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Do we need rules for "what's mine is yours"? Governance in collaborative consumption communities☆

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ABSTRACT

With collaborative consumption, people are provided with access to a good rather than owning it. The current study addresses the problem of regulation in collaborative consumption communities, investigating whether governance increases cooperation, if and why consumers support a governance system and whether supporters and non-supporters differ in their distrust in others. To address these questions, an experiment (within-subject design) was conducted. After reading vignettes, participants indicated how likely they would cooperate and whether they support governance or not—giving reasons for their evaluation. The majority of participants support governance and governance increases cooperation. Supporters argue that humans are egoistic, whereas non-supporters are concerned about negative consequences, asking for alternative incentives. Supporters of governance also differ from non-supporters according to their trust in others. The current study allows valuable recommendation, as more and more sharing networks are created, facing the problem of whether to regulate access or not.

1. Introduction

Collaborative consumption is a new consumption paradigm, which is gaining popularity due to the economic crisis and increased concern for protecting the environment (Tussyadiah, 2015). With collaborative consumption, ownership of a good is replaced by the access to the good (Belk, 2014; Botsman & Rogers, 2010). Instead of buying goods and owning them, consumers gain temporary access to goods they need (Bardhi & Eckhardt, 2012). Collaborative consumption is therefore a form of consumption where people coordinate the acquisition of a resource for a (monetary or non-monetary) compensation (Belk, 2014). People are provided with access to a good, mostly without the higher costs and responsibilities usually accompanied by ownership. Collaborative consumption covers a range of transactions in almost all business areas, including entertainment (e.g., file sharing), food (e.g., communal gardens), and traffic (e.g., car sharing). For instance, the term "communal garden" covers several models of garden organization, like neighborhood gardens, in which people informally or formally farm on land in their neighborhood (Alaimo, Packnett, Miles, & Kruger, 2008). Similarly, consumers can share goods in public book boxes or open workshops, where people access tools for work around their house. See Table A

Various terms are used in the literature referring to collaborative consumption or similar concepts, such as "sharing economy" (Heinrichs, 2013) which is often used synonymously for "collaborative consumption," "sharing," "access-based consumption," or "anti-consumption." Engaging in collaborative consumption actions is, contrary to sharing, not necessarily altruistic, but is rather underlined by economic exchange (Bardhi & Eckhardt, 2012). The concept of collaborative consumption is also related to "access-based consumption" (Bardhi & Eckhardt, 2012), which contains elements of both collaborative consumption and sharing (Belk, 2014), and anti-consumption (Albinsson & Perera, 2012), as the sharing of resources, for instance, in toy lending libraries (Ozanne & Ballantine, 2010; Ozanne & Ozanne, 2011), reduces the consumption of new goods (c.f. "reduced levels of consumption," Shaw & Newholm, 2002).

Engaging in collaborative consumption is increasing in popularity (Belk, 2014), stimulating new business models. One million car sharing members in North America in the beginning of 2013 (Birdsall, 2014) and many millions of room nights sold by Aribnb (Guttentag, 2013) show that collaborative consumption is on the rise. Although collaborative consumption is a competitive business model and thereby challenging conventional providers (Möhlmann, 2015), little is known about possible demands providers of collaborative consumption face.

New business models based on the concept of collaborative consumption comprise new challenges for the market place. In contrast to conventional businesses, collaborative consumption businesses are

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Table A
Absolute and relative frequencies of the categories used in the correspondence analysis.

		Cooperative members		Non-cooperative members	
		Supporters	Non-supporters	Supporters	Non-supporters
Increased return rate	*n*	27	1	12	0
	f	20.0	2.3	11.8	0
People need regulation	*n*	15	0	30	1
	f	11.1	0	29.4	1.6
Distrust	*n*	2	5	3	4
	f	1.5	11.4	2.9	6.6
Alternative incentives	*n*	4	8	4	3
	f	3.0	18.2	3.9	4.9
Self-determination	*n*	7	5	1	9
	f	5.2	11.4	1.0	14.8
Freedom	*n*	3	1	0	5
	f	2.2	2.3	0	8.2
People are egoistic	*n*	41	0	30	2
	f	30.4	0	29.4	3.3
Flexibility	*n*	5	3	0	0
	f	3.7	6.8	0	0
Negative consequences	*n*	4	7	6	9
	f	3.0	15.9	5.9	14.8
Contradicts the concept	*n*	0	1	0	5
	f	0	2.3	0	8.2
No behavioral change	*n*	0	3	0	6
	f	0	6.8	0	9.8
Enough control mechanisms	*n*	0	5	0	2
	f	0	6.8	0	3.3
Morality	*n*	2	1	8	5
	f	1.5	2.3	7.8	8.2
Concentration of power	*n*	2	1	0	3
	f	1.5	2.3	0	4.9
Breaks community	*n*	0	2	1	3
	f	0	4.5	1.0	4.9
Offense	*n*	19	2	6	0
	f	14.1	4.5	5.9	0
Other	*n*	4	1	1	4
	f	3.0	2.3	1.0	6.6

