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Scientific Areas: E-business Solutions

The sharing economy in tourism

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EXTENDED ABSTRACT

This paper will present in brief the emergence of two different types of the sharing economy in tourism. More specifically, we are going to discuss about the development and outspread of shared economy, with the form of sharing platforms, both in the sectors of accommodation and that of sailing (which has to do with both travelling and accommodation).

Although, there has been not much relevant research and the findings are more or less empirical (Codagnone and Martens, 2016), it is a fact that platforms such as Airbnb and Couchsurfing have emerged dramatically the past decade causing real problem to the conventional hotels. These implications are going to be discussed further in the current paper.

Furthermore, platforms such as lya.asia (Credit Suisse, 2015) or borrowboat.com, as well as the Greek incrediblue.com -which has been recently acquired by the Spanish nautal.com- promise a new experience in holiday making, providing at affordable prices yachts and sailing boats. Thus, both transportation and accommodation are being ensured, in a flexible and comfortable manner.

So, the question is, whether conventional hotels are really threatened by the alternative accommodation types and what their reaction will be. There have been some relevant findings (Gesing, 2017; Credit Suisse, 2015), showing that big hotel chains have established some more flexible and less formal services in their premises

These concerns are going to be further discussed in the current paper.

Keywords: sharing economy, tourism, accommodation, sailing, hotel

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The sharing economy in tourism

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Defining sharing economy (1)

Exchange economy: *An economy in which goods are traded using money or exchanged for other goods...*. (Longman, business dictionary, 2018)

Sharing economy: “...*The [results of the latter consultation](#) point out that competition authorities, regulators, consumer organizations and universities tend to perceive the sharing economy as an opportunity to improve social welfare, regulation and competition while unions and freelancers had a somewhat negative view...*” [\[1\]](#) (OECD, 2016)

Defining sharing economy (2)

European Commission is as follows: “...*What is the collaborative economy? For the purposes of this Communication, the term “collaborative economy”⁷ refers to business models where activities are facilitated by collaborative platforms that create an open marketplace for the temporary usage of goods or services often provided by private individuals. The collaborative economy involves three categories of actors: (i) service providers who share assets, resources, time and/or skills — these can be private individuals offering services on an occasional basis (‘peers’) or service providers acting in their professional capacity (“professional services providers”); (ii) users of these; and (iii) intermediaries that connect — via an online platform — providers with users and that facilitate transactions between them (‘collaborative platforms’). Collaborative economy transactions generally do not involve a change of ownership and can be carried out for profit or not-for-profit.*”
(European Commission. 2016)

Sharing Economy in tourism (1)

Accommodation (1)

