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DIGITALISATION AND NEW TRENDS IN TRAVEL DISTRIBUTION

Review paper

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Abstract

This paper seek to understand the role of new technologies on transformation processes of special areas of business of travel intermediaries even emerging new entities that collaborate with both poles of tourism demand. Special attention is payed to results of modification of distribution channels to be competitive in online travel market. Softwer as channel manager is more than a tool, it is emerging as core intelligence that manage time, impacting on benefits from converegence. New technologies allowed new digital platforms (Booking, Airbnb, Expedia) making travel easier. The preferences of the postmodern tourist extend beyond the streamlined and impersonal experiences, services and products. Driven by the ambition of deviating from the beaten track, new generations of travellers are converging on digital platforms to retrieve recommendations and information from fellow travellers and local residents,i.e. sources other than traditional travel intermediaries. The COVID crisis has triggered a number of changes in the world of rental accommodation. Some of these changes are flexible cancellations, new market prices, and shorter booking window. High expectations make preassure on attnders in channel of distribution. There is an even greater emphasis on cleanliness, privacy and security. At the end of the research, the results speak in favor of exceptional impact of new technology on business development as well as the role that human potential has in acquiring digital skills through education and training and providing their own tools or products that facilitate business. This paper consider sociological, economic and cultural dimension that impact on behavior of users of digital platforms are formulated to support previously incompatible ideas, like (1) models of economic systems, relationships); cultural and moral perspectives on human coexistence (negotiation, lifestyle, stewardship, prosocial behaviour/altruism, collaborative symbiosis and; ideas of efficiency and enhanced value creation

Keywords: digitalisation, innovation, distribution channels

1. INTRODUCTION

In past decade tourism was a key driver in global economy and speak in favour the growth of 3,7% for the entire World Economy (IPK International, ITB World Travel Trends Report 2018/2019). In 2018, the total tourism industry contribution to the world economy was 8.8 trillion USD (WTTC, 2019), which represents 10.4% of the global Gross Domestic Product (GDP), 6.5% of the total global exports, 27.2% of the total services exports and 10% of the total world employment. It is important to state that, in this report, the World Travel and Tourism Council forecasted a further 3.6% growth in 2019, which exceeds the projected global economic growth of 2.9%. Social value changes, changes in leisure time, the deepening globalization and advances in high technology increased the income of the public worldwide (Chang Yu-hsin, 2020, pp. 1 - 9). In accordance with market dynamics and changes, travel industry must be transformed (Burkhard et al., 2012, pp. 17 - 29). The market size of the travel agency sector worldwide reached 315 billion U.S. dollars in 2020. In that year, the global market had approximately 205 thousand businesses, and around 1.2 million workers were employed at these companies. (Statista. 2020).

2. LITERATURE REVIEW

Key players must adopt the functions to survive , travel agencies as mediators are recognized the importance of ICT to support functions and to complete their business efficiency. Following the previous attitude, travel agencies are aware of the need to transform their operation (Ghorbani et al., 2019; Lerner and Haber, 2001, pp -77 - 100). Travel agencies to maintain their competitive advantages and survive the fierce competition must have its own unique, inimitable and valuable resources (Denicolai et al., 2010; Peteraf, 1993, pp. 179 - 191; Wartini-Twardowska and Twardowski, 2019). The internet revolution has changed the scenario of travel industry through the easily accessible of travel products to the mass consumers by their virtual presence rather than physical (Chang Yu-hsin, 2020.). Competition means survival i.e. using options that guarantee quality while saving costs. In terms of pandemic, travel market experienced new challenges and new players enforced by needed skills are welcome. Advantages in time savings are found out in efficiency of digital tools and the time and space convergence as the result. The enterprises will evaluate the complementary resources that they need and conduct strategic alliances to ensure the availability of resources for survival and to reduce environmental uncertainties. Only in this way can they synergize and have a lasting competitive advantage (Chang Yu-hsin, 2020.). The concept of travel agents immersed as a connecting link between supplier and consumer.

