

ANALYSIS OF THE USE OF SHARING PLATFORMS BY ENTERPRISES IN THE RUSSIAN MARKET

Ekaterina Tsenina – Olga Saginova

Abstract

The models and mechanisms of the distributed use economy, which have been actively developing in the last decade, change consumption patterns, activate entrepreneurship, and create new business models. Studies of peer-to-peer exchanges between consumers using digital sharing platforms are popular in the scientific literature and business media. The awareness of businesses about the benefits and models of sharing, their motivation to use digital platforms remain under-researched. Based on the survey of operational managers of 60 businesses in Moscow and the Moscow region, supplemented with data from open sources and organizations' websites, the article analyses the preferences and use of sharing services by companies of various sizes and profiles. The study allowed to conclude that it is necessary to streamline the terminology used to refer to various models of sharing. The need to popularize sharing services among small and medium-sized businesses with an explanation of their contribution to sustainable development was identified. The study revealed that choosing the sharing service provider companies rely on their previous experience or platform reputation. The authors surmise that lack of trust in sharing models can explain their use by businesses mainly for auxiliary business processes.

Keywords: distributed use economy, sharing services, digital platforms, pandemic, and post-pandemic problems

JEL Code: D81, Q01, O32

Introduction

The models and mechanisms of the distributed use or sharing economy, which have been actively developing in the last decade, change consumption patterns, activate entrepreneurship, and create new business models. Innovations in information and communication technologies are initiating the digital transformation of the economy and society, turning information into an important and valuable resource. New technologies are changing everyday life, providing a greater choice of digital products, more complete information, additional distribution channels, ease of transactions for both consumers and businesses. Consumption and decision-making process are changing too, becoming more diverse, individualized, and situational.

The sharing economy is growing exponentially. Market leaders are developing or acquiring digital platforms which provide sharing services to organizations within the business ecosystem and beyond. Sharing economy motivates more responsible and sustainable consumption (Botsman, 2015). In the research literature, several terms are used to define the concept of exchanging or jointly using some assets or resources: collaborative consumption and collaborative economy, sharing consumption and sharing economy, peer economy, gig economy, on-demand economy, second-hand economy, distributed use economy, etc. (Görög, 2018). Analysis by Dredge and Gyimóthy (2015) identified 17 different terms that describe these related concepts. Sharing is only one of the possible models focused on peer-to-peer exchange providing access to the assets rather than transfer of ownership.

The term "distributed economy" was introduced by A. Johansson (2005) in relation to regionally distributed assets, as well as the distribution of the value creation process not only between large manufacturing enterprises but also between small and medium-sized businesses. The distributed economy as a decentralized socially oriented system allows the use of distributed resources (distributed and autonomous energy, distributed food production), new forms of management and involvement of the population in economic activities, rational distribution of investments, financial resources, and human capital, which creates a more harmonious living environment. The concept of "distributed use economy" was suggested to extend this idea of value distribution to include the distributed and shared use of various assets and resources (Saginov, Zavyalov & Saginova, 2020). The terms "distributed use" and "distributed use economy," on the one hand, adequately reflect all the meanings of this concept (both access and ownership transfer, distribution and decentralization of assets, various exchanges, including peer-to-peer, possibility of using second-hand assets, joint value creation, etc.); and on the other hand, allow for streamlining the concepts and terminology. Thus, the distributed use economy defines economic relations between individuals and/or organizations regarding the provision of access, transfer of ownership or sharing of assets and resources, mediated by the digital platforms, and allowing for the rational use and distribution of investments, resources, human capital, and other assets to maintain harmonious and sustainable development. In this paper, we shall use "distributed use" and "sharing" as synonyms to cover all possible options of joint use (with a transfer of ownership or access only, for payment and for free) of tangible and intangible assets and resources.

In the research literature, one can find empirical evidence of certain distributed use economy drivers in the models of carsharing (Bardhi, Eckhardt, 2012), housing rental (Tussyadiah, and Pesonen, 2015), and exchange of tangible assets (Möhlmann, 2015). Many authors believe the key drivers of sharing include maximizing personal utility, feeling enjoyment and novelty from new technologies, as well as supporting sustainable development values (Hamari, Sjöklint, and

Ukkonen, 2015; Tussyadiah and Pesonen, 2015). Motivations for the distributed use and sharing platforms by businesses remain under-researched.

