

## Understanding sharing economy : Potential and Threat in Digital Era

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**ABSTRACT:** Technology in era of 4.0 became an important component for economic activities in various countries, a form of technological addiction with the presence of a sharing economy. Economic sharing is an economic model that is used privately or in groups that is able to make money from its own resources so that it can provide services to other people or groups of people through online platform intermediaries. At present there are many platform providers to facilitate the transaction. Examples of the popular sharing economy are PT GOJEK Indonesia, PT GRAB, Tokopedia, and Shopee where the platform company uses a technology-based operational system that enables dynamic data collection based on consumption patterns of service usage. Data dynamics that form agglomeration based on consumption patterns can be potential and threat. The research uses the SWOT analysis method with the aim of identifying threats and the potential of sharing economy activities towards national defense. The results show that the dynamics of agglomeration data based on certain categories can be a threat to national defense if it is not managed properly by sharing economy actors, but also has the potential to be empowered for planning to become the basis for formulating government policies

**KEYWORDS:** *sharing economy, technology, threats, and potential JEL (Journal of Economic Literature) code.*

### I. INTRODUCTION

A key factor in economic growth is the availability of telecommunications equipment that is smart cellular. Smart Mobile usability indicates technology continues to evolve and facilitate people to get various services via the internet ranging from online travel, online media, digital content, ride hailing, on-demand fintech and e-commerce services. As the demand and fulfillment of consumer needs of the economic development has changed into three in the era of ; (i) Agricultural people meet the needs by utilizing natural resources around it by settling and planting farmland;(ii) the Industrial era of steam engine rides that are human power, and the factory act that converts raw materials into materials so, in the era of the industry began to grow in 1650; (iii) The Era of information narrowed world, because the inclusion of information can get all news from the world of news with just one phone. The information technology is in line with paradigm industrial to be the paradigm post-industrial, which means changing business environment or businessman (Mildawati,2000).

Information and technology make the digital sector trends become very comfortable business opportunities so that the model of sharring economy appears. Sharing economy is a combination of economy in one platform, growing movement of the business with various things in the following;

- a. Commercial enterprises whose business model becomes the medium of asset exchange with low usage on the platform p2p The peer to peer-based activity of obtaining, giving, or sharing the access to goods and services, coordinated through community-based online services
- b. Enterprise-based commercial enterprises which establish exchanges in the website or mobile applications
- c. The company hires independent contract workers, not employees

Sharing economy is a business model that has the opportunity and threat, many companies that apply the concept of economic sharring such as Go-Jek, PT GRAB, Tokopedia, and Shopee of services by utilizing resources, and skills. The Division of players in the demand and bidding business through the platform provides

a new economic paradigm that will form new challenges to determine tax system, productive model changes, productivity and labor market, in general Economic sharing has a positive impact on economic growth and prosperity by stimulating new consumption, improving the quality of innovation and entrepreneurship (Grifoni 2018). Economic sharing is becoming a business model that combines as a one aspect to make it easier to be accessible to the wider community like accommodation, mobility, things, skills, clothing, food, knowledge & work, health, legal, Insurance, finance and services. System in sharing economy by view (i) redistribution market, redistribute things from where they are not needed to someone or somewhere they're needed; (ii) Product service system allow members to pay for the benefit of using a product without needing to own it outright; (iii) Collaborative platforms allow for the sharing and exchange of less tangible assets such as time, skill, money, experiences or space (Marco Torregrossa 2013).