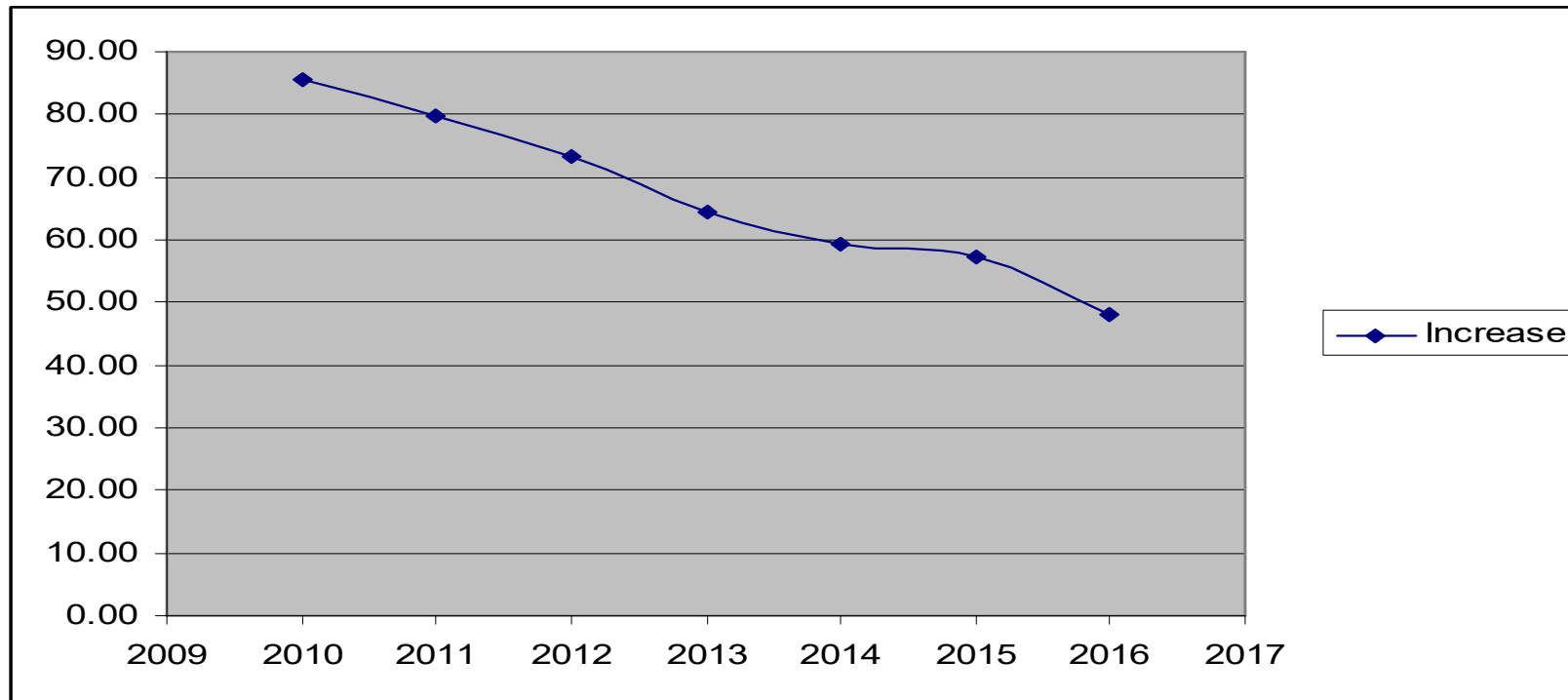


Figure1: The annual increase in the total number of guests who stayed at Airbnb properties during the given year (including registered guests of guests) from 2009- 2016

Sharing Economy in tourism (2)

Accommodation (2)

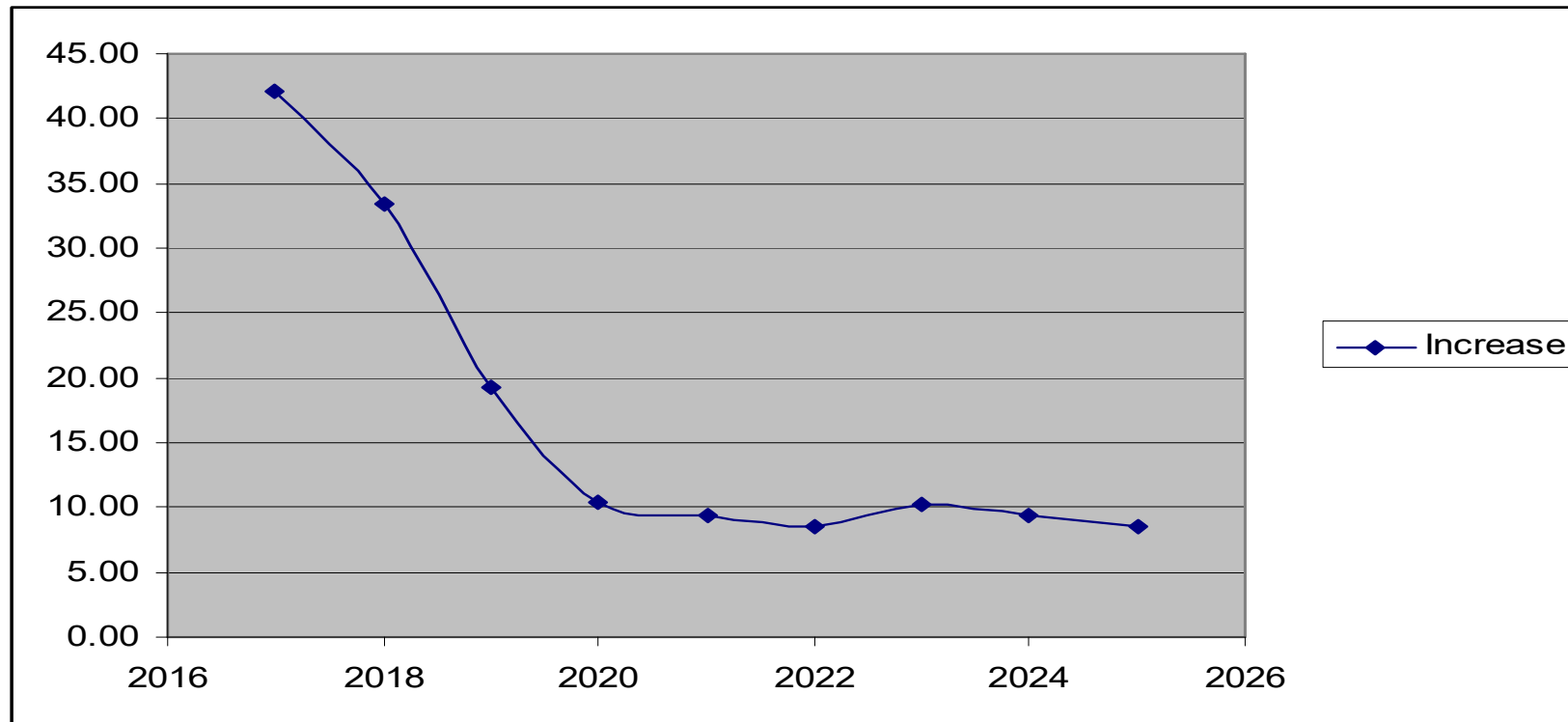


Figure 2: Projections for the future decade for the increase in the total number of guests who stayed at Airbnb properties during the given year (including registered guests of guests)