Two trends in microenvironment of Internet Marketing: influenced on distribution. First one is defined as disintermediation, as reducing the number of intermediaries in the marketing channel has enabled their completely circumvent in numerous activities (Jallat and Capek, 2001, pp. 55- 60). The advantages of disintermediation are: 1) an avoiding of commission charged by intermediaries in the marketing channel, 2) possibility of direct contact with end users of services and building customer loyalty. Far from disintermediation leading to the demise of travel intermediaries, leading to resurgence in the holiday market as technology prove offer to more choice, is time consuming for travellers and not providing psychological benefit of a brochure as a purchase. As opposed to this, re intermediation - is the emergence of new intermediaries on the Internet (Kauffman and Chircu, 2000) suggest that intermediaries should recognize needs for numerous additional services, shortening the time for seeking of informations about the offer, enabling quick and easy comparison of prices and sales conditions (Papathanassis, 2008). Expanding of social media and an increasing involvement of users in creating contents, is enabled by an interactive approach: These possibilities additionally increased some appreciated values for tourists in searching for perfect holidays. Reintermediation is very pronounced in the service sector. Nowadays these modes are present in almost all service activities that can sell their services through Internet. In the last 5-10 years techno friendly visitors prefer more to buy their travel services online like the online shopping of physical goods. Slim profit margins, liberalized interest

rates, and differing levels of earnings, significantly affected travelers' income available for traveling (Madanoglu, M. et al. 2018, pp. 98 – 108). The online travel Portal (OTP) is also known by Online Travel agent, E-travel agents and virtual travel agents (VTA's). The OTP has served vast prospects for travelers to buy their travel directly online thereby evading the traditional travel systems i.e. travel agencies. While serving as an intermediary means between service providers and tourists, internet has reduced the significance of the traditional intermediary (travel agents) or at the large extent traditional part became very uncommon in today's practice. Yet, Traditional Travel agencies still have the benefit of serving personalized services particularly in giving advice to travellers with an individual touch. An optimal combination of technology, knowledge and money that creates innovative and new platforms with the purpose to satisfy the customer (traveler) needs are fundamental components of competitive market conditions. Social platforms offer a new opportunity to examine social behavior (Ozimek, 2017).

Singh and Ranjan (2019, pp. 387 - 393) pointed out the behavior of travelers and social living conditions. They noted the connection between education and income level and people's propensity to travel. They observe the connection between distance and booking methods, noting that short-term travelers are more inclined to use online travel agencies, while long-term travelers prefer their traditional travel agencies, and that customers are attracted by adopting online delivery services. While it is obvious that the provision of online travel services has become a popular direct distribution channel in the travel industry, many travelers favor a traditional travel agency. The authors suggest that web services agents should use as an opportunity rather than as a threat because their impact on the tourism industry is very large. Online travel agencies have the rather advantage of fast processing of information and transactions; however, vulnerabilities in the reservation system need to be improved to ensure secure online business. Technical changes are seen in the way of doing business without affecting the disappearance of this traditional distribution channel and the complete replacement in provisions for the elderly population with the traditional behavior in provisions.

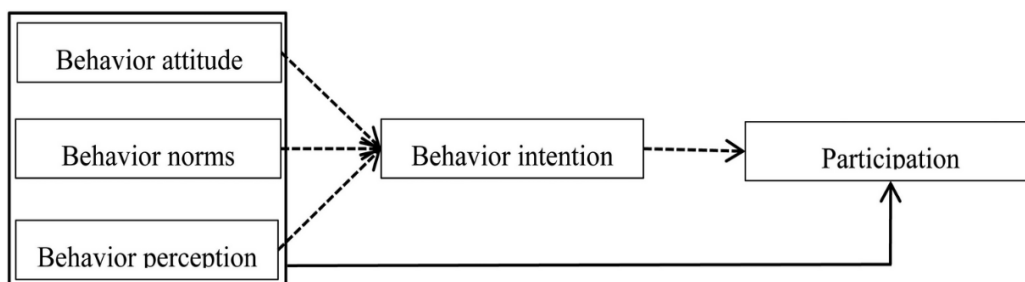
This study confirms that traditional travel agencies, along with personalized services, should also focus on web services structure and should be aware of changes in distribution-based scenarios. It even confirms the complementarity of the Internet and digitization that support the effectiveness of traditional agencies. We must find an optimal way how to bring us on efficient mode there. Also according to Mihajlović, the importance of continuity of education and training of employees within travel agencies is contained in: a) regular education and training of employees affect the change of booking and indicates a positive link between education and change of booking; b) travel agencies that have introduced ICT in several business areas are more successful, as shown by the dynamics of booking growth. (Mihajlović, 2013, pp. 45 - 71).