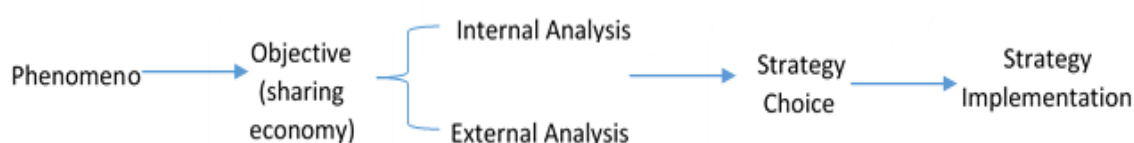
Agglomeration of data in sharing economy can be defined as a form of adjacent areas to form the consumer data with a variety of uses in utilizing the platform so that the activity and division of the service user's Mina Consumers and will promote the dynamics and functions that produce certain patterns and forms (Wolfgang 2018). Indonesia has a population of 262 million that has the potential to become a consumer with the development of the digital era of the government is being launched as digital economy in 2020 and targeting to be the largest in southeast Asia targets Wanted to be in the ecommerce transaction reached US \$130 billion and created a 1000 teknopreneur with a business value of \$10 billion US. With the sharing economy in Indonesia forming new business sharing economy with the presence of buyers and salespeople to form characteristics, the problem of new impact. On the characteristics of the emerging (i) Business Mode of transaction-based information, it is easy to cross-country (ii) real Time (iii) manipulable and hyper-reality However, the problem arises due to subject obscurity and tax object, fraud (Security transactions) and the presence of foreign acquisitions in the absence of an ecommerce database (Big data).

Important State defense as a new ecosystem guideline in building economic sharing as a stub in the midst of the presence of digital technology that is fast developing, defense is held to defend the sovereignty of the country, integrity The Territory and salvation of all nations from the threat and the harm to the nation and the Nation (White Book 2015). In this study will expand the support of the development of technology by seeing more in the opportunity and acaman the existence of economic sharing. Policies, the strategies are considered effective for the purpose of maintaining through the expansion of business policies, methods of production and distribution of goods/services that are assessed as effective, to answer future business challenges.

## II. RESEARCH METHODOLOGY

Research uses a qualitative approach because it refers to the phenomenon that occurs with the literature studies in consideration. A qualitative approach is used to describe the economy sharing in Indonesia as a form of anticipation for threats that can threaten the country's defenses that comprise the sovereignty and welfare of the community and optimise opportunities With the phenomenon of economic sharing. The thought process of this research by referring to the following guidelines;

**Image 1:** Process of strategy Master



Research also uses SWOT analysis. SWOT is an approach to assessing strategy as a solution in dealing with problems with identifying Strengths, weakness, opportunities and threats that is a strategy and policy-winning. Elements Internal and external can form organizational management. Threat is the hardest internal element, the threat is a situation that arises as a result of environmental changes (Ulgen and Mirze 2010) so that it requires the optimization of the strengths and opportunities that have. SWOT Analysis can help organizational managements to uncover opportunities to take advantage. By understanding weaknesses, threats can be managed and eliminated. To examine an organization and its competitors through SWOT Analysis, strategies that help distinguish a company from competitors can be formulated (Gurel&Tat 2017).

**Tabel 1** : two by two matrix SWOT Analysis

|                      |  |   |
|----------------------|--|---|
| Internal<br>External | Streghths  | weekness  |
| Opportunities        | Achieve opportunities that greatly match the organization' s strengths | Overcome weaknesses to attain opportunities                                     |
| Threats              | Use strengths to reduce the organization' s vulnerability to threats   | Prevent weaknesses to avoid making the organization more susceptible to threats |

Source: (Gurel&Tat 2017)

**III. RESULT AND DISCUSSION**

Economic sharing models have begun to be known in the early 2000-an, United States or Silicon Valley as the birthplace of modern economic sharing (Turino2016). The development of the digital era more and more platforms that use economic sharing, starting with Uber (transportation services) that has been operating in 45 countries and able to withdraw investment funds amounting to 2.7 billion U.S. dollars in 2015, the company Yet another rapidly growing Airbnb (residential service) established 2008 has reached 190 countries and received 450 million U.S. dollars in investment in 2014 and has served approximately 425,000 guests overnight. The growth of technology with various requests and offers can create a sharing economy, necessary SWOT analysis to determine the best strategy to create a trading climate and provide the convenience of transactions as a realization Buyers and sellers.

