



The more you know, the more you dare®



# MAPPING THE PLATFORMS

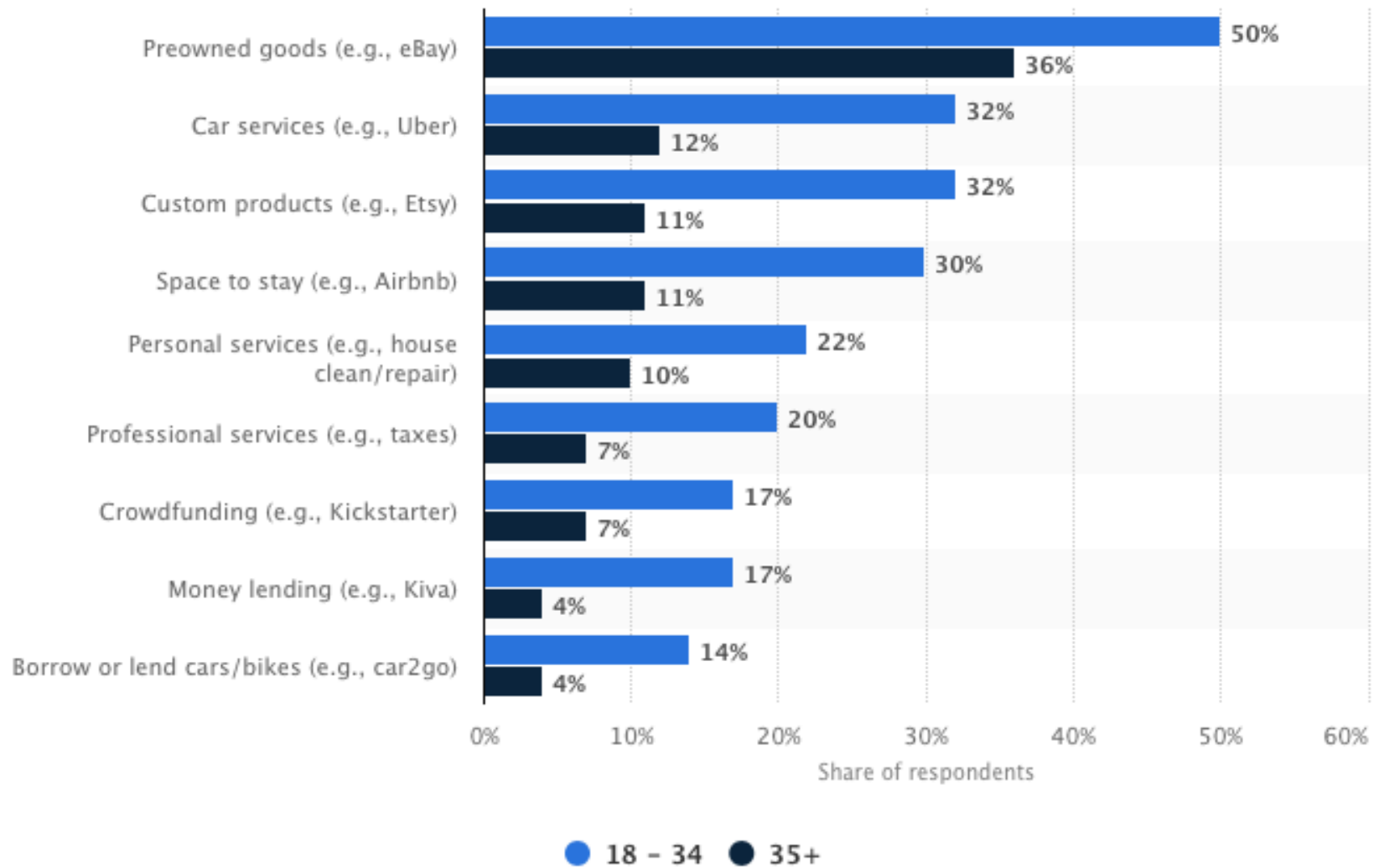


David Restrepo Amariles  
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affiliated to

