

DESCRIBING THE COLLABORATIVE ECONOMY: FORMS OF FOOD SHARING INITIATIVES

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Abstract. The sharing economy has become the slogan used to define a universe practices and collaborative consumption economy based on sharing. Beyond new idea and the new technologies, users tend to be motivated by economic, environmental, and social factors.

This paper discusses food, which relates to the collaborative consumption model that is based on sharing, with some modern assistance by the internet. Following an overview of the sharing economy, the paper delineates food sharing initiatives that are taking the social activity of dining to new levels to study the strategic choices operated. The author will present a case study analysis of food sharing platform. The article concludes by outlining how collaborative initiatives among private and citizen-consumers, provides a means to test and evaluate the promising practices developed. The paper discusses the significant strengths and potential limitations of food sharing.

Key words: e-business, sharing economy, social eating, community.

JEL code: O35; Q13

Introduction

The sharing economy has become the term used to define a universe of practices and a collaborative consumption economy based on sharing. The sharing economy mechanism is also related to social networking, with consumers actively participating in online communities to share information, knowledge and suggestions concerning new initiatives and/or brands.

Belk (2007) defines sharing as "the act and process of distributing what is ours to others for their use and/or the act and process of receiving or taking something from others for our use". Sharing tends to be a communal act that links us to other people. As Botsman and Rogers (2010) put it, a new form of consumerism derives from the possibilities of mass collaboration and communication offered by new technologies. A solid definition of the sharing economy that reflects common usage is nearly impossible (Schor, 2015). The European Parliament (2015) defines it as: "a new socio-economic model that has taken off thanks to the technological revolution, with the internet connecting people through online platforms on which transactions involving goods and services can be conducted securely and transparently". Others prefer the term collaborative economy to describe the activity of obtaining, giving, or sharing access to goods and services, coordinated through

community-based online services (Hamari et al., 2013). However, there is significant debate concerning conceptions of sharing within the fields of economy and the practices of social life (Eckhardt, Bardhi, 2015). Social sharing initiatives can concern any group of individuals – not necessarily located in proximity to each other – who feel that they share something in common, be that a connection through interests, place, lifestyle, culture or practice, and who self-organize to engage in socially innovative activities by committing their time and/or sharing their resources and/or implementing projects which serve the community (Celata, Sanna, 2013). These initiatives may be not-for-profit as well as for profit but the aim should serve relationships with the community towards a more sustainable future (Buczynski, 2013).

Many of the web platforms in the sharing economy began in the United States. They are dominated by the peer-to-peer marketplace but the business-to-business sector is increasing. Sharing has become a global phenomenon, both because of the expansion of platforms to other countries with the diffusion of ICT and because the idea of sharing has caught on around the world, helped by the economic crisis. In terms of global investment in the sharing economy, there are 7,500 sharing platforms, with 37% of sharing economy startups venture capital invested and

80% of sharing economy startups viewing crowdfunding as the best way to raise capital (Matofska, 2015).

Beyond the new technologies, participants tend to be motivated by economic, environmental and social factors, a mixture of internal motivation and a response to increased external pressure to prove impact. Within a few years, the phenomenon of the sharing economy has allowed the transformation of the traditional practices once considered a business, thus capturing attention from the public, operators and policymakers and stimulating a growing debate. The sharing frequently found in such societies improves the efficiency of resource use, increases security by the sowing seeds of reciprocal obligations, or enhances the status or breeding opportunities of those who share (Eckhardt, Bardhi, 2015). Critics denounce such practices as being about economic self-interest rather than the sharing of social aspects (Schor, 2014).

Food has been identified as a key area for consideration in the challenge of sustainable consumption due to increasing evidence of the impact of the prevailing food system on the environment, local communities and social justice (OECD, 2001). Also, social eating is a good activity in terms of respecting sustainability and developing new food systems.

This paper discusses food, which relates directly to the collaborative consumption model that is based on sharing, with some modern assistance from the internet. Then, given the novelty of the phenomenon and the exploratory nature of the study, the author discusses one case study developed to examine food-sharing platforms. However, there are as yet no rigorous methodologies or functions determining success, and thus further studies are needed. This is a first step in exploring the field by providing a review of the relevant literature on the topic and also providing a starting point for future studies.

