



A Market Definition Report

# The Collaborative Economy:

**Products, services, and market relationships have changed as sharing startups impact business models. To avoid disruption, companies must adopt the Collaborative Economy Value Chain.**

*Altimeter Research Theme: Digital Economies*

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Includes input from 69 ecosystem contributors

# Executive Summary

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## The Next Phase of Social Business Is the Collaborative Economy.

Social technologies radically disrupted communications, marketing, and customer care. With these same technologies, customers now buy products once and share them with each other. Beyond business functions, the Collaborative Economy impacts core business models.

## Customers Are Sharing Goods and Services — Redefining the Buyer-Seller Relationship.

Every car-sharing vehicle reduces car ownership by 9-13 vehicles; a revenue loss of at least \$270,000 to an average auto manufacturer.<sup>1</sup> The cascading impact to the ecosystem has far-reaching impacts to auto loans, car insurance, fuel, auto parts, and other services.<sup>2</sup> For corporations, the direct impact is revenue loss that results from customers sharing products and services with each other.

## Innovative Companies Are Already Moving Into Collaborative Economy.

Some companies have joined this movement. For instance, Toyota rents cars from dealership lots, and Patagonia partnered with eBay to encourage customers to buy and sell its used products. NBC has partnered with Yerdle, a startup founded by former Walmart executives to foster peer-to-peer sharing. This movement impacts every industry.

## Adopt the Collaborative Economy Value Chain.

Companies risk becoming disintermediated by customers who connect with each other. The Collaborative Economy Value Chain illustrates how companies can rethink their business models by becoming a Company-as-a-Service, Motivating a Marketplace, or Providing a Platform. The forward-looking company employs one model; the most advanced companies employ all three, with the corporation at the center.

## Methodology

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The Collaborative Economy is a broad trend that impacts every sector of society, business, and government. While we factor these impacts into our analysis of this disruption, our primary focus is the impact on corporations and defining the opportunities it creates.

This report is based on:

- Interviews with 35 startups, investors, brands, and thought leaders who are actively contributing to the definition of this nascent market. Altimeter conducted these interviews from February to May 2013.
- Analysis of industry trends across a database of 200 sharing startups in the space.
- In addition, Altimeter tested the thesis and assertions presented in this report with 34 executives and industry leaders.

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## The Collaborative Economy: Market Relationships Shift in Power

### From a Social Media-Driven Era to the Collaborative Economy Era, Customers Are Increasingly Empowered.

We are witnessing early indicators of an important shift. Hundreds of startups like Airbnb and Lyft have emerged to enable people to share goods and services. An influx of venture capital funding is accelerating this trend (See *Market Overview: The Collaborative Economy — Analysis of Over 200 Startups in the Space* on page 8).

Customers are not just using social technologies to share their activities, opinions, and media, but also to share goods and services. In this evolution, companies risk being disrupted as customers buy from each other. We see the evolution of these market relationships in three phases, in part, driven by new technologies:

- **First Phase — Brand Experience Era (Web):** The internet makes information broadly accessible, but the ability to publish remains in the hands of media and corporations. This is a “one-to-many” model in which companies speak “at” customers through corporate websites. The power lies with a few, though many are impacted.
- **Second Phase — Customer Experience Era (Social Media):** New tools empower customers to publish themselves. This is a “many-to-many” model in which customers share their opinions, activities, and media, requiring brands to listen to and speak “with” customers. Customers and companies share power.
- **Third Phase — Collaborative Economy Era (Social, Mobile, Payment Systems):** Fueled by social, mobile, and payment systems, customers are now empowered to share goods and services. Companies are disrupted as consumers buy from each other over traditional institutions. Power shifts to the consumer.

Figure 01

### CUSTOMERS ARE EMPOWERED IN THE COLLABORATIVE ECONOMY ERA

A Social Media-Driven Era Evolves to the Collaborative Economy Era



Source: "The Collaborative Economy," Altimeter Group (June 4, 2013)



## Social Media Impacted Business Functions — The Collaborative Economy Impacts the Bottom Line

Social media disrupted many businesses, as business functions like communications, marketing, and customer care struggled to respond to increasing customer conversations on social channels.

Yet, beyond business functions, the Collaborative Economy impacts the bottom line and core business models. In our interviews with leading experts, startups, and brands, a common theme emerged: Businesses risk being disintermediated as customers are empowered to transact directly with each other.

We are seeing early indicators of this disruption, most notably in verticals like hospitality and transportation, which will be explored in the next few pages. Businesses that have mastered social must now master the Collaborative Economy.

### Market Definition: The Collaborative Economy

An entire economy is emerging around the exchange of goods and services between individuals instead of from business to consumer. This is redefining market relationships between traditional sellers and buyers, expanding models of transaction and consumption, and impacting business models and ecosystems.

We refer to this trend as the Collaborative Economy, defined as the following:

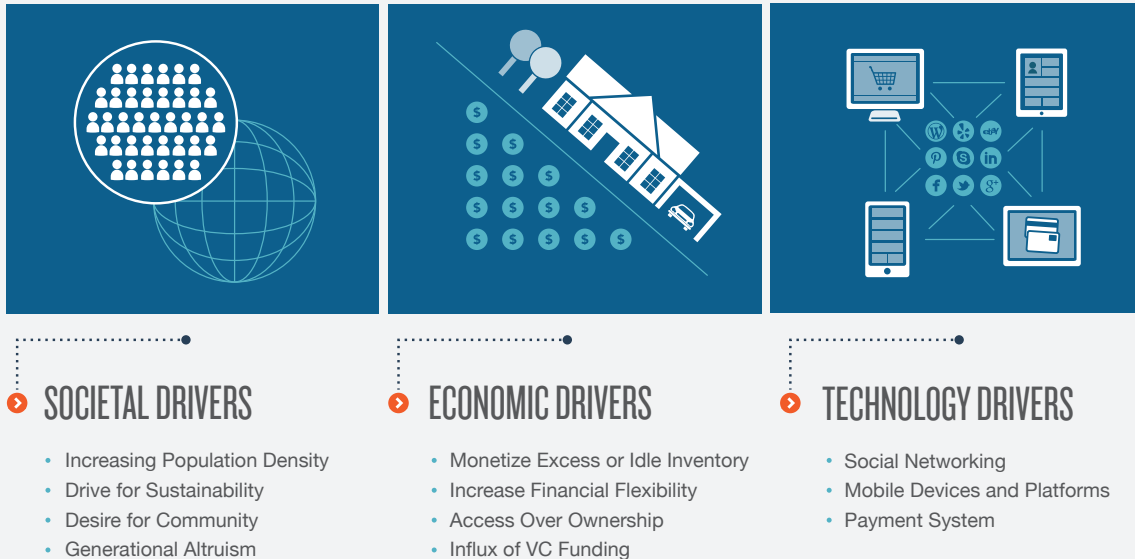
*The Collaborative Economy is an economic model where ownership and access are shared between corporations, startups, and people. This results in market efficiencies that bear new products, services, and business growth.*

Sometimes called the sharing economy or collaborative consumption, the movement toward peer-to-peer sharing is well-documented.<sup>3</sup> Our definition — and the premise of this report — focuses on the impacts to corporations and, more importantly, how these businesses can participate in this ecosystem.

## Three Market Forces Drive the Collaborative Economy

Figure 02

### THREE MARKET FORCES DRIVE THE COLLABORATIVE ECONOMY



Source: "The Collaborative Economy," Altimeter Group (June 4, 2013)



The rise of the Collaborative Economy is driven and enabled by the market forces that are converging now. As these trends accelerate, so too will the Collaborative Economy. In our research, we found that the following drivers:

#### Societal

- 1. Increasing Population Density:** Population density enables sharing to occur with less friction. Lyft, RelayRides, and other car-sharing services thrive in urban areas like Boston and San Francisco. Access to more people mean more points of supply in the Collaborative Economy.
- 2. Drive for Sustainability:** There is growing awareness about the environmental impact of our consumption habits. Freecycle, a gifting website of used goods, states: "It's all about reuse and keeping good stuff out of landfills." Kristin Sverchek of Lyft told us: "Our long-term goal is not to disrupt taxis but the notion of individual car ownership." Reselling, renting, co-owning, or gifting maximizes usage and reduces the impact of physical goods that were once bought and discarded after limited use.
- 3. Desire for Community:** A latent desire to connect with people and communities is re-surfacing. Airbnb guests prefer the experience of staying in a home or a neighborhood. Kickstarter funders get to know the makers, inventors, and entrepreneurs behind projects. Antonin Leonard, founder of sharing economy nonprofit OuiShare, told us: "There is a cultural shift taking place — people want to rely on people, not just companies." Individuals can now bypass faceless brands as they transact with each other.
- 4. Generational Altruism:** A recent UCLA poll found that over 75% of incoming freshman believe it's "essential or very important" to help others in difficulty, the highest figure in 36 years.<sup>4</sup> Neal Gorenflo, at *Shareable Magazine* ([www.shareable.net](http://www.shareable.net)), said: "The internet is a persuasive technology — it teaches people the power of sharing and collaboration. Once people experience that power, it's natural for them to apply the same logic to every part of their lives." There is a longer-term trend in sharing finite resources or "paying it forward."

