# How to make Swedish consumers buy less and share more

- An explorative study investigating how to foster consumer engagement in the Sharing Economy by mapping Swedish consumer attitudes towards Sharing Economy Business Models



Master Thesis by Astrid Lilja & Malin Olsson

Brand and Communications Management, MSc in Economics and Business Administration

(cand.merc.)

Date of submission, 15th of May 2019

Supervisor: Jesper Clement Associate Professor PhD. Copenhagen Business School

Number of normal pages: 97

# Abstract

There is a growing consensus in Europe that we have to move away from our current linear economic system to one that is based on closing material loops, a circular economy. Increased attention is given to the fact that our current lifestyles are unsustainable as consumer consumption patterns are deflating the environment. Business models based on the idea that items are to be shared among multiple users have been given increased attention as a way to move towards a circular economic system. Along with the rapid expansion of Internet-of things, the concept of sharing access to items among multiple users has grown into a global phenomenon known as the sharing economy. Sweden is leading the way and is one of the frontrunners of the sharing economy, however little evidence exists proving that a potential transition from a linear to a circular system is taking place. Although, the nature of Swedish culture is argued to be particularly open towards sharing economy solutions, there is a yawning gap between consumers intentions and their actual behaviour. Therefore, this study identifies consumers motivations and barriers for engaging in the sharing economy by taking a qualitative approach and conducting focus group interviews with Swedish consumers in the age group of 20-26 years. The overall aim of the thesis is to investigate how attitudes and behaviour can be influenced to foster engagement in the sharing economy. The results show that some of the strongest motivational drivers include flexibility, economic reasons, temporary nature of use and convenience. In terms of barriers, some of the strongest ones identified are hygienic aspects, inconvenience and lack of trust. Some of the identified attitudes have been found in previous studies as well, but the thesis also provides new insights. Additionally, the results show a general preference of access-based consumption. It is concluded that sharing economy must emphasise benefits with their offerings based on the strongest motivational drivers found, while simultaneously overcoming the main barriers. Consumers need to be persuaded that this new economic system is superior to the old linear one if a transition is to take place.

**Keywords:** Sharing economy, consumer attitudes, access-based consumption, collaborative consumption, consumer behaviour, Sweden.

