

Sharing Economy: Lessons for a Circular World

Fred Morley FM

FEBRUARY 9, 2015

TIME

STRANGERS
CRASHED MY CAR,
ATE MY FOOD AND
WORE MY PANTS.
**TALES FROM THE
SHARING ECONOMY**

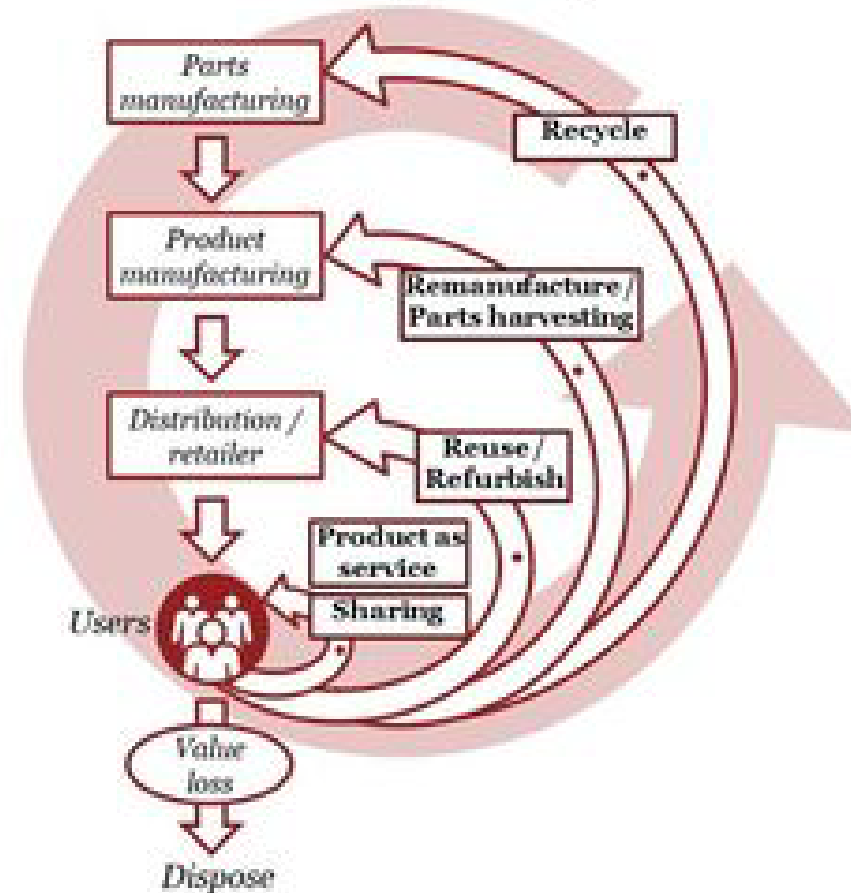
BY JOEL STEIN



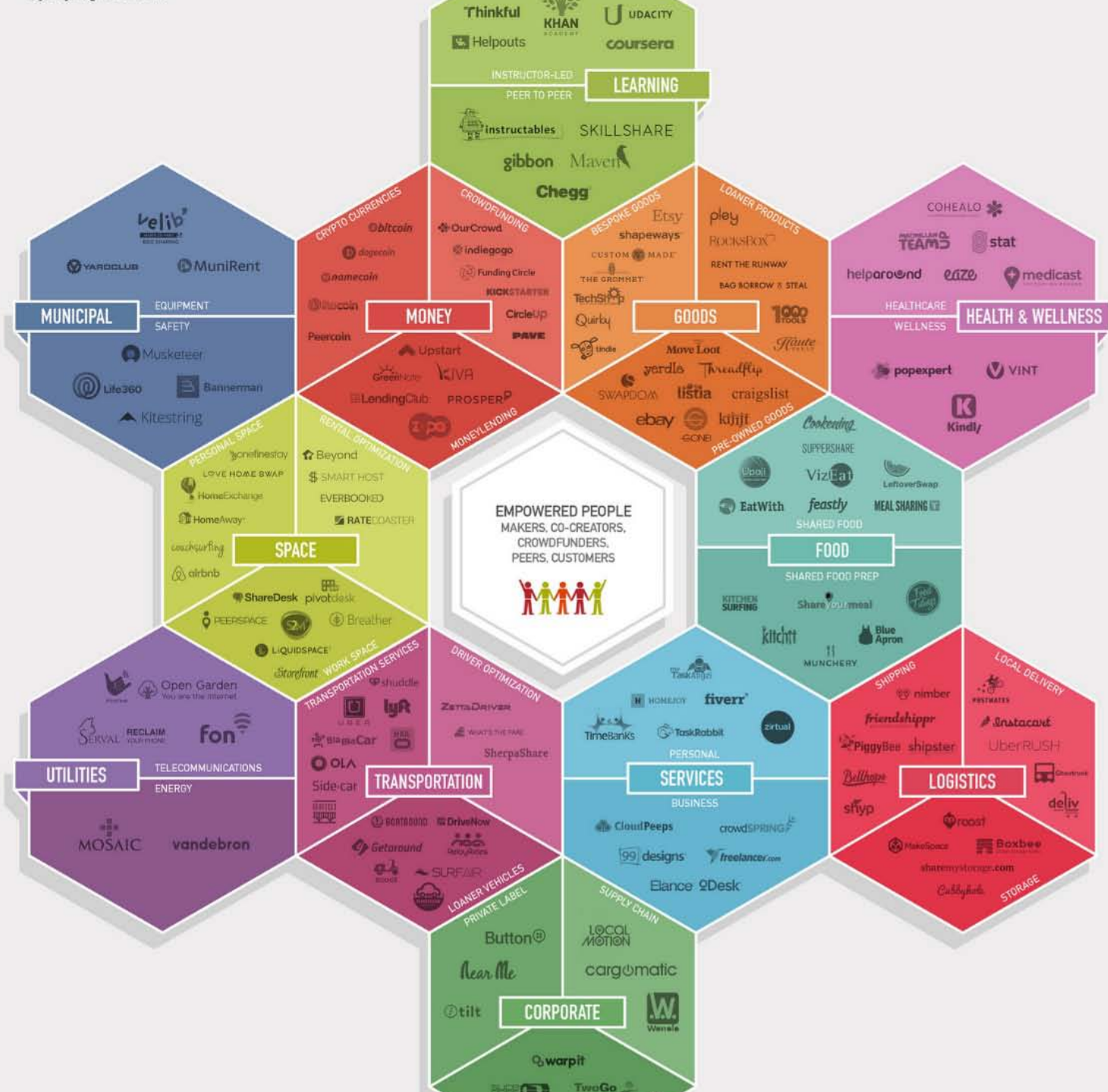
time.com

Sharing is a Small Part of the Circular Economy

Circular economy strategies

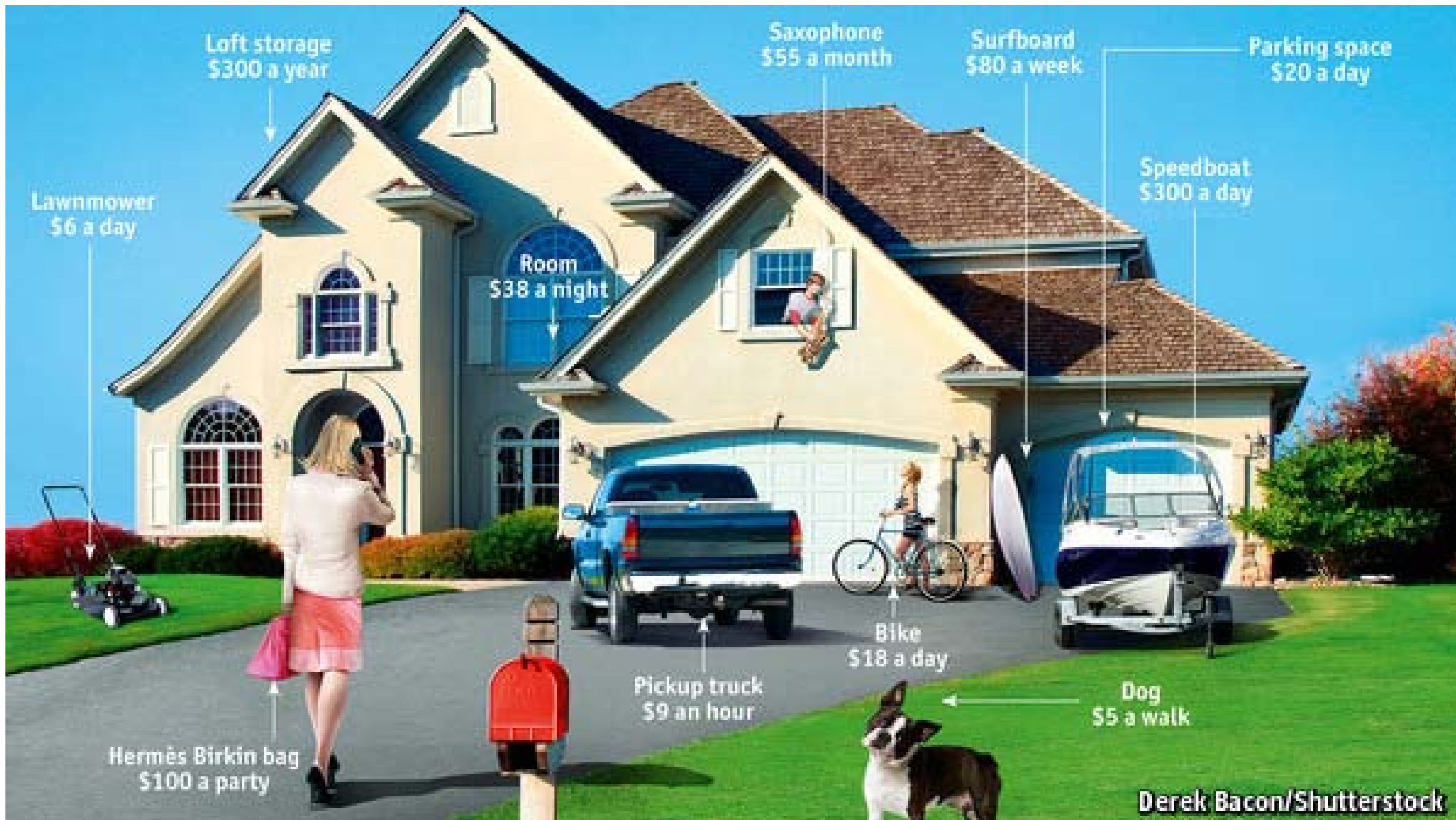


Sharing Economy: Not That Small



What Does the Sharing Economy Do Differently?

- Dead capital locked into homes, cars, tools, etc. is put to use
- Uses technology to allow buyers and sellers to find each other easily and cuts transaction costs
- On-line peer reviews and secure payment mechanisms dramatically reduces risk for both buyers and sellers
- Sharing economy is often competitive on price, quality and service...which gives them “category killer” potential
- Online platforms provide revenue generation opportunities for individuals with few barriers to entry
- The sharing economy thrives in heavily regulated sectors
- Sharing economy is consumer driven



Loft storage
\$300 a year

Saxophone
\$55 a month

Surfboard
\$80 a week

Parking space
\$20 a day

Lawnmower
\$6 a day

Room
\$38 a night

Speedboat
\$300 a day

Bike
\$18 a day

Pickup truck
\$9 an hour

Dog
\$5 a walk

Hermès Birkin bag
\$100 a party

Derek Bacon/Shutterstock

PWC on the Sharing Economy

- 72% agree “I could see myself being a consumer in the sharing economy in the next two years”
- Who is most excited...
 - 18 to 24 year olds and millennials
- 64 percent of consumers say that the sharing economy should be regulated by peers, not government