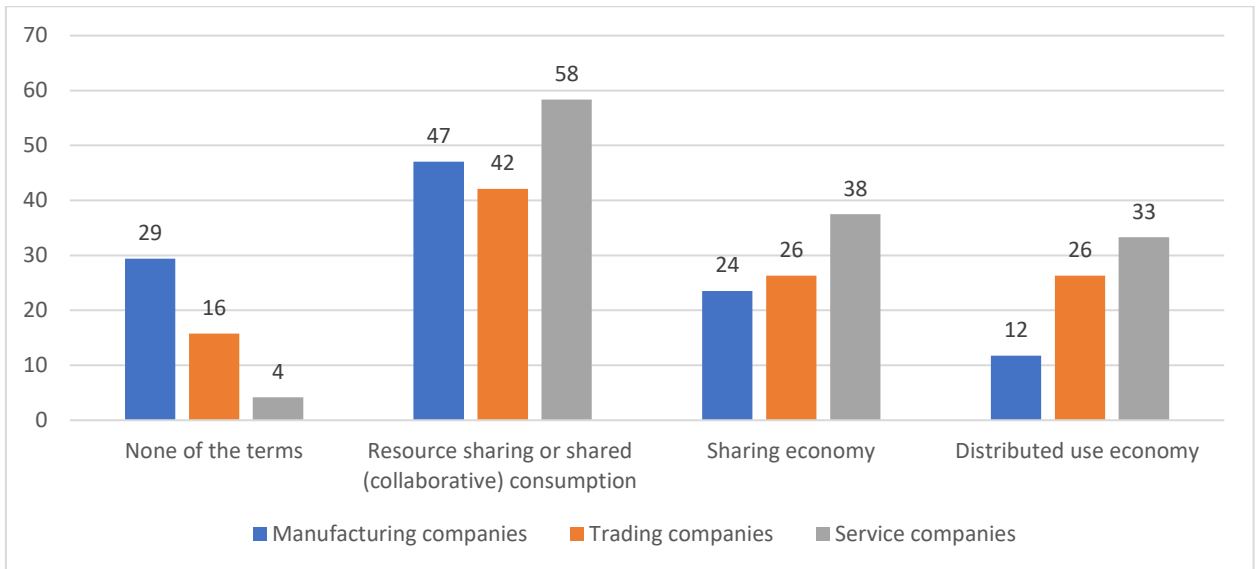
1. Methodology and methods

Following a series of questionnaire-based surveys on the motivations for sharing (Questionnaires 2020; Saginova, Kireeva, Saginov, Zavyalov 2020), a survey of operational managers of 60 different businesses in Moscow and the Moscow region was carried out, supplemented with data from open sources and organizations' websites. The research focused on the use by businesses of the digital sharing and distributed use platforms. The survey was based on a questionnaire including 11 questions, two of which were open. Questions were designed to find out whether businesses use sharing platforms of any kind, for what purposes they use them, and how this varies across different industries. The convenience sample included companies where graduate students were doing their pre-diploma internships. The 60 companies participating in the survey represented manufacturing, trade, and services organizations of different sizes (big, medium, and small businesses).

2. Results and discussion

Diversity and ambiguity of terminology related to the distributed use economy lead to misunderstanding and misinterpretation of the practices that businesses use. Managers may not be aware of the terminology used, so in the survey, the distributed use and sharing practices were referred to as "resource sharing," "collaborative consumption," "distributed use economy," and "sharing economy." The majority of survey participants (85%) knew at least one of these terms. At the same time, those who answered that they were not familiar with any of the terms still indicated the use of various sharing platforms answering the questions. Representatives of manufacturing companies were the least knowledgeable about the terminology of the distributed use economy, and representatives of service companies were the most familiar with it (see Fig. 1).

