# Research on the Development of Start-ups in the Sharing Economy

# Wanjuan Ding

Nanchang Institute of Technology, Nanchang, Jiangxi, 330044, China

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**Abstract:** The sharing economy is a commercial form that has flourished in recent years. Based on Internet technology, the sharing economy matches the resources and needs of the society to idle, thus greatly improving the efficiency of resources. At present, there are many different understandings of the shared economic connotation, and some problems have arisen in the process of the development of shared economic enterprises. Some people even began to question whether the sharing economic enterprises have already encountered bottlenecks and it is difficult to sustain development. This paper takes the shared economic enterprise as the starting point and analyzes the bottlenecks of the government, the management model, the consumption habits, the contradiction with the traditional industry, the construction of the credit system, etc., and proposes how to break through the bottleneck and promote the healthy development of the sharing economy.

### 1. Introduction

As China's economic development enters a new normal, faced with downward pressure, compared with mature enterprises, start-up enterprises must be prepared to cope with difficulties and accelerate the development of transformation and innovation. At present, both the supply side and the demand side exert efforts to promote China's industry to move towards the middle and high-end. With the five development concepts of "innovation, coordination, green, openness and sharing", we will accelerate the "de-capacity, destocking, deleveraging, the five major tasks of reducing costs and supplementing shortcomings will become the tough battle for reform in the first year of the 13th Five-Year Plan. The supply-side reform starts with supply and production, pays more attention to supply-side adjustment, and speeds up the elimination of zombie enterprises to effectively resolve excess capacity. Accelerating the supply-side reform is to take science and technology innovation as the new engine of economic and social development, aim at the key link of the short board, and promote the development of the industry in the direction of "high-precision, special-purpose new". In addition, the start-up enterprises are the living forces that promote China's economic development. For start-up enterprises, they must take the power of change from the innovation drive and transform them into development advantages to cultivate new growth points of China's economy. It is the key to reduce the cost of supply-side reform and improve supply efficiency. This requires not only "destocking", but also the government to introduce and implement more effective policies to support it. It is also necessary for enterprises to change their thinking mode and strengthen technological reforms to promote industrial structure optimization. upgrade. The sharing economy generally refers to a new economic model in which a certain amount of remuneration is used for the main purpose, based on strangers and the temporary use of the right to use articles. Its essence is to integrate idle goods, labor, education and medical resources under the line. Some also said that the sharing economy is that people enjoy social resources fairly, each pays and benefits in different ways, and jointly obtains economic dividends. This kind of sharing is realized through the Internet as a medium. The sharing economy involves three main players, namely, the demand side, supply side and sharing economic platform of goods or services. The shared economic platform serves as a link between the supply and demand sides. Through the establishment of a series of mechanisms such as mobile LBS application, dynamic algorithm and pricing, and mutual evaluation system, the supply and demand sides conduct transactions through the shared economic platform.

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## 2. Reasons for the rise of the sharing economy

With the development of mobile internet technology, the rise of intelligent terminals provides hardware support for the sharing economy. It can grasp the customer activity rules and resource requirements through the location service at any time, and can achieve accurate positioning marketing. Users can use the mobile phone to search on the shared platform according to individual needs and find the right product or service. The O2O (online and offline) mode works effectively, allowing users to pay online, receive services offline or consume products, and score online. The use of cloud computing and big data enables the platform to record the user's consumption habits and consumer behavior, and to better provide users with the right products to meet the specific needs of customers.

With the rapid rise of third-party payment platforms such as Alipay and WeChat, the sharing economy can have its own secure and sTable payment platform. At the entrance, there are many ways to guide customers to divert, such as NFC (contact payment or recharge), scanning QR codes and e-wallets. According to iResearch statistics, in 2015, the scale of third-party payment exceeded 31 trillion, of which mobile payment exceeded 9 trillion, accounting for 30%. Social demand promotes the development of shared economy. From the perspective of Maslow's need hierarchy. people generally have social, respected, and recognized psychology. With the rise of social networks, people use social networking sites or WeChat, QQ or Weibo. Such as continuous communication and interaction, but also share their own life fun, ideas or satisfactory product or service information, through sharing behavior not only meets people's psychological needs, but also helps others, effectively promote economic and social development. Excessive consumption and idleness promote the development of shared economy. Under the traditional Chinese concept, people always think that only possessing is their own. The house is not used to live but is used for speculation, so there is a lot of idleness in the society. Houses, cars, etc. On the one hand, the utilization rate of the items is not high, which causes great waste, while some people cannot afford to buy a building or a car, and there is a demand. From the analysis of the total amount of social resources, about 40% of the resources themselves and some of their functions are idle. Most of the resources are formed through currency exchange. The idleness of resources also means resource utilization. The decline means a backlog of capital. The power of capital promotes the sharing of economic development If good products are the foundation of success, then the power of capital is the key to success. The advantage of the sharing mode is that the penetration rate under the line is extremely high, which has been favored by many giants. When the giants such as Tencent, Ali, Sequoia, Jingwei and so on entered, other small and medium-sized giants also entered, which formed a vent.