Sharing economy sector and traditional rental sector projected revenue growth

Sharing economy sector



Peer-to-peer lending and crowdfunding



Online staffing



Peer-to-peer accommodation



Car sharing



Music and video streaming

Traditional rental sector



Equipment rental



B&B and hostels



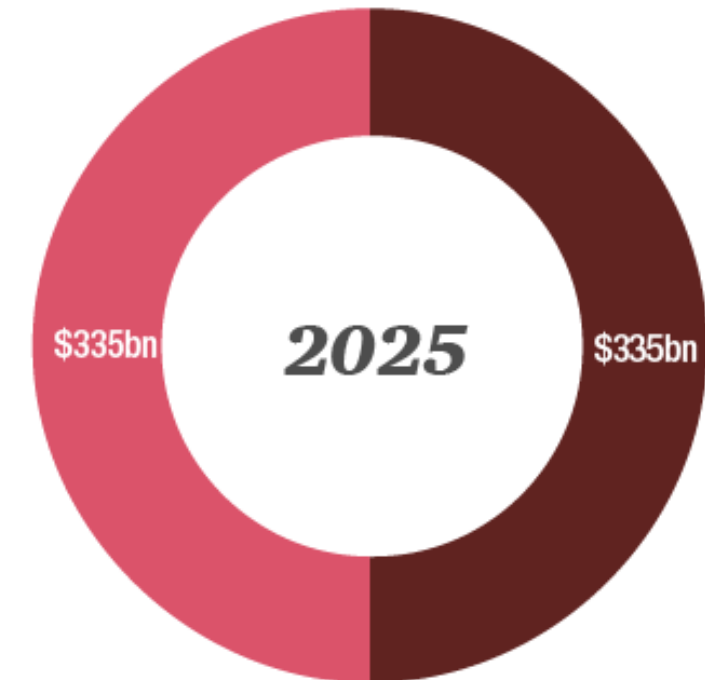
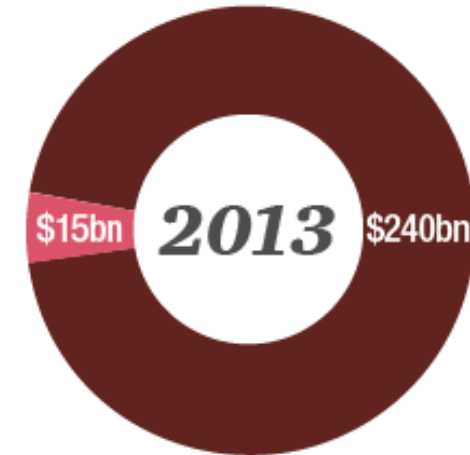
Book rental



