



# Stepping up the game – the role of innovation in the sharing economy

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# Outline

## What is innovative about the sharing economy?

- ▶ SETTING THE SCENE
- ▶ INNOVATION IN THE SHARING ECONOMY
- ▶ COMPETITION EFFECTS

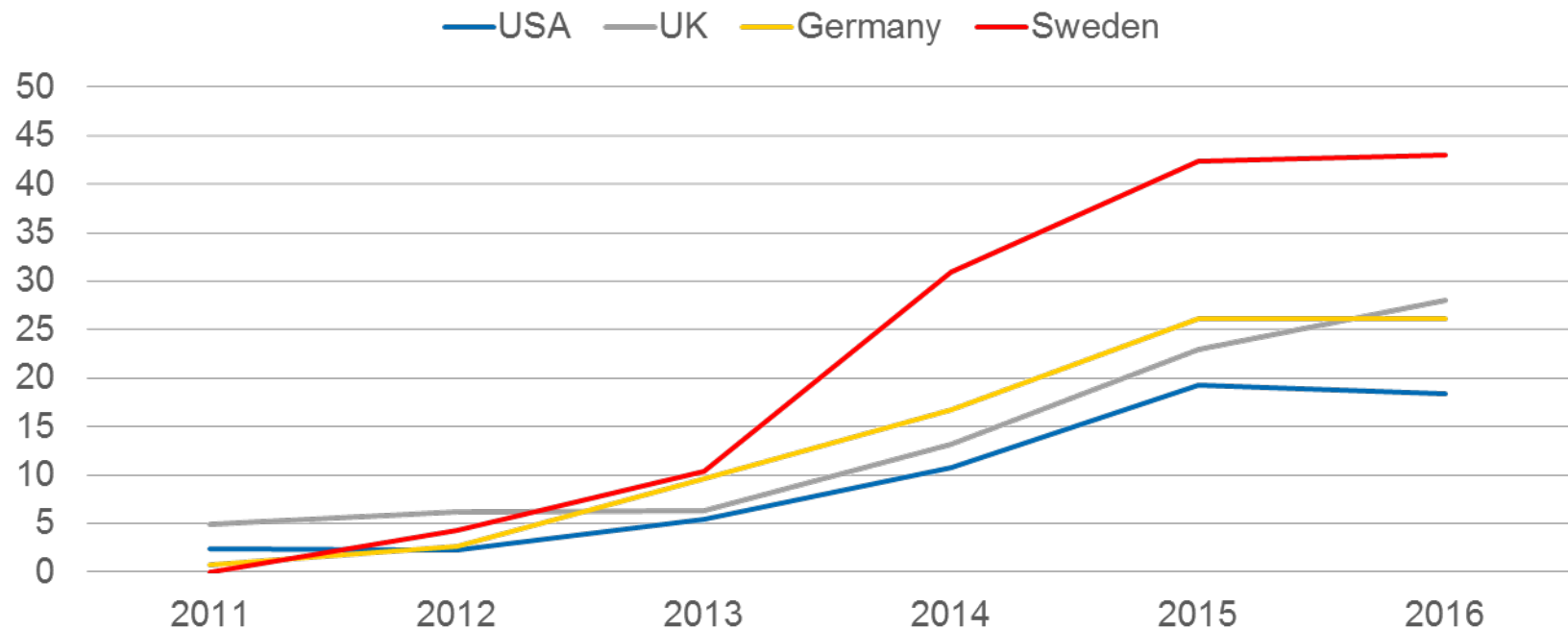
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# Sharing economy on the rise

Number of Google searches relative to highest number during the period, yearly average, maximum: 100, as of 04-11-2016



Source: Google Trends, 2016

# What is the sharing economy?

## Narrow definition

All economic activities among individuals that focus on using assets instead of owning them.

