

Business English News 34 – The Sharing Economy

Discussion Questions

1. Would you or have you ever used a sharing economy service such as Uber or Airbnb?
2. What are some of the popular sharing economy services in your country?
3. What advantages or disadvantages are there to sharing economy services?

Transcript

Whether it's **ridesharing** with Uber, **lending** your power drill to a neighbor with Peerby, taking advantage of a home exchange with Airbnb, or dozens of other examples, the so-called "**sharing economy**" is firmly established in our daily life. While the concept has been **in place** for some time, numerous **enterprising** groups have found a way to make the most of the current economic environment. Entrepreneur magazine explains:

The idea behind the sharing economy isn't new. Napster, eBay and Craigslist were all built on its basic **tenets**. But companies such as Uber and Airbnb have taken **collaborative consumption** to a **new level**. These **pioneering** companies created affordable solutions for **cash-strapped consumers** during the Great Recession, and they offered unique **income streams** for people who needed extra money or flexible work schedules.

Generating revenues in the **tens of** billions of dollars globally, it's difficult to ignore this growing segment of the economy. According to data from PricewaterhouseCoopers, we can quickly see that sharing is big business:

Today, we estimate that the five main sharing economy sectors generate \$15bn in global revenues, **making up** just 5% of total revenue generated by the ten sectors we looked at. However, by 2025, these same five sharing economy sectors could generate over half of overall sales in the ten sectors – a potential **revenue opportunity** worth \$335bn.

Also referred to as the **collaborative** economy, **gig** economy, **peer** economy, or collaborative consumption, sharing.org defines the sharing economy as:

A **socio-economic** ecosystem built around the sharing of **human** and **physical resources**. It includes the shared creation, production, **distribution**, trade and consumption of goods and services by different people and organizations.

Call it what you will, there is a **spectacular** amount of growth taking place in the sharing sector. As TechCrunch reports, **holiday-makers** are making the change from big **chain hotels**, and looking for something a little more personal:

Growth is **on the up and up** for Airbnb. Nearly 17 million people worldwide booked their guest stays with the **peer-to-peer lodging platform** this summer, according to a new travel report. That's a **whopping 35,000% surge** in the last five years – and **a far cry** from the three guests Airbnb hosted before officially launching in the summer of 2008.

If you're in the market for someone to help you with your **household chores**, that's not a problem either. After a large department store in Canada closed its doors in April, the newly **laid off** staff applied for **odd jobs** with AskforTasks. From the Globe and Mail:

Toronto startup AskforTasks, an online platform that allows individuals to sign up to do chores and other daily **errands**, has been seeing a 40-per-cent, month-over-month increase in "tasker" sign-up at a time when Canada is said to be in a **mild recession**. The platform saw a **remarkable** 800 percent increase in sign-ups after Target Canada closed all its stores early this year.

In China, the sharing economy has already gone far beyond **car pooling** and home rentals. As Sina.com notes, the sharing economy brings together **excess capacity** of products or services to "share" them:

Knowledge can be shared too. The Chinese website zaih.com, tries to connect people with **expertise** - whether in art, science or **lifestyle** - with people **seeking advice**. Those in need of professional help can click a button, schedule a face-to-face meeting with experts, and pay them a fee of about 50 U.S. dollars for a **consultation**.

Stunning growth **aside**, some have **voiced concerns** over the way these 'employees' are being treated. Uber has for months been **locked in** court battles over the legality of their business practices. From the Huffington Post:

2015 has not been as kind to Uber and its **brethren**, as the **fascination** with a new business model has **given way** to serious concerns over everything from public safety to worker **exploitation** to unfair **market monopolization**. In some ways this is not surprising - the **honeymoon** for **startups** can be notoriously brief.

While there are bound to be some **growing pains**, the sharing economy seems to have unlimited potential. With more **minds** working together, we can **count on** the right person with the necessary skills, networks, **insights**, and location to appear. As The Next Web concludes:

It's clear that our current labor structure is **in flux**, and "going to work" no longer means driving to an office or a factory for a **set amount** of time. The traditional 40-hour workweek is experiencing an **overhaul**, and it will continue to **evolve** as new **on-demand** service platforms **rise up** to meet consumer demands.

Vocabulary

Ridesharing: Also known as carpooling; the increase of passengers in a car journey to reduce costs and environmental impact.

