

The Web-Economy
by  peopleperhour

October, 2015

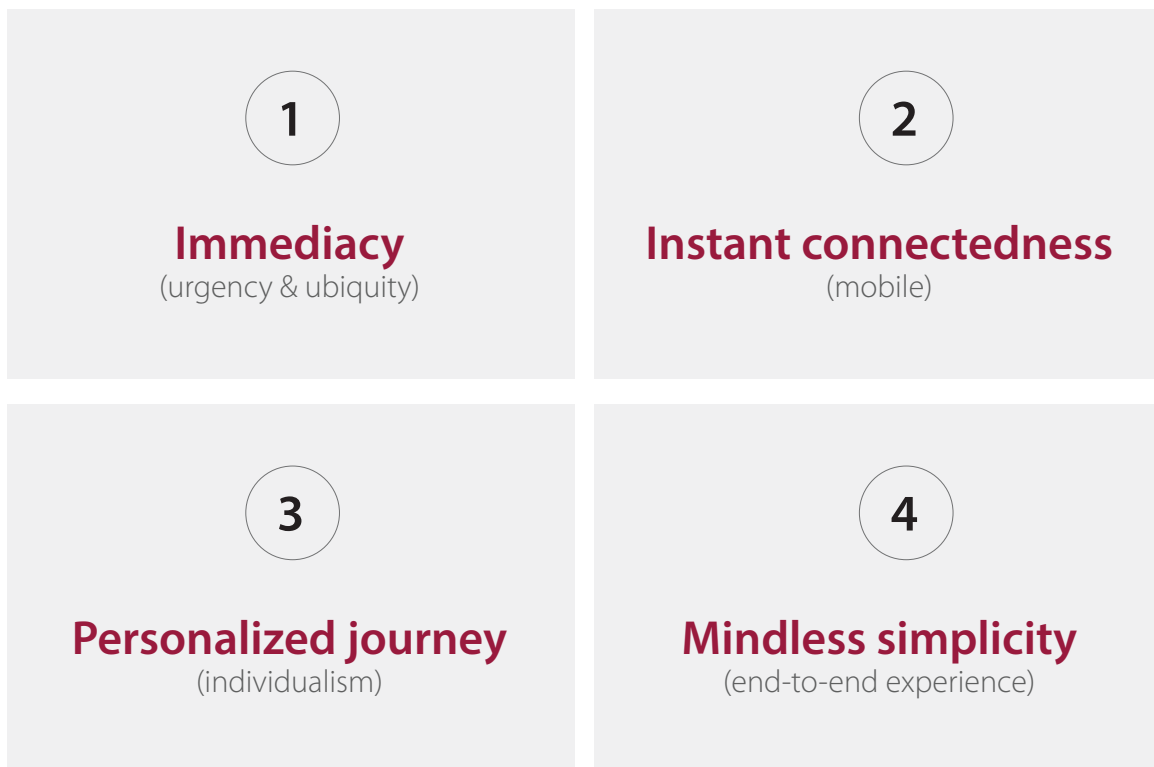
- Web economy predicted to reach a value of £1.8trillion in 2015
- Customer order fulfilment reduced by 59% through web-based technologies
- On demand apps on our smartphones save users up to 28 minutes per day.

The Web-Economy has a projected value of £1.4 trillion, and is expected to surpass £1.8 trillion in 2015. With less than half of the global population currently online, it is therefore not surprising that the future value of the web-economy is enormous and currently, relatively unlocked. A recent audit of online users suggests that only ¼ of total Internet users have purchased goods or services online. To put the future potential of the web-economy into perspective, the data suggests that the existing growth trajectory will bring additional 2 billion Internet users online over the next 3yrs bringing a projected total value to the web-economy of £2.6 trillion. Of this new wave of users, mobile will be a game-changer, it will massively transform the search and discovery journey for consumers making a seamless end-to-end experience. In 2015 alone, the mobile share of transactions is expected to reach 40% of total transactions worldwide, with developed markets surpassing 50%, by 2018 mobile is forecasted to account for a 70% share of online transactions in developed markets.



