CFR Teaching Note #005[1]: The Sharing Economy

Introduction to Retailing (NDH101), 2026

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Over the past two decades, a new model of consumption has emerged under the broad label of the "sharing economy". Its rise was initially fueled by a combination of economic pressures, growing environmental consciousness, and, perhaps most importantly, the rapid diffusion of the internet, smartphones, digital platforms, and related information and communication technologies (ICTs).

For consumers, a key implication of the sharing economy is that the potential circle of sharers has widened far beyond intimate kinship and friendship networks. Today, sharing a ride, renting someone else's apartment, or accessing products only when they are needed has become an ordinary part of everyday consumption for many people. Organizations have similarly experimented with new sharing and access-based business models, both to reduce environmental impacts (e.g., extending product lifecycles and increasing utilization) and to attract new customer segments and develop new revenue streams.

The sharing economy also changes how we think about retailing. Traditionally, retailers bought products from suppliers and sold them to consumers. Increasingly, however, retailers are looking to incorporate elements of sharing and therefore experiment with business models based on access rather than ownership, including rental, subscription, resale, and product-as-a-service models. This course note briefly introduces the concept of sharing economy before moving on to discuss its implications for retail more specifically. The note is meant as an introduction to the field and readers are provided references to guide their future exploration into the topic.

What is Sharing Economy?

Sharing is a fundamental part of human life; for example, most people around the world share their homes, furnishings, food, resources, and belongings with other household members (e.g., Belk 2014). The term "sharing economy" is used in many different ways but broadly refers to economic arrangements in which people gain temporary access to goods or services rather than necessarily owning them, often facilitated by digital platforms. Rather than searching for one definitive definition, it is more useful to focus on the core characteristics that distinguish sharing-based models from more traditional forms of consumption and retail.

Broadly speaking, the sharing economy can be divided into three overlapping categories: the collaborative economy, the gig economy, and the access economy (Chimenti 2020). These categories are not always separated, but they help us understand the different ways in which sharing and access are organized:

[1] This is an updated version of CFR Course Note #005 from 2020. Given the developments in this field, the content has changed significantly.

The Collaborative Economy

The collaborative economy refers to forms of consumption and production in which people cooperate, share resources, or contribute to a common activity. The idea has old roots, but digital technologies have made it much easier for people to coordinate activities at scale. The emphasis here is usually on participation and cooperation rather than profit maximization. Examples include community gardens, repair cafés, time banks, crowdfunding initiatives, and local networks in which people share tools, skills, or other resources.

The Gig Economy

The gig economy refers to short-term work organized through digital platforms. Instead of being employed in a traditional long-term job, workers typically perform individual tasks or "gigs" for customers. Platforms act as intermediaries by matching supply and demand. Examples include Uber for transportation, food-delivery platforms, dog-walking services, freelance platforms, and online micro-task platforms such as Amazon Mechanical Turk. Gig work can offer flexibility and new earning opportunities, but also raises concerns about job security, working conditions, income inequality, and the degree of control platforms exercise over workers.

The Access Economy

The access economy is based on a simple idea: consumers pay to use something without owning it. Instead of purchasing a car, office, film, or piece of equipment, consumers temporarily access it when needed. Examples include car-sharing, short-term accommodation, coworking spaces, rental services, and digital subscriptions such as music or video streaming. Access-based consumption can offer greater flexibility and convenience, but it can also change the relationship between consumers and brands. When consumers can easily switch between different providers, convenience, availability, and price may become more important than long-term brand loyalty.

Eckhardt et al. (2019) offers a useful framework for understanding common characteristics of a sharing economy. Specifically, they identify five characteristics of sharing models: 1) users gain temporary access rather than ownership, 2) some form of economic value is exchanged, 3) a platform connects users and providers, 4) consumers often participate on both the supply and demand sides, and 5) supply is frequently crowdsourced from many individuals. This framework helps distinguish the sharing economy from ordinary rental or informal sharing. Renting from a traditional rental company, for example, is different from accessing a resource through a platform that connects multiple providers and users allowing you to rent garments from different people.

Why and what do customers share?