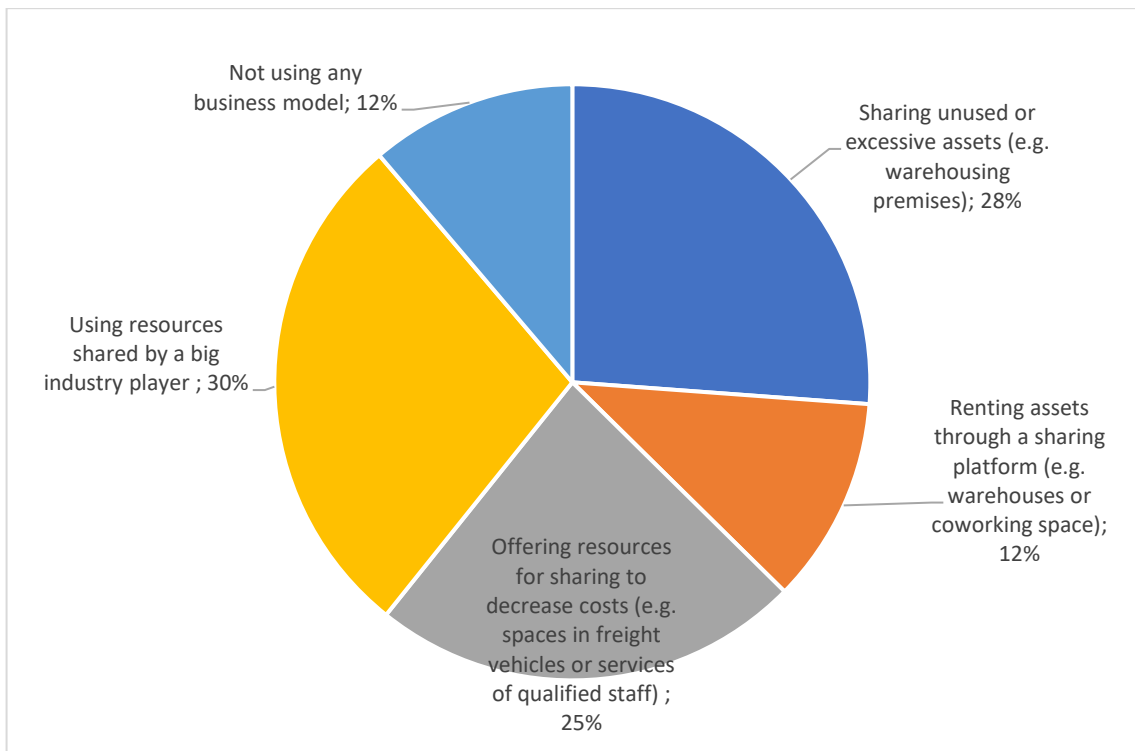
Fig. 1: Companies' responses to the question about the concepts they are familiar with



Source: authors' elaboration

Most of the respondents indicated their experience of using sharing platforms (Fig. 2), among which the most popular were sharing tangible and intangible resources and renting out their own assets.

