The Different Development Patterns of Sharing Economy between America and China and Some Suggestions

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Abstract. The development of sharing economy between America and China is different. This article wants to compare the differences and try to find a possible way to develop sharing economy in China. The construct of this article is divided into five parts. Firstly, companies both in America and China used sharing economy are introduced. Secondly, the article shows the differences. Thirdly, benefits of the pattern are put forward. Next, the article makes a prospection of the development of sharing economy. Lastly, the article puts forward some suggestions.

Introduction
Sharing economy (also known as share economy or collaborative consumption) refers to peer-to-peer-based sharing of access to goods and services (coordinated through community-based online services).[1] Sharing economy may take a variety of forms. For example, using information technology to provide individuals, corporations, non-profits and governments with information that enables the optimization of resources[2] through the redistribution, sharing and reuse of excess capacity in goods and services. In America, Airbnb is the first company trying to develop the sharing economy, providing places to travelers. Besides, it can provide a platform for travelers and local residents to make friends which will enhance user experience and create new revenue of local people.

Sharing economy takes many forms, car rental is another form of sharing economy. The most famous company in America is Uber. These days, we citizens have more than one car. However, the utilization of cars isn’t so high. Sometimes, there’s only one person in a car. If we want to save the environment, reducing the emission of carbon, we can share our cars with others. At the same time, people can earn some money through this method. Now, China begins to develop sharing economy too. Xiaozhu and Didi Taxi are two companies just like Airbnb and Uber. When Airbnb and Uber first enter Chinese market, they didn’t develop very well, meeting a lot of challenges. As a result, China began to develop her own pattern. Didi Taxi develops quite fast in China, young people love this application. No matter how different the pattern is in different countries, sharing economy is advancing irresistibly.

The Development of Airbnb
Airbnb is a website for people to list, find, and rent lodging.[3] It has over 1,500,000 listings in 34,000 cities and 190 countries.[4][5][6] Founded in August 2008 and headquartered in San Francisco, California, the company is privately owned and operated by Airbnb, Inc.[7] In the background of information era, user experience becomes the most usual word in the e-commerce market. Airbnb targets the user experience and idled houses, giving people a platform to rent their idled houses to exchange for money.

Through this company, people start to know about the sharing economy. People who have idled houses, they don’t need to find a long time guests. Travelers or some people who just want to tent a short time house are welcome. The opinion of people is being changed. At the beginning, they don’t want to share their own privacy to others because they thought the trust was really a big problem. In order to develop well, the president of the company decide to open the social media, allowing inhabitants to access the house keeper’s Facebook, which showing the mutual friend of them.
Besides, they can learn who else has rent the house before and change some experience. After ensuring the safety, people begin to book house on this website.

**The Development of Xiaozhu**

Airbnb isn’t developing well in China, people in different countries have different cultures. The same pattern doesn’t work very well in China, and China has its own company—Xiaozhu. It makes use of insurances and authentication mechanisms to guarantee the safety. For some old people, they can make some money to help out with the family expenses. For young, they can make new friends through this method. For travelers, they can earn some money to afford trips, share funny things in the trip and make the trip more meaningful.

At first, people didn’t believe this company can develop well, which is the same as Didi Taxi in China. These companies’ ideas are both about sharing property, which are quite different from the traditional views. People in China believe property is private, they cannot imagine to share their private property with other strangers. But with the change of conception of the young, Didi Taxi develops quite well in China, people are willing to share their cars. We can believe that in the near future, a lot of people are willing to share their house.

**Differences**

Obviously, the developments of sharing economy in America and China are different. People in America takes advantage of social media (such as Facebook) to build the trust system between house holders and customers, while people in China make use of insurances and authentication mechanisms to guarantee the safety. The concepts in America and in China are different too. People in America are open-minded while people in china are conservative in outlook.

However, with the globalization of economic, the concept of people is changing, people in one country will be affected by others. The concepts of Chinese will be slowly changing because the more opportunities of contacting with other people from other countries. Each country has its own development patterns, there is no development pattern fitting all countries. Although the development pattern is different, the kernel is the same.

If a country wants to develop sharing economy, it need to change the concept of people first. Next, we need to build a trust system, such as social medias, insurances, laws and so on. Also, the industry supervision is quite important, especially in the emerging industry.

**Benefits of Sharing Economy**

Sharing economy is a green society, it makes us buy less and rent more. Sometimes we may buy a lot of things that are not useful and we may leave them in our houses until we forget that we have bought these things. The resources in the earth are limited that we should not waste them. The development of sharing economy gives us an opportunity to rent something that we don’t need to use them often. It is our responsibility to protect the earth and save the resources.

For our fellow citizens, it is a chance for us to make use of idled resources. When we want to go to work, we can share our cars with others who want to go to the same place which is quite a good idea as we can have other people to bear the cost of oil together.

If we have a house which is no one to live in, we can share it with travelers, the income will be higher than long time rent. And through this method we can make friend with a lot of people, sharing experiences, acquiring knowledges, learning different cultures from different places and so on.

Anyway, sharing economy gives us a new idea to develop a city.
Expectations and Suggestions

The typical companies of sharing economy are all developing to rent houses and cars. But the development direction of sharing economy isn’t limited to this. A lot of things in our daily life can be shared.

For example, if we want to go for a trip but we don’t have a carport there, we can try to find someone who share their carports. Especially in big cities, carports are scarce resources. When women need to buy a luxury bags, they don’t need to consider the price of the bag. They can rent a luxury bag, in this condition, they even can change a luxury bag once a week! When you need to rent a place for working, you don’t need to try to find an office building which has an equitable price, the sharing service makes the working place more flexible. If we are on a trip and find something we forget to bring such as a tent for camping, we can rent a tent from the house keeper.

In the sharing platform, everyone has two characters—owner and customer. Sharing economy expands the space of choice and welfare. However, in this circumstance, one bottom line should not be overstepped. Individual privacy should be regulated by law regulation. If the pattern touches private information, it will evoke a public backlash.

By this token, the key of sharing economy is about sharing or not, it is not a disguised auction. In the era of sharing economy, various companies have the chance to catch business opportunities, but it is necessary for companies to guard law and morality.

Summary

AirBed and Breakfast (Airbnb) starts the sharing economy in America. It becomes a huge success in America by filling a gap in the rental market. When people are on business or travel trips, they will search a place to check in on Airbnb rather than official websites of hotels. Nowadays, China begins to develop sharing economy too. Xiaozhu represents the sharing economy companies in China. However, the development of sharing economy between America and China is different. This article tries to find a way to develop sharing economy in China by comparing the different patterns of America and China.

References


