review is representative, as it is far from covering all existing literature on the topic, but sufficiently covers the main arguments brought forward in the literature. It is noticeable that all the identified publications are from the years 2014, 2015 and 2016, with only one exception being from the year 2010. This underlines the recent relevance of the topic.

### Overview of the Sharing Economy’s Positive and Negative Impacts

The results of the review are presented by classifying them into five themes. The classification loosely follows Sundararajan (2016), who distinguishes economic, regulatory, and workforce impacts. Environmental sustainability, market structure, and employment are the three main themes identified in the literature. Two side themes were added to render the full picture found in the literature: First, regulation of the Sharing Economy was not a primary goal of this research, but was added nevertheless as it is major issue in many of the publications covering impacts and economic issues of the Sharing Economy and because it is too strongly interwoven with the other aspects like employment or market structure as to simply omit it. Second, transaction costs were included as they are usually the starting point in every argumentation on the impacts of the Sharing Economy. The various arguments given in the literature are then assigned to each theme and sorted by positive or negative impacts claimed. Figure 1 presents an overview on the findings of the literature review. While they are of equal importance, we use a two-tier structure to underline the relationship and the dependency of the claimed impacts between each other. The bold number in brackets in each box indicates the number of publications that mention each impact.

#### Transaction Costs

There is little doubt that the Sharing Economy helps enabling transactions by reducing transaction costs (Botsman and Rogers 2010; Dredge and Gyimóthy 2015; Fremstad 2014). Transaction costs are generally associated with the “costs resulting from the transfer of property rights” (Allen 1999, p. 901) e.g. the exchange of goods on a market. They encompass the costs of “planning, adapting, and monitoring” the transaction (Williamson 1981, p. 552). Typical transactions in the Sharing Economy like renting an apartment or taking a taxi suffer from information asymmetries between the two parties supplying and demanding the service. The information asymmetries usually concern the quality of the good or service, or the true intention of the provider and are not easily surveyed by the customer. This circumstance may lead the providers to expend a reduced effort (moral hazard), which may in the end lead to market failure, as the customer expects a service or good of lower quality and does not enter the transaction in the first place (Cohen and Sundararajan 2015). This usually called for state intervention, e.g. providing taxi companies with a monopoly to prevent competition and thus ensure a high standard of the service (Cohen and Sundararajan 2015). IT-enabled sharing services now provide ways and means to reduce those information asymmetries before the transaction, thereby obviating the need for state intervention. Online sharing platforms build trust and enhance transparency between their users through rating and feedback mechanisms (Dredge and Gyimóthy 2015; Wambach 2016) trusted ways of payment, or information about identity and location (Munger 2016). Fake online reviews and other ways of abuse

---

1 From a total of 8150 hits, only the first 100 were considered for practical reasons. The first 100 hits already provided an extensive overview on the topic with only small chances of additional publications yielding new insights.
Sharing Economy or Skimming Economy?

(Dredge and Gyimóthy 2015) are an issue, but hardly diminish the recent success story of the Sharing Economy.

Environmental Sustainability

Looking at the claimed advantages of the Sharing Economy compared to more conventional business models, sustainability is a term one cannot miss. When talking about sustainability, one usually distinguishes the three categories of environmental, economical, and social sustainability (Kuhlman and Farrington 2010). While many publications do not explicitly distinguish these terms, keeping sustainability a rather fuzzy concept (Kuhlman and Farrington 2010), we focus on the concept of environmental sustainability, whereas economic sustainability might also be covered by the theme of market structure and social sustainability by employment.