## Economic

5. **Monetize Excess or Idle Inventory:** Previously idle resources can now be shared and often monetized. In her iconic TED speech, Rachel Botsman, author of *What's Mine Is Yours: The Rise of Collaborative Consumption*, reported that the average total use of an electric drill is a mere 12 minutes.<sup>5</sup> Uber enables professional town car drivers to pick up customers when their cars are not already reserved. David Hornik of August Capital summed it up concisely: “Anytime there’s a resource that stays idle for much of its lifetime, there’s an opportunity to take advantage of it.”
6. **Increase Financial Flexibility:** As owners begin to find uses for idle inventory, the possibility emerges for earning income and gaining greater financial independence and empowerment. oDesk found that 72% of workers seek to “quit their jobs to be independent and would use online freelancing services as a way to move forward.”<sup>6</sup> Sites like Etsy remove the barriers for aspiring entrepreneurs. Vivian Wang of Sasson Capital shared the following insight: “We have entered the new world of the perpetual freelancer and micro-entrepreneur. Collaborative Economy companies are building new tools and platforms to help them lead the way.”
7. **Access Over Ownership:** Consumers also benefit in the Collaborative Economy. Individuals who can’t afford luxury goods can now rent them; businesses can hire on demand workers or rent on-demand space. An Airbnb-sponsored study found that nearly 6 out of 10 adults agree that “being able to borrow or rent someone’s property or belongings online is a great way to save money.”<sup>7</sup> Lisa Gansky, author of *The Mesh: Why the Future of Business is Sharing*, told us: “We’re moving from a world where ownership was something we aspired to, to a world where access to goods, services, and talent triumphs ownership.” This trend will likely increase as a generation of young adults reduces debt amid the current recession.<sup>8</sup>
8. **Influx of VC Funding:** Investors are key to the rise of the Collaborative Economy. In our analysis of 200 sharing startups, there has been an influx of over \$2 billion in funding, with the average funding per startup at \$29M. (See *Market Overview: The Collaborative Economy — Analysis of Over 200 Startups in the Space* on page 8). In other internet-related markets, VC funding has been a core force in accelerating the growth of an industry.

## Technology

9. **Social Networking:** Social networking facilitates peer-to-peer transactions by matching up supply and demand that wasn’t previously possible. Deborah Schultz, innovation strategist, told us: “Our hyper-connected world impacts the scale and speed of everything and is driving radical changes to supply and demand.” Further, in our analysis of 30 top sharing startups,<sup>9</sup> we found that nearly three-quarters (74%) have social profile and reputation features and over half (54%) have integrated Facebook Connect. Sites like Airbnb also use Facebook’s open graph so that users can identify ratings and rankings from their Facebook friends. These features help build trust between buyers and sellers.
10. **Mobile Devices and Platforms:** Many startups in the Collaborative Economy are mobile-driven. For example, Lyft has a thin website that directs users to download its mobile app to start using the service. The rise of smartphone adoption means that customers can increasingly offer or locate goods and services anytime, anywhere. Our analysis of the 30 top sharing sites found that many are focused on offerings in the app stores for iOS (53%) and Android (50%).
11. **Payment Systems:** E-commerce and payment platforms are required to broker transactions between buyers and sellers. We found that 27 of the 30 top sharing startups rely on online or mobile payment systems tied to credit cards. Yet there are also examples of gifting or swapping that do not require monetary exchange — but depend instead on digital reputation. In the future, expect new forms of value to include nontraditional currencies, like Bitcoin; or new forms of measurement that account for resale or multiple users in the total cost of ownership.

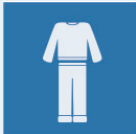
## The Collaborative Economy Disrupts Existing Institutions

The Collaborative Economy is disruptive to existing institutions as businesses become disintermediated by customers who are empowered to transact directly with each other. These examples illustrate disruptions that are already taking place:



Transportation

**Buy one car, share many times.** Commuters have long relied on “casual carpool” for informal, ad-hoc carpooling. This model has birthed a new crop of car-sharing businesses, from Lyft (peer to peer “taxis”), RelayRide (peer-to-peer car rental), and Carpooling.com (rideshare). A University of California study found that every car-sharing vehicle replaces 9-13 vehicles,<sup>10</sup> reducing the number of hours a car sits idle in a garage or parking lot and car ownership overall.



Products & Apparel

**Product rentals and exchanges over purchases.** Today, Chegg and Bookcrossing allow students to exchange or rent books with each other. Fashionistas can wear the latest trends by renting clothing and accessories through sites like Bag, Borrow or Steal, and Rent the Runway — or swapping clothes on 99dresses for an “infinite closet of free fashion.” From consumer electronics on UseSold.com to children’s toys on Toyswap, consumers can now rent or exchange any number of physical goods instead of buying them from traditional retailers.



Hospitality

**Homeowners displace hotels.** The oldest known hotel in Japan, the Nisiyama Onsen Keiunkan, which opened in 707 A.D., has been operated by the same family for 46 generations. Now, Airbnb users can “monetize their extra space” by renting out rooms or homes to travelers from around the world. For the luxury-inclined, onefinestay connects renters with owners of upscale homes in London. And members of HomeExchange swap their homes for a nominal fee. Travelers can now bypass hotels for more unique, affordable, or even convenient travel experiences.



Office Rental

**Companies offset costs by renting office space from and to each other.** Sites like LiquidSpace, OpenDesks, PivotDesk, or Desksurfing all help people easily locate and rent workspace around the world by the month, day, or even the hour, while allowing companies to offset the costs of their long-term leases. This growing marketplace of unused office space enables on-demand, ad-hoc workspace rental in a pay-as-you-go transaction.



Labor

**Hire on-demand — bypass traditional staffing solutions.** Labor marketplaces like oDesk or Elance empower independent workers to find virtual work and enable managers to quickly hire on-demand or temporary staff — sometimes bypassing costly third-party staffing solutions while streamlining workflow. Now, TaskRabbit brings the idea home — with “task and errand service” in our neighborhoods facilitated through its online and mobile marketplace. Businesses and individuals are connecting to employees on their own.



Banking

**Consumers skip the bank, lend to each other.** The modern banking system began in medieval and early Renaissance Italy, dominated by wealthy Italian families.<sup>11</sup> Fast-forward to today where peer-to-peer lending sites like Prosper and LendingClub enable consumers to lend directly to each other at lower rates. Etoro enables traders to share investment strategies, while Kickstarter helps entrepreneurs fund their businesses through crowdfunding. These services all help consumers bypass traditional financial services.

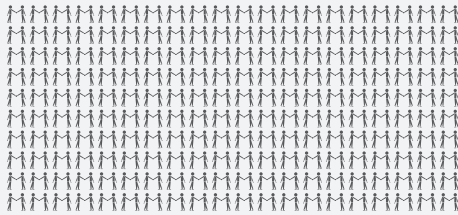


Infographic

## MARKET OVERVIEW: THE COLLABORATIVE ECONOMY ANALYSIS OF OVER 200 STARTUPS IN THE SPACE

The increasing maturity of the Collaborative Economy is validated by a growing startup ecosystem and infusion of venture capital. Altimeter collected a sample list of 200 Collaborative Economy startups, through Google searches and several existing directories, including Collaborative Consumption, and meshing.it (using a TaskRabbit, appropriately). Using this as a sample list, we conducted an analysis of funding and verticals.

