

# A Study on the Balance between Profit Models and Social Value of Sharing Economy Platforms: A Sustainable Development Perspective

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**Abstract:** This study aims to explore the balance between profit models and social value of sharing economy platforms from the perspective of sustainable development, analyzing its impact on the long-term development of platforms. The research adopts literature review and theoretical analysis methods, combining the Triple Bottom Line theory and Shared Value theory to construct an analytical framework, systematically examining the profit models and social value realization of sharing economy platforms. The findings indicate that while platform profit models exhibit stage-specific and diverse characteristics, a single profit approach is insufficient for long-term sustainability; business model innovation and revenue diversification are key paths to achieve sustainable development. Meanwhile, challenges such as resource waste, insufficient labor rights protection, data privacy risks, and governance shortcomings impede social value realization. The study further suggests that achieving a balance between profit and social value requires comprehensive strategies, including improved governance mechanisms, stakeholder coordination, and business model innovation, which can enhance user trust, strengthen social recognition, and promote the long-term healthy development of the sharing economy. This research provides theoretical support for optimizing sharing economy business models and offers practical guidance for enterprise management.

**Keywords:** Sharing Economy; Profit Model; Social Value; Sustainable Development; Business Model Innovation

## 1. Introduction

Amid the wave of the digital economy, the sharing economy has emerged rapidly as a new

business model worldwide, profoundly impacting traditional industries [1]. Sharing platforms, represented by shared accommodations, ride-hailing services, and bike-sharing, leverage information technology and data-driven approaches to achieve efficient utilization of idle resources, thereby improving overall societal efficiency. However, with the rapid expansion of the industry, the sharing economy has gradually revealed the coexistence of profit challenges and social value conflicts. On one hand, platform companies, in pursuit of commercial profits, generally adopt commission-based fees, advertising, and subscription models, but in the context of single profit models or increasingly stringent regulations, the sustainability of these enterprises is under pressure. On the other hand, the social value initially emphasized by the sharing economy—resource conservation, environmental protection, social fairness, and user trust—has been weakened under commercial pressure, sometimes resulting in resource waste, excessive competition, and trust crises.

In this context, how to achieve a balance between profit models and social value has become a key issue for the sustainable development of sharing economy platforms. The essence of the sharing economy lies not only in reducing transaction costs and improving efficiency but also in promoting coordination among economic, social, and environmental dimensions [2]. Studying this balance relationship helps to understand the intrinsic logic of sharing economy business models and provides theoretical support and practical guidance for their future healthy development.

This study aims to explore the pathways for balancing profit models and social value of sharing economy platforms from a sustainable development perspective. The core research questions include: the current profit models of

sharing economy platforms and their limitations; the performance and shortcomings of the sharing economy in realizing social value; and how platforms can construct mechanisms to balance commercial logic and social responsibility to achieve sustainable development. Through the analysis of these issues, this study seeks to reveal the inherent evolution patterns of sharing economy business models and propose targeted optimization pathways, providing references for strategic decisions of sharing platforms.

## 2. Literature Review

### 2.1 Definition and Characteristics of the Sharing Economy

The sharing economy is generally regarded as an economic model based on internet platforms that facilitates the temporary transfer of resource usage rights through information matching [3]. Its core characteristics include the reuse of idle resources, the prominent intermediary role of platforms, and value creation among multiple participants. Scholars differ in their understanding of the sharing economy: some emphasize its “disintermediation” function and transaction cost reduction, while others highlight the importance of social collaboration and trust mechanism construction. In recent years, with the rapid development of the digital economy, the sharing economy has gradually evolved into an important component of the platform economy, characterized by scalability, global reach, and high connectivity [4]. It not only changes consumers’ usage habits and lifestyles but also drives the digital transformation of traditional industries, becoming a key force in promoting innovation in economic models.

### 2.2 Profit Models of Sharing Economy Platforms

In terms of profit models, sharing economy platforms primarily rely on commissions, advertising revenue, subscription fees, and data monetization [5]. The commission model is the most common, such as platforms for shared accommodations and ride-hailing charging a percentage of transaction fees. Advertising models generate additional revenue by attracting advertisers through platform traffic. Subscription models are widely used in digital content sharing, such as music and video, providing relatively stable cash flow. Additionally, some platforms achieve indirect profit through data analysis and

third-party services [6].