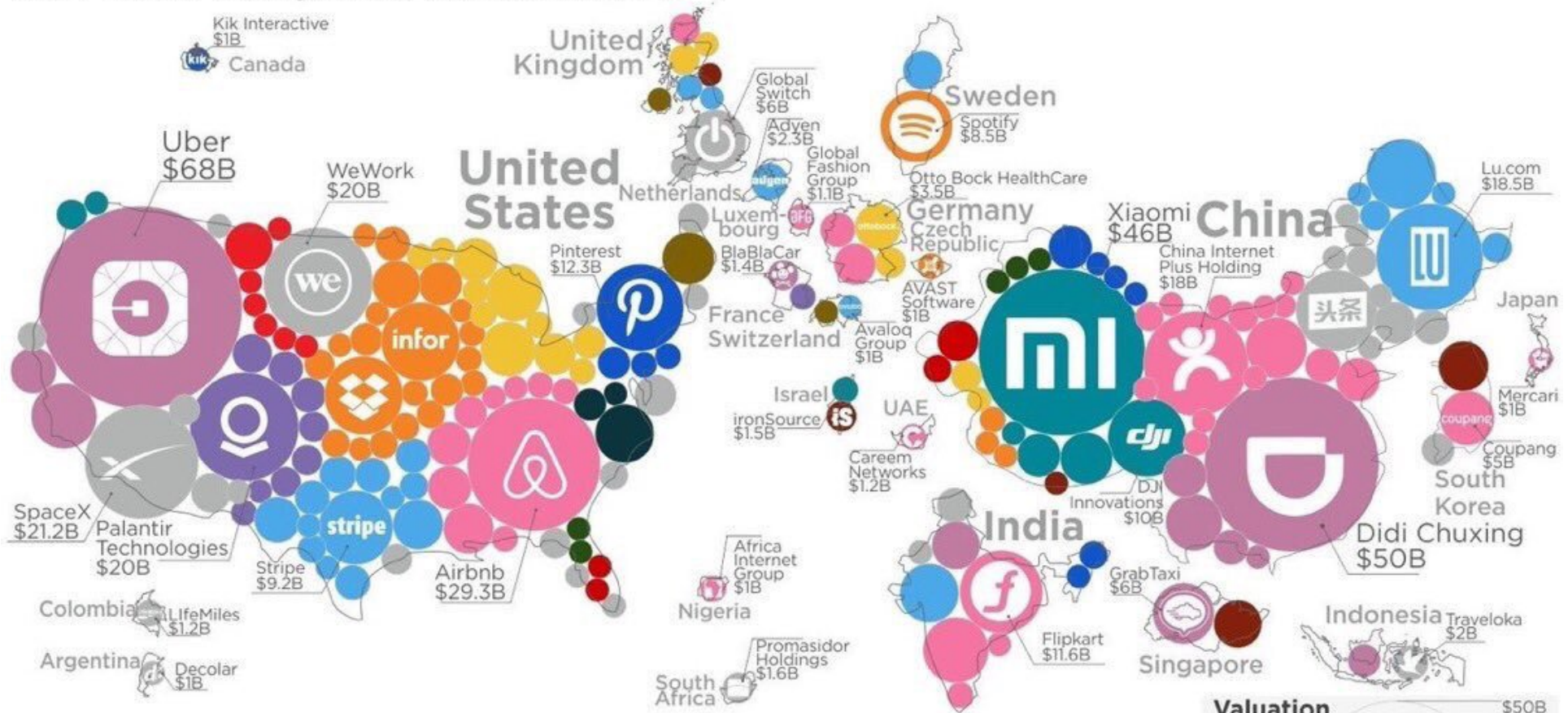


## Sharing economy services in North America as of March 2017, by age group



# The World's Unicorn Companies 2017

All Private Companies Valued At \$1B+



**Article & Sources:**  
<https://howmuch.net/articles/the-worlds-unicorn-companies-2017>  
<https://www.cbinsights.com/research-unicorn-companies>

howmuch.net

## Number of sharing economy companies by country of origin

- < 25  
Sweden  
Poland  
Italy  
Belgium
- > 25  
Spain  
Germany  
Netherlands
- > 50  
UK  
France

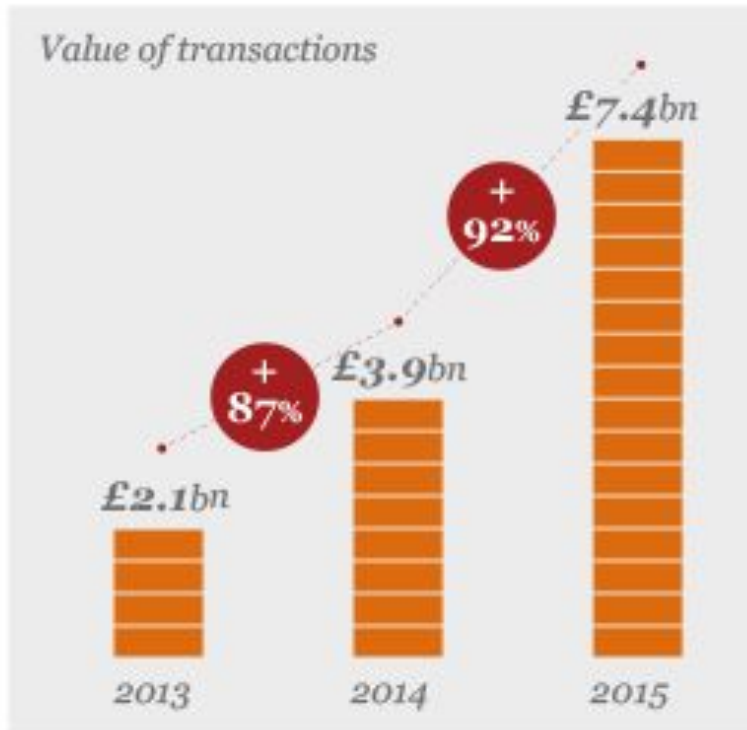
UK

France

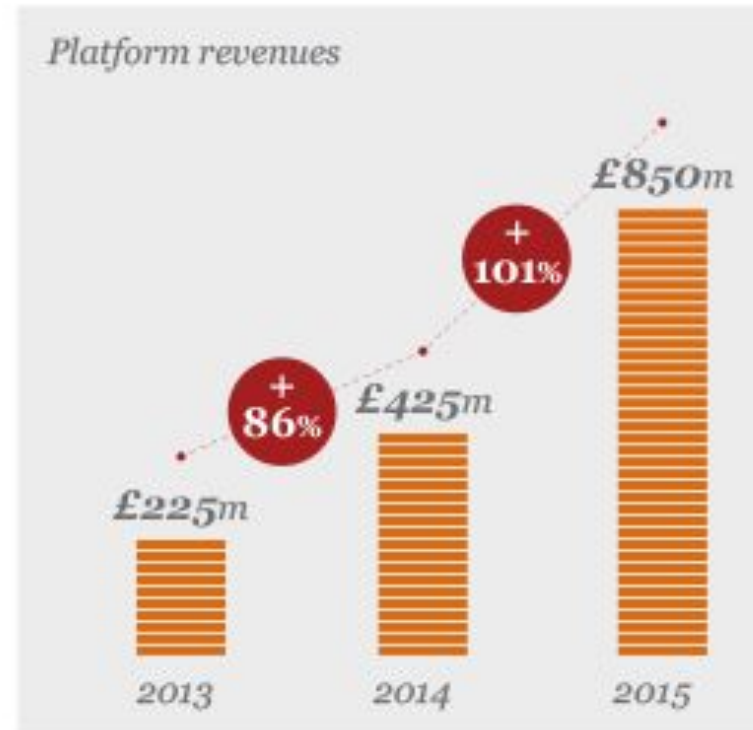


Source: 2016 PwC analysis of multiple sources

## Revenues and total transaction value facilitated by sharing economy platforms in the UK



The size of these bars are illustrative rather than representative.