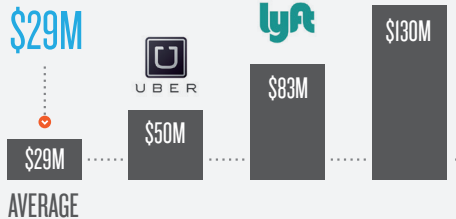
### 1 ALTIMETER LOOKED AT OVER 200 COLLABORATIVE ECONOMY STARTUPS



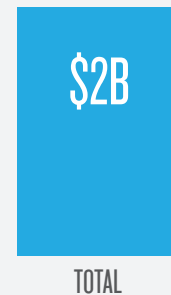
### 2 OVER 1/3 OF THESE STARTUPS HAVE RECEIVED VENTURE CAPITAL FUNDING



### 3 THE AVERAGE FUNDING PER STARTUP IS



### 4 THE TOTAL FUNDING ACROSS THESE 200 STARTUPS IS \$2B, SHOWING BROAD INVESTOR COMMITMENT

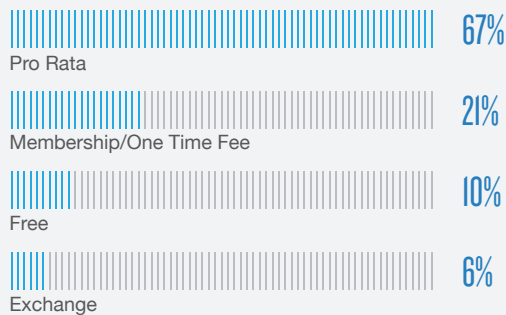


### 5 2/3 OF THESE STARTUPS FOCUS ON PEER-TO-PEER SHARING

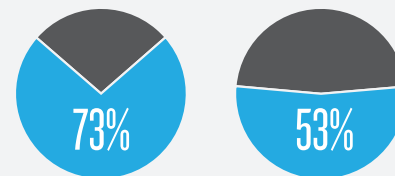


- Peer-driven sharing, like Airbnb or 99Dresses
- Business/brand-driven sharing, like co-working or BMW Drive NOW

### 6 2/3 OF THESE STARTUPS CHARGE ON A PER USAGE (PRO RATA)



### 7 OF THE TOP 30 STARTUPS, MOST HAVE SOCIAL NETWORKING FEATURES:



- Have social networking features, e.g. social profiles and reputation systems
- Integrate Facebook Connect

Source: "The Collaborative Economy," Altimeter Group (June 4, 2013); See the list of these 200 startups in the report appendix.



## Yet Opposing Market Forces Abound

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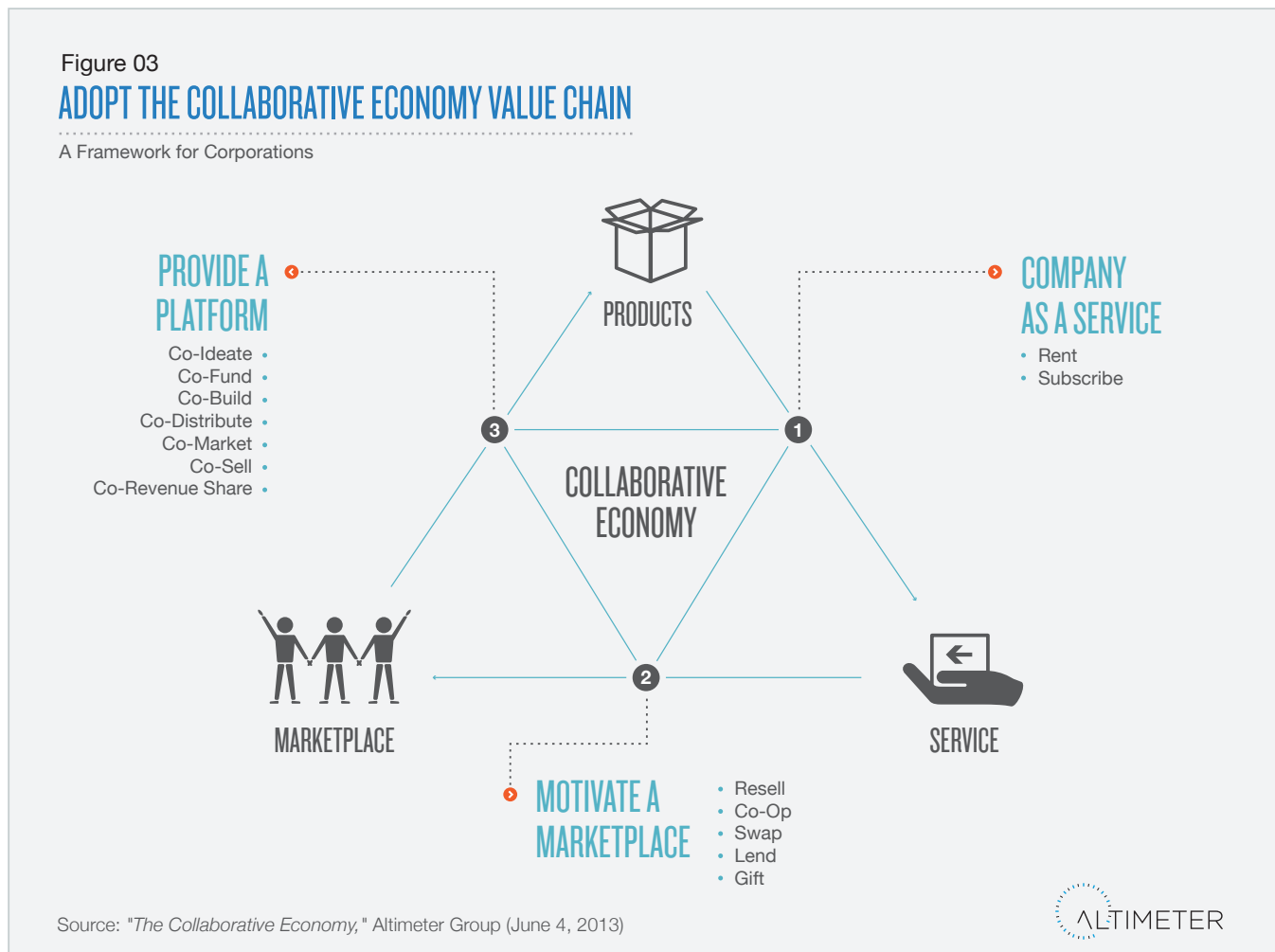
New markets are fraught with challenges as they disrupt the status quo. We found several challenges in this chaotic market, including:

- **Government officials oppose sharing that disrupts existing regulations.** Airbnb, and a host of car-sharing services, have struggled with regulatory barriers and legal battles. In May 2013, RelayRides received a cease-and-desist order in the state of New York for violating insurance laws.<sup>12</sup> These struggles will continue to plague Collaborative Economy startups as regulators contend with a growing market of peer-to-peer transactions that violate any number of existing laws, from hotel, transportation, tax, and insurance.
- **Lack of trust between peer-to-peer “buyers” and “sellers.”** For consumers, lack of trust will remain a challenge in the Collaborative Economy. An informal study conducted by FlightCar, which offers free airport parking in exchange for renting out cars to other travelers, found that 80% of San Francisco Airport travelers won't try the service.<sup>13</sup> Airbnb famously added insurance coverage to rentals after a San Francisco resident came home to a ransacked apartment.<sup>14</sup> Lack of trust in quality or reliability of service will be an ongoing challenge that must be tackled.
- **Lack of industry-wide reputation systems and data standards.** The currency in the Collaborative Economy is trust. HomeExchange founder Ed Kushins shared: “Very few transactions are more personal than sharing your home. You cannot improvise the feeling of trust and reliability without recommendations that come from a history of positive user experience.” While over half (53%) of startups in the Collaborative Economy have adopted Facebook Connect, mature startups stated that they'll rely on their own reputation systems — further fragmenting online identity within this larger ecosystem.
- **Incumbent players view sharing as a threat to their current business models.** We've witnessed this pattern before. Incumbent players are threatened by new business models and seek to squash the trend. Microsoft Xbox's rumored “always-on” DRM system prevents customers from playing used games. Other companies will likely follow suit. oDesk CEO Gary Swart warned: “It's hard for businesses to think of shooting their existing business model.”
- **Uncertainty about which startups will stand the test of time.** Like a Cambrian explosion, an overwhelming number of startups have emerged in each sector, many which offer similar solutions causing market confusion. In the car-sharing and service space, we counted 33 startups; in the fashion space, there are more than 10 startups. Only a few will survive after venture capital funds dwindle. This is a “winner take most business,” said David Hornik of August Capital.