However, profit models often face issues such as single-source dependency, limited profit margins, and insufficient user willingness to pay. Some sharing platforms rely on capital investment for subsidies and expansion during high-growth stages; when capital inflows decrease, they face operational difficulties [7]. For example, the bike-sharing and ride-hailing industries have frequently experienced “burning money wars,” yet long-term profitability remains insufficient, leading to the exit of many companies. This indicates that sharing economy platform profit models are inherently fragile and require more sustainable business logic.

### 2.3 Social Value of the Sharing Economy

The sharing economy is attributed multiple social values. First, it enhances the utilization of idle resources, reducing waste and contributing to environmental protection. Second, it creates new employment and income opportunities for individuals and small-scale operators, promoting social inclusiveness. Third, by establishing trust mechanisms and facilitating collaboration among users, the sharing economy helps enhance social trust. Moreover, it promotes a shift in consumption patterns, popularizing the concept of “access over ownership,” which aligns with green consumption principles.

However, in practice, deviations from these social values have emerged. For instance, early stages of the bike-sharing industry experienced over-deployment and mass disposal, creating burdens for urban management and additional environmental pressure. Some platforms insufficiently protect labor rights, making flexible employment in the sharing economy associated with low income and lack of security [8]. Furthermore, imperfect platform governance mechanisms have led to emerging issues such as user privacy protection and data security. These contradictions indicate that the realization of social value does not occur automatically but requires continuous improvement through institutional design and platform governance.

### 2.4 Application of Sustainable Development and Shared Value Theory

From an academic perspective, the concept of sustainable development provides an important framework for studying the sharing economy. The Triple Bottom Line theory emphasizes that enterprises should pursue not only economic

efficiency but also social responsibility and environmental protection [9], aligning closely with the original intentions of the sharing economy. Meanwhile, Shared Value theory proposes that enterprises can simultaneously create economic value and promote social value through innovative business models, achieving dual value creation [10]. These theories highlight that profit and social responsibility are not necessarily in opposition but can achieve win-win outcomes through institutional innovation and business model optimization.

In recent years, scholars have also attempted to integrate Circular Economy theory and Stakeholder theory with sharing economy research, further illustrating the balance challenges faced by platforms at different stages. The Circular Economy perspective emphasizes resource efficiency and environmental protection, suitable for analyzing ecological benefits of the sharing economy [11]; Stakeholder theory reminds platforms to balance the interests of users, workers, investors when pursuing profitability [12]. Overall, these theories provide strong support for analyzing the balance between profit models and social value of sharing economy platforms and lay a theoretical foundation for proposing sustainable development pathways.

### 3. Theoretical Analysis

#### 3.1 Construction of the Research Framework

Under the context of sustainable development, the business logic of sharing economy platforms must seek a balance between profitability and social value. This study draws on the Triple Bottom Line theory, considering economic, social, and environmental dimensions to construct an analytical framework for the sustainable development of sharing economy platforms. In this framework, profit models form the core of the economic dimension, social value encompasses social inclusiveness and fairness, and environmental responsibility reflects green and low-carbon objectives. These three dimensions interact with each other and jointly determine the long-term survival and competitiveness of sharing economy platforms. Profitability ensures economic feasibility, social value provides external legitimacy and user trust, and environmental responsibility enhances the sustainable image of the enterprise. By analyzing profit models and social value within the same

framework, the intrinsic logic of the evolution of sharing economy business models can be systematically revealed.

#### 3.2 Sustainability Analysis of Profit Models

The profit models of sharing economy platforms are characterized by diversity and staged development. During the early development phase, platforms often rely on capital subsidies and low-price competition to quickly capture the market; however, such models are difficult to sustain in the long term. As the industry matures, platforms gradually form a profit structure centered on commissions, advertising revenue, subscriptions, and data-driven value-added services. The commission model provides direct income for the platform, but in highly competitive environments, excessive commissions may reduce the participation motivation of service providers, thus affecting the stability of the platform ecosystem. Advertising revenue can generate additional income, but over-reliance on traffic-driven advertising may negatively impact user experience. Subscription models provide relatively stable cash flow but require long-term maintenance of user engagement and ongoing quality assurance. Data-driven value-added services have significant potential, yet they involve privacy and compliance risks that platforms must adequately address through governance and technological measures. Overall, single profit models are insufficient for long-term platform sustainability. Platforms must achieve revenue diversification through business model innovation, such as cross-industry collaboration, ecosystem services, and the introduction of value-added products. This diversification strategy not only enhances profitability but also strengthens the platform's resilience and long-term sustainability.