The Web-Economy has played a massive role in transforming our social habits globally, leading to what is now widely referred to as the on-demand era. This new paradigm shift is analogous to the advent of the Internet, where our needs and desires become instantly attainable through speed and convenience of fulfilment. Just as the Internet in the late 1990s revolutionized how we acquire knowledge, as Ray Kurzweil famously stated: "A kid in Africa has more technology at his disposal than the president of the United States did 15 years ago." These new technology driven marketplaces don't merely enable or facilitate new processes of production, delivery or organization; they are fundamentally, redefining industry size, scope and participation. We are only now beginning to observe how these digital marketplaces have the capacity to increase the pool of potential services providers and sellers by leveraging networked technology to change how participants engage in a specific transaction. For instance, the necessity of brick and mortar shops is in effect becoming obsolete; individuals can now setup shops and sell goods to a global customer base via marketplaces like eBay, Amazon and Etsy with minimal capital outlay.

The 4 quintessential characteristics of today's consumer:



What does this mean for today's consumer?

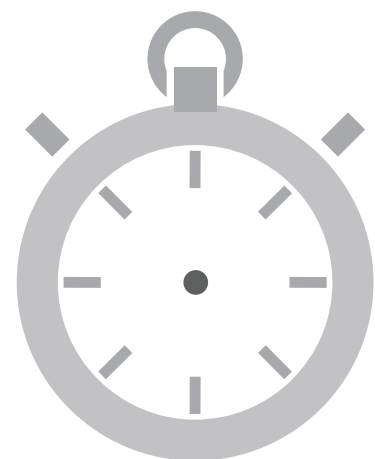
1. Lowered transaction costs
2. Massive efficiency gains (continuously diminishing fulfilment times)
3. Global selection for consistency; (tremendous goods/service optionality)

The highly disruptive platforms within the web-economy are fundamentally transforming how we interact with the marketplace. For instance, the efficiency gains passed on to the average consumer are accounting for an average daily timesaving of 28.7 minutes per day, or just over 201 minutes per week. It is clear that this will have a major impact on how we manage our time. These efficiency gains will inevitably translate into noticeable productivity gains across the labour market as more and more users come online, the prevalence of these platforms will continue to multiply.

If monetized, our research suggests that these efficiency gains on a per person basis result in average savings of £1921.92. Moreover, these efficiency gains translate into a 59% reduction in fulfilment times across the most commonly used platforms such as grocery, food delivery, transportation and beauty.

Average fulfilment times across each platform:

Eet - restaurant reservations	instantaneous
Uber - taxi ordering	3mins
Deliveroo - food delivery	32mins
Instacart - grocery delivery	42mins
BIZZBY - on demand services	<45mins
Glamsquad - at home beauty services	<1hour
PeoplePerHour - freelance hiring	<10hours
SuperTasker - website creation	<24hours



Consumers are reaping the benefits of this new order as ubiquitous communication and lowered transaction costs give rise to new firms where, efficiency is bringing together consumers and suppliers of goods and services with highly scalable platforms. The On-Demand Economy is ushering in a wave of benefits for both consumers and workers through mobile connectivity that is enabling tremendous leaps in marketplace transparency through real-time ratings and feedback. Increased sector-demand for services is boosting opportunities and competition for workers. Marketplaces are now capable of aggregating demand that historically was highly fragmented or difficult to reach due to global limitations. Likewise, the ability to capture customer locations and data is enabling service providers to cater to their user base via real-time therefore creating greater customization.

Future of the day-to-day with the Web Economy:



Grocery delivery via Instacart



Coffee delivery from Pact



PeoplePerHour for a presentation design.



PT Session with BIZZBY



Lunch delivered by Deliveroo.



Get the bathroom doorknob fixed using Pro.com



Glamsquad @ home for dinner meeting



Instant dinner reservation with eet.



Get a ride home with Uber



Aylish Jarvie

Aylish is an expert in the rapidly shifting freelance-marketplace, and has become an authority on self-employment trends across the UK.



For Press enquiries please contact:
Head of PR Aylish Jarvie
aylish@peopleperhour.com