## Components



Sharing



Peer to peer



Digital  
intermediation

Sources: Fotolia – chagin, Jana Behr, iStock - 105282885

# What is innovation?

## What

- Transformation of ideas into new/improved products, services or processes

## How

- Multi-stage process

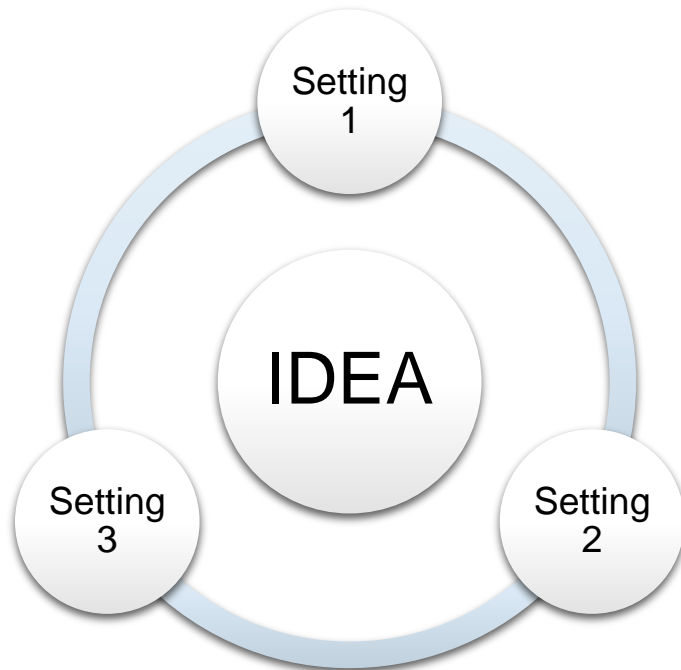
## Who

- Organizations or individuals

## Why

- Advance, compete or differentiate themselves successfully in their market or enhance social outcomes

# Some additional thoughts on innovation



## Disruptive innovation

- Overthrowing existing structures, business models and consumer bases in exchange for a novel way to cater to consumers' needs

## Business model innovation

- Discovery of a fundamentally different business model in an existing business

# Outline

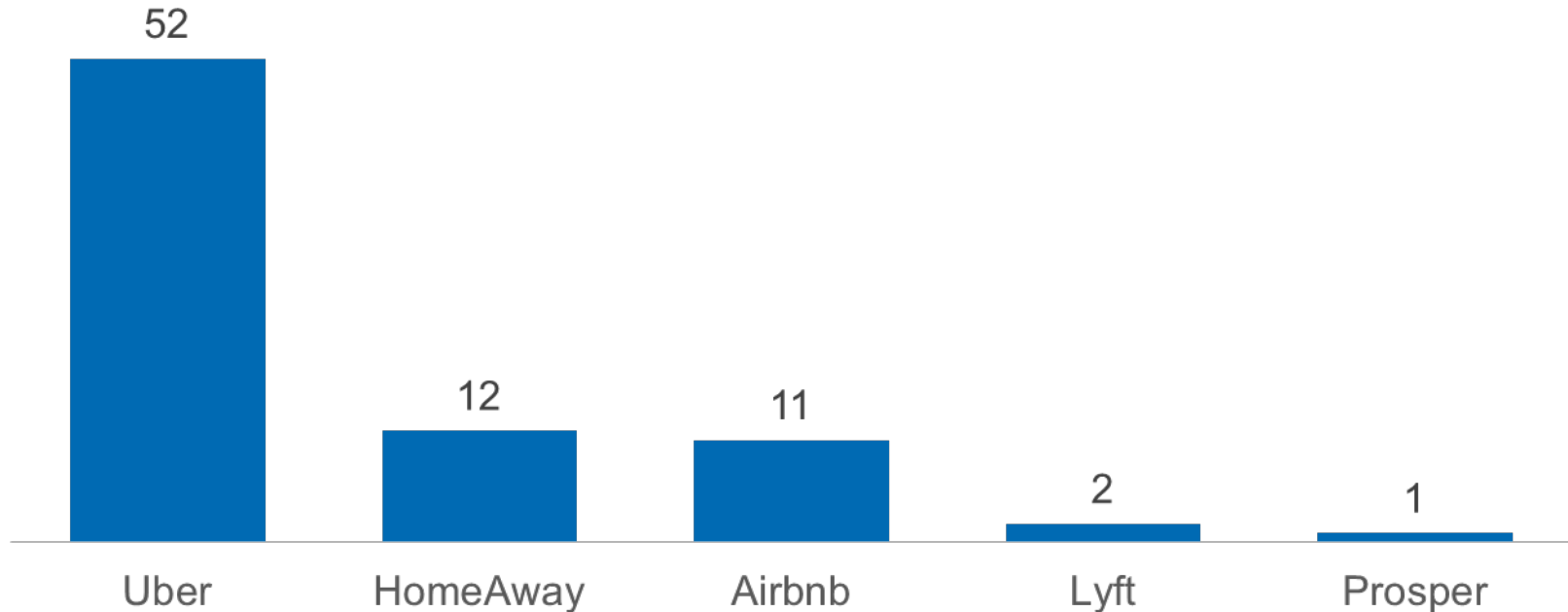
## What is innovative about the sharing economy?