#### 3.3 Social Value Creation and Challenges

The social value of sharing economy platforms is primarily reflected in improved resource allocation efficiency, enhanced social inclusiveness, and the promotion of green and low-carbon development. Through platform matchmaking mechanisms, idle resources can be reused, transaction costs are reduced, and overall social efficiency is improved. The sharing economy also provides new income opportunities for individuals and micro-entrepreneurs, promoting more inclusive

economic development. At the same time, shared mobility and bike-sharing models facilitate the popularization of low-carbon transportation and promote green consumption. However, achieving social value faces multiple challenges. Over-deployment and cutthroat competition may lead to resource waste and environmental pressure; the low protection of flexible employment reduces social fairness; data breaches and inadequate privacy protection undermine user trust; and insufficient attention to social responsibility during platform expansion may trigger social inequity and governance difficulties. These factors indicate that the realization of social value relies on effective governance mechanisms and institutional environments rather than occurring naturally.

### 3.4 Mechanisms for Balancing Profit and Social Value

There is an inherent tension between profit models and social value. Excessive pursuit of profitability may lead to a lack of social responsibility, undermining user trust and the platform's external legitimacy. Conversely, overemphasis on social value may compromise profitability and constrain long-term survival. Achieving balance requires comprehensive management across governance mechanisms, stakeholder coordination, institutional support, and business model innovation. By enhancing platform transparency, optimizing commission structures, and strengthening user rights protection, platforms can establish stable trust relationships between profitability and social value. Platforms need to coordinate interests among capital, users, service providers, and society to ensure fair and reasonable value distribution. Platforms can establish institutional safeguards and internal guidance, steering themselves to simultaneously innovate and fulfill social and environmental responsibilities. Moreover, business model innovations, such as introducing diversified services and cross-industry collaborations, can not only enhance economic benefits but also strengthen social value creation, for example, through carbon reduction incentives that encourage green consumption and user participation. Through these dynamic adjustments, platforms can achieve effective equilibrium between profit logic and social responsibility, thereby attaining sustainable development.

### 4. Conclusion

There is inherent tension between profit models and social value. Balancing the two is the core challenge for the sustainable development of sharing economy platforms. Excessive emphasis on profit may compromise social responsibility, undermining user trust and the platform's external legitimacy, whereas overemphasis on social value may reduce profitability and threaten survival. Achieving balance requires comprehensive management across three dimensions: governance mechanisms, stakeholder coordination, and business model innovation.

By enhancing platform transparency, optimizing commission structures, and strengthening user rights protection, platforms can establish stable trust relationships between profit and social value. At the stakeholder level, platforms must balance the interests of investors, users, service providers, and society to ensure fair and reasonable value distribution. Meanwhile, business model innovation, such as diversified services and cross-industry collaborations, can simultaneously enhance profitability and promote social value creation, for instance, through carbon reduction incentives and community co-construction initiatives that increase user engagement and social recognition. Theoretically, this study systematically combines profit models and social value of sharing economy platforms with a sustainable development perspective, enriching the theoretical framework for sharing economy business model research and proposing a dynamic balance analysis path. Practically, the research offers operational guidance for optimizing platform profit models and social value creation, emphasizing the importance of considering both economic performance and social responsibility in innovation.

In summary, the sustainable development of sharing economy platforms depends on achieving a dynamic balance between profit logic and social responsibility. By improving governance mechanisms, coordinating multiple interests, and promoting business model innovation, platforms can maximize economic benefits while effectively creating social value. This balancing mechanism enhances user trust, strengthens social recognition, and provides theoretical and practical support for long-term healthy development. In the future, the long-

term growth of the sharing economy will require not only enterprise innovation and governance optimization but also the coordinated participation of the public and other stakeholders, forming a positive ecosystem for collective promotion of sustainable development.

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