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Why your assets are safer in a sharing economy

By April Rinne
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In 2010, while the world was feeling aftershocks from the 2008 financial crisis, an interesting milestone took place: for the first time in history, global household wealth was equally divided between financial assets and tangible assets. Tangible assets – homes, cars, appliances and so forth – now make up a [larger percentage of our net worth](#) than ever before.

At the same time, the phrase “access over ownership” can be heard in many places, from corporate boardrooms to community centres. This includes sharing-economy platforms that allow you to access almost anything, from a bicycle to a pet, when you’d like it, rather than owning it outright.

Tangible assets play a key role in this “access economy”. And yet there remains no platform for personal management of these things: no easy way for individuals to organize, value and protect what they own (and may wish to share) over time.

Your digital exhaust

Historically, companies have controlled the information about what people are purchasing and what they own. Amazon knows, big box stores know, credit card companies and other intermediaries know. More recently, social graphs such as Facebook and aspirational graphs like Pinterest have some inkling too. But the simple fact remains: people are mostly disconnected from meaningful information about what they own. As a result, they are unable to create a clear picture of their wealth, and how to protect it. It should come as no surprise that 90% of all millennials have no insurance whatsoever.

However, thanks to new technologies – and the kinds of platforms enabled by the sharing economy – it is now possible to rethink who can and should have access to this information. Imagine a world in which you have data about what you own – its provenance, value, repair history – all in one place. Imagine if you could identify who else would like to use it, or share it, or purchase it when you no longer want it. Imagine tracking the digital exhaust of your transactions, and having a personal cloud for your things.

The tip of the iceberg

This world is closer than you think, and it provides an unprecedented opportunity for entrepreneurs and insurance companies alike. On the one hand, we are in the early stages of developing bespoke insurance products for shared-use transactions, such as those offered by peer-to-peer carsharing platforms like [RelayRides](#) and [Getaround](#), to per-use insurance offered by companies like [MetroMile](#). On the other hand, these examples represent the tip of the iceberg. Going one step further, what if we could un-bundle contents insurance, and shift from providing 24/7 cover (100% paid by the owner) to “risk protection for what matters, when and where you need it” (paid for by whoever wants access)? What if micro-premiums and micro-duration policies became the new normal?

Companies like [Tröv](#) are pioneering this approach, and traditional insurers are lining up behind them around the world. Whereas only a couple of years ago most insurers treated the sharing economy as an afterthought, they now see that it may be core to their future business success. Many of them are struggling to fit these new models into their traditional actuarial analysis, which is why they see partnerships (with Tröv and others) as one path forward.

When people have agency, and hold the data about what they own in their hands, the opportunities to unlock wealth in new ways are endless. We can protect those things we care most about more efficiently, and business can be designed to meet those needs. Over time, this may involve rethinking not only insurance and risk management, but also “wealth” itself.

Have you read?

- [The next big thing in the sharing economy](#)
- [Sharing is caring – but how can we regulate?](#)
- [Data: what everyone should know](#)

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Image: Mini cars are lined up to advertise an online car sharing system with mobile network support by Vodafone during preparations at the CeBit computer fair in Hanover, March, 4, 2013. REUTERS/Fabian Bimmer

Posted by April Rinne - 15:55
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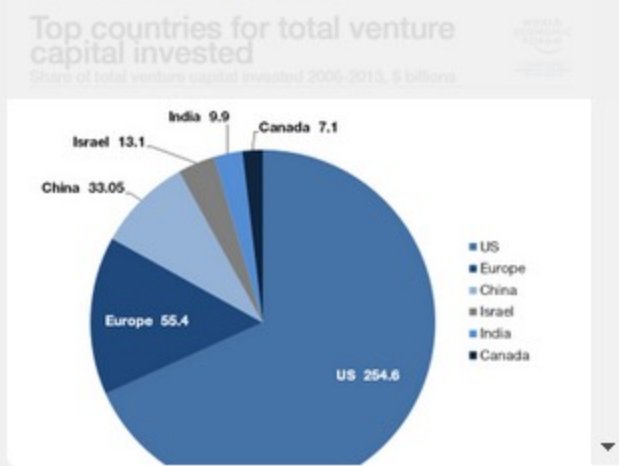
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