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## Sharing platforms and patents

Number of worldwide patent applications, adjusted for patent families and registered designs, as of 30-09-2016



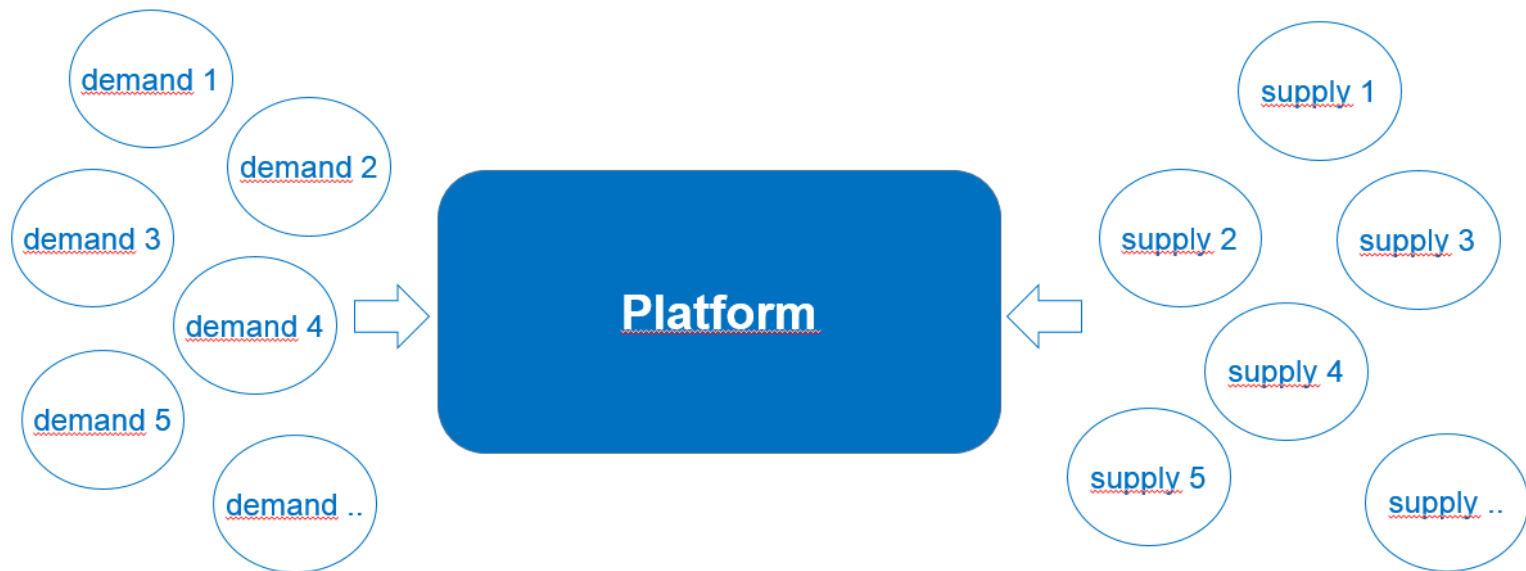
Source: DEPATISnet, 2016

## Business model: Online platform



⇒ Only truly innovative in a few markets

## Business model: P2P online platform



⇒ Large part of the sharing economy's innovativeness

# The micro perspective

## Individual sharing platforms' innovativeness

### First mover

- Bringing the first P2P business model to a market

