

Review of: "Sharing Economy Practices in Changing Business Environment: Transaction Cost, Resource-Linking, and Hypercompetition Perspectives"

Katia Corsi¹

¹ University of Sassari

Potential competing interests: No potential competing interests to declare.

The sharing economy is highly topical and disruptive: any attempt to conceptualise it is appreciable. For this reason, the work is very interesting.

This work aims to offer theoretical interpretations of the sharing economy phenomenon and explain the new business model, using theories from economics and management.

Adopting the transaction costs theory, which was born in the economic field and widely used in management issues, is very interesting for the work's aim.

There are some valuable considerations on the nature of the sharing economy and its competitive dynamics, but they could be better systematised.

The choice of examined cases is perfect: they help to understand the competitive dynamics in sharing economies.

I'm trying to offer some suggestions.

A greater methodological clarity could help systematise this work's final considerations: a clear description of the adopted interpretative approaches and the consequent location of the sharing economy in the adopted theoretical model.

For example, by adopting the transaction cost theory, the sharing economy is explained through the nature of transactions (such as the idiosyncrasy of investments and the frequency of transactions) but needs to be clarified if the sharing economy can be traced back to the market or hybrid forms.

The author extends this theory to the workforce, which, in Williamson's model, "Market or Hierarchy", is associated respectively with outside workers or employees. This theme about sharing economy operators needs to be explained better.

Furthermore, the transactional cost theory can offer further interpretative ideas linked to reputation, a pivotal concept in every sharing economy system. In this context, characterised by "large numbers", opportunistic behaviours (which in Williamson's theory are a source of transactional costs) could be significantly reduced. This theme should be furthered.

So, regarding the Hypercompetition theory, locate the different strategic choices of the three companies examined in the

scheme of Figure 2.

The author claims, “hypercompetition is linked to the timing of market entry; first movers have difficulty growing further due to the competitive strength of new entrants with more complete and complementary features”. I believe this is physiological in every business: the advantage linked to first movers is generally short-term, considering the imitative effects of late movers.