Sharing Economy business models are said to produce less waste and carbon emissions as compared to conventional business models and thus be more environmental sustainable (Botsman and Rogers 2010; Cannon and Summers 2014; Cohen and Kietzmann 2014; Hasan and Birgach 2016; Schor and Fitzmaurice 2014). A product or a good that is no longer needed can be shared with others who can still make use of it, instead of throwing it away, thereby extending the product life span (Bonciu and Bâlgăr 2016; Kathan et al. 2016). Even more important, a good can be shared during its idle times, thereby maximizing (Bonciu and Bâlgăr 2016; Kathan et al. 2016). All in all, it is claimed to result in a more efficient use of resources (Martin 2016). Being able to access a shared resource reduces the need to own this specific resource, which in turn may lead to a decrease in demand and production (Kathan et al. 2016; Puschmann and Alt 2016). This goes along with the consumers’ trend of preferring access to a product over its ownership (Botsman and Rogers 2010). On the second glance, the Sharing Economy may not be as environmentally friendly and waste reducing as it may seem, as critics claim it to be responsible for an increase in emissions. Lower prices and an increased supply lead to a higher consumption that may negate the claimed positive effects on the output of waste and emissions (Rebound effect) (Eichhorst and Spermann 2016; Verboven and Vanherck 2016). Furthermore, the provider may reinvest the (additional) revenue from participating in the Sharing Economy into personal consumption (Schor 2014). The case of Shared Mobility provides a good example for a more differentiated look at this issue: If a ridesharing service like Uber is used as the alternative to owning a car, it will result in lower pollution (Botsman and Rogers 2010; Demary 2015). If the alternative would be the use of public transportation or a bicycle, or the offer of the shared mobility service leads to journeys which would otherwise not have been made at all, it results in a higher pollution and cannot be deemed environmental sustainable (Cohen and Kietzmann 2014; Demary 2015).

Market Structure

The theme of market structure summarizes all market related aspects like effects on supply, demand, and the respective price developments. The Sharing Economy is said to be lowering the barriers for market entry, enabling private peers to offer the goods or services on a market that would have otherwise not been accessible to them (Demary 2015; Einav et al. 2015; Koopman et al. 2015; Schor and Fitzmaurice 2014). This increases competition on the respective markets and will lead to lower consumer prices (Einav et al. 2015; Schor and Fitzmaurice 2014). Especially in markets that have been traditionally protected by artificial monopolies like the taxi business or cartel-like structures like the hotel business, competition will be beneficial for the consumer (Demary 2015).

Furthermore, Sharing Economy business models are claimed to raise productivity gains due to the more efficient use of resources (Avital et al. 2014; Sundararajan 2014). The utilization rate of assets like real estate or cars is higher when it is privately owned and additionally shared with others, allowing an increased level of output from the same assets, resulting in decreased average costs (Avital et al. 2014; Theurl et al. 2015). As the peer provider already owns the shared asset for private, individual use, his costs as a producer are substantially lower than any market alternatives (Schor 2014). The economic gains from sharing then remain with the peer provider who gets additional revenue and the peer consumer who saves money from acquiring a good or service from the Sharing Economy (Fremdstad 2014). Private individuals becoming potential peer providers for certain goods or services means a drastic increase in supply capacity (Dredge and Gyimóthy 2015). Ceteris paribus, an increase in supply will lead to lower consumer prices. Lower prices in turn will lead to an increase in demand, leading to spillover effects, e.g. people
being able to afford longer vacation since accommodation via Airbnb is cheaper than a traditional Hotel and thus spending more money during their vacation (Bonciu and Bâlgăr 2016; Geron 2013).

**Figure 1: Positive and Negative Impacts of the Sharing Economy**

Although the Sharing Economy substitutes some traditional forms of commerce, it is expected to lead to an increased consumption due to lower consumer prices and spillover effects (Puschmann and Alt 2016; Sundararajan 2014).