## Framework: Adopt the Collaborative Economy Value Chain

In the Collaborative Economy, companies must evolve their business models to avoid becoming disintermediated by customers who connect with each other.

Our framework, the Collaborative Economy Value Chain, illustrates how companies can rethink their business models, becoming a Company-as-a-Service, Motivating a Marketplace, or Providing a Platform. These three models represent increases in maturity — requiring greater investment that results in greater benefit at each level. The forward-looking company employs one model; the most advanced companies employ all three, with the corporation at the center.



### First Model: Evolve Business Model to a Company-as-a-Service.

**What is it?:** Rather than sell goods in the traditional sense, offer products or services to customers on-demand or through a subscription model. This concept is not new: Enterprise Rent-A-Car rents cars, Netflix offers media-streaming subscriptions, and Salesforce provides its software as a service. Yet in the Collaborative Economy, new verticals will be disrupted as the market forces previously discussed accelerate this trend. All companies in all industries must evaluate a Company-as-a-Service model for their companies.

**Benefits:** Develop a long-term and repeat relationship with the customer, and get your products into the hands of new customers.

**Transactions:** Rent, Subscribe, Gift

**Examples:**

- BMW and Toyota rent cars from San Francisco dealerships.
- Rent the Runway allows fashion-forward fashionistas to rent new clothing and apparel on a regular basis.
- oDesk bills itself as a “talent-as-a-service company,” offering virtual workers on demand.
- Sponsoring a service is another option: Barclays, a financial services company, sponsors London’s public bike-sharing program. Citibank sponsors New York’s program, dubbed Citi Bike.

**What We Heard:**

- “Pushing products through a channel to anonymous customers is a 20th century form of business that doesn’t make sense anymore. Now that we’re always online, always connected, new innovations are launched as services.” –Tien Tzu, Zuora.
- “If a product is too costly or in a constant state of change, would offering it as service or subscription be the more viable solution?” –Vivian Wang, Sasson Capital.
- “Invest in longer-term customer relationships; go beyond winning on price, and incentivize repeat visits.” –Andy Ruben, Yerdle.
- BMW says this model allows them to “sell one car nine times” (to sharers). –Peter Dempster, BMW Technology Office.<sup>15</sup>
- Markus Barnikel, of carpooling.com, reminds businesses to think of the customer need, which can be more about access than ownership: “Today when people think of mobility, they don’t think of a vehicle. They’re looking for the best way to get from A to B. They’re looking for a solution to their mobility demand.”

**Vendors:** Brands that need to jump-start a Company-as-a-Service model can work with startups like Zuora, which specializes in subscription billing solutions, or ChargeBee for the small-to-medium-sized business market.<sup>16</sup> Emerging vendors will satisfy specific use cases by vertical. For example, Lockitron allows homeowners to lock and unlock their homes remotely using their iPhones, increasing the ease to share and rent homes in the hospitality space.

## Second Model: Connect P2P Buyers and Sellers by Motivating a Marketplace.

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**What is it?:** Companies must now foster a community around the brand by enabling customers and partners to resell or co-purchase products, swap goods related to the brand, or even enable lending or gifting for no monetary exchange. This focus shifts to ecosystem relationships, past the point of the first sale. In most cases, the marketplace or community has existed as long as the brand, if not longer. As a result, companies must tread cautiously into already-existing communities.

**Benefits:** Rather than stand by the wayside, add new value to transactions between your customers then take a cut or upsell new opportunities.

**Transactions:** Resell, Co-Own, Swap, Lend, Gift

**Examples:**

- Launched two years ago, Patagonia partners with eBay in an unusual campaign that urges its customers to “buy used and sell what you don’t need.”<sup>17</sup>
- Airbnb has real-world community managers involved in local and regional events that bring together hosts and travelers.
- Chrysler experiments with co-funding, helping prospects crowdfund a Dodge Dart through a “car registry” ([www.dodgedartregistry.com](http://www.dodgedartregistry.com)).
- HomeExchange powers white label sites for some European corporations, and alumni groups at the University of California, Rotary International, and YPO.
- Work Market is a marketplace for talent — businesses can manage contractors and freelancers.

**What We Heard:**

- “The secondhand market opens up [our] brand to a lot of young people who can’t afford to buy it first-hand. In a way, it opens up a market to us that we might not have otherwise had.” –Vincent Stanley, Patagonia.<sup>18</sup>
- “Being in a networked economy makes you more agile and more competitive.” –Joseph Fox, Ariba, An SAP Company.
- “Big companies should not see this as a threat, but an opportunity to provide a more meaningful experience to customers. When you connect to real people, you can provide more authentic experiences.” –Antonin Leonard, OuiShare.

**Vendors:** While we don’t see direct software players here, we expect a new SaaS startup to emerge to serve this space. Existing software players, like Bazaarvoice, Jive, Lithium, Oracle, Adobe, IBM, and SAP, may develop some or all of these features. We were briefed by Ariba, An SAP Company, which already has B2B marketplace software and could easily become a first market mover in the Collaborative Economy.

### Third Model: Let Them Build on You by Providing a Platform

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**What is it?:** Like software providers that tapped into an ecosystem of developers to build products on their software, brands must enable customers to build products and new services as partners — not just consumers. Deborah Schultz, innovation strategist, explained to us: “Our connected lives, increased comfort with sharing, growth of mobile and ability to analyze all this data, combined with the current economic climate has driven innovative new ways to share not just media but goods and services. This new world of always on, connected and open now means everything is a platform.”

**Benefits:** Tap into the crowd to improve all your business functions and products — while reducing costs and creating new market offerings.

**Transactions:** Co-Ideate, Co-Fund, Co-Build, Co-Distribute, Co-Market, Co-Sell, Co-Revenue Share

**Examples:** Current platforms are mostly communities outside of the brand:

- eBay, Etsy, and Kickstarter allow buyers and sellers to connect. Newly launched site Yerdle, founded by Walmart and Zipcar veterans, enable networks of friends to find and give free stuff.

- Quirky.com is essentially a consumer products company, but it relies on user-submitted ideas that are brought to market by its community and eventually produced by Quirky's in-house engineering team.
- Homejoy created a platform around house-cleaning services. It's a mobile app that consumers use to find and schedule house cleaning services.

**What We Heard:**

- “Dyadic relationships are unstable. The best way to stabilize your relationship to customers is by creating a triad connecting you to customers and customers to each other. Empower your customers to create value together on your platform, under the banner of your brand. That’s the new face of brand loyalty.” –Neal Gorenflo, *Shareable*

**Vendors:** UserVoice, Get Satisfaction, Crowdtap, and Quirky allow companies to collaborate with customers to build new products. Market insights can be derived by companies like Communispace, Spigit, Think Passenger, and Vision Critical. Mashery, now part of Intel, provides an existing market of developers who can build on your company’s APIs.

## What it Means to Corporations: Relationships with Customers Have Changed

### All companies are impacted; some will be severely disrupted.

1. **Companies with high cost, low usage, or easily transferable goods are most disrupted.** Of the 200 startups we analyzed, we found that industries first impacted are travel, auto, media, and electronics. We believe all markets will be impacted — at varying degrees of disruption depending on which market forces previously discussed come into play.
2. **There are many ways collaboration can occur.** We identified multiple transaction models in the Collaborative Economy, including resell, rent, subscription, co-own, swap and gift. (See *Appendix: Transaction Models in the Collaborative Economy* on page 16.) We also expect customers to adopt new forms of payment that do not involve traditional money, such as virtual or peer-to-peer currency (Bitcoin) or social capital (Klout) that can be accumulated and exchanged for goods and service.
3. **Startups seek to enable customers to buy once, share many.** The biggest disruption we found is that customers can increasingly meet their needs or identify buyers from these collaborative platforms, purchasing goods and then sharing it multiple times among themselves, reducing the need to purchase new products.