Fig. 2: Companies' responses to the question about the type of sharing used

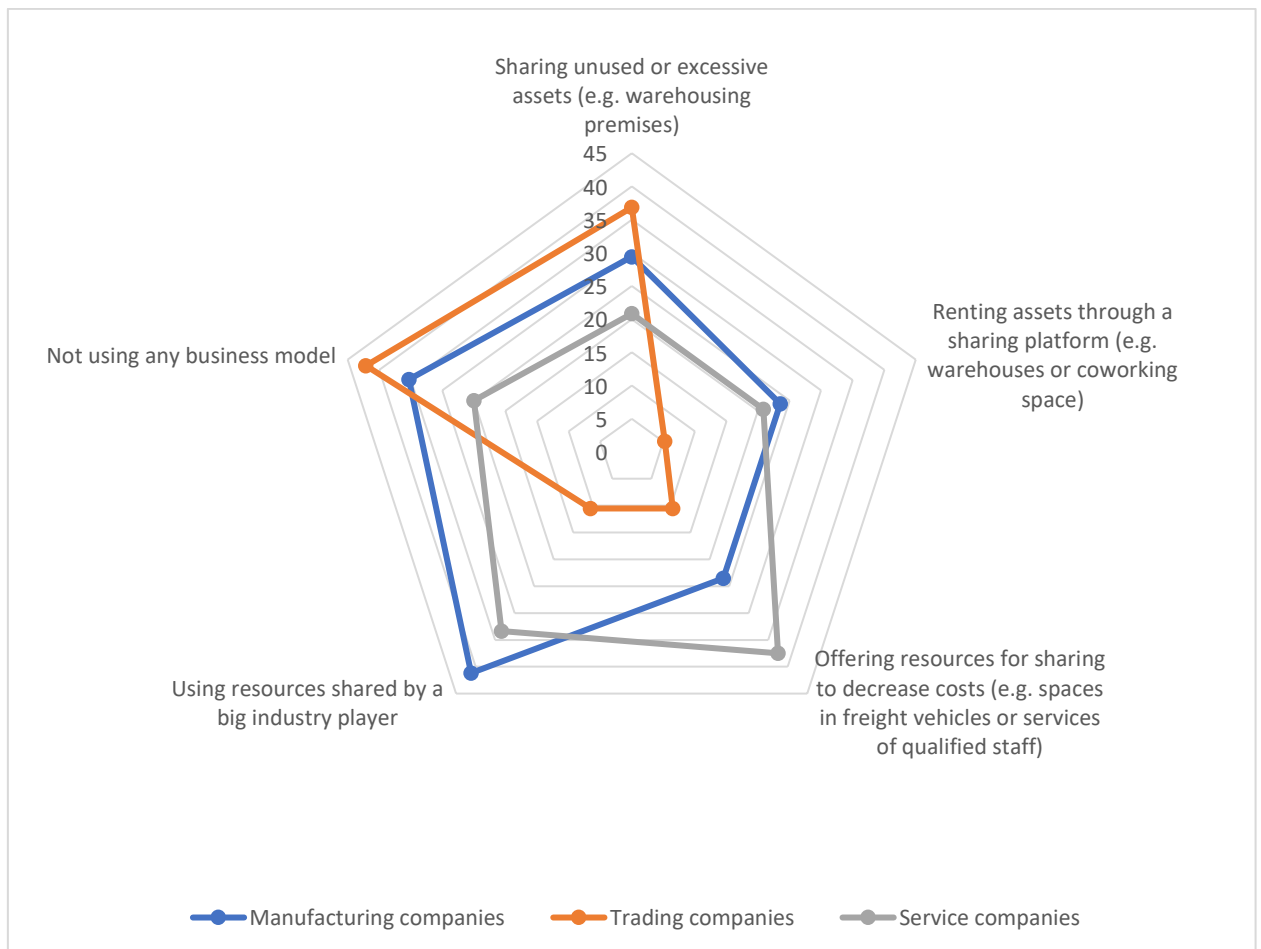


Source: authors' elaboration

Service companies are most likely to provide unused resources for sharing (e.g. a delivery vehicle or skilled personnel services), trading companies both rent out their assets for sharing and

use resources offered by the sharing platforms (e.g., storage space), and manufacturing businesses are most likely to use resources and assets offered for sharing. This may be due to the fact that production companies focus on their key competencies - manufacturing (and often cannot rent out their excess production capacity due to its peculiarities), and optimize the rest of the business processes by leasing assets and resources if necessary (including from trading enterprises and service companies) (Fig. 3). Because of the pandemic limitations, business slowed down, there were unpredictable spikes in demand; we assume that many companies found themselves in a situation where their assets were underused, so companies began to share excessive assets. Some companies were forced to significantly reduce their costs due to the pandemic, and using resources shared by a big industry player was a good solution.

