

# Consumers Don't Trust the Sharing Economy

**Big Sharing Economy brands now mainstream - building trust fundamental to this growth.**

**Generation of “crowd brand aggregators” are the brand leaders in the Sharing Economy.**

*London, 01 June, 2016:* Ahead of Global Sharing Week (5th - 11th June) a new survey of over 850 UK and US consumers, finds that more than one-third of consumers have never participated in the Sharing Economy, because of concerns about personal safety and that their possessions will be kept safe.

The Sharing Economy Consumer Views Survey, conducted by Veridu and The People Who Share, reveals that certain sectors of the Sharing Economy are now mature and a mainstream part of consumer purchasing patterns, in particular used goods trading (e.g. eBay), accommodation (e.g. Airbnb), and transport (e.g. Uber and Zipcar). However, many other sectors are still in the early adoption phase, such as peer-to-peer loans with slightly less than 5% of respondents having participated.

Trust comes through strongly as a reason for those choosing not to participate in the Sharing Economy, with the primary reasons given including:

- Unwillingness to share possessions with strangers (41%)
- Concerns for personal safety (34%)
- Worries that possessions would be damaged (29%)

As Rasmus Groth, Founding CEO of Veridu points out, “Peer trust is of crucial importance to the success of Sharing Economy platforms with participants actively researching the other party prior to engaging in a transaction. Of respondents who had abandoned a sharing economy transaction in the past, nearly a quarter (21%) did so because they wanted to know more about the other party.”

Reviews left by other members and the reputation of the sharing platform were the most popular sources of information on both sides of the pond, with 98% and 97% of respondents respectively likely to research these at some level.

“The survey highlights the need for Sharing Economy platforms to put in place ‘TrustTech’ that allows members to build, manage and showcase their personal brands, enabling a bigger crowd to safely share goods and services,” says Benita Matofska, founder of The People Who Share and continues: “Global Sharing Week helps people and companies discover the benefits of the Sharing Economy and understand how it is possible to safely trust strangers, which will lead to many more millions being able to participate worldwide.”

The benefits of a crowd aggregated reputation are significant, with many people now running their own micro-businesses facilitated by Sharing Economy platforms. Successful personal brands are those who have invested time and effort in 'crowd brand aggregation' by providing authentic experiences, based on honesty and mutual trust.

"With such importance placed on peer trust, the Sharing Economy must address the significant issue of fake reviews head on," states Rasmus Groth, Founding CEO of Veridu. "Recent media headlines have highlighted the scale of this problem, and while the big, established brands are in a position to weather the storm, a smaller, more recently established platform is likely to fail if building trust is not front and centre to their strategy."

Top tips when participating in the sharing economy:

1. Check the platform's Trust & Safety policy.
2. Choose a platform that conducts robust identity verification.
3. Read peer reviews before finalising a transaction with another member.
4. Build out your own profile on the platform to create your personal brand.
5. Be honest - about yourself and about what you are sharing/offering.

-- Ends --

## **About the Sharing Economy Consumer Views Survey**

The survey, conducted between 16th-24th May, captured the views of 860 consumers across all demographics in both the UK and the US. Other key findings include:

- A lack of understanding of the Sharing Economy in the UK is impacting growth with 41% of respondents citing this as a reason for not participating.
- Cumbersome onboarding processes have a tremendously negative effect on participation, especially when it comes to younger consumers, with nearly half of under 34 year olds abandoning transactions when creating an account took too long.

### **About Veridu:**

Veridu is the most accurate, reliable and trustworthy tool to quickly and efficiently verify the identity of users in order to eliminate fraud and unwanted user behavior. Veridu provides both Single Sign On plugins and more comprehensive authentication tools to give the highest level of protection, with the simplest possible process for both businesses and end users. Founded in 2014 in Copenhagen, Veridu is now headquartered in London.

[www.veridu.com](http://www.veridu.com)

### **About The People Who Share:**

The People Who Share (TPWS) is a social enterprise that helps people and companies discover and access the Sharing Economy. Its mission is to mainstream the Sharing

Economy worldwide. A Company Limited by Guarantee, The People Who Share was established in January 2011 in Brighton, UK by global Sharing Economy expert, Benita Matofska.

[thepeoplewhoshare.com](http://thepeoplewhoshare.com)

### **About Global Sharing Week:**

Global Sharing Week (June 5-11th) is the largest people-driven campaign helping millions discover the rapidly growing Sharing Economy. Created by The People Who Share, a social enterprise with a mission to mainstream the Sharing Economy, Global Sharing Week now reaches over 120 million people worldwide. Alongside founding partner Shareable, The People Who Share works with a network of over 200 Global Sharing Week partners to shine a spotlight on the growing Sharing Economy, enabling millions to discover ways in which sharing can transform lives.

The Week raises the profile of the over 9,000 sharing initiatives around the world and helps people, businesses and communities access shared resources creating value for all. Global Sharing Week began as National Sharing Day in the UK in 2012, quickly becoming Global Sharing Day as worldwide interest and the network grew. In 2015, The People Who Share launched Global Sharing Week helping many millions more discover the benefits of the Sharing Economy. Events take place on every continent and range from Sharing Streets, to giant clothes swaps, pop up picnics, skill exchanges and crowdshares. To get involved, find or host an event near you visit: [www.globalsharingweek.org](http://www.globalsharingweek.org) #GlobalSharingWeek