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1. Describing food sharing

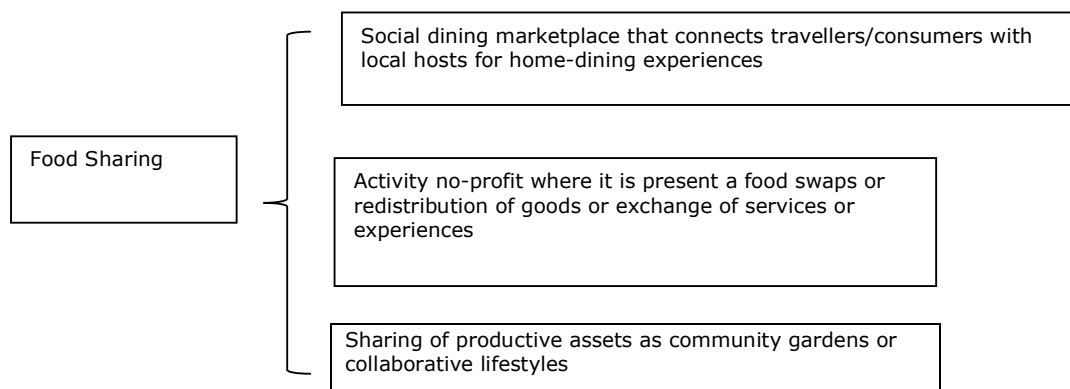
There is a central concern for the culture of food among consumers and the media, with cooks and chefs being acclaimed as "heroes of the kitchen". Food is the subject of programmes, films, social networking, sharing in social networks and images. The centrality of food in waste reduction is the topic of discussion in terms of the social sustainability of food. More than 1.3 billion tons of solid waste are produced annually, of which 47–61% is organic waste that is mostly food (Hoornweg, Bhada-Tata, 2012). Every year in Europe, 180 kg of food per person are wasted (EC, 2010), largely still fit for consumption. This is just one example of the many imbalances in the current global context. Many actors are playing different roles in creating or changing the models of consumption and developing new life styles or different food networks. Consumption can bind the web society together and the preference is to favour different solutions, in particular creating new entertainment options.

There are many social associations that are playing a key role in raising awareness of reuse and virtuous behaviour, recalling that food is a basic need. It is not a commodity like other commodities, and thus preventing food waste is the highest priority (*French regulation obliges supermarkets to donate unsold food rather than destroying it or throwing it away. With the enactment of the French law, the country became the first in Europe to put in place a national regulation aimed at avoiding the wasting of good quality food, saving energy on post-processing and raising awareness of sustainable consumption. The law is part of a wider national policy initiative to halve food waste in France by 2025 in line with the European Commission, which has adopted a Circular Economy Package to help European businesses and consumers make the transition to a stronger and more circular economy in which resources are used in a more sustainable way.*), followed by reuse (e.g. through donations) and recycling (through animal feed, anaerobic digestion, composting and related means). Sharing food saves food products and services,

with the use being more important than the possession and the value of the asset having a value different from the traditional concept. The financial crisis has changed consumption patterns and there is the rise of a new organization of food purchases and consumption (e.g. zero km, purchases of solidarity groups and shared gardens). Food sharing presupposes a mechanism in line with the creation of sustainable food (Heinrichs, 2013), in particular including: reducing consumption; resource conservation; waste prevention to reduce waste; the creation of new forms of socio-economic relationships.

In terms of literature, it is evident that there is a scarcity of studies and surveys concerning the food-sharing marketplace. The development of scenarios that illustrate different degrees of organizational, technological and social change for more sustainable eating includes community eating and contains more social and communal elements, encompassing pronounced ethical and moral dimensions (such as mindfulness and collaborative grassroots activity). Primarily, it is distinguished by "slow lifestyles" with low technological change, high lifestyle change and medium organizational change. Social innovations (for example, slow-food events and online food-distribution communities) are