A negative impact in this change of market structure due to the Sharing Economy is a shift in asset markets, where traditional industries (e.g. hotels) are substituted by the Sharing Economy businesses (e.g.
Airbnb) (Sundararajan 2014). Regarding this example, recent research found Airbnb penetration to be negatively correlated with hotel revenue in some areas (Zervas et al. 2013). This effect is opposed by higher consumption due to lower prices mentioned above. The ambivalence of this effect can be shown at the example of the car industry. Car- and ridesharing services reduce the necessity to own a car for many people, suggesting the demand for cars will decrease. The possibility to earn extra money or even make a living by offering one’s car on services like Uber enables people to purchase a car in the first place, suggesting a reverse trend on the demand for cars. Depending on the net effect, lower consumption may be a negative impact for some firms focusing on production, whose good is also offered by the Sharing Economy (Fraiberger and Sundararajan 2015). The increased consumption caused by the rise of the Sharing Economy is not only associated with positive externalities like an increase in tourism, but also with negative externalities like more traffic on the roads or higher rents in the real estate market (Cohen and Sundararajan 2015; Eichhorst and Spermann 2016). The latter has caused the administration of cities popular amongst tourists, like San Francisco, New York, or Berlin to issue legislation against the commercial use of flats for Airbnb and similar services (Benner 2016b; Sundararajan 2014).

**Employment**

The impacts on employment are focal when describing the impacts of the Sharing Economy. Much debated in politics, media, and society, there are positive as well as negative examples regarding employment in the young history of the Sharing Economy. On one hand, the Sharing Economy can help decrease unemployment, as it is said to provide new forms of work (Dillahunt and Malone 2015; Martin 2016). These new forms are not the traditional forms of work where one is employed by one employer, but (micro-) entrepreneurship, independently offering one’s services on a Sharing Economy platform (Avital et al. 2015; Cannon and Summers 2014; Martin 2016; Sundararajan 2014). Furthermore, the Sharing Economy environment facilitates innovation regarding the way these services or goods are offered, resulting in new innovative services or whole platforms being created (Cannon and Summers 2014; Sundararajan 2014). Parting from the traditional employee model working at the office from nine to five, the Sharing Economy offers a higher flexibility as it allows people to determine their own time and duration of work (Einav et al. 2015). Consequently, individuals who were previously not able to fit a job into their schedule, e.g. while raising kids, can now join the workforce at their own terms (Avital et al. 2014). With the Sharing Economy lowering prices and thus increasing demand, it will also create jobs to satisfy this increased demand for goods and services (Fang et al. 2016). Lower prices together with the possibility to increase the own revenue, participating in the Sharing Economy can lead to welfare gains, especially for lower income groups (Fraiberger and Sundararajan 2015). On the other hand, critics argue those jobs created by the Sharing Economy to be very uncertain employment conditions, whereas “regular” jobs are in decline due to substitution from the Sharing Economy (Eichhorst and Spermann 2016; Fang et al. 2016; Sundararajan 2014). Jobs in the Sharing Economy are described as “invisible work” (Sundararajan 2014, p. 5) or “precarious and grey workforce” (Dredge and Gyimóthy 2015, p. 15) where many do not work full-time although they would prefer a full-time employment (Sundararajan 2014). The romantic image of the independently working micro entrepreneur is destroyed against the fact that people only participate to compensate underpaid jobs or unemployment and work without any employment safety nets and union protection (Dredge and Gyimóthy 2015; Eichhorst and Spermann 2016). Although it might be some quickly earned additional revenue occasionally, the revenues usually are too small to substitute a full-time job and its related benefits and permanently make a living out of it (Eichhorst and Spermann 2016; Malhotra and van Alstyne 2014). As the demand shifts from hotels and taxis to sharing services like Airbnb and Uber, low-end jobs in the hotel and taxi industry are lost, whereas not a single new employee is hired by Airbnb or Uber (Fang et al. 2016). Additionally, jobs in the production-line are at stake if demand shifts from buying to sharing (Munger 2016). A decrease in nominal wages brought upon us by the Sharing Economy may be set off or even inverted by the decline of the price level, resulting in increased real wages (Munger 2016).