To lend: To give someone the use of something (money or a product) with the understanding that they will return it.

Sharing economy: Economic model where individuals are able to borrow or rent products from others. With websites such as Airbnb, private homeowners allow guests stay for a pre-agreed price. In this sense, the owner 'shares' his home with the guests.

(To be) in place: To be in effect or ready to use; "Once we have our team in place, we can start to implement our sales strategy."

Enterprising: Showing initiative or resourcefulness; "Nick is a very enterprising businessman; he's always found creative ways to grow his music production company."

Tenet: Principle, theory, or belief; "In democratic societies, the freedom of speech is a basic tenet."

Collaborative consumption: See 'sharing economy'.

(To take) to a new level: To continue to improve or develop something that is already successful; "After 5 years of building my customer base, I'm ready to take my company to the next level."

Pioneering: Using new and creative ideas or methods; "Our organization has won a number of awards for their pioneering efforts to improve the community."

Cash-strapped (consumer): Having little or no availability to money or financing; "I want to buy a new laptop, but I'm a little cash-strapped until the end of the month."

Income stream: The money a company generates on a regular basis.

Tens of: By multiples of 10; "Some CEOs receive tens of millions of dollars in bonuses every year."

To make up: To comprise, constitute, or form; "Google's new parent company, 'Alphabet' is made up of more than a dozen companies."

Collaborative (economy): To work together or cooperate, eg. through the website 'FriendsWithThings', items are shared for free and the focus is on keeping things local.

Gig (economy): An informal term for 'job' or 'task', originally related to the entertainment industry, 'gig' is now often used to refer to any type of informal job.

Peer (economy): Economic activity based around sharing resources and services with friends (peers).

Socio-economic: Relating to the interaction of social and economic factors.

Human resources: Work or activity carried out by people.

Physical resources: Work or activity performed by products or items.

Distribution: The way in which something is shared out among a group; "In any company, the distribution of work is one of the most important things for a manager to consider."

Spectacular: Amazing, impressive, or sensational; "The camera on the new iPhone 6S is absolutely spectacular."

Holiday-maker: Someone who goes on holiday/vacation.

Chain hotel: A group of hotels which belong to the same company or owner.

(To be) on the up and up: On the upward trend or movement, becoming increasingly successful; "Diane's career has been on the up and up since she moved into sales."

Peer-to-peer: A network where computer systems (peers) are connected to each other via the Internet; also referred to as P2P.

Lodging platform: A website used for booking or reserving hotels or other forms of accommodation.

Whopping: Exceptionally large or great; "The product launch was a whopping success!"

Surge: A sudden large increase; "There has been a surge in housing prices recently."

A far cry (from): Very different from; "Managing a restaurant is a far cry from managing a multinational company; but a lot of the principles of teamwork are the same."

Household chore: A task or responsibility that one must do in their home such as cleaning or doing the laundry.

(To be) laid off: To lose one's job due to economic reasons inside the company, and not necessarily because of performance; also, to lay someone off; "UniCredit bank laid off more than 2,000 people in Italy in 2014."

Odd job: A casual or isolated piece of work, in particular one of a routine domestic or manual nature; "Since he retired 2 years ago, Roberto tries to stay busy by doing odd jobs around his neighborhood."

Errand: A short trip taken to perform a specified task, usually for another; "I like to take a day off during the week because I'm able to run some errands like going to the bank or the post office."

Mild recession: A recession (2 consecutive quarters of negative GDP growth) that is not too serious or prolonged.

Remarkable: Impressive or substantial; "Jody has remarkable management skills and it's clear that the team appreciates his style of leadership."

Car pooling: An arrangement where several people travel together in a single vehicle.

Excess capacity: The situation of having too much supply of a product or service and not enough demand.

Expertise: Expert skill or knowledge in a particular field; "Donald Trump is trying to use his business expertise as a qualification to become the President of the United States."

Lifestyle: A particular way of living; "Eating right and exercising are essential to having a healthy lifestyle."

To seek advice: To search or look for guidance or suggestions; "Before opening a new business, it's always wise to seek advice from your bank or financial advisor."

Consultation: A meeting with an expert in order to ask for advice; "Our accounting firm offers a free one-hour consultation for every new business owner."

Stunning: Astonishing, shocking, or very surprising; "The Volkswagen scandal has been absolutely stunning."