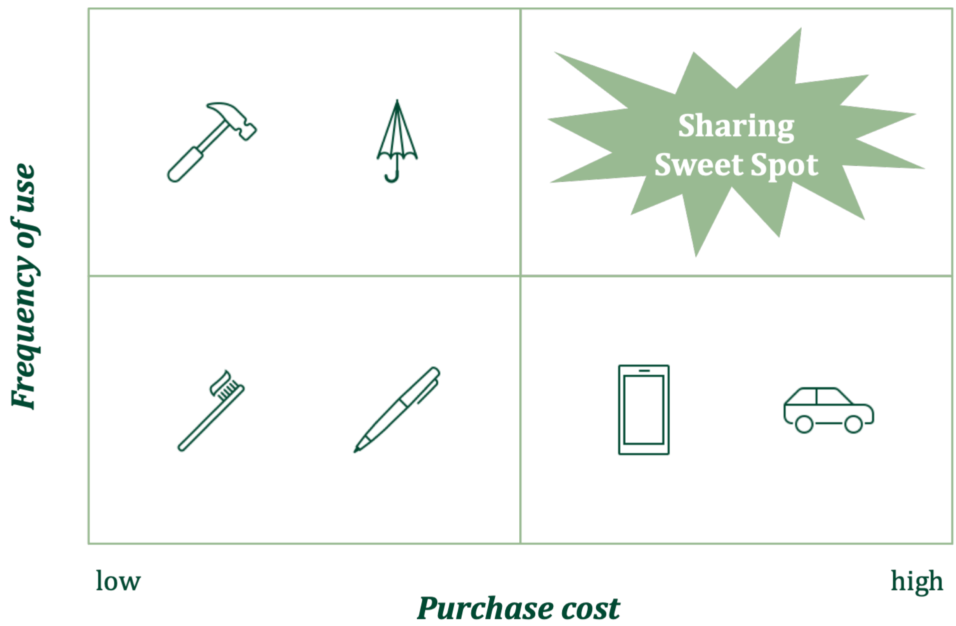
Sharing itself is nothing new (Belk 20014). What is new is the ability to share goods and services with strangers through digital platforms, such as Airbnb for accommodation, Skjutsgruppen for rides, TaskRabbit for skills, Olio for food, and Pickle for designer clothes. From a consumer perspective, there is a number of motives to participate in the Sharing Economy. Table 1 summarizes the most frequently mentioned reasons for individuals across the globe.

Table 1 - Summary of motives for consumers to participate

Motive	Description
Utility	Sharing is often much more convenient and time saving (close proximity to neighbours vs. hardware store outside the resident area)
Economic	Reducing costs through financial or quasi-financial gains (community currency such as time in time banks).
Enjoyment	Hedonic value in having the opportunity to afford upscale goods such as second-hand designer clothes.
Collaboration	Many social souls seek ways to synergistically co-create thinks with like-minded individuals.
Decluttering	Many don't feel comfortable anymore with the burden of ownership, as many goods occupy too much idle capacity (From excess to access).
Ecology	Environmental concerns are particularly prevalent within shared mobility, given the enormous amounts of unnecessary single rides leading to excessive CO2 emissions.

A central idea of the sharing economy is to make better use of underused resources. Cars, tools, rooms, and many other products spend much of their time unused, creating opportunities to share them, reduce costs, and potentially lower environmental impacts. Yet not everything is suitable for sharing. A toothbrush, for example, is unused most of the day, but few people would want to share one. This raises an interesting question: what makes a product or service shareable? Gansky (2010) suggests a framework based on frequency of use and cost (Figure 1). Based on this framework the sharing "sweet spot" is for infrequently used products that are relatively expensive.

Figure 1 – The sharing sweet spot, adapted from Gansky (2010)



While the framework provides a useful first indication, we also need to consider personal attachment. Imagine that you inherited a 5,000 SEK gold necklace from your great-grandmother. It is valuable and only used on special occasions. According to the figure, the necklace should be perfectly shareable because it is expensive and rarely used. But would probably not be willing to share it with strangers.

The shareability of a product also depends on its accessibility. Sharing a steam engine, for example, is much more difficult than sharing a car, simply because the latter can be moved more easily from one place to another. Accessibility is particularly important in B2B sharing, where companies may try to make better use of idle equipment or resources by sharing them with businesses nearby.

Different sharing business models

The sharing economy brings together many different actors, including start-ups, established companies, municipalities, and non-profit organizations. It also spans a wide range of industries. These different actors have produced different business models. Peer-to-Peer (P2P) platforms connect individuals with one another, while Business-to-Business (B2B) models enable organizations to share resources. Business-to-Peer (B2P) models give individuals access to assets or services owned by a company. Finally, crowd-based platforms connect many participants to share knowledge or provide funding, for example through online communities or crowdfunding (see Table 2).