Source: 2016 PwC analysis





**Bill Gross** ✓  
@Bill\_Gross

Follow



10 things that didn't EXIST 10 years ago..

- #iPhone
- #Kindle
- #4G
- #Uber
- #Airbnb
- #Android
- #Spotify
- #Blockchain
- #Nest
- #iPad

Talking about crypto-currency at [#UpfrontSummit](#) and it's hard to believe the Blockchain was ONLY even invented NINE years ago!



7:21 PM - 31 Jan 2018

10 Retweets 32 Likes



3 10 32



Centre Perelman Retweeted



**David Restrepo A** @davidamariles · 4m

Happy to open today the cycle of conferences @CentrePerelman about #regulation & #platforms in the #sharingeconomy - Mapping the filed with @BenoitFrydman - #Brussels #neweconomy #SMARTLaw @HECParisSnO #CSR philodroit.be/Le-droit-des-p... ...

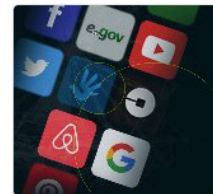


3 Retweets 3 Likes



**David Restrepo A**  
@davidamariles

Happy to open today the cycle of conferences @CentrePerelman about #regulation & #platforms in the #sharingeconomy - Mapping the filed with @BenoitFrydman - #Brussels #neweconomy #SMARTLaw @HECParisSnO #CSR philodroit.be/Le-droit-des-p... ...



9:14 AM - 6 Feb 2018 from Brussels, Belgium

3 Retweets 3 Likes



3 Retweets 3 Likes

Law&HumanitiesAssas and 13 others follow



**Alex von Witzleben** @AlexWitzleben · 9h

Amazon to pay France \$250 million in back taxes  
[siouxcityjournal.com/news/world/ama...](https://siouxcityjournal.com/news/world/ama...) via @scj #Amazon #tech #Macron #taxation #taxes #tax



**Amazon to pay France \$250 million in back taxes**

PARIS (AP) — Online retailer Amazon has reached a deal with French authorities to pay about \$250 million in back taxes.

[siouxcityjournal.com](https://siouxcityjournal.com)



Big Data Hour and 19 others follow



**Marsha Collier** @MarshaCollier · 2h

When #Amazon Opens Warehouses

"The debate over Amazon's HQ2 obscures the company's rapid expansion of warehouses in low-income areas"

#ecommerce #jobs



**What Amazon Does to Poor Cities**

The debate over Amazon's HQ2 obscures the company's rapid expansion of warehouses in low-income areas.

[theatlantic.com](https://theatlantic.com)



**PAIN Jacques** @jacquorange · 2h

#Amazon devient la marque la plus valorisée au monde, #Orange première marque française #France

Translate from French



**Amazon devient la marque la plus valorisée au mon...**

Selon le rapport Brand Finance Global 500, Amazon a dépassé Google au rang des marques les plus valorisées. Orange, 51e, est la première marque françai...

[sudouest.fr](https://sudouest.fr)