### Companies risk being disintermediated as customers monetize their assets and compete directly.

1. **Crowds will act like companies — providing and consuming goods and services amongst each other.** The model of “consume and throw away” will give way to “consume and collaborate.” With new platforms and increasing consumer adoption, individuals will more easily find ways to monetize their goods or services and buy directly from one another at lower costs and, sometimes, more convenience. Crowds will also assert buying power over companies — for example, Carrotmob empowers “mobs” who demand sustainable products and then promise to patronize the company.
2. **Customers will seek products that are more durable or maintain their value.** The resale value of a car will be extended to all segments of products as consumers seek to buy products that can be resold or shared easily in the Collaborative Economy. This will create an increase in demand for goods that are more durable, maintain their lifetime value, or are easily transferred from one owner to the next. Expect a new rating to emerge that helps customers measure the “Total Product Life Value.”

### The customer experience will extend past the first purchase, as customers share their goods.

1. **Customer experience extends on re-usage market.** As products are passed across multiple owners, the brand experience extends. The “Total Product Life Value” will be rated and reviewed by collaborative consumers, potentially demanding brand attention to marketing and customer service after the first sale.
2. **Customers trust each other more than brands — putting advocates center stage.** Communities will emerge around corporations focused on re-usage of products and goods, led by key influencers who will be measured by their online social reach and reputation in their community transactions and knowledge. Wendy Lea of Get Satisfaction told us: “Reputation model matters, because business models will be built around reputation.”

## Internally, companies will also adopt these same on-demand and sharing services.

1. **A porous workforce redefines employer and employee roles.** Companies can quickly assemble teams on-the-fly and deploy using sites like oDesk, Elance, or Crowdspring; Scripted for writers; or 99designs, CrowdDesigns, and Visual.ly for creatives. “The workplace is no longer a dictate of the employer; it’s an active choice of the employee,” said Mark Gilbreath, CEO of LiquidSpace. In the future, as these communities gain more influence, expect new IP and revenue-sharing models to emerge.
2. **Offices can be anywhere, enabling the “pop-up company.”** Employees are not just on demand; physical office space or retail shops will also be on demand. This encompasses a broad spectrum of business, from popup restaurants to retail stores. Mark Gilbreath of LiquidSpace shared: “People are leaving work to get work done,” highlighting that an increasingly mobile workforce will accelerate the rise of pop-up offices, co-working spaces, or on-demand office or meeting room rentals.
3. **The difference between employees and customers blurs.** As companies tap into online customer communities to help get work done, it will be difficult to distinguish their roles from traditional employees. New business models will emerge: Already GiffGaff, a UK telecom company, leverages its customer community to provide customer support, rewarding helpful customers with free services. In the future, expect the next evolution of the Kickstarter model, where the crowd funds and shares revenue from new products or companies share revenue with customer advocates.

## Let Go of Your Company to Gain the Market

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Ultimately, companies will have to join the Collaborative Economy by meeting customers where they already are. Charlene Li’s book *Open Leadership* suggests that leaders must “let go,” citing the “King’s Dilemma.” As power shifts to consumers in the Collaborative Economy, companies that share ownership and access to products, services, and core business functions will enable new business growth.



## Appendix: Transactions in the Collaborative Economy

The transfer of goods and services in exchange for money is the transaction between a buyer and seller. In the Collaborative Economy, customers are empowered to transact directly with each other in new models of production, distribution, and consumption. The following forms of “collaboration” underpin the Collaborative Economy:

| Model            | Description  | Example  | Ecosystem Impacts  |
|------------------|--|--|--|
| Sell             | Not new — but more and more individuals are empowered to provide goods and services directly to consumers online.            | Crafters sell their wares on Etsy; virtual workers get hired on oDesk and Elance.  | Traditional selling as we know it has morphed as disintermediation has occurred. |
| Resell           | For payment, a seller offers used goods for purchase.  | Craigslist and eBay are household names, but Apple’s refurbished products also count.  | Most non-consumable goods  |
| Rent             | For payment, a provider offers a product for use.  | RelayRides enables consumers to rent cars from anyone. Rent-a-Toy allows parents to rent toys for their children.                                  | High-cost or low-usage goods   |
| Subscribe        | For a recurring payment, a provider offers repeat products or services.  | Zipcar offers a month-to-month subscription plan with tiered pricing.  | Renewable goods, goods that require seasonal storage, repeat services            |
| Co-Own/<br>Co-Op | Two or more own or share a product or service together. Applies to individual and business.                                  | Sharing babysitting services on Sitting Around.  | High-cost or low-usage items   |
| Invest/<br>Loan  | Consumers become investors or banks, or invest in or lend directly to each other.  | Kickstarter enables the crowd to fund and help products to market. Lending Club, Zopa, FundingCircle, and Prosper facilitate peer-to-peer lending. | Financing at reduced rates   |
| Swap             | For no payment or a nominal fee, two parties trade goods or services directly.   | 99dresses allows women to trade fashion. HomeExchange facilitates home swaps.  | All goods and many services fit into this category.                              |
| Lend             | For no payment or a nominal fee, a provider offers a product that will be returned.  | NeighborGoods facilitates loaning of household items, and more.  | Most non-consumable goods  |
| Gift/<br>Donate  | For no payment or a nominal fee, a “gifter” provides a product or service to a receiver. Reciprocation may be a requirement. | Freecycle facilitates gifting of goods. GiftFlow’s mantra says it all: “Give what you can. Ask for what you need. Pay it forward.”                 | Most non-consumable goods; excess inventory                                      |

## Appendix: Sample List of Collaborative Economy Startups

Altimeter used this list of 200 startups to develop findings presented in the Market Overview section of this report.

| Personal Services                 |   |                                  |
|-----------------------------------|---|----------------------------------|
| Rent a Friend                     | Rent a friend for family events, social, business, workout, companionship   | rentafriend.com                  |
| Hire A Boston Wingwoman           | Your WingWoman will put YOU in the spotlight (help you meet women in a social scene)  | hireabostonwingwoman.com/why.php |
| Airtime                           | The platform for great video conversation   | airtime.com                      |
| Miscellaneous Services            |   |                                  |
| Nanny in the Clouds               | Changing the way young families fly by connecting them with an in-flight nanny  | nannyinthecLOUDS.com             |
| Wello                             | Bye Bye Gym, Hello Convenience  | wello.com                        |
| GetMaid                           | Instant booking, effortless payments, and exceptional home cleaning at your door within two hours.                            | getmaid.com                      |
| Car Sharing                       |   |                                  |
| Uber                              | Everyone's Private Driver   | uber.com                         |
| Zipcar                            | Wheels when you want them   | zipcar.com                       |
| Sidecar                           | Connects people with space in their car to those who need a ride  | side.cr                          |
| Lyft                              | Your Friend with a Car  | lyft.me                          |
| Enterprise                        | 24/7 member service, supported by the award-winning customer service of Enterprise Rent-A-Car                                 | enterprisecarshare.com           |
| GoGet                             | Get going fast. Never look back.  | goget.com.au                     |
| WhizzCar                          | Wheels on Demand (Singapore)  | whizzcar.com                     |
| Autoshare                         | Keys to Wonderful (Toronto)   | autoshare.com                    |
| Stattauto                         | CarSharing - Munich Germany   | Stattauto.com                    |
| CarSharing                        | CarSharing Austria (operated by Zipcar)   | carsharing.at                    |
| Zazcar                            | Car Share Brazil  | zazcar.com.br                    |
| City Car Club                     | Book, jump in, drive away...  | citycarclub.co.uk                |
| Cambiocar                         | CarSharing  | cambio-carsharing.com            |
| Autolibre                         | Car Share - very small cars, maybe electric with battery packs and stations around France to recharge. No English translation | eloges.fr.free.fr                |
| Car Sharing (from auto companies) |   |                                  |
| BMW Drive NOW                     | Premium Car Sharing by BMW i, Mini, and Sixt  | drive-now.com                    |
| Volkswagen Quicar                 | Car Share by VW (Hanover)   | quicar.de                        |
| Peugeot Mu                        | Mobility Services Rentals   | mu.peugeot.co.uk                 |
| Daimler Car2Go                    | Sponteneity on Wheels   | car2go.com                       |
| Peer-to-Peer Car Sharing          |   |                                  |
| Whipcar                           | Rent cars from real people in your neighborhood   | whipcar.com                      |