Car rental

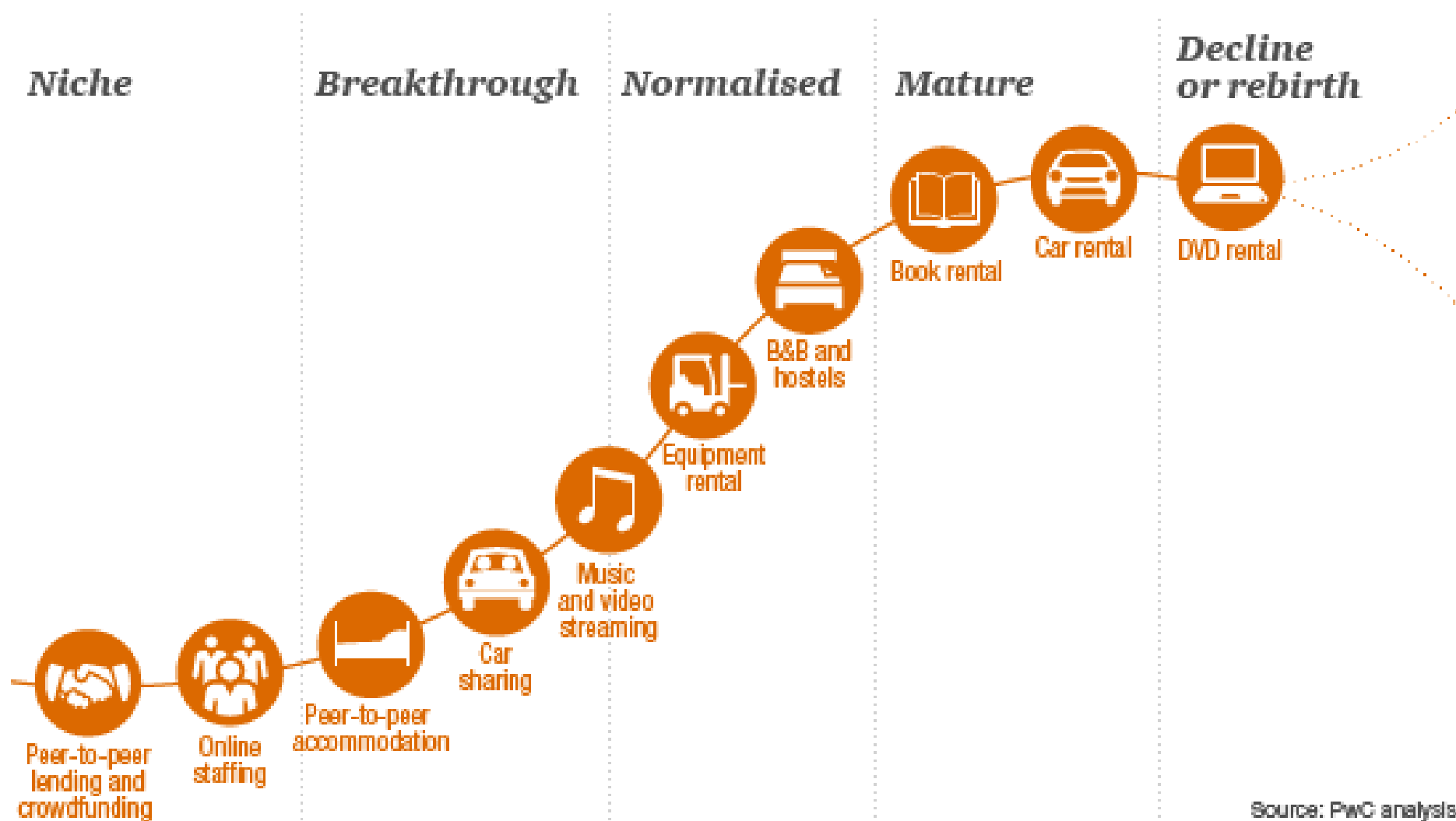


DVD rental

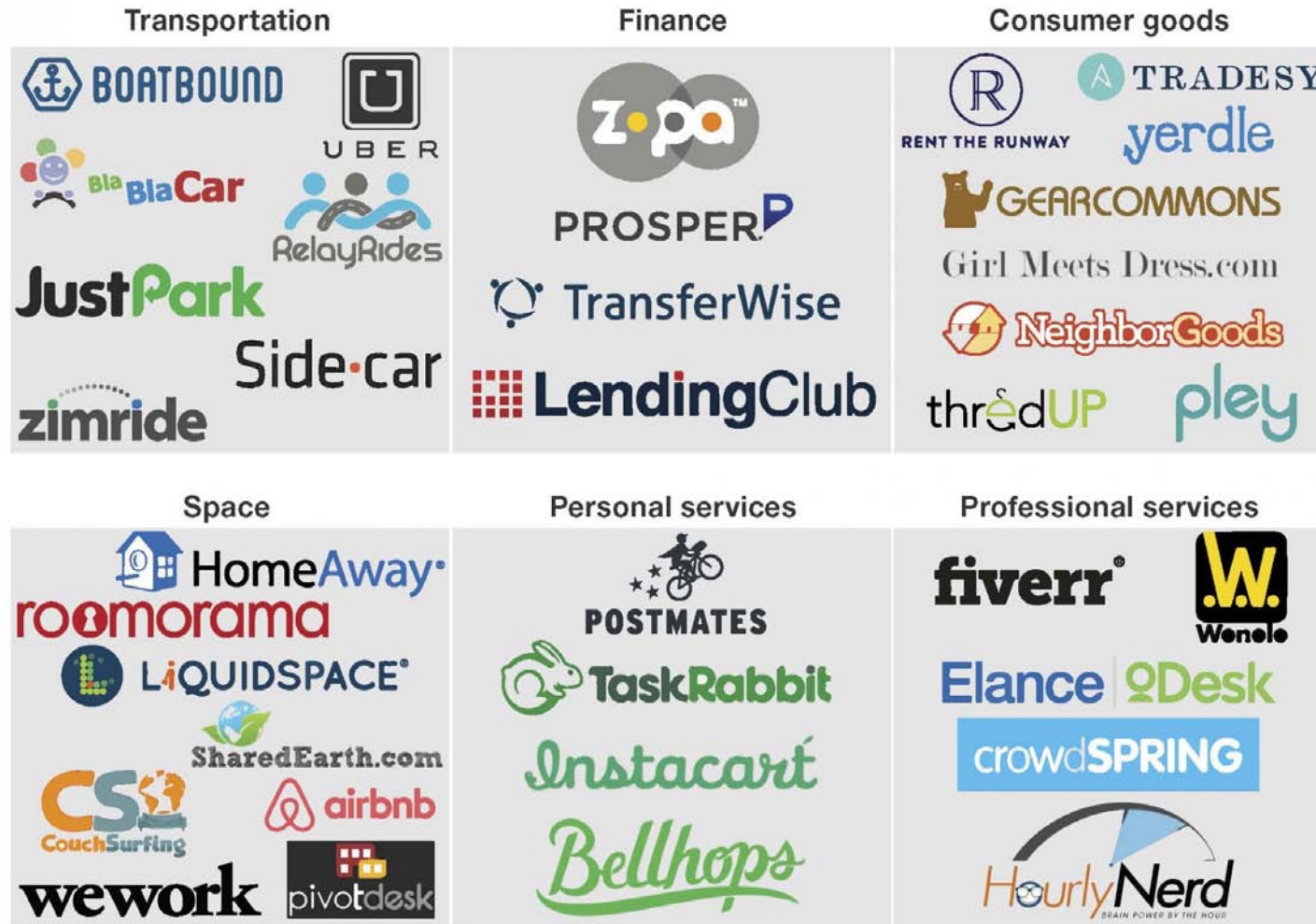


Sharing economy sectors Traditional rental sectors

The sharing economy life-cycle



There are 19 Sharing Economy Companies Worth More Than \$1 billion





