

Opportunities and Challenges of the Sharing Economy Using the Example of Online Business Models in the German Apparel Industry

Jens Perret¹, Schmitz², Isabell³; Terstiege⁴, Meike⁵

International School of Management, Germany

Abstract

The following mixed-method study is intended to elaborate the opportunities and challenges of the sharing economy in the apparel industry and, in the context of this, on the one hand to show the current situation of sharing concepts in the apparel industry and on the other hand to reflect the characteristics, the motives and barriers as well as the requirements of the target group.

The key findings of the study show that the sharing economy represents a niche market in the apparel industry as a whole, with a long-term establishment opportunity for sharing concepts limited to individual price segments.

Influenced by the strong competition of the low-priced fast fashion chains, as well as by the requirements oriented towards the established online stores, the establishment of the concepts is made more difficult, especially in the low-price segment.

On the other hand, due to the higher financial value of the goods, a chance for the long-term establishment of the sharing concepts is noted especially in the high-price and evening wear segment. Accordingly, in these segments, renting brings a personal financial added value compared to buying. In addition, especially in the case of evening wear, the frequency of use is often so reduced that, in a cost-benefit comparison, the use of the less expensive rental concept appears significantly more attractive. In the case of luxury articles, it is even possible to serve a completely new target group of those who gain new access to luxury brands due to the lower rental prices.

Keywords: fashion, mixed-method, online, e-commerce, sustainability