### Cloning ideas

- Applying the P2P model to different products / services and locations

### Non-innovative platforms

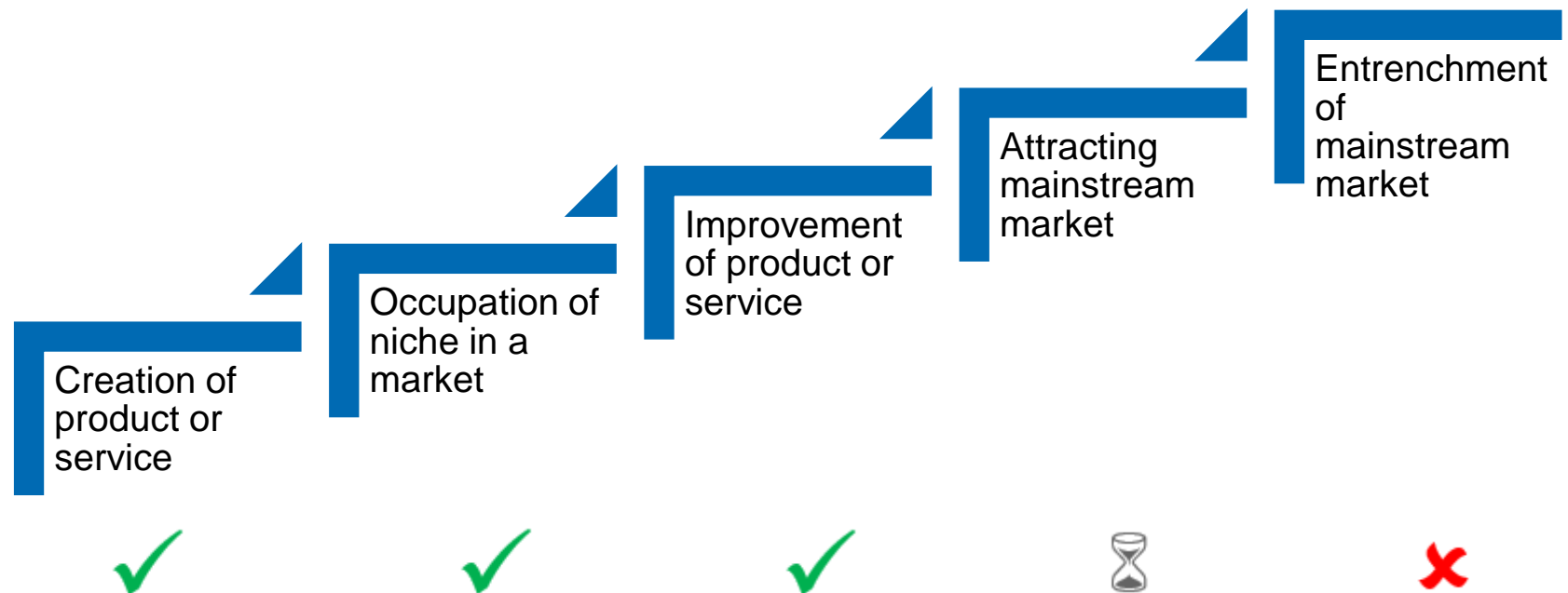
- Copying competitor's approach

### Technological innovation

- Often in form of software to improve experience or simplify doing business

# Steps of disruptive innovation

Example: Airbnb (Guttentag, 2015)



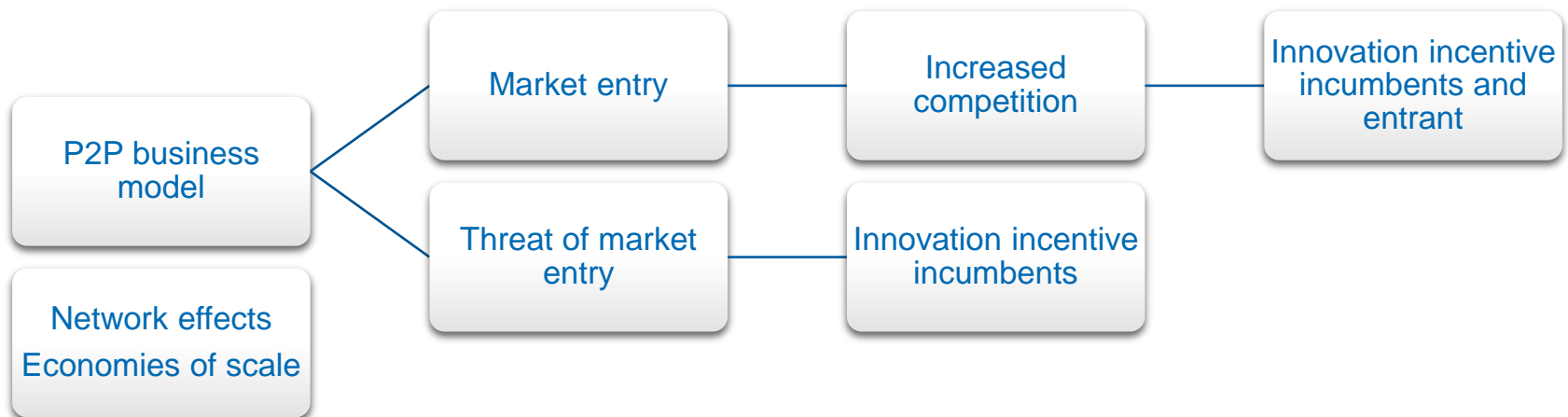
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# Effects on competition

