



How Do Sharing Economy Companies Grow? A Comparison of Internal and External Growth Patterns of Airbnb and Uber



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Abstract

When the term “sharing economy” is mentioned in the news and in recent academic papers, Airbnb and Uber are mentioned in the same breath. In 2016, these two firms are arguably the most popular and fastest-growing peer-to-peer companies in the world. This study examines the ways in which the two companies have grown since their founding. Growth is examined both externally (in terms of domestic and international market expansion) and internally (hiring for primary and support functions). Specifically, archived job postings are used to analyze how human capital requirements have changed over time, by both location and function. This research identifies the pattern and content of this growth throughout these sharing economy firms.

Methods

For my exploratory study, I used www.web.archive.org to gather my data. I extracted the job posting date, position, category, and location of both companies. In order to create uniform categories between Airbnb and Uber, I aggregated the listed categories into eight over-arching categories, which can be broken down further into Primary and Support functions. I also created uniform geographical categories by separating each posting into one of six regions: North America, Europe, Latin America, Asia, Australia/New Zealand, and Africa.

- Operations
- Sales/Marketing and Analytics
- Engineering/Design



Primary Functions

- Human Resources
- Finance/Accounting
- Legal
- Customer Support
- Other



Support Functions

Conclusion

Because my main chi-square tests were statistically significant, I can conclude that Airbnb and Uber are not as similar as people think. I was expecting to find a similar pattern in order to create an expansion model for other sharing economy startups, such as TaskRabbit and Lyft. However, Airbnb and Uber’s growth patterns reveal two separate expansion strategies, meaning there is limited connection between sharing economy firms in diverse sectors, other than their peer-to-peer quality. The expansions of Airbnb and Uber by job function and geography are more different than similar, contrary to signals in academic research and my expectations.

Introduction

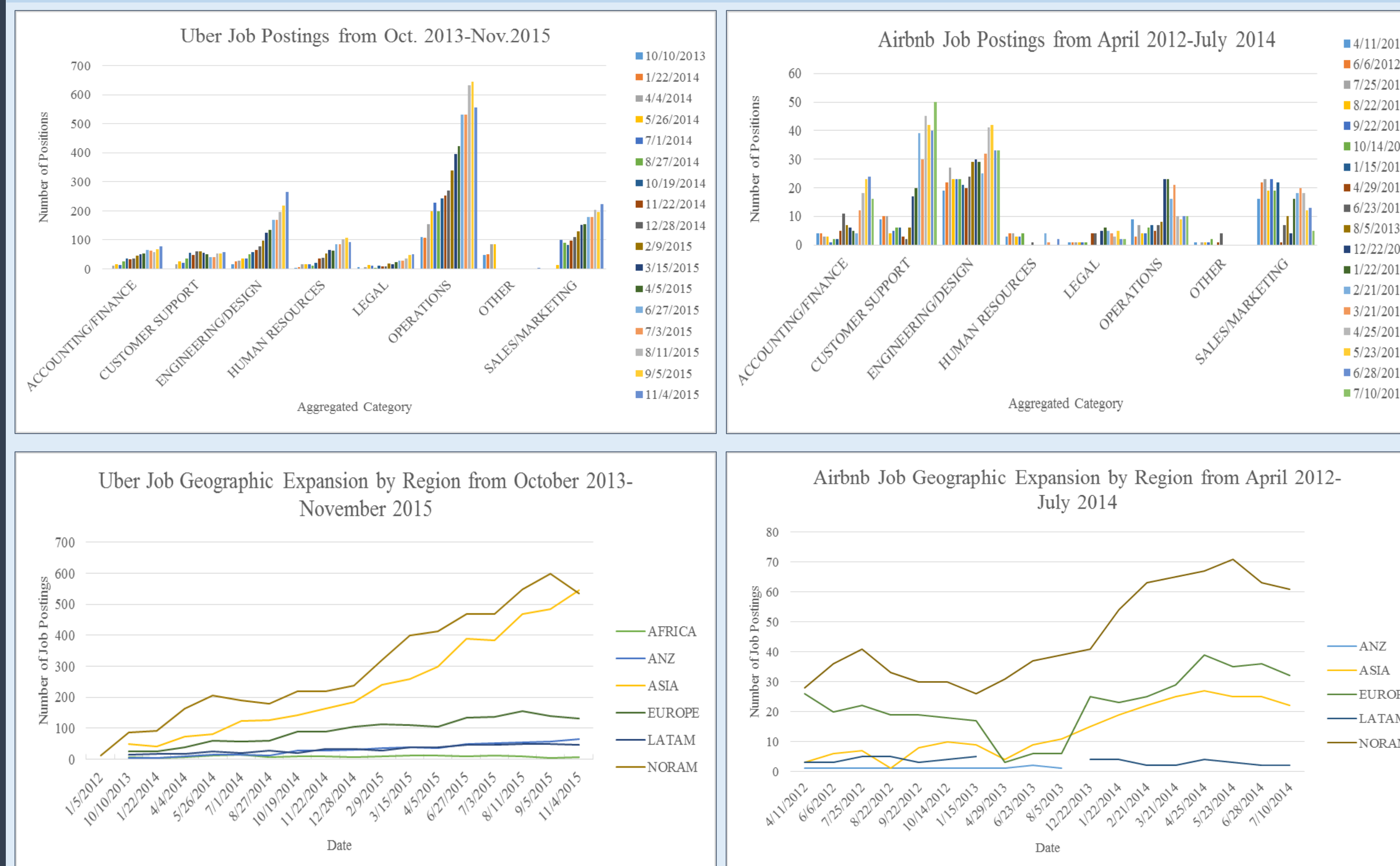
Airbnb and Uber are two of the most popular and successful peer-to-peer startups in the last five years. As organizations expand, they must bring new talent in house to manage pressure from significant domestic and international expansion. There have been no studies on the growth patterns of peer-to-peer startups; as well, the method of using archival job postings to track internal and external growth is a novel contribution. This project will identify a growth pattern for these new organizational forms and contribute usage of a new data source – job postings – to track this growth.

Research Questions

Are Airbnb and Uber’s growth patterns the same over the early years of their respective operations? Specifically, I investigate:

1. How have the job function categories (operations, legal, etc.) grown over time?
2. Are more primary or support functions needed in the early stages of growth?
3. Where have the job positions expanded geographically, and in what order?

Results



The periods of data collection vary due to different founding dates and number of captures on the archival site. The top three categories of Uber are all primary activities, and the top four Airbnb positions are Customer Support, Engineering/Design, Operations, and Sales/Marketing. All of these except Customer Support are primary activities. Geographic expansions are the same except Airbnb went into Europe more heavily than Uber. I completed chi-square tests in order to identify patterns statistically. All chi-square tests were statistically significant (meaning there is no relation between Uber and Airbnb’s growths) except North America versus Other Regions using a shared timeframe. This means that Airbnb and Uber were hiring the same ratio of domestic and overseas workers from October 2013-July 2014.

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