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# Commerce Department report tries to define 'sharing economy'

For several years, we have somewhat vaguely referred to the “sharing economy” when discussing such enterprises as the Uber and Lyft ride-hailing services, online errand-running brokerage TaskRabbit and ad hoc hospitality matchmaker Airbnb.

Now Uncle Sam has tackled the overlooked challenge of defining exactly what we mean.

In a surprisingly useful and interesting read from the U.S. Department of Commerce, economist Rudy Telles Jr. starts by helpfully labeling these new kinds of businesses “digital matching services.” He says they share the following characteristics:

1. They use information technology systems typically available via web-based platforms, such as mobile apps on internet-enabled devices, to facilitate peer-to-peer transactions.
2. They rely on user-based rating systems for quality control, ensuring a level of trust between consumers and service providers who have not previously met.
3. They offer the workers who provide services via digital matching platforms flexibility in deciding their typical working hours.
4. To the extent that tools and assets are necessary to provide a service, digital matching firms rely on the workers using their own.

If you’re interested in learning more about a slice of the economy that’s seems sure to grow, you’ll want to read “Digital Matching Firms: A New Definition in the ‘Sharing Economy’ Space.” The report outlines the challenges emerging from the growth of digital matching services, including important employment law issues.

Download a free copy at tinyurl.com/Digital-Matching.


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