

Awareness and usage of the sharing economy

Jacob Galley

The sharing economy (also known as collaborative consumption, the on-demand economy, the peer economy, or the access economy), formed from the business model predicated on peer-to-peer transactions and popularized by such companies as Uber, Airbnb, and TaskRabbit, has grown exponentially in recent years. These services are widely touted as a means of reducing costs and improving access to a wide variety of goods and services. But for Americans, awareness and usage of these services vary greatly across demographic and geographic backgrounds. In the paper, [“Shared, collaborative, and on demand: the new digital economy”](#) (Pew Research Center, May 19, 2016), Aaron Smith provides a summary of data on participation in the sharing economy from a sample of about 4,800 respondents. The results reveal the existing gap in the awareness and use of these platforms among geographic and demographic groups of Americans.

The study focused on 11 broad categories of services available in the sharing economy—including ride-hailing apps, home-sharing services, online fundraising (also known as “crowdfunding”), and online retailers for secondhand goods. It found that 72 percent of Americans had used at least 1 of the 11 types of services identified. However, 28 percent had not used any of the online services, and many more were unfamiliar with the vocabulary used to describe these services. Sixty-one percent had not heard the term “crowdfunding,” 73 percent had not heard of the “sharing economy,” and 89 percent were unfamiliar with the term “gig economy.”

The study found that the use of shared services varied greatly on the basis of income, education, and other demographic characteristics. For example, members of households with relatively high incomes (\$100,000 or more a year) were 3 times more likely than those of households with relatively low incomes (less than \$30,000 a year) to have used four or more of these services. College graduates were also more likely to use these services. Thirty-nine percent of college graduates have used at least one of these services, compared with 8 percent of those with a high school diploma or less. Younger adults were also more likely to have used the shared and on-demand services. About one-third of Americans ages 18–44 have used 4 or more of these types of services, while 44 percent of those age 50 and over have never used any of the services. The disparities are also geographic in nature, with urban residents being about twice as likely as rural residents to have used at least four of the 11 services.

The study went on to examine Americans’ opinions of contentious issues surrounding these services. When it comes to the employment relationship between ride-hailing services and their drivers, 66 percent of respondents described the drivers as independent contractors, working for themselves, who use the service to connect with customers. Twenty-three percent said they are employees who should be viewed as working for the service. However, about two-thirds of ride-hailing service users agree that both the driver and the app service are responsible for ensuring drivers are trained and that the vehicles are clean and safe. With regard to the debate about the regulation of such services, 42 percent think that these services should *not* be required to follow the

same rules and regulations as traditional taxi companies, while 35 percent believe that they should follow the same rules.

The research provides valuable insight into the evolving economy and the views Americans have toward the relatively new phenomenon of shared, collaborative, and on-demand services.