Table 2 – Different Sharing business models

	For profit	Non-profit
Peer to peer (P2P)	Vacation rentals (e.g. Airbnb)	Ride sharing (e.g Skjutsgruppen), Time banks (e.g.Time Village), Makerspaces
Business to Peers (B2P)	Car sharing (Sunfleet, M)	Public institutions lending out their office space, free of charge (e.g. Sharing city)
Business to business (B2B)	Equipment Sharing for Health Systems (E.g. Cohealo)	Redistribution of surplus goods between organizations
Crowd-based	Crowdfunding (e.g. Kickstarter)	Crowdfunding (e.g. Indiegogo)

From the Sharing Economy to the Platform Economy

Despite growing maturity of the sharing economy, it remains far from obvious how established companies can successfully integrate elements of sharing into existing business models. Companies across a variety of industries continue to experiment with elements of the sharing economy. Husqvarna, for example, has tried solutions that allow consumers to borrow or rent tools rather than purchase them, while automotive companies such as Nissan have explored vehicles and ownership models specifically designed for shared use. More broadly, mobility providers experiment with combining public transport, car sharing, bike sharing, scooters, and more into integrated Mobility-as-a-Service offerings.

Such experiments should not, however, be understood as success stories. Many are eventually abandoned or substantially redesigned. Attempts to combine previously separate services may run into regulatory barriers, conflicting organizational interests, or the absence of common technical standards that allow data, payment systems, booking interfaces, and infrastructures to work together. Experimentation with sharing can be as much about discovering what does not work and why as it is about identifying viable new business models

In fact, today's sharing economy is best understood as part of a broader development: the rise of the platform economy. Companies such as Airbnb, Uber, BlaBlaCar, and TaskRabbit are sharing-economy businesses, but they are also digital platforms. Their basic role is to connect different groups, such as drivers and passengers, hosts and guests, or workers and customers, and make interactions between them easier. Platforms are often described simply as matchmakers. They help people find each other, exchange information, build trust, and complete transactions. This is also why platforms became so important for the sharing economy. Sharing with strangers would be extremely difficult without technologies for searching, matching, payment, ratings, and reviews. But platforms do more than connect people. They also set the rules for exchanges. They decide who can participate, what information users see, how providers are ranked, what fees are charged, and how transactions take place. Their algorithms influence which Airbnb apartment appears first in a search, which Uber driver receives a ride request, or which product Amazon recommends. Platforms are therefore not neutral marketplaces. They actively organize the markets in which they operate.

One reason platforms can become powerful is network effects. Put simply, a platform often becomes more useful as more people join it. More drivers make a ride-hailing platform more attractive to passengers, while more passengers make it more attractive to drivers. This creates strong incentives for platforms to grow quickly and can make it difficult for smaller competitors to challenge established platforms.

Some platforms eventually grow beyond their original purpose. Research describes this as a movement from “platforms as markets” to “platforms as infrastructures” (Chimenti, Hagberg and Araujo 2025). Infrastructure usually makes us think of roads, railways, electricity, or telephone networks. These systems support many other economic and social activities. Increasingly, digital platforms play a similar role. Amazon is one example. It started as an online bookstore, but today its activities extend far beyond simply matching buyers and sellers. Amazon provides marketplaces, advertising, payments, logistics, warehousing, entertainment, and cloud computing. Many other companies depend on these services to operate their own businesses. In this sense, Amazon has become a critical infrastructure for the Internet economy. This is an important shift. A company that originally operates within one market may gradually provide services on which many other markets depend. In our research, we therefore argue that some digital platforms are beginning to resemble infrastructures. Like roads or electricity networks, they become deeply embedded in everyday economic activity. Unlike traditional infrastructures, however, digital platforms are largely built around software, data, and algorithms, which means they can change and expand very quickly.

Retailing, Sharing, and Platforms

The sharing economy can help change how we think about retailing. In a traditional retail business model, retailers buy products from suppliers and sell them to consumers. Today many retailers experiment with business models based on access rather than ownership and increasingly they are asked to be accountable for products even after they have been sold. In these cases, the retailer no longer simply sells a product once, but works with continued access to products and services over time.

The same logic can also be found in B2B. Retailers increasingly rely on shared digital and physical infrastructures rather than owning every capability themselves. Ocado is one example. It began as an online grocery retailer but gradually developed technology, automated warehouses, fulfilment systems, and delivery solutions that other retailers can use. Companies such as Kroger, ICA, and Coles can therefore access parts of Ocado's retail infrastructure instead of developing all of these capabilities themselves. This illustrates an important connection between the sharing economy and the platform economy.

Sharing is thus not only about consumers sharing cars, homes, or tools. Retailers can also gain temporary or shared access to resources, technologies, logistics, and infrastructures. As these services are increasingly coordinated through digital platforms, the boundaries between retailing, sharing, and platform business models become less clear.

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Note: access to reports and regulations are available via hyperlinks in the text