Jelgava, LLU ESAF, 21-22 April 2016, pp. 92-94 organized and initiated through bottom-up, citizen-led approaches (Davies, 2013). The impacts of web platforms are shaped by both their market orientation (for-profit vs non-profit) and market structure (peer-to-peer vs. business-to-peer). These dimensions shape the platforms' business models, logics of exchange and potential for disrupting conventional businesses. While all sharing economy platforms effectively create "collaborative markets" by facilitating exchange, the imperative for a platform to generate a profit influences how sharing takes place and how much revenue devolves to management and owners. Sharing platforms, particularly non-profit structures that are operating to provide a public benefit, can also function as "public goods" (Schor, 2014). However, food-sharing practices can be viewed within the classification of "alternative food initiatives", demonstrating practical and varied connections to food. The established dimension of food sharing is that of "facilitating access": that is the part played by practices that encourage experiential learning through participation in the initiative, argued to have more enduring or transformational impacts on participants than other modes of learning (Sharp et al., 2015). The principal forms of food sharing are summarized in Figure 2.



Source: author's construction based on Davies, Doyle, 2015

Fig. 1. Forms of food sharing initiatives

The most diffused models of food sharing are donation-based, especially the distribution marketplace in which food is swapped, in some

cases aiming to empower communities to transform food waste, surpluses and losses into new value, conferring resource efficiency. Foods

are required globally and the aim is to prevent overconsumption, food loss and wastage and ultimately to provide sustainable eating solutions (Davies, Doyle, 2015).

Sharing models now exist at all stages of production and distribution, from the land to the plate. Examples include the following:

- platforms, such as *Landshare* (www.landshare.net) that bring together people who have a passion for home-grown food, connecting those who have land to share with those who need land for cultivating food;
- popup restaurant platforms, such as *Grub Club* (<http://grubclub.com>), which connect food lovers and creative gourmet chefs in temporary home/restaurant settings;
- supper clubs and meal-sharing platforms, such as *Casserole Club* (www.casseroleclub.com), aimed at helping tackle the growing social problems of loneliness and malnutrition among older people and at the same time helping connect people with their neighbours;
- an imprint marked for its solidarity is *I Food Share* (www.ifoodshare.org), a web platform that allows users, retailers or manufacturers to offer free food surpluses. The forms in which swaps are manifest are based on the organizers' motivations and target participants' interests (Albinsson, Perera, 2009);
- *VizEat* (<https://vizeat.com>) is a social dining platform that allows people to organize meals and gastronomic events at home;
- *BonAppetour* (<http://bonappetour.com>) is a social dining marketplace that connects travellers with local hosts for home-dining experiences, including dinner parties, cooking classes etc. Potential diners can see the menu in advance and read details of the venue and the host.

While new platforms represent substitutes for existing platforms, others are likely to cover

Jelgava, LLU ESAF, 21-22 April 2016, pp. 92-95 sectors, geographical settings and consumer groups for which the reach of the food sharing is limited. They are all examples of creating relationships inside the community, not only to sell services; rather, in many cases the goal is to build something completely new and separate from existing systems as an alternative (DiVito Wilson, 2013). Indeed, the aim is also to help people create walkable, healthy, economically vibrant neighbourhoods through the development of local food systems and to aggregate and market foods. However, businesses in the sector are likely to face regulatory challenges in the short to long term as they scale up their operations, particularly in relation to health, licensing laws and city zoning, which determines whether and how property can be used for commercial purposes.

2. Some empirical evidence from a case study

Given the novelty of the phenomenon under investigation and the inductive nature of research questions, the author employed a qualitative, case-based approach. Illustrative cases studies are used to discuss the concept in detail. The case-study approach is especially appropriate for addressing "how" and "why" questions (Yin, 2003). Its usefulness is increased when the research objective is to achieve deeper understanding of a novel phenomenon, the concepts and contexts pertaining to which are ill-defined because of a deficiency of previous theory (Eisenhardt, 1989) and when the phenomenon has not yet received adequate coverage in the extant literature (Yin, 2003). Food sharing exhibits the above features, and thus the author considered the case-based approach to be suitable for its investigation. The aim of the exploration of the case study is to provide sufficient robustness to capture the distinct characteristics of the observational units of analysis (i.e. the different food-sharing platforms) and the explanatory units of analysis

(i.e. the drivers and activities of the service organizations).