Dec
23
2015

1 POINT = 1 VOITURE



Sharing Economy & Tourism

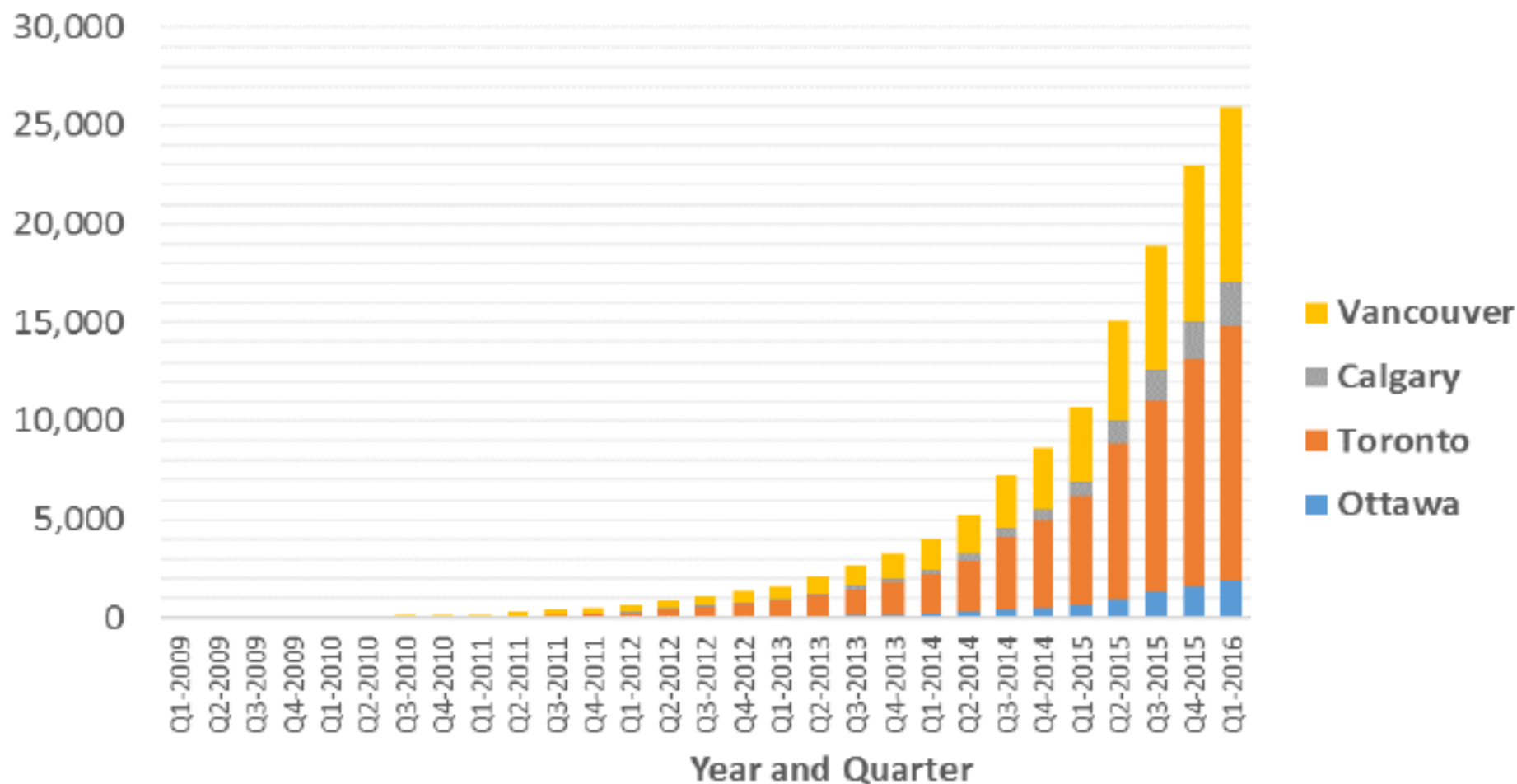
Transportation	Short Term Rentals	Food	Activities
Lyft Uber Sidecar Carpooling Blablacar Zimride Relayrides Getaround Flightcar	Airbnb Homeaway VRBO Flipkey Roomorama Wimdu Gflats Onefinestay Housetrip Homestay Couchsurfing Homeexchange Lovehomeswap Guesttoguest Knok	Eatwith Feastly Cookening Cookisto Kitchensurfing	Vayable Sidetour Incrediblue Getyourguide Boatbound Getmyboat Dopios