accused of not offering a standardized level of service and price (Cusumano, 2015) and of lacking safeguards for customers (Rauch & Schleicher, 2015). Regulation has become a highly charged policy topic, leading to the question whether it protects consumers or restrains companies from entering collaborative consumption (Koopman, Mitchell, & Thierer, 2014; Rauch & Schleicher, 2015). In order to answer whether and how collaborative consumption should be regulated, it needs to be considered that the concept of collaborative consumption comprises various business models, differing in several features.

Collaborative consumption can be organized by companies (business-to-consumer; Shaheen & Cohen, 2007), other consumers (Ballus-Armet, Shaheen, Clonts, & Weinzimmer, 2014), or communities (Jenny, Fuentes, & Mosler, 2007). Most of the research has been devoted to business-to-consumer models. For instance, Bardhi and Eckhardt (2012) conducted interviews with customers from a car sharing company, showing additionally that regulation and governance are evaluated positively by consumers, maybe due to a lack of trust in the other users. As car sharing users themselves act opportunistically (e.g., not giving a GPS receiver left in the car to the lost and found), they expect others to do the same (Bardhi & Eckhardt, 2012). When it comes to a business-to-consumer model, the company can take the responsibility of managing distrust between community members via a governance system.

However, the term “collaborative consumption” covers also consumption from self-regulating communities, like communal gardens (Birky & Strom, 2013) or toy libraries (Ozanne & Ballantine, 2010). Research on communal gardens (e.g., Armstrong, 2000; Ferris, Norman, & Sempik, 2001; Glover, 2004; Saldivar-Tanaka & Krasny, 2004) has focused on vegetable production (Algert, Baameur, & Renvall, 2014), food diversity (Guitart, Pickering, & Byrne, 2014), or potential conflicts between different actors in a communal garden (Schmelzkopf, 2002). People share resources by cultivating a garden, which may be public or owned by a community, and harvest the fruits. Bardhi and Eckhardt (2012) suggest that it may be a more social type of collaborative consumption as consumers seem to feel responsible for the community and its members. As a result, trust between the community members plays a significant role. If people lack trust in other users in such a situation, they may call for governance and regulation, like customers of a car sharing company (Bardhi & Eckhardt, 2012). Especially the heterogeneity of member's interests and goals can result in management problems (e.g., in the context of online communites of consumption, see Sibai, de Valck, Farrell, & Rudd, 2015). Hamari, Sjöklint, and Ukkonen (2015) mention, that in a worst-case scenario, some consumers might altruistically share their goods whereas others may free ride and be mostly enjoying benefits from the sharing. Due to possible problems emerging from collaborative consumption businesses, a political debate started of whether to adapt existing regulations in order to cover collaborative consumption businesses (e.g., for New York, see Bellafante, 2015, July 24; for Brazil, see The Guardian, 2015, September 3; for Austria, see Der Standard, 2015, August 13). As more and more networks are created to share resources, the question arises of whether to regulate and control access or not and whether consumers would support its regimentation.

In order to prevent negative consequences of governance systems, it is necessary to gain knowledge of consumers' attitudes toward control and sanctions in collaborative consumption. Nevertheless, there is a lack of research on the problem of cooperation in collaborative consumption and studies on mechanisms solving this problem are urgently needed (Hamari et al., 2015). The current study addresses this research gap by exploring the challenge of governance in a collaborative consumption community based on the findings of Bardhi and Eckhardt (2012) on car sharing companies. It is investigated how consumers react toward governance and control in a situation where a community