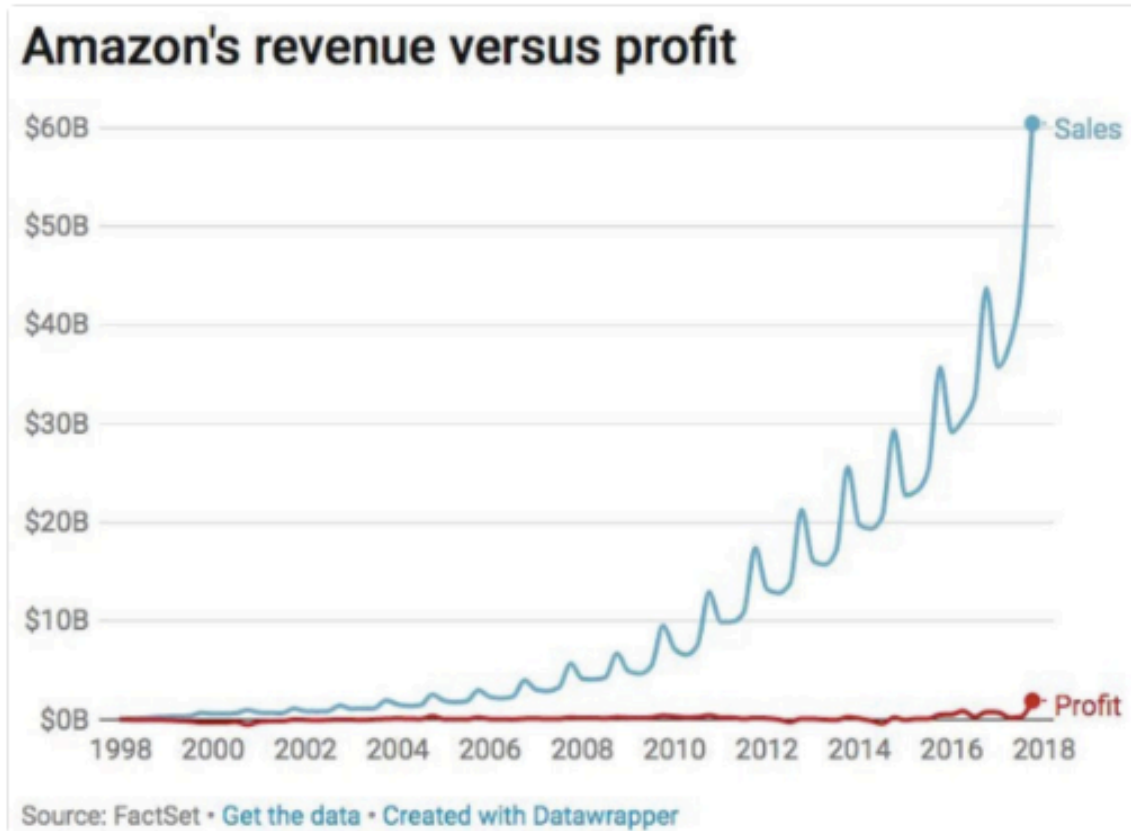


BEworks Inc. and 9 others follow



**Bill Gross** @Bill\_Gross · 19h

#Amazon's revenue versus profit graph. Jeff had a very long term view, and investors allowed it.. Graph via Eric Jackson



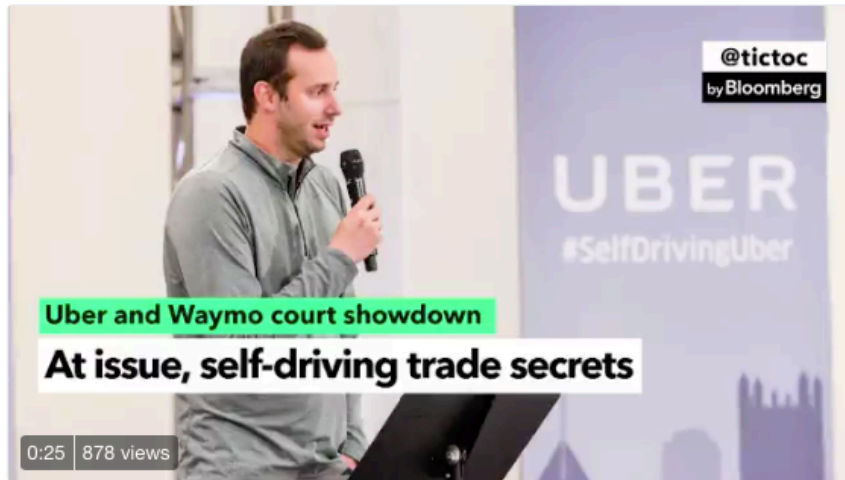
12 115 232

 **QUT IP & Innovation**  
@QUT\_IP

Follow

#Waymo's trade secrets trial against #Uber has started. The Alphabet unit alleges that a former #Google engineer shared trade secrets with the ride-hailing app #tictocnews [bloom.bg/2EhsBwP](https://www.bloom.bg/2EhsBwP) #WaymoUber

 TicToc by Bloomberg




12:53 AM - 6 Feb 2018



**Free Ride Codes** @Free\_Ride\_Codes · 2m

#Lyft is offering half-priced rides from Orlando to watch the SpaceX Falcon Heavy launch tomorrow [bit.ly/2nEPyAE](https://bit.ly/2nEPyAE) #uber #freerides #rideshare

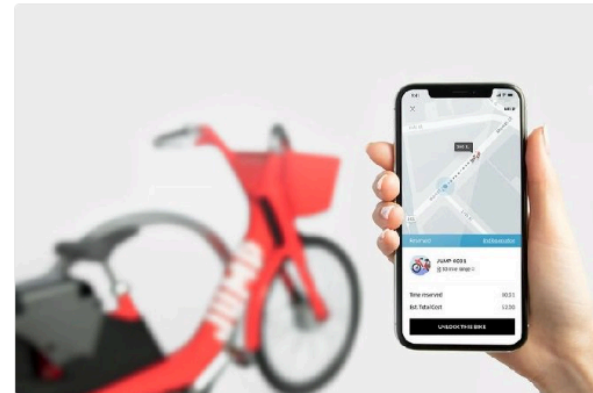




**The Current Affairs** @TodayNewsEvents · 3h

#Uber will offer #BikeSharingService in #SanFrancisco [vindulacms.com/uber-will-offe...](https://vindulacms.com/uber-will-offe...)



  2  2 



**Stacey Arwen Raab** @arwenraab · 35m

I'm still absolutely horrified that @Airbnb head supervisor (a woman) of their 'Trust & Safety' dept would have the audacity to call & victim-blame me for their company's ignoring my sexual harassment incident when I used their services. #metoo 🙋 #airbnb #forshame



**Host Angel**  
@LinenLogistics

Follow

Comments for: South Portland eyes new rental rules after complaints about #Airbnb in local ... [google.com/url?rct=j&sa=t...](https://google.com/url?rct=j&sa=t...)



9:51 AM - 6 Feb 2018





**Wilko S. Wolters** @WSWMUC · 11m



Why [#Uber](#) and [#Airbnb](#) aren't really "[#SharingEconomy](#)" companies anymore.