Fig. 3: Companies' responses to the question about the type of sharing used

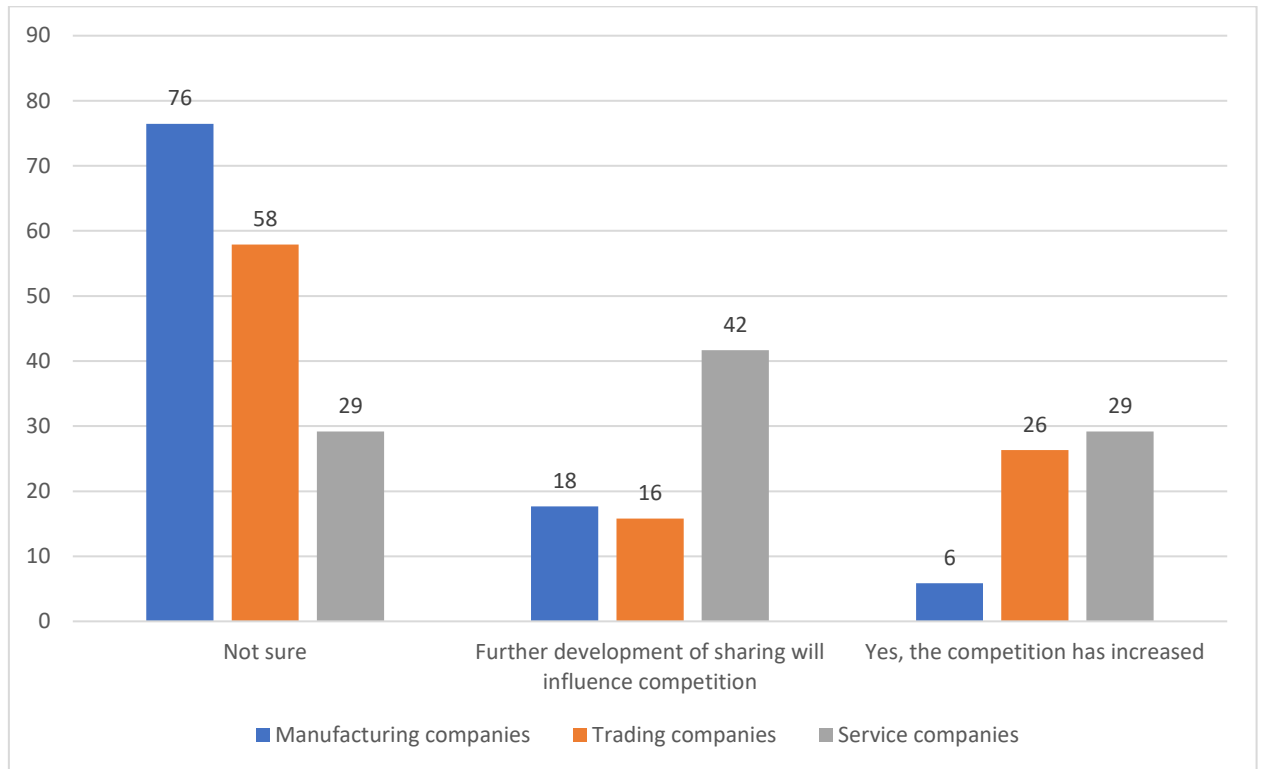


Source: authors' elaboration

Several questions were asked to assess the impact of sharing and distributed use on the industry competition. Though many respondents could not clearly assess this impact, 26% of the trade companies and 29% of the service companies believe that sharing increases the level of competition in their industries. In addition, a considerable number of businesses (16% of those in

trade, 42% of services, and even 16% of manufacturing) believe that the growth of such practices will influence the competition in the future (see Fig. 4).