| Peer-to-Peer Car Sharing            |   |   |
|-------------------------------------|---|---|
| RelayRides                          | Rent Cars from People in Your Community                   | relayrides.com                          |
| Drivemycar Rentals                  | Rent Out Your Car   | drivemycarrentals.com.au                |
| Getaround                           | Rent a car from someone nearby                            | getaround.com                           |
| Tamyca                              | Take My Car   | tamyca.de                               |
| Buzzcar                             | Borrow the Car Next Door (Europe)                         | buzzcar.com/en                          |
| SnappCar                            | The Ideal Car Loan - Netherlands                          | snappcar.nl                             |
| Nachbarschaftsauto                  | German Neighborhood Car Share                             | nachbarschaftsauto.de                   |
| Autonetzer                          | Car Rentals Near YOU                                      | autonetzer.de/car2share                 |
| Bike Sharing                        |   |   |
| Velib                               | Parisian Bike Share                                       | velib.paris.fr                          |
| Bixi                                | Canadian Bike Share (Montreal)                            | montreal.bixi.com                       |
| Barclays Cycle Hire                 | Transport for London                                      | tfl.gov.uk/roadusers/cycling/14808.aspx |
| B-Cycle                             | Pedal it Forward.   | bcycle.com                              |
| Call-A-Bike                         | Call A Bike - Munich                                      | callabike-interaktiv.de                 |
| CyclOcity                           | Bicycle Freedom (Europe and starting in Japan)            | cyclocity.com                           |
| Niceride                            | Twin-Lakes Bike Sharing System (Minnesota)                | niceridemn.org                          |
| HZ Bike                             | China Bike Share  | hzbike.com                              |
| Social Bicycles                     | GPS-enabled Bikes   | socialbicycles.com                      |
| Spinlister<br>(rebranded as Liquid) | Peer to peer bike rental                                  | doliquid.com                            |
| Ride Sharing                        |   |   |
| Zimride                             | Grab a Seat. Save money and meet people heading your way. | zimride.com                             |
| Nuride                              | Get rewards for greener trips                             | nuride.com                              |
| Liftshare                           | Travel Together UK  | liftshare.com/uk                        |
| Jayride                             | Travel A to B with Jayride - UK/Ireland, AUS, NZ          | jayride.com                             |
| GoCarShare                          | Life's a journey...share it                               | gocarshare.com                          |
| Carpooling                          | Join the leading Global carpooling network!               | carpooling.com/us                       |
| Caronetas                           | Smart Rides - Brazil                                      | caronetas.com.br                        |
| DuckSeat                            | Ridesharing for Events                                    | duckseat.com                            |
| Avego                               | Welcome to Avego, your ride sharing network               | avego.com                               |
| Amovens                             | Find ridesharing partners                                 | amovens.com/en                          |
| Tickengo                            | Click to get a ride                                       | tickengo.com                            |
| Solar Power                         |   |   |
| Solar City                          | America's leading full service Solar provider             | solarcity.com                           |

| Solar Power            |  |                          |
|------------------------|--|--------------------------|
| Solar Century          | Intelligent generation - UK                              | solarcentury.co.uk       |
| PretaSol               | Renewable energy for homeowners in Spain                 | pretasol.com/en          |
| CitizenRe              | Renewable energy   | citizenre.com/portal     |
| One Block Off The Grid | Save money on solar energy.                              | 1bog.org                 |
| Toy Rental             |  |                          |
| Dim Dom                | Save time, space, and money                              | dimdom.fr                |
| BabyPlays              | Committed to fun not clutter!                            | babyplays.com            |
| Rent-a-toy             | Singapore toy rental                                     | rent-a-toy.biz           |
| Speelotheken           | Netherlands toy lending                                  | speelotheken.nl          |
| Brinquedoteca          | Brazil Toy and book lending                              | brinquedoteca.org.br     |
| Textbook Rental        |  |                          |
| Chegg                  | Your Academic Hub  | chegg.com                |
| CampusBook Rentals     | You Textbook Alternative                                 | campusbookrentals.com    |
| Zookal                 | Save HUNDREDS of dollars                                 | zookal.com               |
| BookRenter             | Rent your textbooks, save a bundle                       | bookrenter.com           |
| Art Rental             |  |                          |
| Art.sy                 | Learn about and collect the world's greatest art         | artsy.net                |
| Artsicle               | What's Your Art Style?                                   | artsicle.com             |
| TurningArt             | Art that speaks for you                                  | turningart.com           |
| Fashion Rental         |  |                          |
| Bag Borrow or Steal    | Heart-Stopping Style                                     | bagborroworsteal.com     |
| Fashionhire            | Why Buy When You Can Hire                                | fashionhire.co.uk        |
| Shopittome             | Your favorite brands. Yours sizes. 40-70% off.           | shopittome.com           |
| Love Me and Leave Me   | Rent or buy designer fashion                             | lovemeandleaveme.com     |
| Rent The Runway        | Like Netflix, but with fantastic dresses and accessories | renttherunway.com        |
| The Outnet             | The most fashionable fashion outlet                      | theoutnet.com            |
| Movies                 |  |                          |
| Netflix                | Watch TV shows and movies anytime, anywhere              | netflix.com              |
| Quickflix              | Smart Movies   | quickflix.com.au         |
| LoveFilm               | Out of the world films                                   | lovefilm.com             |
| General Online Rental  |  |                          |
| Getable                | Equipment rental from your mobile phone                  | construction.getable.com |

| General Online Rental            |   |                            |
|----------------------------------|---|----------------------------|
| AnyHire                          | Your hire and rental marketplace  | anyhire.com                |
| Toolspinner                      | Find tools in your area   | toolspinner.com            |
| Snapgoods                        | Want it. Get it. Give it back.  | snapgoods.com              |
| Peer-to-Peer Rental              |   |                            |
| Zilok                            | Zilok - Rent anything, On-line! Rentals from Businesses and Individuals.  | us.zilok.com               |
| Neighborgoods                    | Save money and resources by sharing stuff with your friends   | neighborgoods.net          |
| Rentoid                          | The place to rent anything  | rentoid.com                |
| Ecomodo                          | The marketplace of good returns   | ecomodo.com                |
| HireThings                       | Hire in what you need, hire out what you have   | hirethings.co.nz           |
| Rentalic                         | Rent anything anywhere (site under construction for another month)  | rentalic.com               |
| RentStuff                        | A RentalCompare Company   | rentstuff.com              |
| Open Shed                        | Why buy when you can share?   | openshed.com.au            |
| Neighborhood Rental/Share/Market |   |                            |
| Share Some Sugar                 | Why buy when you can borrow?  | sharesomesugar.com         |
| Neigh*borrow                     | Things people need to use but don't need to own   | beta.neighbor.com          |
| The Sharehood                    | Meet your neighbors, share with them...   | thesharehood.org           |
| Frents                           | Collect and share   | frents.com                 |
| Friends With Things              | Connect with your neighbors. Borrow things from them or share things with them. Share skills, expertise, local knowledge and more. It's free. | friendswiththings.com.au   |
| Hey Neighbor!                    | Create your neighbor network!   | heyneighbor.com/pages/home |
| Toolzdo                          | Connect with neighbors. Life gets easier.   | toolzdo.com                |
| Streetbank                       | Sharing in your neighborhood  | streetbank.com/splash      |
| Garage Sale Trail                | Find sales via your phone   | garagesaletrail.com.au     |
| Unique Experiences               |   |                            |
| Gidsy                            | Find Unique things to do  | gidsy.com                  |
| Vayable                          | Book an experience when you travel  | vayable.com                |
| Sidetour                         | Challenge the Ordinary  | sidetour.com               |
| Peer-to-Peer Travel              |   |                            |
| Airbnb                           | Find a Place to Stay  | airbnb.com                 |
| Globetrooper                     | Globetrooper helps you find travel partners   | globetrooper.com           |
| Zozi                             | Explore the Zozi Lifestyle...   | zozi.com                   |
| Roomorama                        | Quality accommodations for the discerning traveler  | roomorama.com              |
| One Fine Stay                    | Live like a local   | onefinestay.com            |
| Bed and Fed                      | ...Be our guest!  | bedandfed.co.uk            |