**Regulation**

The debate for a stricter government intervention to protect customers and employees alike versus a more libertarian approach, letting the market forces handle specific issues has hit the Sharing Economy. On the one hand stands the claim that regulation for the Sharing Economy is not necessary, as potential market failures can be addressed through self-regulation (Cohen and Sundararajan 2015; Dredge and Gyimóthy 2015; Malhotra and van Alstyne 2014). Market forces will make the platform providers diligently check
their providers before letting become part of their network, thus trying to prevent any negative issues. It is in the platforms best interest to sort out any black sheep among their users (providers and customers) before entering the network or quickly remove them after the first incident through a rating and feedback system. IT enabled sharing services usually have a high transparency as all transactions are digitally captured, usually with cashless money flow, thus drastically decreasing the chance for fraudulent behavior or tax avoidance (Eichhorst and Spermann 2016; Wambach 2016).

Opposed to this view towards regulation in the sharing economy are critics who say the Sharing Economy businesses are actively bypassing regulation (Knote and Blohm 2016; Malhotra and van Alstyne 2014; Schor 2014; Wambach 2016). The result is an increased risk to its participants, when established safety rules in a certain area (e.g. taxicabs) do not apply for Sharing Economy businesses competing in the same area (e.g. Uber). With the claim of being only the intermediary and not the provider, the platforms shift the risk to their individual employees and consumers, leading to unsafe products and a race to the bottom concerning safety standards (Martin 2016; Schor 2014). Sharing Economy businesses thus gain a competitive advantage over their competitors (Martin 2016). Additionally, by not actively supporting their providers’ taxation, Sharing Economy businesses are accused of promoting tax avoidance to gain further competitive advantages. For it to be fair competition, the Sharing Economy has to be submitted to equal regulation (Theurl et al. 2015). As a relatively young phenomenon, many Sharing Economy businesses operate in a legal grey area, since legislation has to catch up with the pace of the growth of the Sharing Economy (Kathan et al. 2016). The Sharing Economy’s success also brought it to the attention of politics and administration, who are now increasingly targeting Sharing Economy business practices, with especially Airbnb and Uber having seen their fair share of trials and legislation being put against them, e.g. to prevent real estate being used for commercial short-term renting instead of long-term such as in Berlin or San Francisco (Benner 2016a, 2016b; Sundararajan 2014).

Guidelines for Developing a Sharing Economy Service

The insights gained from the literature review are transferred into eight guidelines for the development of a Sharing Economy service and the underlying IS, shown in Table 2.

<table>
<thead>
<tr>
<th>Theme</th>
<th>Guideline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental Sustainability</td>
<td>Show how the Sharing Economy service helps decrease waste and carbon emissions. (1)</td>
</tr>
<tr>
<td>Market Structure</td>
<td>Show how the Sharing Economy service offers the good or service for lower prices than market alternatives. (2)</td>
</tr>
<tr>
<td></td>
<td>Consider any negative externalities the Sharing Economy service might cause. (3)</td>
</tr>
<tr>
<td>Employment</td>
<td>Show how the Sharing Economy service provides new jobs or additional revenue to its participants. (4)</td>
</tr>
<tr>
<td></td>
<td>If possible, keep at least minimum standards regarding wages and social security. (5)</td>
</tr>
<tr>
<td>Regulation</td>
<td>Offer information and assistance on legal compliance for peer providers. (6)</td>
</tr>
<tr>
<td></td>
<td>Offer a maximum transparency of transactions and cooperate with administrative authorities. (7)</td>
</tr>
<tr>
<td></td>
<td>Enact high safety standards for providers and customers alike. (8)</td>
</tr>
</tbody>
</table>