2.1. Digital tools as prerequisite or an alternative option that shape competitive intermediaries

Information and Communication Technology (ICT) strengthened the business of direct service providers. In rapid changes of technologies, the main goal of travel agencies was survival. ICT as the driving force has attracted significant research interest in the past twenty years, enabling the emergence of new innovative tools, Digitization is the process of exchanging of information between devices and their interconnection systematically using digital technologies.

Digitalisation allows that material and resources become connectable, but information-intensive and smart. This creates the infrastructural basis for creating digital business models. Digital technologies enable the transformation and improvement of business based on interactive and integrative possibilities of ICT application. Digitalisation influenced emerging new business models based on collaboration between companies and intermediaries (Raguž, Mihajlović 2018). New forms of partnerships are used to encourage the development and creation of new business

opportunities through a strengthened competitive position thus surviving in dynamic conditions. The development of (ICT) supports interaction between consumers and intermediaries and as a result of that interaction the following processes are evident: business process reengineering (BPR) in travel agencies, , implementation of developmental strategies based on new forms of communications (Mihajlović, 2014). Companies have the option of choosing business models. Digital technologies create both new value and an optimal user experience. E-tourism encourages a more interactive relationship between tourism organizations and travelers which lead to completely new ways of developing and marketing tourism products. Throughout an an insight the online travel market–from side of the package holidays, the forecasted revenue trends shows the growth in terms of the revenue year over year. The following data argues the continuity of demand growth dynamics on the on-line market of organized travel. In *online environment*, the changing consumer behavior leaves the space for the development of a series of features (Mills and Law, 2004). It has brought consumers a series of benefits that can be quantified through: saved time, quick access to information, commodity in acquiring products and the possibility to compare the market’s promotional offers (Morrison et al. 2001, pp.15 – 30). When studying the consumers’ behavior a micro-analysis has the purpose to identify the determinants and the demand model Staciou point out the interaction of learned behavior and behavior attitude, norms and intension (Stancioiu., 2004). Preferred results have to be found in their flexibility to conduct intention that fulfills an active and dynamic participation by changing products and the competitive structure of intermediaries and service providers.



Source: Author's adaptation

Figure 1 Key factors of independent incentives of individuals that participate in structural product transformation

In accordance with basic indicators as the number of visits to a country, visited tourist attractions, the rate of booking at hotels, the number of nights spent in a certain hotel the purpose is to identify the determinants and the demand model. Tourism websites must offer consumers exactly what they want. In such a sector, it is most important to customize and adapt the websites to the demands of the external environment (Kardaras et.al. 2013). The trust that users have regarding the digital environment is very important, but the lack of the trust could be caused by the potential risk perceived regarding data safety, lack of direct contact between two parties (Mihajlović and Raguž, 2018).

Consumers are becoming sceptical about the online actions that are conducted by companies Trust of tourists in the online environment is influenced by a series of factors such as: dana security, transaction costs or the ease in using data (Cheshire et.al. 2010, pp.3111 – 331). With regard to institutional innovations based on new organizational structures and legislative frameworks, the objective is to facilitate the development of tourism business. Nowadays independent business market performances of companies are increasingly replaced with models that associate efforts in creating alliances and networks. E-travel agencies, as an effective tool in order for wider sustainable gains, are examples of organizational structure, connectivity and

business co-operation. They adopt B2B strategic alliances in order to strengthen their competitive advantages in the ecommerce travel market.

Online travel agency (OTA) as innovation - first occurred in the 1990s after the emergence of the Internet. Pioneering companies in this field are firms such as Expedia Inc. And Orbitz, who established a strong market position in the online tourism sector. However, OTAs only operate online and do not engage in any offline channels to reach their target customers. They provide the online purchaser with the possibility to put together their own customized holiday by selecting a flight, hotel or potential car rental individually. (Raguž, Mihajlović 2018) The main advantage in addition to the great flexibility is the saving of costs in terms of travel agent fees (Kim et al. 2011). OTAs need to identify customers' expectations and desires in detail in order to ensure a high service quality and to reduce the degree of uncertainty which is often associated with online transactions (Buhalis, 2008, pp.409 – 421). The most cited reason against e-commerce is the issue of security problems in terms of fears for information leakage or theft of account information (Fu Tsang, et al. 2010, pp. 306 – 323). Credit card safety is a major concern for travelers and often limits their online purchasing behavior of tourism products. Nevertheless, online travel agencies managed to become an important player in the tourism industry and thus challenge the traditional travel agencies and tour operators to adapt to the emerging changes in ICTs and the ever more demanding customers. On line booking for the package holiday comprise travel deals booked via online travel agencies (e.g. Expedia) or directly from Tour operator (TUI, Thomas CoOK). It contains travel and accommodation, further provisions, can be included such as catering and tourist services. The prerequisite is online checkout process. New e-intermediaries included a wide range of organizations, including service providers (airlines, hotels, etc.) (Rao, 2000).