Top 10 Airbnb Markets

MARKET	ACTIVE AIRBNB UNITS	ACTIVE AIRBNB BEDROOMS	BEDROOMS PER UNIT	HOTEL ROOMS	AIRBNB UNITS/HOTEL ROOMS
New York	22,876	27,965	1.2	117,367	19.5%
Los Angeles	13,023	17,967	1.4	98,166	13.3%
San Francisco	6,428	8,790	1.4	51,561	12.5%
Miami	5,199	7,368	1.4	51,498	10.1%
Chicago	4,626	6,153	1.3	111,408	4.2%
Washington DC	4,443	5,784	1.3	107,776	4.1%
Boston	4,147	5,566	1.3	52,119	8.0%
Seattle	4,044	5,601	1.4	42,455	9.5%
San Diego	4,016	6,290	1.6	60,754	6.6%
Austin	3,357	6,024	1.8	33,877	9.9%
Top 10 U.S.	72,159	97,508	1.4	726,981	9.9%
Overall U.S.	173,057	277,256	1.6	5,031,645	3.4%

Airbnb “Total Listings” in Select Major Canadian Cities

Within the four markets investigated in this report, Airbnb listings have grown from essentially 0 in 2011 to nearly 26,000 by Q1 2016. Since the beginning of 2015 alone, Airbnb listings have grown by 140% in the four selected markets.



Nova Scotia Airbnb Hosts by Location

Community or Region	Number of Hosts
Antigonish	39
Bedford	27
Canning	15
Chester	11
Dartmouth	81
Digby	12
Granville Ferry	13
Halifax	498
Hubbards	26
Lunenburg	48
Mahone Bay	29
Sydney	12
Wolfville	22

Urban Halifax	Outside Urban Halifax	Total
606	983	1589
38%	62%	100%



Government's Take: Government of Canada

- Study delivered to federal committee in February
- Areas of concern
 - The economy
 - Labour
 - Social issues
 - Privacy
 - Health and safety
- Don't over regulate...
 - It may stifle growth and innovation
 - Don't drive it underground

Regulatory Change Options

- Ignore....
- Toughen regulation and enforcement....“Whack-a-mole”
- A light-touch regulatory approach that maximizes innovation, new business creation, consumer options and revenue generation.
- “Regulate down” to remove costs on existing business