[@INSEADKnowledge](#)

[#DigitalTransformation](#) [#BusinessModel](#) [#Transformation](#)



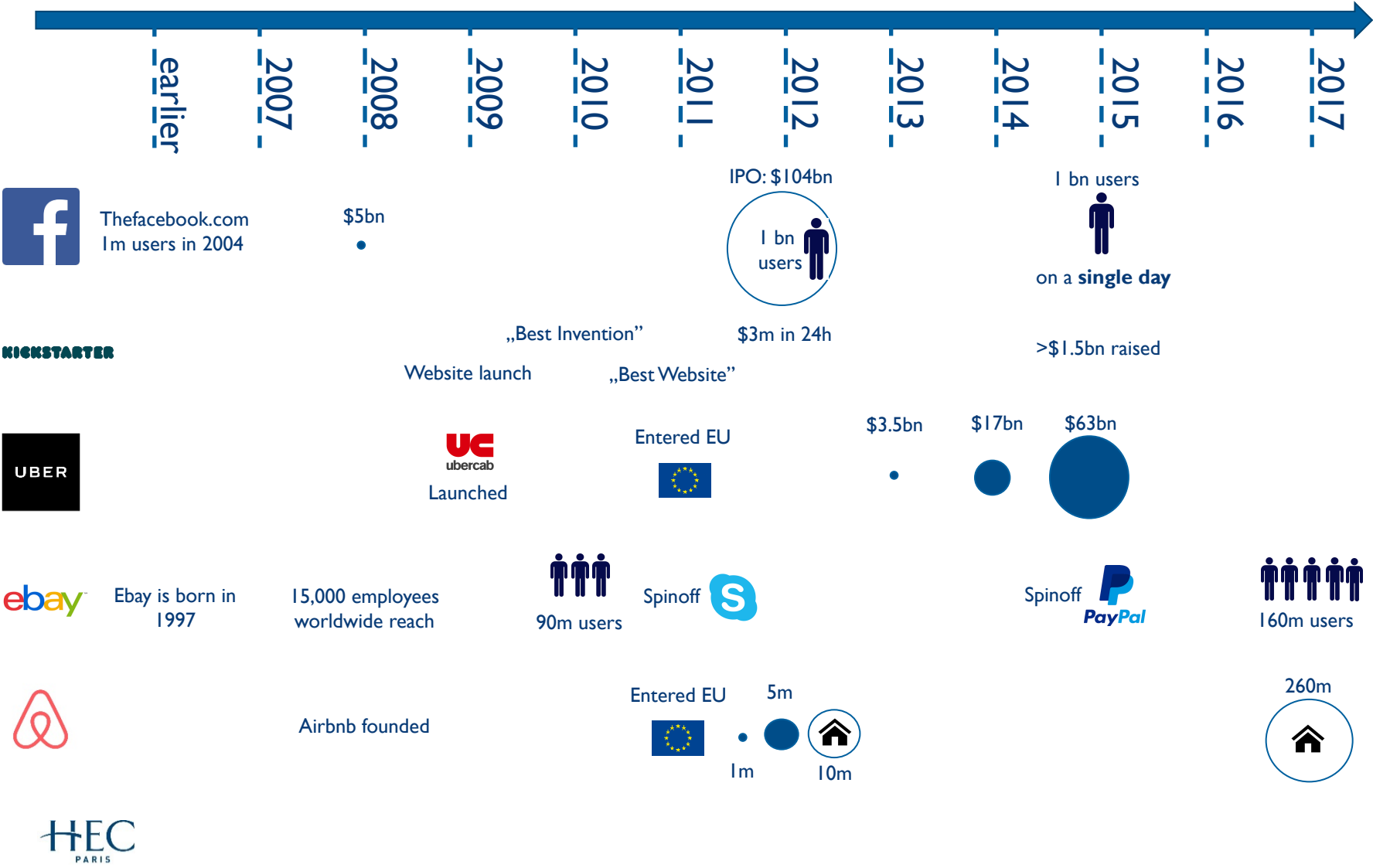
**Who's Responsible? The Ethics of the Sharing Economy**

Should the responsibilities of "sharing economy" giants like Uber and Airbnb differ from those of traditional companies?

[knowledge.insead.edu](http://knowledge.insead.edu)



# STYLIZED TIMELINE





# BIG PICTURE: FACEBOOK



*Financial year 2017*

Revenues: \$40.1bn

Net Income: \$16bn

2.1bn monthly active users, that is almost every citizen of the European Union, China and the US **together**

Incorporated in Delaware



Percentage of population using Facebook on six continents



Source: Socialbakers.com

2012 – 1bn active users – now it is double

Facebook has 2.1bn active users...

...but only 17,000 employees

This is 1 employee for each 120,000 users

*Examples of current legal proceedings:*

> Facebook employees v Facebook

*Examples of past lawsuits:*

> [2012 - 2013] IPO lawsuits (Offre publique d'achat)



# BIG PICTURE: KICKSTARTER

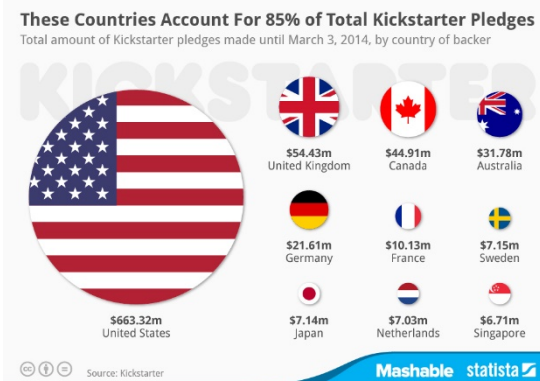


*Private corporation – no data available*  
Since 2015 it is a Public Benefit Corporation

Kickstarter collected \$3.5bn dollars pledged to projects  
For a total of ~140k projects  
Pledged by 14m backers  
All managed by **116 employees**