They offer a wide range of value-added services such as destination guides, weather forecasts, insurance, etc. The emergence of new forms of travel intermediaries in the electronic environment is the result of the need for specific additional services. The top five e-brokers that dominated the modern tourist market and record a series of acquisitions include (Buhalis and Licata, 2001): 1. Expedia - Expedia.com, Hotels.com, Venere.com, TripAdvisor, Trips 2. Amadeus IT - Vacation.com, Opado.com, TravelTainment 3. Orbitz - HotelClub, Orbitz, Ebookers, CheapTickets 4 Priceline - Priceline.com, ActiveHotels.com, Booking.com 5. Saber - Travelocity.com, Lastminute.com, Moneydirect. Due to the weakening of the significance of location factors, it is assumed that OTA tourist agencies will dominate in the retailing area (Buhalis and Hyun, 2011). The most important advantage of such electronic distribution systems is low prices and low risk of use. For this reason, they are a very attractive choice for distribution, especially for smaller travel intermediaries with limited resources for promotional and sales activities. An additional advantage of such systems is that they do not base their business on the principle charging of lump sums. Companies pay a commission only if the intermediary of the channel creates a certain income (Buhalis and Licata, 2001). Simple for use, without the need for higher level of IT knowledges. Online reservation systems of this type charge certain fees, which generally range from 0-30% of the price of the product (commission on booking.com is 15%). The commission is already provided to ensure a better visibility of the accommodation facility on the website, and thus greater representation. The research conducted by PhoCusWright showed that almost a 33% of travelers make reservations online through third parties (web sites) (Phocuswright's Global Online Travel Overview Second Edition).

When it comes to booking flights, online travel agencies have an even greater share – up to 37%. Probably the main advantage of Booking.com is that they are the largest advertisers in the category of tourism and travel on Google's platform. Online reservation systems of this type, apart from distribution also have a promotional function. It is possible to find all information needed about the reservation, offering the opportunity to exchange experiences, opinions and advice among visitors. With intention to help buyers and suppliers in understanding particular market, it developed a new business model in the tourism industry – infomediary. Booking.com as the world's leading online agency, based on the reservation of accommodation was founded in 1996

and since 2005 has been a part of the Priceline group. Apart from hotels, it is also possible to reserve other types of accommodation. The site is translated into 40 languages and has offices around the world. It includes 1,179,134 active accommodation facilities in 227 countries (<http://www.turizamnazici.com/pregled-booking-com>). In 2019 there were about 450,000 reservations per day. The infomediary model is based on information intermediation. Basically infomediaries help buyers and sellers to understand a given market. Generated data about consumers and their consumption habits are valuable, especially when that information is analyzed carefully and used for target marketing campaigns. This means the sharing of information and experiences about past vacations with other interested tourists on platform such as Tripadvisor or Trivago. Offering virtual communities where people can initiate discussions and exchange experiences in travel sector, at the same time these websites provide customers with valuable insights in specific destinations in terms of hotel rankings and reviews as well as tips concerning great restaurant or must-dos in certain cities (Mihajlović and Raguz, 2018).

Their financial structure is based on revenue per advertising and sales. New trend in the tourism industry are platforms that provide a social network. Platforms as Airbnb or Couchsurfing are innovations. Apartment owners can offer their accommodations to travelers online. These platforms work similar to other social media systems, in terms of creating your own profile representing useful information about yourself to give the owner the chance to evaluate a potential fit. In 2019 in Western Europe Internet penetration is 93% , in Central Europe 81% , in Northern Europe is 93% and in South Europe it consists e-shoppers make 81%. Low price is seen as one of the most important characteristics of online travel agents. Hotels can and should manage OTAs to optimize revenues versus costs (Carroll and Sileo, 2014). Additional arguments for using online agent could be convenience, control, easier access to information about the destination, comparable prices, availability of online communities, rich destination information and multimedia presentation (Anckar and Walden, 2001, pp. 241-250, Bennet, M., Buhalis, 2003, pp. 29-30, Law, Leung and Wong, 2004, pp. 100-107, Zhang et al. 2015, pp. 99 - 108).

