

SHARING ECONOMY BUSINESS MODEL

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The idea of collaboration and sharing resources is strongly recommended by Malaysia government in increasing the productivity of services nowadays. Practically, sharing economy was capable to penetrate the world economy as facilitated by digital platforms and had proven its capability to increase business opportunity and performance in the respective area. It is supposed to be the new way of communication in businesses to confront competitive forces.

Digital platform is one of the earliest sharing economic method which is low in cost and the value is distributed directly to the supply chain within the producers and consumers by avoiding the middleman. It promotes stronger communities and social connections by enabling the users to participate and communicate with new people. Besides, digital platforms also reduced the carbon footprints which foster a sustainable marketplace, saving cost by recirculating and borrowing the goods and services.

Sharing economy can be also discussed as the collaborative economy (CE) and peer-to-peer (P2P) economy, which involves the sharing of physical assets and services among people. Sharing economy emerges as one of the alternatives in maximising the utilisation of natural resources through collaboration. CE is an economic model where ownership and access are shared between corporations, start-ups and people. This interaction results in market efficiencies that bear new products, services and business growth.

P2P enables the consumer or the owners spontaneously alter their possessions of durable goods at any time to match the current needs. Thus, the emergence of rental market is possible to be a new way of maximising the goods. With the existence of liquid P2P rental markets, the owners of durable goods are capable to share their non-utilised capacity temporarily to anyone who needs to rent rather than to own it. The future rental prospects grow as well as other consumers are willing to invest in asset ownership.

Sharing economy cultivates the activities of sharing, exchange and lease resources in business-to-business (B2B) transactions. The cooperation between parties shared the same goals to be productive in marketing the assets enable the sharing marketplace or platform to exist will lead successfully in the business transactions. Thus, professional services consultants e.g. architects, engineers, quantity surveyors, town planners and land surveyors shall take more initiatives to share expertise and resources together in order to stimulate economic growth while knowledge and technology transfer to each other will be encouraged.

In a nutshell, sharing economy enables the cost reduction, green & ecologically sustainable, and stronger communities. Although it may indirectly interrupting the existing ecosystem and it affects the key players of the industry, the new trend of sharing economy business model may have the potential to be adapted particularly to local entrepreneurs or corporations to be more competitive and globalised while the successful of sharing economy is heavily dependent on improving communication.

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