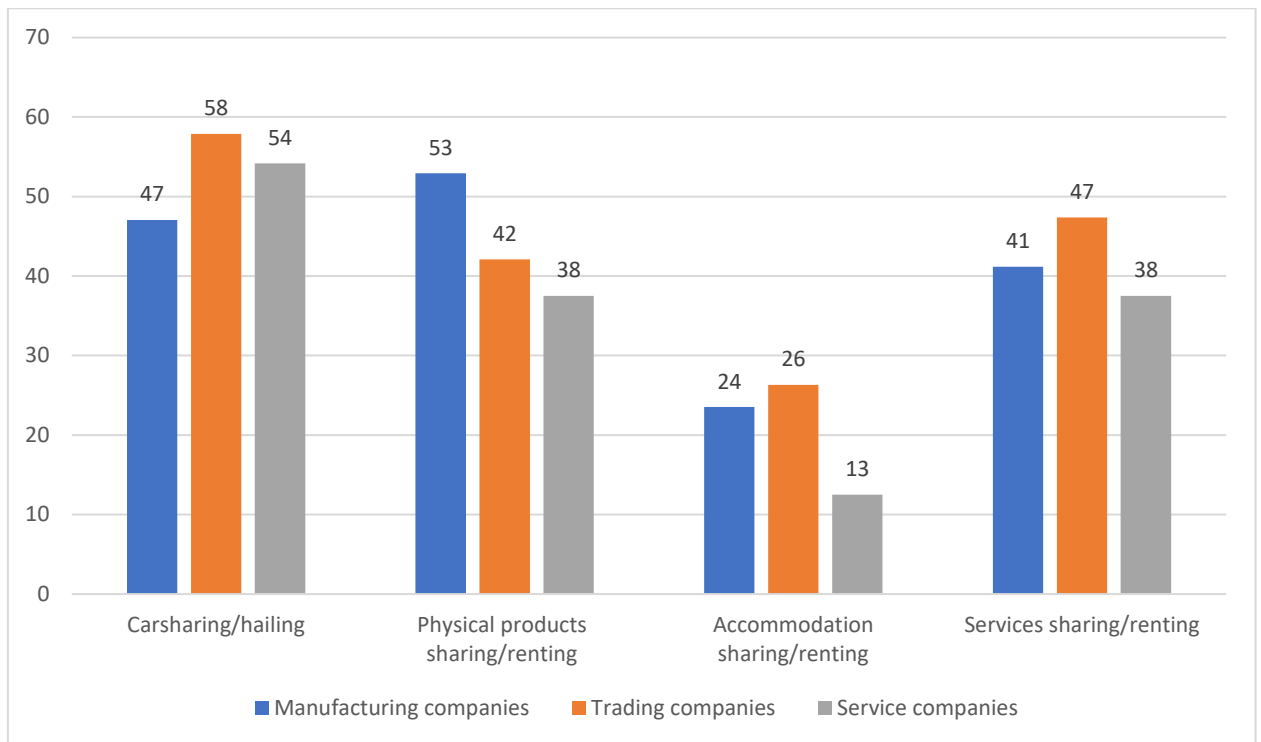
Fig. 4: Companies' responses to the question about the impact of the sharing model on the level of competition in the industry



Source: authors' elaboration

As for the resources and assets being shared, transportation vehicles are most popular across all industries, with carsharing and car-hailing services used by companies for business trips and deliveries. Sharing new and used physical goods was more popular with manufacturing enterprises. While businesses were often using sharing platforms to get access to assets offered by other companies, they were less interested and ready to make their own assets available to the users of these platforms. Using sharing platforms to get access to services was confirmed by nearly half of the companies participating in the research. Renting accommodation for their employees through hospitality sharing platforms was also mentioned by about a quarter of manufacturing and trade companies (Fig.5).

Fig. 5: Companies' responses about the sharing resources used by companies in their work



Source: authors' elaboration

Among the carsharing/hailing, the most popular platforms were Yandex.Go, Uber, and Gett. Among the physical products sharing platforms Avito was leading, and Yula and Beru! services were also often mentioned. Among the hospitality services sharing, Airbnb and SOK were mainly used. Among the service sharing platforms, the most commonly used were YouDo.com, Deliverer, hh.ru, Pawn, and Superjob.ru, with the most popular requests for staff hiring and delivery services.

Research revealed that businesses, just as individuals choose the most well-known platforms tested by themselves or their colleagues. This lack of trust leads to less well-known specialized industry digital platforms not being used and sometimes even not known by businesses.

Conclusion

The results of the study allowed us to conclude that it is necessary to streamline the terminology used to refer to various models of sharing. Our research has shown that most companies are familiar with the terms of sharing. Though less than half of companies stated that they use sharing models in their business, in fact, more than half of them use some sharing platforms. This may indicate that companies either use different terms for sharing or use sharing platforms not for their core business but for additional activities, such as delivery, accommodation rentals, or urgent services provision.