2.2. An overview of secondary digital technologies that support business platforms

As potential to create a vast number of opportunities for sharing resources and values through automatic business interactions between business partners, secondary platforms are basic infrastructure. The introduction of such technology enables new disintermediated business models. As Erceg et al. pointed, the disintermediation leads to the peer-to-peer nature of the network where a central authority is not needed (Erceg, 2020) that is allowed by technologies that increase competitive power of the business entity in tourism such as (AI) Artificial Intelligence, and (VR) Virtual Reality. Serving for very intensive exchange of digital content, Secondary technologies strengthen the ability to digitize business, digitally transform business models and create digital platforms. The *Encyclopedia Britannica* (<https://www.britannica.com/technology/artificial-intelligence>.) defines artificial intelligence as "the ability of a digital computer or computer-controlled robot to perform tasks commonly associated with intelligent beings" As suggested by Russel, S. and Norvig, P. (2006) the different approaches to defining artificial intelligence are based on two dimensions: thought-process-behavior and human-performance-rationality. It is defined as a system that thinks humanly, acts humanly, thinks rationally, or acts rationally. Six capabilities are required for machines to exhibit human behavior (act humanly), and these six capabilities represent the sub-disciplines of artificial intelligence: natural language processing (to communicate), knowledge representation (to store information), automated reasoning (to use stored information to draw conclusions), machine learning (to extrapolate patterns), computer vision (to perceive objects), and robotics (to manipulate objects and move about; Russell & Norvig, 2006). AI has entered the realm of tourism experiences. While dominated by the technical aspect of intelligent systems, in manner how to construct smarter, more useful purpose of the service delivery AI anticipate and shape the automated future of travel and tourism.

