Sharing for people, planet or profit? Analysing motivations for intended sharing economy participation

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ABSTRACT

The sharing economy is a fast-growing and heavily debated phenomenon. This study provides an overview of motivations of people willing to participate in different forms of the sharing economy. A survey was held amongst 1330 respondents from Amsterdam, The Netherlands. Using stated preference data, we investigate the relative importance of (1) economic, (2) social and (3) environmental motivations to participate in peer-to-peer sharing. Hereby we consider differences between (a) sectors of the sharing economy, (b) socio-demographic groups, and (c) users and providers. Results are descriptive as well as based on ordered logit models. Notable differences are observed in the motivations for sharing between sectors. To a lesser extent there is variety in sharing drivers between socio-demographic groups. Finally, users seem more economically motivated than providers of goods.

1. Introduction

The sharing economy has grown in both scale and scope over the past years (Belk, 2014b; Owyang, 2013). In a variety of sectors, internet-facilitated platforms have emerged that enable people to share their underutilized assets. Examples include Airbnb for apartments, Blablacar for cars and Peerby for tools. These sharing platforms increasingly form a threat to existing businesses operating in the respective sectors (Gansky, 2010; Owyang, 2013). Apart from having economic consequences, the sharing economy is claimed to have positive environmental and social effects (Botsman and Rogers, 2011). More efficient use of goods can save scarce resources otherwise needed for production. The act of sharing could bring people together and stimulate social cohesion in neighbourhoods (Agyeman et al., 2013). However, the sharing economy has also caused considerable controversy, for example related to rising rents for local residents because of accommodation sharing (Martin, 2016; Frenken et al., 2015).

Despite a recent surge in attention for the sharing economy, little is known about the motivations for people to participate (Tussyadiah, 2015; Grassmuck, 2012). Insights in motivations would be instrumental in developing a better understanding of the so far underexplored decision-making processes of users (Tussyadiah, 2015; Piscicelli et al., 2014) and can also foster the general discussion around the sharing economy (Martin, 2016; Grassmuck, 2012). Given that the sharing economy is

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often regarded as an innovation with sustainability benefits, studying the various motivations for adoption also contributes to the emerging debate around the end-user in the literature on sustainable innovations and societal transitions (McMeekin and Southerton, 2012; Kemp and van Lente, 2011). This debate focuses on consumer preferences and practices needed to achieve a transition towards a more sustainable society. The sharing economy here is a particularly interesting case, because in contrast to many other sustainable innovations, certain sharing economy sectors are scaling up very rapidly.

A few early sharing economy scholars have suggested drivers for participation. Bardhi and Eckhardt (2012) claim that economic motivations are dominant in the case of car sharing platform Zipcar. This finding is replicated by Bellotti et al. (2015), who study users from a range of peer-to-peer platforms. Other authors, however, argue that environmental motivations underlie sharing economy participation (Botsman and Rogers, 2011; Gansky, 2010). Botsman and Rogers (2011) suggest social motivations drive sharing economy participation as well. People would for example engage in accommodation sharing, because they want to interact with their local hosts (Tussyadiah, 2015).

Quantitative research into sharing economy motivations is still largely lacking. Most existing studies only consider one form of the sharing economy (Tussyadiah, 2016, 2015; Piscicelli et al., 2014), one of the few exceptions being Möhlmann's (2015) study of both car and accommodation sharers. Other studies assume the existence of one sharing economy and do not distinguish between different forms (Hamari et al., 2015). However, it is likely that motivations to share for instance a power drill are different from those to share an apartment. Moreover, Hellwig et al. (2015) show that motivations for sharing economy participation can differ for various socio-demographic groups. Finally, users could have other motivations than providers of goods in the sharing economy, given that the activities of providing and using are substantially different (Van de Glind, 2013).

This study aims to provide a more comprehensive understanding of the motivations for participation in the sharing economy. Synthesising from previous sharing economy studies, and in line with a sustainability approach, economic, environmental and social motivations are considered. Expanding current research, the relative importance of these motivations for sharing economy participation is investigated for different types of goods, socio-demographic groups and roles as user or provider. Five forms of sharing are taken into account: car sharing, ride sharing, accommodation sharing, tool sharing and meal sharing. Analyses draw on a stated preference survey held among 1330 participants in the city of Amsterdam, The Netherlands.

The rest of the paper is structured as follows. Section 2 reviews the literature on sharing economy motivations, and hypothesises the relative importance of these motivations under various circumstances. Section 3 discusses the data collection and analytical strategy. Section 4 presents the results. Section 5 concludes, and discusses limitations of the study as well as implications for the sharing economy and sustainable innovation fields.

2. Theory

Many terms and definitions circulate to describe the so-called "sharing turn" in the economy: the trend that more and more products are shared rather than privately owned (Nesta, 2014; Botsman, 2013; Grassmuck, 2012). This paper focuses on peer-to-peer exchanges of goods between consumers. We use the term "sharing economy" rather than "access-based consumption" (Bardhi and Eckhardt, 2012) or "collaborative consumption" (Belk, 2014b), because the latter two also refer to large-scale business to consumer services such as Spotify or Zipcar. We define the sharing economy as "consumers granting each other temporary access to their under-utilized physical assets ("idle capacity"), possibly for money" (Meelen and Frenken, 2015). Examples of sharing ventures that fit this definition are Airbnb and Couchsurfing for apartment sharing, Getaround and Relayrides for car sharing, and Blablacar for ride sharing.

In the nascent literature on the sharing economy, there is an increasing interest in the motivations driving participation. Of the many motivation theories that exist Self Determination Theory (SDT) (Deci and Ryan, 2000; Ryan and Deci, 2000) is frequently drawn upon in sharing economy studies (Tussyadiah, 2016; Hamari et al., 2015; Bellotti et al., 2015). In this perspective behaviour is driven by intrinsic motivations, which emerge from inherent satisfactions of the activity, and by extrinsic motivations, which relate to outcomes that are separate from the behaviour. Hamari et al. (2015) and Tussyadiah (2016) refer to Lindenberg (2001) to further distinguish between intrinsic motivations coming from enjoyment of the activity and from the internalized value of conforming to the norm. From the latter category, environmental concern has been most prominently related to sharing economy participation (Tussyadiah, 2016; Hamari et al., 2015; Bellotti et al., 2015). People would initiate sharing economy activities to reduce their use of scarce natural resources. As an extrinsic driver of sharing economy participation, monetary rewards have often been mentioned (Tussyadiah, 2016, 2015; Bardhi and Eckhardt, 2012).

Mindful of these categorizations of motivations, in this research we employ a sustainability framework and distinguish between economic, environmental and social motivations. With such a framework we are able to contribute to the current sharing economy debate and the wider literature on environmental innovation and societal transitions. Tussyadiah (2015) categorizes motivations mentioned in the existing sharing economy literature as part of "economic benefits", "sustainability" and "community". Slightly adapting from this, and largely in line with the well-known triple-p (people-planet-profit) framework of sustainability (Elkington, 1997), in this paper a distinction is made between economic, environmental and social drivers of sharing economy behaviour. This perspective allows us to systematically assess claims within the ongoing sharing economy debate (Martin, 2016), regarding whether sharing economy growth is driven by more intrinsic environmental and social, or extrinsic economic motivations. It also contributes to the wider literature on sustainable innovations and societal transitions. In this field, recently more attention has been given to the importance of consumer preferences for achieving