VizEat is a platform for connecting people who want to make the meal a moment of sharing, conviviality and discovery. They connect hosts and guests from all over the world to experience new flavours and meet new people, whether visiting a foreign country or local and looking to get off the beaten path. This is for those looking to enjoy new cuisine, perhaps even a new culture and all its associated dishes. It is the place for travellers who want to find a new way of exploring countries and for hosts willing to promote their food culture: when "the exchange is at the heart of the experience, it becomes unique and authentic".

Founded in 2014, Vizeat has now extended to 50 countries. It is a start-up in the booming sharing economy with an international team working on it. Accelerating its growth, VizEat acquired Cookening, the French pioneer of social dining, founded in 2012. Cookening joins the VizEat community, which now makes VizEat the European leader of the meal-sharing sector. The two parties to a VizEat exchange – hosts and guests – must register on the website. Hosts list their available menus and detailed profiles, where they tell guests about themselves, their cooking styles, their preferred places to travel and things to do. Guests can then browse and book these meals.

VizEat allows access to meals within every price range. VizEat takes a 15% guest service fee every time the VizEat invitation is booked and receives remuneration in the form of a commission in exchange for its contact service.

As with the majority of sharing economy platforms, VizEat does not own any of the "spaces", it acts as a facilitator in matching hosts with guests. Therefore, the VizEat website serves as a platform for listings and the exchange of information. The focus is on the excess capacity of resources as meals. The platform has a

Jelgava, LLU ESAF, 21-22 April 2016, pp. 92-96 number of safety-related advantages built in, including:

- no handling of cash – payment is transferred under the terms and conditions for use of Mangopay e-money drawn up by the Leetchi Corp. S.A. company, a société anonyme under the law of Luxembourg;
- profiles are attached to a reputational mechanism;
- guests and hosts both verify their identity by connecting to social networks, scanning their official User Account, or confirming personal details;
- hosts also have the option of requiring a fixed amount payable before the VizEat Invitation to cover costs;
- hosts are covered by up to EUR 100,000 damages for each and every meal through the VizEat Host Guarantee;
- all online transactions are secure and data are protected;
- hosts receive the payment for their meals directly to their bank account the day after the meal;
- a message system.

Conclusions

Sharing has the potential to change many traditional business models. To ignore sharing could mean failure to believe in the importance of the virtual community. There have been significant innovations in the marketplace but these have not transformed – except for the strategic marketing components – the infrastructure of companies, professional services and logistics, given that the holders of the products/services (and content) remain independent and are not integrated within the value chain. As a benefit, users can earn and work more flexibly and operators can complete existing services through sharing models, learn new skills and support ethical causes. The barriers to development are issues of trust, privacy, and security, arising due to insufficient

knowledge and sharing of regulatory aspects. At the same time, sharing as an economic phenomenon is technology dependent, which is an obstacle. Operating in an uncertain and fluid environment, they are further challenged by incomplete information systems and knowledge management processes that do not meet their local destination needs.

Case study gives empirical evidence of the theoretical background analysed by many scholars with reference to the dynamics of the system. Case study shows that the valorisation of resources through coordination between consumers and businesses throughout the platform has the main factor in determining the credibility of the quality and the success of the product in the market. The propensity to relationships represents the strengths of this system. Food sharing has two arguments against it: first, home restaurants are part of the informal economy; second, hygiene and safety rules are being flouted. Although food sharing does not constitute competition for restaurants, it is a new market that is opening up and there is

Jelgava, LLU ESAF, 21-22 April 2016, pp. 92-97 also no doubting the appeal for young people (and not only them) of the shared economy and its opportunities for doing things that would otherwise be unaffordable.

Currently, research on sharing business models is still in its infancy but without doubt, certain sectors (e.g. mobility, tourism) have already shown changes. It is also important to recognize the existence of different economic practices in the marketplace. It is a chance to rethink and re-create new economic and social realities. Future research could explore, for instance, how to study different consumption lifestyle communities, such as those related to green consumption, determining whether practices can be refined further. It is important to note the limitations of the analysis. All the findings should be viewed in light of the qualitative and exploratory nature of inquiry. Although there is a clear rationale for the selected case study, the author can only offer an inductive discussion of and preliminary insights into the phenomenon.

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