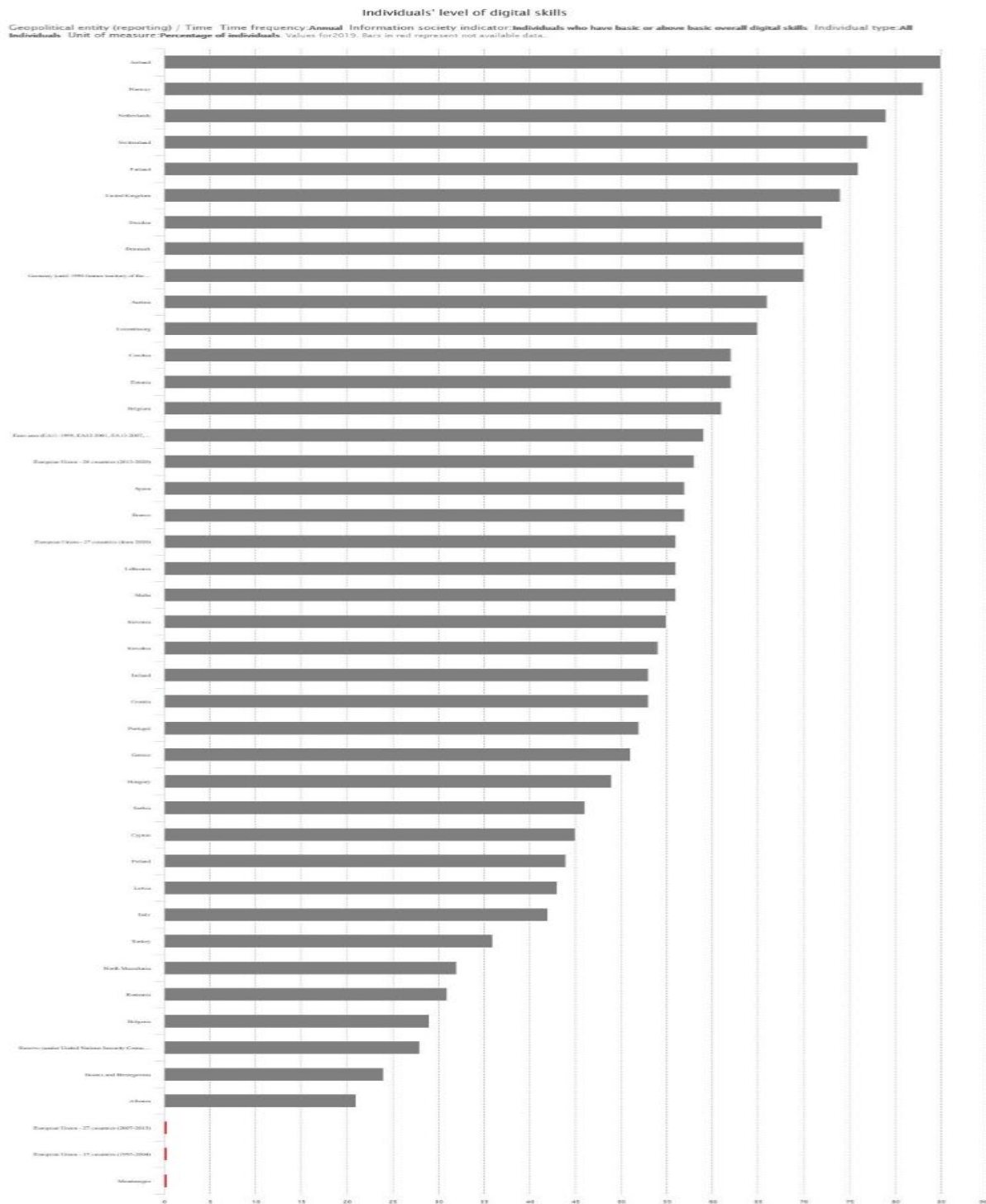
As an innovative technology, blockchain is influencing changes in tourism. Iansiti and Lakhani (Iansiti and Lakhani, 2017). stated that *blockchain technology* is digital ledger that allows separate companies to do business in a transparent and trustful way without the necessity of the central node of control. Blockchain technology is often perceived as a potential platform for launching new values applied in different business sectors and transactional systems (Damoska Sekuloska, and Erceg, 2018). This is a new way of organizing, recording, and processing information in blocks which are provable, reliable and long-lasting (Kumar, Liu and Shan, 2019, pp. 1–30). Blockchains help businesses to influence effectively, emotionally even psychologically their target audience and internal customers i.e. employees.

Rejeb and Rejeb (Rejeb and Rejeb, 2019, pp. 119 – 134) stated that blockchain influence tourism by building trust with the following components: transparency, control, influence and recourse. Blockchain enable many potential applications for cross-industry use which influence on the whole range of the tourism sector, but not just on macro level when negotiating with partners, in domain of transportation, payments, supply chain management, but in area of improved identity management, interactivities with travelers (Gjerding, 2020, Aitken, 2020). Benefits are also seen in cost reduction connected with currency exchange rates and it has huge potential for simplifying frequent traveler loyalty programs (Kowalewski et al. 2020). Further, an active *AR experience* put an emphasis on participation and interactivity with the virtual environment, allowing higher levels of presence to be experienced as users feel more engaged (Sekhavat and Nomani, 2017). Augmented Reality (AR) is a technology that allows computer-generated virtual content to be displayed in real time. In AR, the environment is real, but expanded with information, images, sounds, and models from the system. It represents an area on the border of the real and the virtual, and places virtual objects in the real world and can expand our view of the real world. The augmented reality of being the one that affects our daily lives in terms of information (Deželić, 2018). Freeman, Lessiter, Pugh and Keogh (2005) find out the divergences between active and passive simulations, while demonstrating their influence on presence (PiccioneCollect and De Foe, 2019).

3. FUTURE CHALLENGES OF SHARING ECONOMY

The COVID crisis has triggered a number of changes in the world of rental accommodation. Some of these changes are flexible cancellations, new market prices, and shorter booking window. High expectations make pressure on attendees in channel of distribution. There is an even greater emphasis on cleanliness, privacy and security. There is an opportunity for digital platforms to match with others searching for the benefits that are situated in nowadays market conditions. According to when analyze EU countries, Scandinavian and the UK travel markets have the highest online penetration rates (near 50 %) while online travel comprises a much smaller share in Southern and Eastern Europe (Spain, Italy, Poland). In 2019, the percentage of people who have at least basic digital skills reached 58% (compared to 2015 55%, and compared to 2010 50 %) (European Technology and Travel Services Association, 2010).