In 2014 pledges were at \$1bn – mainly from the US – now it is almost quadruple



*Examples of current legal proceedings:*

> *Private corporation – no data available*

*Examples of past lawsuits:*

> [2015] Federal Trade Commission v A Failed Kickstarter Project

> [2012] Kickstarter v 3D Systems





# BIG PICTURE: UBER



*Financial year 2016*

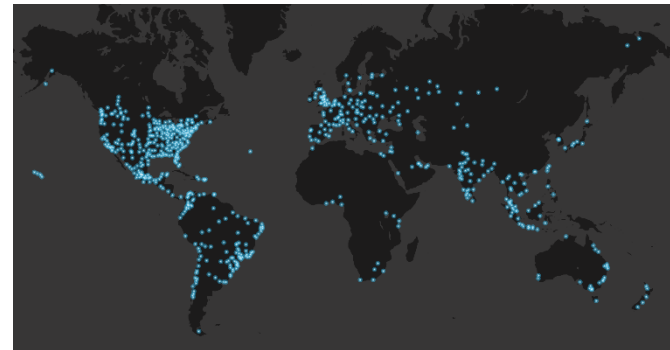
Revenues: \$6.5bn on \$20bn bookings

**Loss: \$2.8bn**

2bn rides booked, that is 1 ride per almost every citizen of the European Union, China and the US **together**

Incorporated in Delaware

Operates in > 600 cities in 83 countries



Uber has 1.5m drivers worldwide...

...but only 12,000 employees

This is 1 employee for each 125 drivers

*Examples of current legal proceedings:*

- > Uber v TfL in London
- > Uber drivers v Uber in California

*Examples of past lawsuits:*

- > [2016] Aslam v Uber in the UK
- > [2015] Uber drivers deemed employees by the California Labour Commission

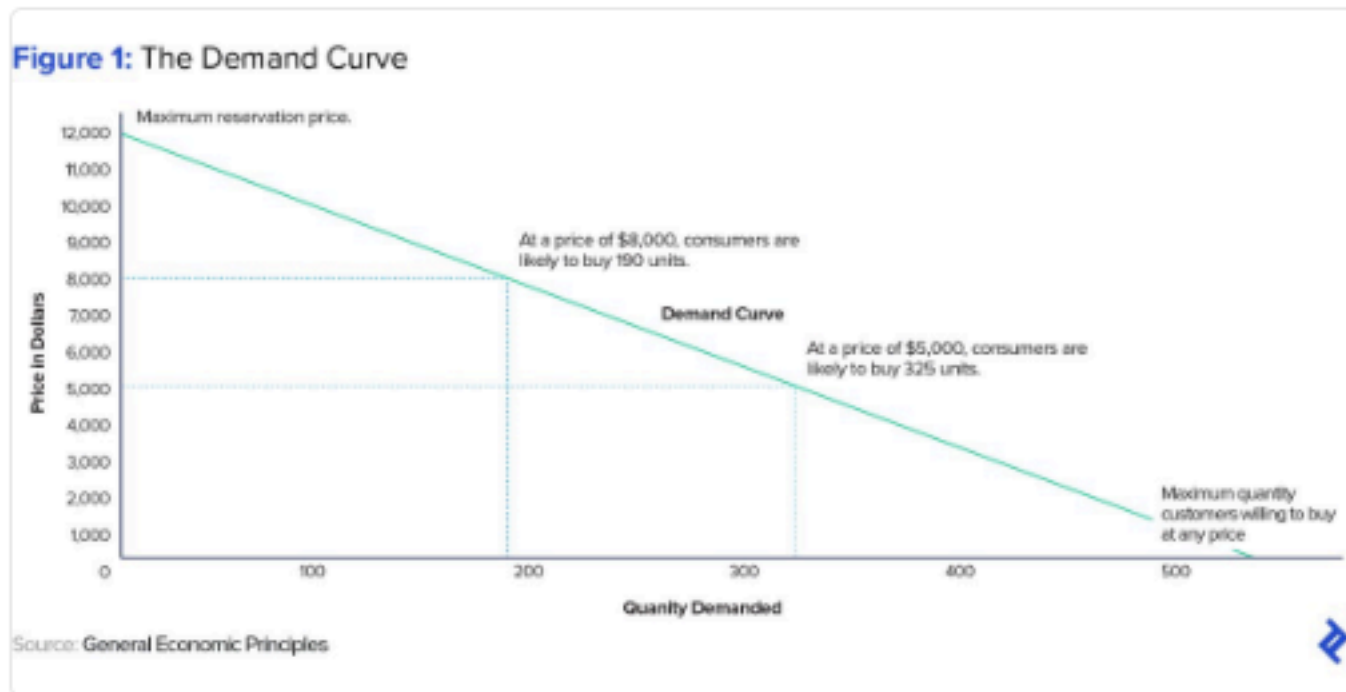




**scott\_barman** @scott\_barman · 11m

Price Elasticity 2.0: From Theory to The Real World

[theappecosystem.blogspot.com/2018/01/price-...](http://theappecosystem.blogspot.com/2018/01/price-...) via @agbazaco #BigData #PriceElasticityofDemand #Uber



# UBER MEETS BIG DATA

- New, digital economy techniques such as rapid, real-time [A/B experimentation](#) and [big data](#) application are opening up new possibilities for price elasticity application.
- Uber, as one case study, uses big data and "surge" to continuously triangulate price elasticities to regulate demand while also accounting for previously ignored distortions from behavioral psychology.
- When surge was first launched, Uber knew that going from 1.0x (no surge) to 1.2x surge resulted in a 27% drop in demand (implying a PED of 1.35).
- The company also figured out that going from 1.9x to 2.0x surge [resulted in precisely](#) a 6x larger drop in demand than in going from 1.8x to 1.9x surge, simply because "2.0x just felt viscerally larger, capricious and thus unfair" to its customers (behavioral distortion).
- Intriguingly, it figured out that moving the multiplier from 2.0x to 2.1x surge induced more rides, not because consumers wanted to pay more but because, with a number as precise as 2.1x, customers assumed an intelligent algorithm must be at play, better able than humans to set a fair, data-driven price.