| Peer-to-Peer Travel                             |  |  |
|---|--|--|
| 9Flats  | The alternative to hotels  | 9flats.com                                   |
| Errand/Task Networks (general and professional) |  |  |
| RedBeacon                                       | Trusted Pros for a Better Home   | redbeacon.com                                |
| Expert Bids                                     | Submit your bids. Get proposals and reviews. Save time and money.  | ExpertBids.com                               |
| Crowdfunder                                     | The World's Largest Workforce - large, data-heavy projects broken into small tasks, distributed to < 1.5 million on-demand global contributors | crowdfunder.com                              |
| TaskRabbit                                      | Outsource Errands or Tasks at the Touch of a Button  | taskrabbit.com                               |
| Zaarly  | Life is short. Do what you love.   | zaarly.com                                   |
| Airrun  | It's everyone's personal assistant.  | airrun.com                                   |
| Mytaskangel                                     | An online marketplace where people connect to get everyday tasks done in their local communities   | mytaskangel.co.uk                            |
| Gigwalk   | Gigwalk connects businesses with the best people to get work done anywhere   | gigwalk.com                                  |
| Airtasker                                       | Find people to help you around the home and office.  | airtasker.com                                |
| Social Food Networks                            |  |  |
| Gobble  | Personalized Dinners Delivered   | gobble.com                                   |
| Grubwithus                                      | Never eat alone on Grubwithus  | grubwithus.com/listings                      |
| Eatwithme                                       | Food. Photos. Writing.   | eatwithme.com                                |
| Wok+Wine  | Wok+Wine is the world's most effective serendipity machine   | wokwine.com                                  |
| Storage Networks                                |  |  |
| Storpod   | Your storage search begins here  | storpod.com                                  |
| Spaceout  | Your one-stop place for space  | spaceout.com.au                              |
| Sharemystorage                                  | Find a place to store  | sharemystorage.com                           |
| Parking Spots                                   |  |  |
| Parkatmyhouse                                   | Smarter Parking  | parkatmyhouse.com                            |
| Parkcirca                                       | Take your parking space with you   | parkcirca.com                                |
| Park on my Drive                                | Find a parking space   | parkonmydrive.com                            |
| Shared Studios/Workshops/Workspaces             |  |  |
| 3rd Space Studios                               | 3rd Space Studios benefit from large spaces and studio members with a range of disciplines   | nottinghamvisualarts.net/directory/3rd-space |
| Techshop  | Build your dreams here   | techshop.ws                                  |
| Newworkcity                                     | Working for yourself doesn't have to mean working by yourself.   | nwc.co                                       |
| Studiomates                                     | STUDIOMATES is a collaborative workspace of designers, illustrators, bloggers, writers, and developers.  | studiomates.com                              |
| Bees Office                                     | Work alongside amazing people!   | beesoffice.com                               |
| Coloft  | LAs startup hub  | coloft.com                                   |

| Shared Studios/Workshops/Workspaces |  |                             |
|-------------------------------------|--|-----------------------------|
| Desksnearme                         | Need a space to work?  | desksnear.me                |
| Deskwanted                          | Find your ideal working community  | deskwanted.com              |
| Opendesks                           | OpenDesks helps you find, share, and manage places to meet and work                            | opendesks.com               |
| Desksurfing                         | Coworking spaces around the world  | desksurfing.net             |
| LiquidSpace                         | On-demand workspaces and meeting rooms nationwide  | liquidspace.com             |
| Social Lending                      |  |                             |
| Zopa                                | Get a loan today   | uk.zopa.com                 |
| Prosper                             | We connect people who want to borrow money with people who want to invest money                | prosper.com                 |
| Lending Club                        | Investors earn better returns, borrowers pay lower rates                                       | lendingclub.com/home.action |
| Enterprise Den                      | The marketplace for success  | enterpriseden.com           |
| Qifang                              | P2P Lending for Chinese Student Loans  | qifang.cn                   |
| Social Currencies                   |  |                             |
| Ven                                 | It's time for a new kind of money  | vencurrency.com             |
| The Liquidity Network               | Developing a complementary currency for Ireland  | theliquiditynetwork.org     |
| Timebanks                           | Building equality and caring community economies through inclusive exchange of time and talent | timebanks.org               |
| Letsystems                          | Local exchange trading system  | gmlets.u-net.com            |
| Taxi Sharing                        |  |                             |
| Taxi2                               | Share. Get there.  | taxi.to                     |
| Taxistop                            | More with less...  | taxistop.be/4index.html     |
| Weeels                              | More riding, less driving, no parking  | weeels.com                  |
| Bartering                           |  |                             |
| Ourgoods                            | A barter network for the creative community  | ourgoods.org                |
| Itex                                | Connect. Trade. Save.  | itex.com                    |
| Bartercard                          | The card that works for you  | bartercard.com.au           |
| Tourboarding                        | How to stay and play in China for Free   | tourboarding.com            |
| Crowdfunding                        |  |                             |
| Kickstarter                         | Fund and follow creativity   | kickstarter.com             |
| Startsomegood                       | Igniting Ideas, Investment, and Impact   | startsomegood.com           |
| Pozible                             | Crowdfunding creative projects and ideas   | pozible.com                 |
| Crowdcube                           | Raising business finance through online investments  | crowdcube.com               |
| Catarse                             | The first crowdfunding platform from Brazil  | catarse.me/en               |
| Dodge Dart Registry                 | New rules for buying your car  | dodgedartregistry.com       |

| <b>Gardens</b>                    |  |                             |
|-----------------------------------|--|-----------------------------|
| Urbangardenshare                  | Urban Garden Share pairs together eager gardeners with eager gardens   | urbangardenshare.org        |
| Landshare                         | Connecting growers to people with land to share  | landshare.net               |
| Yardshare                         | Front yard, side yard, & backyard landscaping ideas & garden design pictures shared by homeowners and landscape contractors. | yardshare.com               |
| Servicevines                      | Cherry pick the best landscapers from your back yard   | servicevines.com            |
| <b>Skill Sharing</b>              |  |                             |
| Brooklyn Skill Share              | Community-based, community-led, & community-building learning events organized and taught by Brooklyn residents              | brooklynskillshare.org      |
| Skillshare                        | Learn differently  | skillshare.com              |
| Tradeschool                       | Helps people find a trade school   | tradeschool.com             |
| Weteachme                         | Be interesting   | weteachme.com               |
| Floqq                             | What do you want to learn?   | floqq.com                   |
| Optini                            | Social Discovery platforms   | optini.com                  |
| <b>Big Marketplaces</b>           |  |                             |
| Craigslist                        | Online bulletin board  | craigslist.org/about/sites  |
| Gumtree                           | UK's #1 Classifieds site   | gumtree.com                 |
| <b>Free/Gift Exchanges</b>        |  |                             |
| Freecycle                         | Changing the world one gift at a time  | freecycle.org               |
| Giffflow                          | Give what you can. Ask for what you need. Pay it forward.  | giffflow.org                |
| Ziilch                            | Where good stuff goes free   | ziilch.com                  |
| Exchango                          | Welcome to the freeconomy!   | exchango.com                |
| Freally                           | An online community that help you save money and environment.  | freally.com                 |
| <b>Used Electronics</b>           |  |                             |
| Gazelle                           | Sell your smartphone, iPad, tablet or Mac  | gazelle.com                 |
| Ebay Instant Sale                 | Cash in your electronics   | instantsale.ebay.com        |
| Apple Recycling Program           | Reuse and recycling program  | apple.com/recycling         |
| <b>Swap Sites for Books/Media</b> |  |                             |
| Paperbackswap                     | Your source for swapping and buying books online!  | paperbackswap.com/index.php |
| Bookmooch                         | Give books away. Get books you want.   | bookmooch.com               |
| Swap/Netcycler                    | Swap, buy and sell kids' items   | valet.swap.com              |
| Swapsity                          | Canada's #1 Swapping Community   | swapsity.ca/landing         |
| <b>Swap Sites Baby Goods/Toys</b> |  |                             |
| Toyswap                           | Swap, Buy, and Sell New and Gently Used Toys   | toyswap.com                 |
| Thredup                           | Just Like a Consignment Shop - But All Online!   | thredup.com                 |



| Swap Sites Baby Goods/Toys       |   |                         |
|----------------------------------|---|-------------------------|
| Kinderado (formerly Tauschteddy) | Second hand children's clothes for parents. From parents.   | kinderado.de            |
| Clothing Swaps                   |   |                         |
| The Clothing Exchange            | Imagine a giant clothing store where everything is free...  | clothingexchange.com.au |
| 99dresses                        | Gain access to an infinite closet   | 99dresses.com           |
| Poshmark                         | A fun and simple way to buy and sell fashion  | poshmark.com            |
| Sass                             | The new attitude in fashion, swap clothes in your closet using your iPhone!                           | sass.me                 |
| Dig N'Swap                       | Swap, fashionably!  | dignswap.com            |
| Pets                             |   |                         |
| Rover                            | Find your perfect dog sitter  | rover.com               |
| Dogvacay                         | Board your dog in a real home   | dogvacay.com            |
| Education/Language               |   |                         |
| EduFire                          | A social learning community   | edufire.com             |
| Udemy                            | Udemy helps students make moves   | udemy.com               |
| Myngle                           | Language lessons that come to you   | myngle.com              |
| Glovico                          | A social network where people from developing countries can offer their services as language teachers | glovico.org             |
| Livemocha                        | Creating a world without barriers   | livemocha.com           |