(Eurostat, 2015). In 2019, four in five young people (or 80 per cent) aged 16 to 24 in the European Union (EU) had basic or above basic digital skills. This was 24 percentage points higher than the share of individuals aged 16 to 74 (56 per cent) (Eurostat, 2020).



Source: Eurostat, ESS : Community survey on ICT usage in households and by individuals the Statistical Office of the European Union, based on data reported by the countries.

Figure 2. Individuals' level of digital skills in EU according to % of the total number of individuals aged 16 to 74.

Considering the share of Internet users in the population of EU member states, more than 90% of them share the top position - Denmark, Finland, the Netherlands, Sweden, Norway and Iceland. Basic digital skills are not enough for a large part of the EU population. In this research an overall digital skills indicator, based on the component indicators, is calculated as a proxy of the digital competences and skills of individuals. Internet penetration rate has a positive individual impact on the Internet booking use whereas the percentage of individuals with low Internet skills has a negative individual impact (Dumičić,

Žmuk, Mihajlović, 2016, pp. 23-38) . Despite that, the Internet provides an essential infrastructure and the principal penetration source during travel planning, research and shopping and booking for travellers across Europe. Digital skills are basis for global competitiveness. Even sharing economy presents some new contexts for the use of technology, and for the types of social relations which are carried out.

Sharing economy (SE) allow individuals and groups to make money from underused assets. In a sharing economy, idle assets such as parked cars and spare bedrooms can be rented out when not in use. In this way, physical assets are shared as services. SE is based on 'technology' and how it facilitates new social and economic configurations. In some discussions this technology is an 'algorithm', while in others it is a 'platform' and in many more it is simply 'technology'. Furthermore, there is not always agreement on these terms, as researchers have different definitions of an 'algorithm' and some publications describe the technology as a platform, but only concern themselves with one algorithmic process of that platform. In other cases, technological changes are reduced to quantifiable trends, such as increasing computational power, speed of matchmaking, or the omnipresence of personal devices, observations which circumscribe but do not explain technology's role. Sharing economy has been changing the way that people from every sector share and conduct transactions and make decisions. The modern way of life is now in digital spaces and the smartphone is the gateway. According to the survey on the attitudes of Europeans towards tourism, 56 % of the EU citizens organise their holidays themselves, rather than purchase a pre-defined package (European Commission, 2018). Given the variety of perspectives represented, there is a great need to collect and connect what has been done, and to identify some common themes and threats, which will serve as a basis for future discussions on the crucial roles played by digital platforms in the sharing economy. After a closer look in the academic studies on the sharing economy and related terms, we identify some trends and the ways in which the new sharing economy is disrupting the traditional way of doing business in the hospitality and tourism sectors.

Hospitality seeks to synthesize the sum of its impacts, thus enabling businesses and local governments to define positions and strategies. The drivers of growth of digital platforms explain this disruption in the context of structural societal changes. Airbnb is a challenging innovation to which traditional hospitality will must respond. Its impact has at the same time led to a call for regulatory policies. Future scenarios must repond under correct definition of variables as policies and the changable tourism phenomenon (Oskam and Boswijk, 2016, pp. 22 – 42). Sharing experiences, values, networked hospitality businesses turned the invitation to the concept into a for-profit, while an initial web-driven initiatives in "social travel" revolved around the adventurous and altruistic motivations of offering people (Oskam and Boswijk, 2016, pp. 22 – 42).

Airbnb is the market leader in peer-2-peer (P2P)-accommodation; it is analyzed as reflection on the networked hospitality phenomenon in general in dynamic market conditions. Insights could be theis basis for future scenarios, in a conceptual exploration tehoretical insight on the future of hospitality and tourism. The main drivers for societal change can be considered from four perspectives; technological innovation, sociological, philosophical and an economic perspective. (Oskam and Boswijk, 2016, pp. 22 – 42).