# BIG PICTURE: EBAY



*Financial year 2015/ 16/ 17*

Revenues: \$8.6bn/ \$9bn/ \$9.6bn

Net Income: \$2bn/ \$7.3bn /-**\$1bn**

Very volatile net income due to unusual expenses and tax breaks

Incorporated in Delaware



**57%**  
INTERNATIONAL  
REVENUE

PRESENCE  
IN  
**190**  
COUNTRIES

Present in > 190 markets

Shipping to 101 markets from the US

Ebay has 160m active buyers...

...but only 13,000 employees

This is 1 employee for each 13k buyers

There is 1bn products in offer – more than one for each citizen of the EU and US combined

*Examples of current legal proceedings:*

> No data available

*Examples of past lawsuits:*

> [2012-2014] Class Action lawsuits against Ebay ruled

> [2008] Ebay v Craigslist





# BIG PICTURE: AIRBNB



*Financial year 2017*

Revenues: \$2.8bn

Has only been profitable since 2016

Incorporated in Delaware

Operates in > 65,000 cities in 191 countries



Airbnb has done 260m bookings since 2008

Airbnb has 4 million listings worldwide

... and only 3,100 employees

This is 1 employee for 1,300 listings

*Examples of current legal proceedings:*

> Airbnb v Guest

> Barcelona crackdown on rental

*Examples of past lawsuits:*

> [2016] New York City v Airbnb

> [2015] San Francisco v Airbnb





**HARVARD**  
BUSINESS SCHOOL

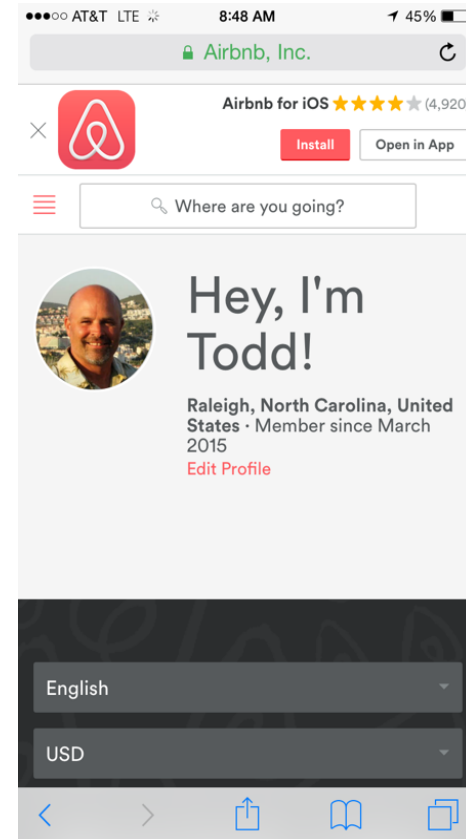
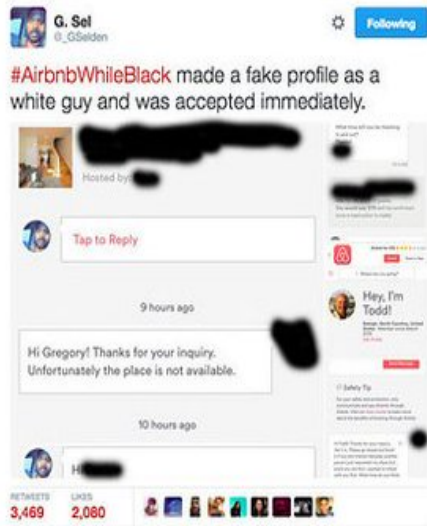
Benjamin Edelman & Michael Luca (2014)  
*Digital Discrimination: The Case of Airbnb.com*

- Test for racial discrimination against landlords in the online rental marketplace Airbnb.com
- Data set:
  - Pictures of all New York City landlords on Airbnb with their rental prices and
  - information about quality of the rentals, we show that non-black hosts charge
- Finding: non-black hosts charge approximately 12% more than black hosts for the equivalent rental.





## Philadelphia in March 2015





AT&T 10:51 AM 58%

Create Account

Log in with Facebook

First Name Last Name

Email

10013

Password

Invitation Code?

Sign Up

By signing up, you agree to the Privacy Policy & Terms of Service.

“[the user] and Airbnb agree that any dispute, claim or controversy arising out of or relating to these Terms or the breach, termination,... will be settled by binding arbitration.”

# Gregory Selden, et al., v. Airbnb, Inc.

United States District Court for the District of Columbia

May 17, 2016, Selden files Putative class action against Airbnb

- Violation of Title II of the Civil Rights Act of 1964, 42 U.S.C. § 2000a, which prohibits race discrimination in public accommodations;
- The Civil Rights Act of 1866, 42 U.S.C. § 1981, which prohibits race discrimination in the formation of contracts;
- The Fair Housing Act, 42 U.S.C. § 3604, which prohibits race discrimination in the sale or rental of housing. *Id.* at ¶¶ 53–72.

1 November, 2016: The Court granted Airbnb’s motion to Compel Arbitration and stayed the case.



# Airbnb's Work to Fight Discrimination and Build Inclusion

A Report Submitted to Airbnb

By Laura W. Murphy,  
President, Laura Murphy & Associates

September 8, 2016

“The new policy requires Airbnb hosts and guests to do significantly more than merely follow applicable laws”

“By agreeing to the Airbnb Commitment, users certify that they will also adhere to this new nondiscrimination policy. As noted above, users who do not agree to the Airbnb Commitment will be prohibited from using Airbnb.”



Search

Become a Host

Trips

Messages

Help



# Prof. Raz Godelnik

“As a company operating in almost every country around the world, it seemed as if there were no uncharted territories left for Airbnb. But the growing complaints about racial discrimination on Airbnb’s platform brought to mind a new territory the company has yet to explore – corporate social responsibility (CSR).”