**Tabel 2** : Analysis SWOT

|   |  |   |
|---|--|---|
| Internal<br>External  | <b>Streghths</b><br>Indonesian population with a population of 262 million<br>Consumers with diverse tastes<br>Most Internet users   | <b>Weekness</b><br>Availability consistent products and services (reliable)<br>Government regulation & collaboration<br>Less user-friendly apps<br>No tax clarity applied |
| <b>Opportunities</b><br>Consumers use the technological adequability<br>Demographic dividend<br>Rich cultural & values<br>Cheap capital<br>Potential tax  | Large population utilization as a domestic production consumer with technological sophistication                                     | To create innovation and creativity in business efforts by investing in cheap capital and culture   |
| <b>Threats</b><br>Threats to the transaction<br>Database for the data agglomeration that is disused<br>Loss of traditional transactions<br>Information Technology<br>Criminality<br>Threat of loss of domestic products | Sage in using technology and consumer encouragement to be more cautious in conveying personal data by choosing a recognized platform | To create collaboration between business actors, governments and skating by prioritizing technological facilities   |

From the SWOT analysis can be described that SO the strategy can give an overview should be able to control the market with the presence of consumers who have the taste buds, more than 170 million million internet users of Indonesia is the main market of the product Technology. Furthermore, Internet-based economic sharing implements strategies created because of weakness with WO opportunity, which creates innovation and creativity in building a business by investing in cheap capital and culture. The third strategy on ST is wise in using technology and the boost of skating for more caution in conveying personal data by selecting a recognized platform, this strategy is applied due to anticipating loss Personal data (Big data). And the last strategy of WT's fourth is creating collaboration between businesses, governments, and consumers by prioritizing technological

ease. The collaboration of government roles, entrepreneurs and consumer actors will create competitive climates in today's digital age. The role of government as a supreme institution and regulator serves as law enforcement providing good policy. Indonesia has a competitive index of 45 from 140 with the following performance;

**Table 3:** Acquisition point 0-100 in competitive index Indeks 4.0

|                                   |                            |
|-----------------------------------|----------------------------|
| Institutions 57.9 poin            | Product market 58,5        |
| Infrastruktur 66.8 poin           | Labour market 57.8         |
| ICT adaption 61.1 poin            | Financial system 63.9      |
| Macroeconomic stability 89.7 poin | Market size 81.6           |
| Health 71.7 poin                  | Business dynamism 69.0     |
| Skill 64.1 poin                   | Innovation capability 37.1 |