In accrdance to technological perspective, number, speed and adoption of technological innovations grow exponentially. Processing power doubles every two years – and have a considerable impact on the way we organize our society, economy, health care and (Oskam and Boswijk, 2016, pp. 22 – 42). This influences almost all aspects of our lives: the way we communicate, the way we produce energy and the way we distribute. Through the secondary and primary digital technologies even physical world becomes digitalized. According to Schwab (2016), appraching to fourth industrial revolution, an era characterized by breakthroughs in emerging technologies in such fields as robotics, artificial intelligence (AI), nanotechnology, the internet of energy, quantum computing, the Internet-of-Things, fifth-generation wireless technologies, and fully autonomous vehicles, all of which will affect how we create and share value, and will change the way we live,

work, and interact (Schulze, 2019). Three platforms that are migrating at the same time to an Internet of Things and towards a zero cost based society cause an enormous disruption. Sociological perspective Brand and Rocchi (2011) described as the changing idea around the concept of value, focusing on an experience economy, knowledge economy with focus on self-actualization towards a transformational economy with focus on a higher purpose and searching for meaningful living. From the business perspective, the paradigms shift from mass production, to marketing and branding, towards knowledge platforms and value networks. On top of that, new communicative technologies enable a total connectivity and enable P2P networks. While market places connect supply and demand between customers and companies, digital platforms connect customers to whatever (Olma, 2014, Oskam and Boswijk, 2016, pp. 22 – 42). From economic perspective, the economy dematerializes; and according to Rifkin (2014), three areas in which dematerialization finds expression are: digitalization, eco-efficiency and intangible aspects of consumption. Term “sharing economy” is referring to hyperconnected economy. We are moving from a time frame of possession to the age of access while old business models of digitalization process are disrupted harder than we realize (Oskam and Boswijk, 2016, pp. 22 – 42). Frenken et al. (2015) define the sharing economy as consumers granting each other temporary access to underutilized physical assets (“idle capacity”), possibly for money. By parsing his definition into three elements, Frenken et al. claim to distinguish the sharing economy from other economic forms: a) as consumer-to-consumer platforms and not about renting or leasing a good from a company (business-to-consumer), b) sharing is about consumers providing each other temporary access to a good, and not about the transfer of ownership of the good.

4. CONCLUSION

Evolution of intermediaries is going on. Distribution channels are systems where transformations are obvious. Sharing is about more efficient use of physical assets and not about private individuals delivering each other a service. After all, physical goods can go unused, but people cannot. Internet platforms that bring consumers together to provide each other with services represent the on-demand economy. An example of such a platform is Task Rabbit, through which you can hire people to carry out work around the house. What companies as Uber, Airbnb, Task Rabbit or Postmates have in common is that they are platforms coordinating supply and demand of products and services that in their present form were previously unavailable on the market. Uber is a platform where people looking for a cab quickly find their non-, semi-, and real-professional taxi driver, thus enabling drivers to become entrepreneurial. Airbnb allows people to sublet their houses, Task Rabbit connects supply and demand for chores, Postmates for deliveries, Instacart for grocery shopping. While it might be convenient to make use of these services, they have absolutely nothing to do with sharing. They stand for a digitally enabled expansion of the market economy, which, again, is the opposite of sharing. As many scholars of the sharing economy have explained, the act of sharing has roots in the ancient bartering systems and communal ways of life. However, it is only in the last two decades that an intense discussion of sharing and economic collaboration has risen up around the term ‘sharing economy’. This is in part due to the fact that, although sharing has been around for a long time, digital platforms and other large-scale mediating technologies have not. Indeed, much of the excitement over the sharing economy and collaborative consumption surrounds digitally-supported businesses and communities which have enjoyed commercial success in recent years, upsetting established businesses. As a result, the presence of such technologies has been put forward as a defining characteristic, separating those businesses and communities under the term “sharing economy” from traditional sharing contexts. Thus, we can describe the sharing economy as an economic model defined as a peer-to-peer based activity of acquiring, providing, or sharing access to goods and services that is often facilitated by an online platform. The sharing economy has grown out of the open-source community to refer to peer to peer-based sharing of access to goods and services, but the term is now often more broadly used to describe any sales transactions conducted online. At the base of the increasing

concept of the SE is the role of digital technologies. In many conceptions, the SE system is predicated on some kind of efficient, scalable technology, which brings large networks of people together and matches them to the goods or services they need with a lot of comfort at the same time. The market successes of SE businesses, as well as the social futures of collaborative networks, are often tightly associated with the technologies on which they run.

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