Sharing Economy in tourism (3)

Accommodation (3)

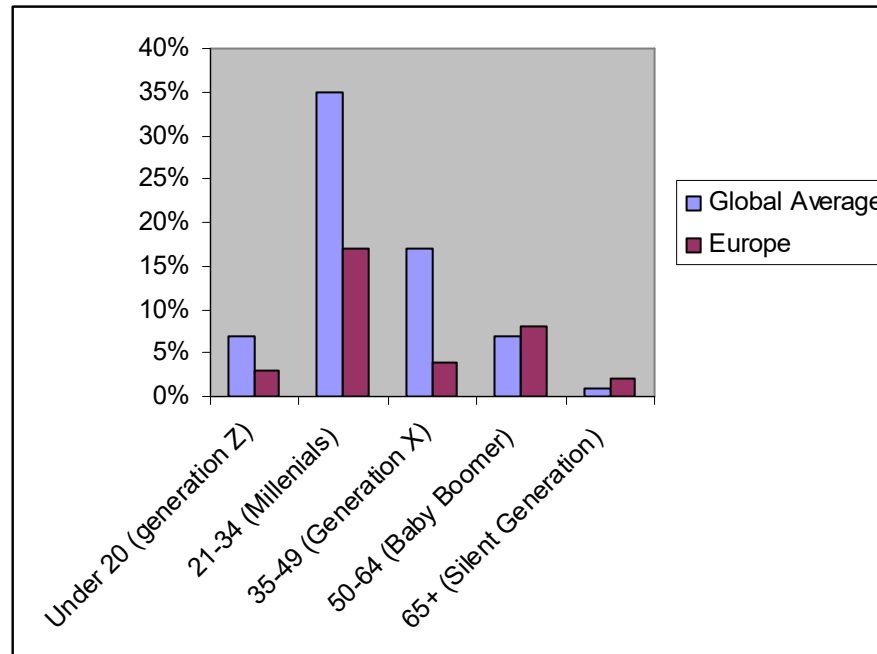


Figure 3: The willingness of different generations to participate sharing economy

Sharing Economy in tourism (4)

- PWC, 2017: AirBnB hosts an average number of 425000 guests per night, which is nearly 22% more than the Hilton Worldwide. According to the same report, as far as it concerns the USA, a remarkable percentage of the population has taken place in the sharing economy, in the area of hospitality and accommodation either as a provider (1.4% of the population) either as a consumer, i.e. a guest, of the service (where the 6% of the population has participated).
- DHL, 2016: 35% of the American population was aware of AirBnB in 2016.

Sharing Economy in tourism (5)

Transportation-Yachting (1)

Company	Year of setup	Number of boats	Number of countries	Price
Lysa.asia (lysa.asia, 2014)	2014	12	Mainly Asia	
Borrowaboat (borrowaboat ,2018)	2016	13000	50	103 Euros/day
Incrediblue (incrediblue, 2016)	2012	3000	Mainly Europe	30 Euros/day
Nautal (nautal, 2018)	2013	19000	Europe, USA, Caribbean	

Table 1: Statistics for the yachting companies

Sharing economy: A threat for the conventional hotels or not

For the time being, people tend to prefer the conventional hotels. The demand for the hotels does not seem to have been severely affected.

Their target groups seem to be different, for instance the business travelers tend to prefer conventional hotels.

Still though, the alternative networks as an emerging rival which is very dynamic and this is a fact that big hotels do recognize. That is the main reason that has led some big hotel chains to make some new adjustments to their rooms. For instance, they tend to have a more local decoration and the clients are given their key as long as they arrive and give it back on departure.

Conclusion

It is obvious that the new sharing economy is emerging and nobody can neglect this fact. There are new alternatives in holiday making at affordable prices all over the world. The alternatives cover accommodation or both accommodation and transportation. The new economy is here and all facts and projections show that it has come to stay, providing a new business model. So, the conventional hotels should adapt to the new conditions. Adapting to the new business model could not be an option. Still though, making some adjustments towards the direction of providing rooms with a more local colour and in a manner that would help their guests to feel more at home, rather than in a hotel room would be a good first step.

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