Aside: To not consider; "I know I said I would quit, but all jokes aside, I think this job is too much for one person to do alone."

To voice concerns (over): To share or express worry, unease, or doubt; "Environmental groups have voiced concerns over the increase in global temperatures."

(To be) locked in: To be in a situation from which there is no escape; "We're locked into this partnership agreement for another 3 years; there's no way we can change suppliers."

Brethren: People belonging to a particular group.

Fascination: A powerful attraction or charm; "Benjamin's fascination with Legos when he was a boy was a factor in his decision to become an engineer."

To give way (to): To be replaced by; "The excitement of the promotion gave way to the reality of more responsibilities at the office."

Exploitation: Treating someone unfairly in order to benefit from their work; "His refusal to pay his staff minimum wage was absolutely exploitation in my opinion."

Market monopolization: To create a market situation in which there is only one participant.

Honeymoon: The early, usually calm and happy, period of a relationship; "After the honeymoon period of living in a new country was finished, Barbara began to deal with serious culture shock."

Startup: A newly established business; "Investing in a startup can be a risky endeavor, but the rewards are worth it for some people."

Growing pain: The difficulty experienced in the early stages of a new process or business activity.

Mind: Brain, resource, or people; "Tesla has hired some of the best minds in the business to help develop their new cars."

To count on: To depend or rely on or trust; "You can always count on Ken to give you good advice."

Insight: An accurate or deep understanding of something; "The study gives insight into the recovery of Europe's job market."

In (a state of) flux: Continuous change or instability; "It's difficult to describe my job because it's always in a state of flux."

Set amount: Fixed or pre-determined amount of something.

To evolve: To develop gradually; "Their company has evolved into a major producer of pharmaceuticals."

On-demand: As soon as or whenever required; "Netflix provides an on-demand video service that is probably the most popular in North America."

To rise up: To emerge, appear, or develop; "As a group, we need to rise up to the challenge that we're facing if we want to be successful."

Language Review

A. Collocations

Match words from each column to make collocations found in the article.

1. Set	a. Recession	
2. Household	b. Pains	
3. Market	c. Hotel	
4. Mild	d. Platform	
5. Collaborative	e. Amount	
6. Growing	f. Chore	
7. Chain	g. Consumption	
8. Lodging	h. Monopolization	

B. Vocabulary Quiz

- “Sorry I can’t come to the conference next week. I’m _____ right now.”
 - On demand
 - Made up
 - Strapped for cash
 - On the up and up
- “What I find most _____ about the Director position is the possibly to oversee all aspects of the new office.”
 - Fascinatingly
 - Fascinate
 - Fascination
 - Fascinating
- “Before I can commit to this purchase, I need to _____ with our general manager.”
 - Distribute
 - Consult
 - Collaborate
 - Evolve

4. "I've started working as a freelance writer for a website because I'm trying to expand my _____."
 - a. Income stream
 - b. Odd jobs
 - c. Household chores
 - d. Excess capacity

5. "Before launching our product in a new market, we _____ of a number of marketing firms."
 - a. Have to seeks the advices
 - b. Sseeked the advices
 - c. Are seeking the advice
 - d. Sought the advice

6. "I've just started a great _____ as a representative for a big wine company! Let me know if you need some help with your annual party."
 - a. Gag
 - b. Glug
 - c. Gig
 - d. Jig

7. "Dealing with _____ is one of the most unpleasant duties of any manager."
 - a. Layoffs
 - b. Lay off
 - c. Layoff
 - d. Laid off

8. Which of the following expressions would be best used to describe something that is extremely different from how it used to be?
 - a. A state of flux
 - b. A far cry
 - c. A set amount
 - d. A new level

9. Which of the following phrasal verbs would most likely be used when talking about a contract or an obligation?
 - a. Count on
 - b. Rise up
 - c. Make up
 - d. Locked in

10. Which of the following adjectives would most likely NOT be used to describe growth in revenues?
 - a. Stunning
 - b. Pioneering
 - c. Remarkable
 - d. Whopping

Answers

A. Collocations

Set Amount
Household Chore
Market Monopolization
Mild Recession
Collaborative Consumption
Growing Pains
Chain Hotel
Lodging Platform

B. Vocabulary Quiz

1/c, 2/d, 3/b, 4/a, 5/d, 6/c, 7/a, 8/b, 9/d, 10/b