Terms of Service

**Nondiscrimination Policy**

Payments Terms of Service

Privacy Policy

Host Guarantee

Guest Refund

Copyright Policy

Safe Harbor

Gift Cards

## Updated Terms of Service

We've updated our: (1) [Terms of Service](#); (2) [Payments Terms of Service](#); and (3) [Privacy Policy](#) (collectively, "Terms"); as well as our (4) [Guest Refund Policy](#) and (5) [Host Guarantee Terms and Conditions](#). If you signed up for an account prior to October 27, 2016, we'll ask you to agree to the new Terms, when you use our site on or after the December 07, 2016. The revised Guest Refund Policy and Host Guarantee Terms and Conditions will be effective for existing users on December 07, 2016. Please read each policy carefully. Learn more about what's changing for: [residents of China](#) | [all other users](#).

## Nondiscrimination Policy

### Our Commitment to Inclusion and Respect

Airbnb is, at its core, an open community dedicated to bringing the world closer together by fostering meaningful, shared experiences among people from all parts of the world. Our community includes millions of people from virtually every country on the globe. It is an incredibly diverse community, drawing together individuals of different cultures, values, and norms.

The Airbnb community is committed to building a world where people from every background feel welcome and respected, no matter how far they have traveled from home. This commitment rests on two foundational principles that apply both to Airbnb's hosts and guests: **inclusion and respect**. Our shared commitment to these principles enables every member of our community to feel welcome on the Airbnb platform no matter who they are, where they come from, how they worship, or whom they love. Airbnb recognizes that some jurisdictions permit, or require, distinctions among individuals based on factors such as national origin, gender, marital status or sexual orientation, and it does not require hosts to violate local laws or take actions that may subject them to legal liability. Airbnb will provide additional guidance and adjust this nondiscrimination policy to reflect such permissions and requirements in the jurisdictions where they exist.

### What happens when a host does not comply with our policies in this area?

If a particular listing contains language contrary to this nondiscrimination policy, the host will be asked to remove the language and affirm his or her understanding and intent to comply with this policy and its underlying principles. Airbnb may also, in its discretion, take steps up to and including suspending the host from the Airbnb platform.

If the host improperly rejects guests on the basis of protected class, or uses language demonstrating that his or her actions were motivated by factors prohibited by this policy, Airbnb will take steps to enforce this policy, up to and including suspending the host from the platform.

As the Airbnb community grows, we will continue to ensure that Airbnb's policies and practices align with our most important goal: To ensure that guests and hosts feel welcome and respected in all of their interactions using the Airbnb platform. The public, our community, and we ourselves, expect no less than this.

# EUROPEAN UNION LAW?

- **“Rating and reputational systems or other mechanisms** to discourage harmful behaviour by market participants may in some cases reduce risks for consumers stemming from information asymmetries. **This can contribute to higher quality services and potentially reduce the need for certain elements of regulation**, provided adequate trust can be placed in the quality of the reviews and ratings.” COM(2016) 356 (february 2, 2016)
- **And Liability?**
  - Communication on Online Platforms and the Digital Single Market

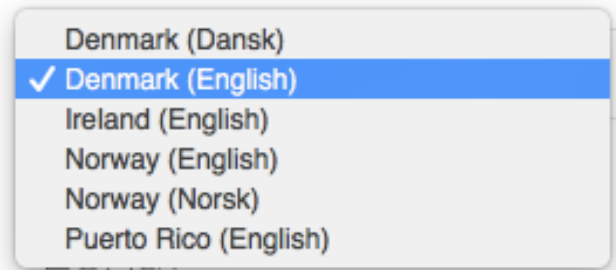
# Limitations of liability of intermediary service providers

The e-Commerce Directive 2000/31/EC

- The Directive exempts intermediaries from liability for the content they manage if they fulfil certain conditions:
  - service providers hosting content, once they are aware of the illegal nature of the hosted content, they need to remove it or disable access to it expeditiously.
  - to be covered by the liability exemption they have to play a neutral, merely technical and passive role towards the hosted content.

“In any case, the way in which collaborative platforms design their information society service and implement voluntary measures to tackle illegal behaviour online **remains in principle a business decision** and the question of whether they benefit from **the exemption from intermediary liability should always be assessed on a case-by-case basis.**” COM(2016) 356 (February 2, 2016)

Application du régime d'**exemption** de **responsabilité** des **intermédiaires**.?



# Driver Deactivation Policy

## Star Ratings

After every trip, drivers and riders rate each other on a five-star scale and give feedback on how the trip went. This two-way system holds everyone accountable for their own behavior. Accountability helps create a respectful, safe environment for riders and drivers. **Drivers can see their current rating in the Ratings tab of the Uber Partner app.**

**How is my rating as a driver calculated?** Your rating is based on an average of the number of post-trip stars riders gave you (from 1 to 5 stars), up to your last 500 rated trips or the total number of rated trips you've taken, if less than 500.

The easiest way to keep your average rating high is to provide good service on every trip. Drivers on the Uber platform provide excellent service to their riders, so most trips run smoothly. But we know that sometimes a trip doesn't go well—that's why we only look at your average rating over your most recent 500 trips (or your total rated trip count, if under 500). This gives you the chance to improve over time.

**What leads to deactivation?** There is a minimum average rating in each city. This is because there are cultural differences in the way people in different cities rate each other. We will alert you over time if your rating is approaching the limit, and you may be asked to come to the Partner Support Center to learn more about quality service or to take an online course.

If your average rating still falls below the minimum after multiple notifications, your account will be deactivated.

Résolution du  
contrat pour  
inexécution fautive?



# THE WAY AHEAD?

## THANK YOU

David Restrepo Amariles  
[restrepo-amariles@hec.fr](mailto:restrepo-amariles@hec.fr)



Anne-Grâce Kleczewski