## Sharing platforms versus traditional incumbents



# Effects on competition

## Competition among sharing platforms



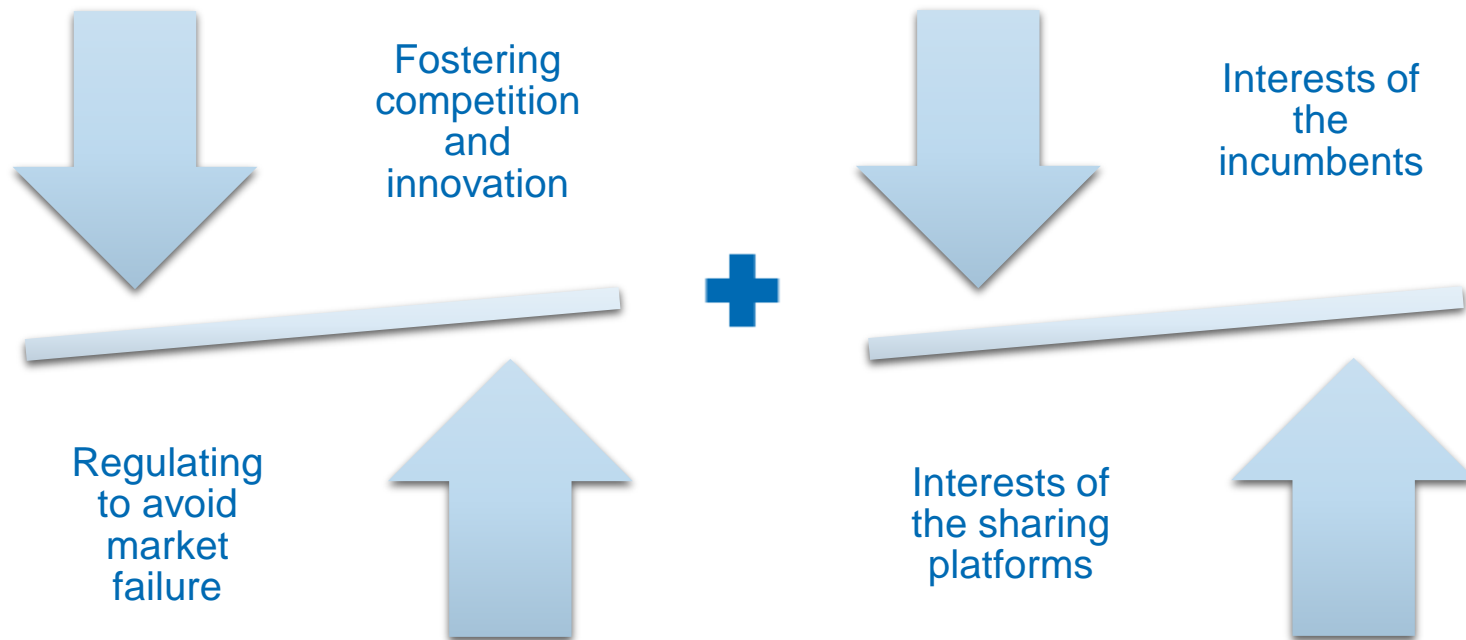
Race for the  
market

Decisive  
factors:

- Raised capital
- Innovativeness
- Costs



# How to regulate the sharing economy?



## Contact



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