

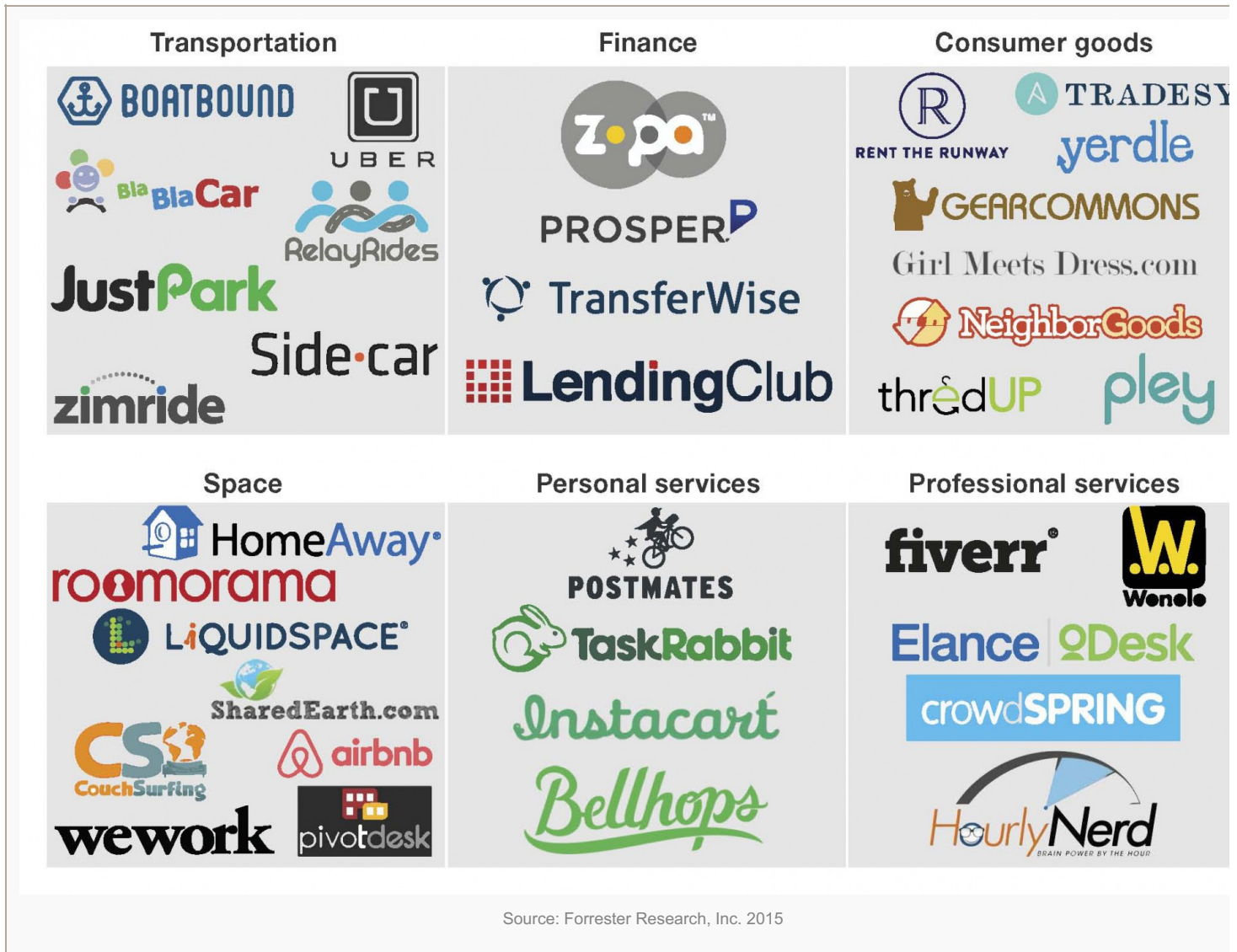
What You Can Learn About Customer Experience From Sharing Economy Companies

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A couple weeks ago, San Francisco-based taxi company [DeSoto](#) announced a rebranding effort to try to reclaim market share lost to ride-sharing service [Uber](#). The company adopted the name of a mobile app, [Flywheel](#), and repainted its vehicles in the hopes of helping passengers realize they can use a mobile app to summon a taxi.

A fresh coat of paint and a new name is unlikely to make a dent in Uber's share. DeSoto fails to understand that Uber's appeal is more than using a mobile app. Just like other sharing economy brands, Uber has attracted legion of customers not because it is technologically innovative. The sharing economy excels at customer experience — and that is what inspires customer love and loyalty.



According to [Vision Critical](#), more than 90% of sharing economy customers would recommend the service they most recently used. Airbnb, [Lending Club](#), and Rent the Runway and other firms that comprise the \$100+ billion sharing economy earn this extraordinary level of endorsement by obsessing over the quality of the experiences they deliver. They

teach valuable customer experience principles for all businesses.

- **Achieve customer intimacy through data.** [Forrester Research analyst Deanna Laufer reports](#) that companies like [Zipcar](#) , [Netflix NFLX -0.52%](#), and Hubway lean on insights from customer data to shape product and experience design decisions. For example, Netflix creates its original content based on its customers' viewing habits. Hubway, a bike sharing system in Boston, tracks millions of its customers' rides to optimize the availability of bikes at its stations.
- **Design for simplicity and a streamlined experience.** Sharing economy firms use digital platforms to deliver their products and services friction-free. It only takes a few clicks to hire a handyman on TaskRabbit or post a project on HourlyNerd. Many use social and mobile networks' APIs to automatically set up profiles, specify locations, and share activities; and some integrate with other apps and services. Even a clean design aesthetic helps streamline the user experience for services like Uber and PivotDesk.
- **Cultivate a culture through strong, shared values.** In the sharing economy, service is provided by contractors, not employees, and customers often shape the experience as much as the service providers do. So companies must work harder to ensure the people involved with their businesses share the same values. They do this by prioritizing their values when recruiting contractors *and* attracting customers. Forrester's Laufer reports that dog boarding company DogVacay expresses its passion for pets by thoroughly vetting its hosts, accepting only 15% of applicants. It also hires customer care staff members who have a passion for dogs and for DogVacay, even if they don't have customer service experience. And celebratory copy on its website appeals to pet-lovers' sensibilities.
- **Actively listen to customers and respond.** Customer feedback is the lifeblood of sharing economy brands. That's why Airbnb requests feedback from hosts and guests after every stay and uses it for quality control. Boatboard and Wonolo are similarly vigilant about collecting and responding to customer feedback. In some cases, listening to customers has prompted sharing economy companies to change their service or business model. For example, TaskRabbit has pivoted from pairing someone with a few hours to spare and a person who has an errand to run into a full-blown temp agency.
- **Enable emotional human connections.** Sharing economy companies may appear to be technology firms, but they're primarily in the business of connecting people to each other. And the best ones enable human connections that are emotionally fulfilling. Lyft's brand personality attracts drivers and riders who want to participate in a community with others who share their zest for life. Yerdle users bond over freedom and frugality. With Feastly, you can dine in another person's house or bunk on someone's sofa with the help of Couchsurfing. Forrester's Laufer observes, "These services foster localized authentic experiences instead of generic ones."

Thanks to the easy, effective, and emotionally engaging experiences that seem indigenous to the sharing economy, the customer experience bar has been raised for all companies. Firms with traditional business models can no longer use a traditional customer experience approach. They must share the sharing economy principles.

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