Table 2: Guidelines for the development of a Sharing Economy service

The CrowdStrom Research Project and the Guidelines’ Application

CrowdStrom applies the principles of the Sharing Economy to EV charging, enabling private peers or small businesses to offer their own, existing charging point to other users. In doing so, they not only increase the utilization rate of an otherwise idle asset and may gain additional revenue, but also provide a broad network of publicly accessible charging infrastructure. A prototypical web platform was developed to connect peer providers (supply) and peer users (demand) and to facilitate all processes required for the charging process. The web platform enables the peer provider to add his charging point to the network and define individual opening times as well as an hourly price for usage of the charging point. The user can access the web platform or the mobile application to find a suitable charging point and make a reservation. Authentication at the charging point, payment and billing are also facilitated via the platform. CrowdStrom is being developed by a federal funded joint research project by a consortium of researchers and industry partners.
In the following, we apply the guidelines to CrowdStrom, showing how they were implemented and supported by the underlying IS, the web platform. Electric vehicle mobility is a prime example for environmental sustainability. By providing a broad, publicly accessible network of EV charging infrastructure, CrowdStrom reduces a major obstacle for EVs and thus supports the distribution of EVs on the market. To show how the individual impact of using an EV to each user, a feature in the user dashboard was implemented that shows how much CO\textsubscript{2} was saved per charging process. As for the price policy, CrowdStrom leaves it to the peer providers to set an individual price per hour of charging, taking into consideration the surrounding area and the prices of other charging stations nearby. Based on the available charging current (determines the time it takes to charge) and the location of the charging point (city center is more attractive than a rural area), the system recommends a price, determined by a survey on the EV-users’ willingness to pay for charging. To prevent fraud and extortion, the system sets an upper threshold per default, where any prices higher than the threshold must be released manually by staff. Negative externalities might be an increased traffic from EVs in residential areas. This problem was considered but can, as of now, be neglected as there is still a little number of EVs on the roads and they are very calm due to the nature of their engine.

The CrowdStrom service will have hardly any effect on employment, as the business model for the peer provider is not meant to substitute a full-time job, but rather reduce the acquisition costs of the own charging point by increasing its use or offer a network and billing system to small businesses wanting to offer a charging point to their customers. Regulation on the other hand is a big issue. The peer provider has to register a business and tax his revenues accordingly under German law. Furthermore, there are legal issues regarding personal liability and insurance. Before deciding to participate in the CrowdStrom network by becoming a peer provider, the web portal offers extensive information on the providers’ legal duties. Since all billing is done automatically via the web platform, the provider has all the necessary data in one place. To further support the peer provider, collaborations with an insurance and tax advisory service are planned. These services could directly be requested via the platform and provide the peer provider with detailed quotes based on his data on the platform.

**Conclusion and Outlook**

A literature review was conducted to provide an overview of positive and negative impacts of the Sharing Economy that were sorted, summarized, and contrasted accordingly. It was not the goal to be able to make a final judgement on the Sharing Economy’s impacts, which would be presumptuous regarding the complexity of the issue. Statements and respective judgements can only be made for individual industries, where enough data is available for rigorous research, e.g. hotels or taxis. The overview provided in this research and the guidelines that were derived contributes to several audiences. First and mainly, it may help to increase the sensitivity of this topic for researchers and practitioners involved in the development and management of Sharing Economy businesses. The future of the Sharing Economy depends heavily on the public perception and future regulative legislation. Being aware of the strengths and weaknesses of the Sharing Economy business model thus helps to develop, and later communicate it accordingly. Following the derived guidelines can thus help to raise positive reputation effects that contribute to a positive brand image (Puschmann and Alt 2016). Second, responsible legislators and other affected authorities, concerned users of Sharing Economy services as well as the media and the interested public participating in the current debate about the Sharing Economy have a neutral, scientific overview as an entry point into the topic and a basis for further research and discussion. To reach long term individual success and sustainable economic growth, Sharing Economy business models have to become sustainable, not only environmental, but also economical and social. It is inevitable that the maximization of profits becomes a goal as soon as external shareholders are involved in a business. Nevertheless, Sharing Economy business should try to readjust their focus on the social aspect of sharing if they prefer not to be associated with the “skimming economy” (Malhotra and Van Alstyne 2014, p. 25.). To rebuilt and keep their reputation, the Sharing Economy businesses must show that they make a significant, positive impact in peoples’ lives, either by reducing their bills or increasing their revenues and at the same time fight the claims on the negative impacts made.

**REFERENCES**