According to the study, service sector organizations are more knowledgeable of the sharing options and use them more often, in both roles – as consumers/buyers and as providers/sellers of distributed use assets. The manufacturing companies are still slow in this area, and if they use sharing platforms, they do it as consumers, not asset providers.

The need to popularize sharing services among small and medium-sized businesses with an explanation of their contribution to sustainable development was identified. The study revealed that choosing the sharing platform businesses rely on their previous experience or platform reputation. The authors surmise that lack of trust in sharing models can explain their use by businesses mainly for auxiliary business processes.

References

1. Bardhi F., & Eckhardt, G. W. (2012). Access-based consumption: The case of car sharing. *Journal Consumer Research*, 39(4), 881-898
2. Botsman R. (2015) - Defining The Sharing Economy: What Is Collaborative Consumption And What Isn't? – FastCompany – Retrieved from: <https://www.fastcompany.com/3046119/defining-the-sharing-economy-what-is-collaborative-consumption-and-what-isnt> (Last accessed on 18.07.2020)
3. Dredge, D & Gyimóthy, S. (2015) The collaborative economy and tourism: Critical perspectives, questionable claims and silenced voices, *Tourism Recreation Research*, 40, No. 3, pp. 286-302.
4. Frenken K., T. Meelen, M. Arets, and P. van de Glind (2015) Smarter Regulation for the Sharing Economy // *The Guardian*, May 20. Retrieved from: <https://www.theguardian.com/science/political-science/2015/may/20/smarter-regulation-for-the-sharing-economy> (Last accessed on 10.06.2020)
5. Görög Georgina (2018) The Definitions of Sharing Economy: A Systematic Literature Review / *Management*, University of Primorska, Faculty of Management Koper, 13(2), pages 175-189 Retrieved from: <http://www.hippocampus.si/ISSN/1854-4231/13.175-189.pdf> (Last accessed on 10.06.2020)
6. Hamari J., M. Sjöklint, and A. Ukkonen (2015) The Sharing Economy: Why People Participate in Collaborative Consumption // *The Journal of the Association for Information Science and Technology* - 67 (9) – 2047–59.
7. Johansson, A.; Kisch, P.; Mirata, M. (2005) Distributed economies - A new engine for innovation. *Journal of Cleaner Production*, 13(10–11), pp. 971–979.

8. Möhlmann Mareike (2015) Collaborative consumption: Determinants of satisfaction and the likelihood of using a sharing economy option again // *Journal of Consumer Behaviour* - 14(3) - 193-207
9. Questionnaires to the dataset on sharing ENG RUS DOI:10.17632/vzj6rd9crd.1 <https://data.mendeley.com/datasets/vzj6rd9crd/1>
10. Saginov Y., Zavyalov D., Saginova O. (2020) Ekonomika raspredelennogo pol'zovaniya: osnovnye ponyatiya, opredeleniya, harakteristiki (Distributed use economy: main concepts, definitions and characteristics). *Russian Journal of Innovation Economics*. Vol.10 – № 3. – p. 1403-1424. (in Russian)
11. Saginova O., Kireeva N., Saginov Y., Zavyalov D. Dataset on the questionnaire-based survey of sharing services users' motivation, Data in Brief, Volume 33, 2020, 106502, ISSN 2352-3409, <https://doi.org/10.1016/j.dib.2020.106502>.
12. Tussyadiah, I. P., and J. Pesonen (2015) Impacts of Peer-to-Peer Accommodation Use on Travel Patterns // *Journal of Travel Research* 55 (8) – c.1-19.

Contact

Ekaterina Tsenina

Plekhanov Russian University of Economics

36 Stremyanny Lane, 117997 Moscow, Russian Federation

Tsenina.ev@rea.ru

Olga Saginova

Plekhanov Russian University of Economics

36 Stremyanny Lane, 117997 Moscow, Russian Federation

Saginova.ov@rea.ru