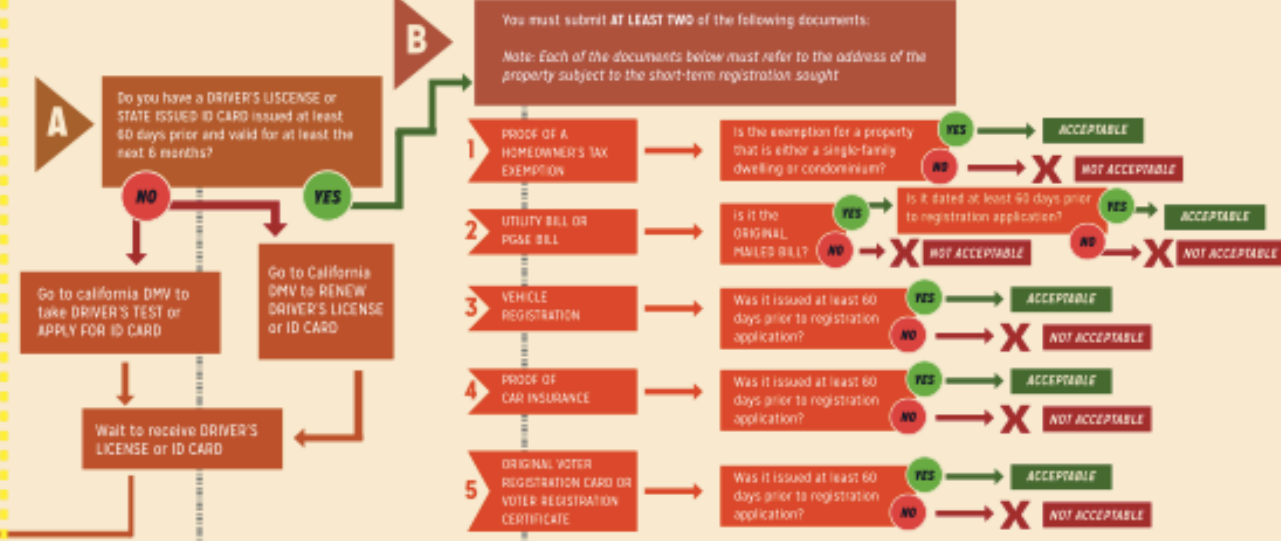


SHORT-TERM RENTAL REGISTRATION PROCESS

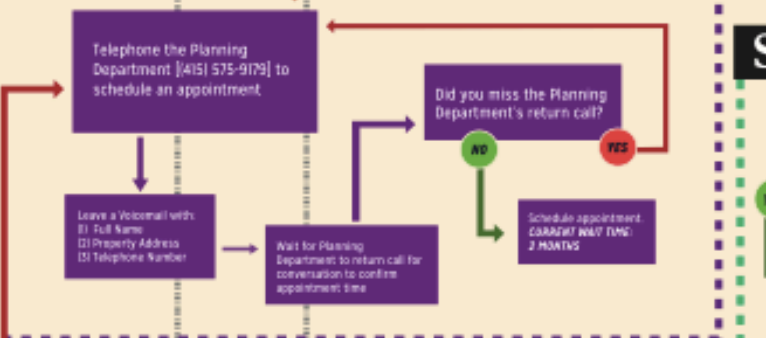
STEP 1 BUSINESS REGISTRATION CERTIFICATE



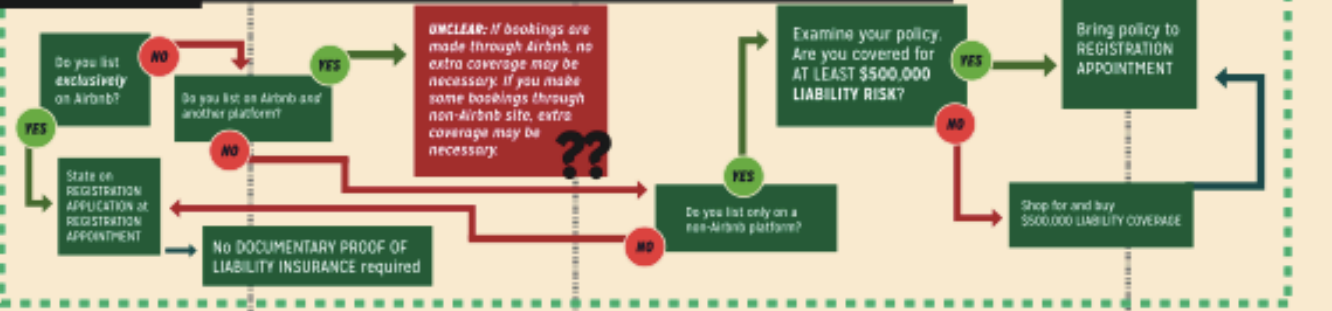
STEP 3 PROOF OF PERMANENT RESIDENCY



STEP 2 MAKE AN APPOINTMENT WITH PLANNING DEPARTMENT



STEP 4 PROOF OF LIABILITY INSURANCE (AT LEAST \$500,000)



STEP 5 REGISTRATION APPOINTMENT



IF ANY OF THE DOCUMENTS OR REQUIRED ID ARE NOT DEEMED ACCEPTABLE, FIX AND REPEAT STEP 2.

Sharing Economy:
Lessons for a
Circular World

It's Not
Going to
Go Away

Sharing Economy: Lessons for a Circular World



Sharing Economy: Lessons for a Circular World

50 Reasons Not To Change