## 3. Sharing economic enterprise development bottleneck

For example, in the regulations governing the management of network vehicles, most cities have refined the relevant regulations at the national level in terms of vehicle standards, driver qualifications, platform conditions, and application procedures. Some cities have driver registration, vehicle wheelbase, and displacement. The number of years of access, and even the area of the passengers have been over-restricted. Obviously, these have deviated from the development characteristics of the sharing economy. There are many reasons for this excessive restriction. First, the government still lacks a correct understanding of the sharing economy, and is accustomed to treating it with traditional thinking methods for innovative models. Second, innovation and development are always accompanied by some negative news, so the government has set excessive restrictions to prevent things from happening. Third, the sharing economy has created conflicts of interest with the traditional economy, and there is no coordination between the innovative model and the traditional model. However, as Airbnb founder Chesky's request said: "Please don't kill a good thing when you don't understand it." Problems in the business operation model The key to building a shared economic operation model is Whether the possession of "remaining" resources is sTable. In the case of poor economic conditions, when these "unrecognized workers" (people who

participate in free labor but have almost no security guarantees) want to get more salary and security from the sharing economy, the sharing economy company will in a dilemma. As companies such as Airbnb and Uber mature, the maintenance costs of such platforms will increase with the increase in service scale, and companies must also consider the complexity and variety of service providers and whether they will provide sTable "Resources. In addition, whether it will cause some troubles to other people throughout the business process, this platform should be considered, or some measures to reduce these negative effects. For example, it has recently been reported that Shanghai has seized 4,000 shared bicycles. It is a good thing to share bicycles. However, while rapidly expanding, it is necessary to regulate the parking behavior of borrowers to prevent the impact of city appearance or the parking spaces of motor vehicles. (3) The problem of consumer consumption habits is raised. Some people say that the sharing economy has been "burning money", and related companies are playing dangerous games that rely on money. The difficulty of sharing economic development is not only at the stage where money can be burned, but also the development of ideas or living habits. Chinese users are not very good at accepting new things, so it is right to use money to cultivate users. But in the end, burning money burned the blood of the burnt ones. This kind of development is a good thing for the users, but it is vicious for the development of the whole industry. In desperation, UBER and Didi chose to compromise, and Didi acquired UBER China. (4) Sharing the contradiction between the economy and traditional industries the sharing of the economy will bring about "creative destruction", which will cause some traditional industries to lose market dominance. For example, the emergence of domestic drip trucks is a huge impact on the taxi industry. The video, video and music shared by the website have caused impact on movie tickets and CD sales in cinemas. The sharing of homestays has also had a lot of influence on traditional hotels. (5) The long-term trust in the construction of the credit system is the most basic guarantee for the sharing economy. The former sharing mainly occurs between familiar people. Now it is necessary to trade between strangers. If the information is asymmetric, it is difficult to form each other without security. The trust, there is no follow-up trading activity. However, it is still necessary to gradually explore how to establish a credit evaluation system for products or service providers, demanders or platforms under the Chinese sharing economy.

# 4. Sharing economic enterprise development solutions

The regulatory authorities need to combine the characteristics of the sharing economy, emancipate their minds, change their thinking, and adopt flexible and effective supervision methods. Sharing the economy as a new thing is in rapid development and evolution. The old regulatory ideas are difficult to achieve good results and are not conducive to sharing economic development. Taking short-term rental housing as an example, due to the temporary and private characteristics of short-term rental personal residences, it is difficult to obtain a total ban or too strict supervision, and it will force the short-term rent to go underground and become more difficult to supervise. In the United States, 22 states and municipalities have passed legislation to support carpooling. In the Netherlands, Economy Minister Campo said recently that the law will be amended to introduce more "technical neutrality" regulations to promote the sharing of economic development in the areas of accommodation and transportation. However, the government's safety qualifications and the vital interests of the users still have to formulate relevant policies to supervise.

When you first take a UBER or a drop-driving car, you can enjoy a 0-yuan free ride with a coupon deduction. In the area of shared economy represented by special vehicles, there are many products that burn a lot in the early stage. Burning money is to cultivate the habits of users and quickly occupy the market. The idea of burning money is no problem, but understand that the ultimate goal of burning money is not to attract users, but to retain deep users. Just like the Beaver family has been implementing the 1 yuan door-to-door nail art, but it will not be done later, because 1 yuan nail art everyone is willing to try it, but this part of the user is not the user group that the platform ultimately wants. What the platform needs most is the deep user who can continue to use the nail function on my platform after enjoying the 1 yuan nail. In the end, it can bring value to the platform, which is the depth of users.

### 5. Conclusion

In the process of development of our country, sharing the economy as an important development trend is an important manifestation of the continuous development and progress of China's economic level. As an important part of SMEs, through effective innovation of its management model, it analyzes the important factors that have an effective impact on its innovation from various aspects, and effectively integrates its various factors and information to make scientific The measures promote small and medium-sized enterprises to achieve innovation in management mode, promote enterprises to effectively reduce the operating costs of all aspects, enhance the services of enterprises, and lay a solid foundation for the development of enterprises in the fierce market competition.

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