## End Notes

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- <sup>1</sup> Forbes reported TrueCar data on the average cost of a new car is around \$30K. (<http://www.forbes.com/sites/moneybuilder/2012/05/10/average-price-of-a-new-car>)
- <sup>2</sup> A 2010 UC Berkeley survey of 6,281 North American car-sharing members found that car sharing reduces ownership needs. *Shareable*. November 13, 2012 (<http://www.shareable.net/blog/the-city-as-network-and-commons>)
- <sup>3</sup> Here, we acknowledge leading experts in this space: Neal Gorenflo of online magazine *Shareable*, Rachel Botsman and Roger Roo who authored *What's Mine Is Yours: The Rise of Collaborative Consumption*, and Lisa Gansky, who authored *The Mesh: Why the Future of Business is Sharing*
- <sup>4</sup> Gorenflo, Neal. "Share or Die: A Challenge for Our Times." *Shareable*. October 8, 2012 (<http://www.shareable.net/blog/share-or-die-a-challenge-for-our-times>)
- <sup>5</sup> Rachel Botsman iconic TED Speech kicked this category off, with a memorable story about how many items like power drills are infrequently used. See: [http://www.ted.com/talks/rachel\\_botsman\\_the\\_case\\_for\\_collaborative\\_consumption.html](http://www.ted.com/talks/rachel_botsman_the_case_for_collaborative_consumption.html)
- <sup>6</sup> oDesk conducted a May 2013 study of workers to find out their work preferences. See: <https://www.odesk.com/info/Spring2013OnlineWorkSurvey/Infographic>.
- <sup>7</sup> "Many See Sharing One's Belongings Online as a Great Way to Earn Extra Money." Ipsos. May 20, 2013 (<http://www.ipsos-na.com/news-polls/pressrelease.aspx?id=6116>).
- <sup>8</sup> Fry, Richard. "Young Adults After the Recession: Fewer Homes, Fewer Cars, Less Debt." Pew Research Center. February 21, 2013 (<http://www.pewsocialtrends.org/2013/02/21/young-adults-after-the-recession-fewer-homes-fewer-cars-less-debt>)
- <sup>9</sup> Altimeter analyzed the following 30 startups: Airbnb, Artcycle, Barclays Cycle Hire, Bartercard, Chegg, Coloft, Dogvacay, EduFire, Gazelle, Getable, Grub With Us, Kickstarter, Lyft, Neighborgoods, Netflix, Parkcirca, Prosper, Red Beacon, RelayRides, Rent a Friend, Rent the Runway, Share Some Sugar, Skillshare, Storpod, TaskRabbit, Taxi2, Thredup, Uber, Wello, and Zipcar.
- <sup>10</sup> Buczynski, Beth. "Does Car Sharing Really Reduce Vehicle Ownership?" *Shareable*. August 6, 2011 (<http://www.shareable.net/blog/does-carsharing-really-reduce-vehicle-ownership>)
- <sup>11</sup> "History of Banking." *Wikipedia*. See: [http://en.wikipedia.org/wiki/History\\_of\\_banking](http://en.wikipedia.org/wiki/History_of_banking)
- <sup>12</sup> Ludwig, Sean. "Car-sharing startup RelayRides halts NYC service after cease and desist." *VentureBeat*. May 16, 2013 (<http://venturebeat.com/2013/05/16/relayrides-halts-nyc-service/#wr5LDozMyMtU46HI.99>).
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- <sup>14</sup> "Our Commitment to Trust & Safety." *Airbnb Blog*. August 1, 2011 (<http://blog.airbnb.com/our-commitment-to-trust-and-safety>)
- <sup>15</sup> Peter Dempster shared this finding at a panel "Collaborative Consumption" hosted by Stanford University's MIT Enterprise Forum, VLAB on May 21, 2013
- <sup>16</sup> A number of subscription vendors are available listed here: [venturebeatprofiles.com/company/profile/zuora/competitors](http://venturebeatprofiles.com/company/profile/zuora/competitors)
- <sup>17</sup> Smedley, Tim. "Can Patagonia and eBay make shopping more sustainable?" *The Guardian*. May 13, 2013. <http://www.guardian.co.uk/sustainable-business/patagonia-ebay-making-shopping-more-sustainable>
- <sup>18</sup> Smedley, Tim.

## Ecosystem Input

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### Research Interviews (35)

Airbnb, Molly Turner, Public Policy  
Arbor Advisors, Dean Callas, Investment Banker  
Ariba, An SAP Company, Joseph Fox, VP of Strategy  
August Capital, David Hornik, Investor  
Bazaarvoice, Stephen Collins, CEO  
carpooling.com, Markus Barnikel, CEO  
Cisco, Carlos Dominguez, SVP, Office of the COB and CEO  
ConnectMe 360, Brian Hayashi, Founder  
Decide.com, Shauna Causey, VP, Marketing  
Enterprise Holdings, Ryan Johnson, WeCar AVP  
eToro, Yoni Assia, CEO and Founder  
eToro, Nadav Avidan, PR and Communications Manager  
eToro, Adi Yagil, Head of Social Media  
Gazelle, Israel Ganot, CEO  
HomeExchange, Ed Kushins, Founder  
Jive Software, Christopher Morace, Chief Strategy Officer  
LiquidSpace, Mark Gilbreath, CEO/Founder/Skipper  
Lithium, Rob Tarkoff, President and CEO  
Lyft, Kristin Sverchek, General Counsel  
MuckerLab, William Hsu, Co-Founder, Partner  
Sasson Capital, Vivian Wang, Venture Capitalist  
oDesk, Gary Swart, CEO  
oDesk, Shoshana Deutschkron, Director, Communications  
OuiShare, Antonin Léonard, Co-Founder  
Oversee.net, Gene Chuang, CTO  
PivotDesk, Alex Newman, Director, Customer Development  
Sass.me and Oversee.net, Min Chan, GM of Mobile  
SCOTTEVEST, Scott Jordan, CEO and Founder  
*Shareable* Magazine, Neal Gorenflo, Founder  
Shasta Ventures, Rob Coneybeer, Managing Director  
Collaborative Lab, April Rinne, Chief Strategy Officer  
Collaborative Lab, Lauren Anderson, Chief Knowledge Officer  
The Mesh, Lisa Gansky, Author, *The Mesh: Why the Future of Business is Sharing*  
Zuora, Tien Tzuo, CEO  
Zuora, Brian Bell, CMO  
Deborah Schultz, Innovation Strategist

### Research Input (34)

The following people provided guidance, reviewed content, tested ideas, or, most importantly, challenged the thesis during the project:

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## About Us

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Jeremiah Owyang (@jowyang) focuses on social business and disruptive technologies for customer strategies. Previously, Jeremiah was a Senior Analyst at Forrester Research, Director of Corporate Media Strategy at PodTech Network, and Manager of Global Web Marketing at Hitachi Data Systems, where he launched its social media program from 2005–2007. He writes the *Web Strategy* blog (<http://www.web-strategist.com>).



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### Chris Silva, Mobile Analyst

Chris Silva is an Industry Analyst focusing on Mobile, where he helps end-user organizations understand how to effectively manage mobile strategies in their organizations for increased brand impact, worker efficiency, and revenue. A 10+ year veteran of the research industry, Chris has led research, events, and consulting operations for IANS Research, Forrester Research, IDC, and two other small boutique research firms. Chris blogs at [makemobilework.wordpress.com](http://makemobilework.wordpress.com).

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