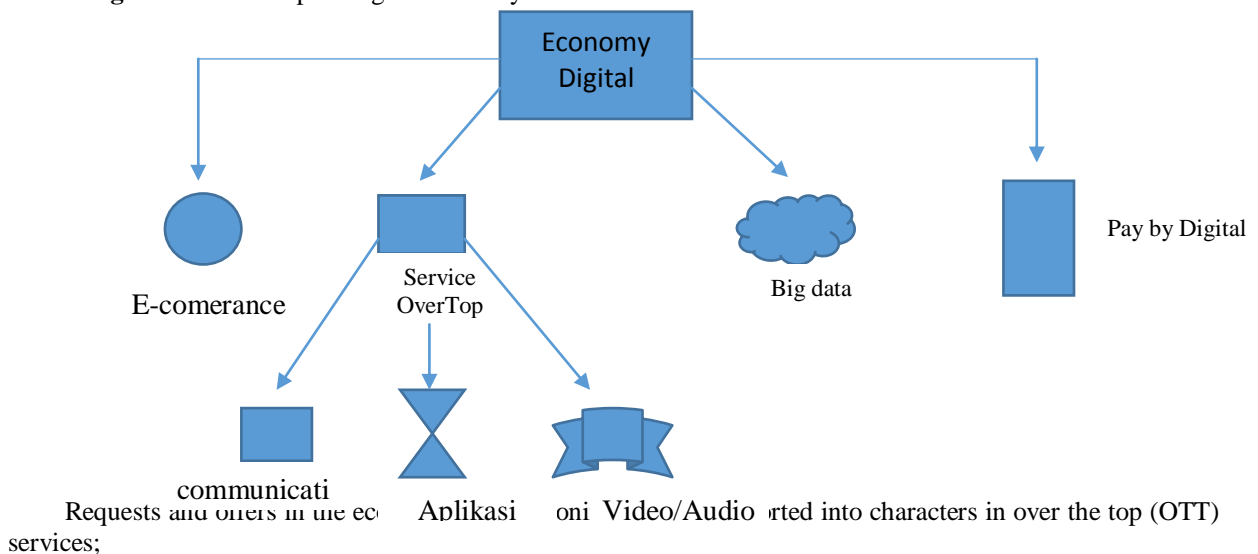
Source : <http://gcr.weforum.org/>

In the table proves that Indonesia in the literature of innovation is still not optimized although the size of the market has a very large. The presence of a map sharing can also help raise awareness to become entrepreneurial so there needs to be supported to improve the innovation by institutional prioritizing. There are three types of institutional Work actors could undertake: (a) political work, by working to Change regulatory institutions; (b) Reconfiguration of actors ' belief systems, to modify normative institutions; and (c) Change of Boundaries of meaning systems, by altering cognitive institutions (Lawrence and Suddaby, 2006). Institutional function as an encouragement to create a mechanism of action, first the institutional political work used as the foundation for clear and uncomplicated regulations that create many unsuccessful entrepreneurs, both businesses , with the technology of business actors can easily advertise products so that the process of demand and supply is easier, the three strengthening between businesses, related institutions and consumers who create rapid economic turnover and Efficient

Indonesia is currently trying to implement a sharing economy model such as PT GOJEK, PT Grab, Tokopedia, Shopee, etc., the function of economic sharing gives Kepopularan and convenience of consumers with access only one application. Many investors are glancing to keep his capital for that, but the existing company that uses the model of sharing economy still has not go public which means there are still a handful of people. Sharing economy has positive benefits as increased consumption and makes the sustainable economy stronger by empowering resources available. The existence of economic sharing creates financial opportunities and the work of the entrepreneurs increase so as to give the influence of social cohesion and living life (Cherry 2018).

Empower the economy of sharing: as a more sustainable form of consumption as an economic opportunity; And as a path to a decentralized, fair and sustainable economy. The key arguments are used to support the sharing economy, ranging in by utilizing the underutilized assets, sharing marked the beginning of the new form more sustainably than reducing the use of resources and carbon emissions (Heinrichs, 2013; Martin, 2016). The economic division is not separated from the concept of division, map of services and Internet content in the digital economy provides convenience and comfort when managed well.

**Image 2 :** Service map of Digital economy



- Individual customer segments and companies/organisations with high communication needs
- Functions varied, free, and freely select without bonding

- Internet based
- Source of revenue from subscription fees, paid apps and advertising
- Low cost service for platform maintenance
- Partners such as platform managers and servers/clouds as data storage and technology infrastructure provider operators
- Key activity is a collaboration with a content provider, one of them with a mobile device provider (kompas 2019).  
Policy and regulation of weak digital economic resulting in poor economic prospects. Therefore, it is necessary to clear the regulations, this dive legislation is about a more equitable and proportional global solicitation accommodation for digital economic transactions. Various countries began to try to realize the related fair digital tax. Applied as a fair solution for digital transactions, So that the role of government is very important for the process of providing facilities, infrastructure, policies that allow a business to progress and develop, as well as to develop taxation policies that enable Governments to divide each other in concepts Economic sharing model. Synergty between consumer, entrepreneurial and government need a clear coordination line.
- Transaction Database is a resource that becomes the main focus to be accumulated continuously to improve the value of the company so that it attracts investors but, on the other hand if it can not be loosed will damage the defence system Country. The Database is the agglomeration data that is to describe consumption preference from consumers so that there needs regulation and consumer protection. In Indonesia UU No 8 year 1999 on consumer protection, spreading;
  - Right to the convenience of safety and safety in consuming/using goods/services
  - Right to clear and honest information regarding the conditions of
  - The right to be heard opinions and complaints on goods and services used
- The right to advocate for the protection and the efforts to resolve consumer protection disputes appropriately  
With the protection of slides it is convenient to perform digital reception activities are expected to be safe, so that privacy can be stored and used as it should.

#### IV. CONCLUSION

The purpose of the study is to understand, map and classify various economic sharing mechanisms to spread economic impacts, issues of economic sharing and weak institutional harm to threaten sovereignty and welfare Country. The information Era proves the rapid development of rapid technology and strict market competition. Sharing economy shows that there is easy access to make internet transactions. Indonesia is a great opportunity for government consumption as regulators should provide clarity of legal umbrella so that the occurrence of a good economic climate so that state defense can solidly use the database that forms the pattern Consumption in Indonesia should be able to be utilized by the enterpreneur to increase its business so that innovation and entrepreneurship in Indonesia can increase. The defense of the state is not less important to be prided to protect the nation's society and sovereignty.

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