# **Table of Content**

Abstract	
1. Introduction	
1.1 Research Justification	
1.1.1 Aim and Research Questions	9
1.2 Scope and Limitations	10
2. Literature Review	12
2.1 The Sharing Economy as a Circular Economy	
2.1.1 Why go from a Linear to a Circular Economy?	12
2.1.2 Defining the Circular Economy	
2.1.3 New Business Models within the Circular Economy	15
2.2 The Sharing Economy	16
2.2.1 Internet of Things	17
2.2.2 Business Models of a Sharing Economy	
2.2.3 Product-service-systems (PSS)	
2.3 The Notions of Western Consumer Behaviour	
2.3.1 Consumer Culture and Consumption	
2.3.2 Consumer Culture and Consumption in Sweden	24
2.3.3 Why Do We Consume?	
2.3.4 Possession and Ownership	
2.3.5 Consumer Society	
2.4 Framework for Influencing Consumer Behaviour	
2.4.1 Applying Psychology and Behavioural Economics to Explain, Predict and Chang	σe
Consumer Behaviour	
Consumer Behaviour. 2.4.2 Theory of Switch	30
Consumer Behaviour	
Consumer Behaviour 2.4.2 Theory of Switch 2.4.3 Social Norms and Peer Pressure 2.4.4 The Structure of Information Flows in the Marketing Context	30 33 38 42
Consumer Behaviour. 2.4.2 Theory of Switch 2.4.3 Social Norms and Peer Pressure 2.4.4 The Structure of Information Flows in the Marketing Context 2.4.5 Keeping the New Behaviour Going.	30 33 38 42 44
Consumer Behaviour.         2.4.2 Theory of Switch.         2.4.3 Social Norms and Peer Pressure         2.4.4 The Structure of Information Flows in the Marketing Context         2.4.5 Keeping the New Behaviour Going.         2.5 Consumer Attitudes towards Sharing Economy.	30 33 38 42 44 44
Consumer Behaviour.         2.4.2 Theory of Switch.         2.4.3 Social Norms and Peer Pressure	30 33 38 42 44 44 44
Consumer Behaviour.         2.4.2 Theory of Switch.         2.4.3 Social Norms and Peer Pressure         2.4.4 The Structure of Information Flows in the Marketing Context         2.4.5 Keeping the New Behaviour Going.         2.5 Consumer Attitudes towards Sharing Economy.         2.5.1 Attitudes towards Access-based Consumption         2.5.2 Attitudes towards Collaborative Consumption	30 33 38 42 44 44 44 44 44
Consumer Behaviour. 2.4.2 Theory of Switch. 2.4.3 Social Norms and Peer Pressure. 2.4.4 The Structure of Information Flows in the Marketing Context. 2.4.5 Keeping the New Behaviour Going. 2.5 Consumer Attitudes towards Sharing Economy. 2.5.1 Attitudes towards Access-based Consumption. 2.5.2 Attitudes towards Collaborative Consumption. 3. Methodology.	30 33 38 42 44 44 44 44 44 52
Consumer Behaviour. 2.4.2 Theory of Switch. 2.4.3 Social Norms and Peer Pressure 2.4.4 The Structure of Information Flows in the Marketing Context 2.4.5 Keeping the New Behaviour Going. 2.5 Consumer Attitudes towards Sharing Economy. 2.5.1 Attitudes towards Access-based Consumption 2.5.2 Attitudes towards Collaborative Consumption 3. Methodology. 3.1 Research Strategy.	30 33 38 42 44 44 44 44 52 52 52
Consumer Behaviour. 2.4.2 Theory of Switch. 2.4.3 Social Norms and Peer Pressure 2.4.4 The Structure of Information Flows in the Marketing Context. 2.4.5 Keeping the New Behaviour Going. 2.5 Consumer Attitudes towards Sharing Economy. 2.5.1 Attitudes towards Access-based Consumption. 2.5.2 Attitudes towards Collaborative Consumption. 3. Methodology. 3.1 Research Strategy. 3.1.1 Research Approach.	30 33 38 42 44 44 44 44 48 52 52 52 52
Consumer Behaviour. 2.4.2 Theory of Switch. 2.4.3 Social Norms and Peer Pressure. 2.4.4 The Structure of Information Flows in the Marketing Context 2.4.5 Keeping the New Behaviour Going. 2.5 Consumer Attitudes towards Sharing Economy. 2.5.1 Attitudes towards Access-based Consumption 2.5.2 Attitudes towards Collaborative Consumption 3. Methodology. 3.1 Research Strategy. 3.1.1 Research Approach 3.1.2 Research Design.	30 33 38 42 44 44 44 44 52 52 52 52 52 52 53
Consumer Behaviour. 2.4.2 Theory of Switch 2.4.3 Social Norms and Peer Pressure 2.4.4 The Structure of Information Flows in the Marketing Context 2.4.5 Keeping the New Behaviour Going. 2.5 Consumer Attitudes towards Sharing Economy. 2.5.1 Attitudes towards Access-based Consumption 2.5.2 Attitudes towards Collaborative Consumption 3. Methodology. 3.1 Research Strategy. 3.1.1 Research Approach 3.1.2 Research Design. 3.2 Data Collection.	30 33 38 42 44 44 44 44 44 52 52 52 52 52 53 53
Consumer Behaviour. 2.4.2 Theory of Switch. 2.4.3 Social Norms and Peer Pressure. 2.4.4 The Structure of Information Flows in the Marketing Context. 2.4.5 Keeping the New Behaviour Going. 2.5 Consumer Attitudes towards Sharing Economy. 2.5.1 Attitudes towards Access-based Consumption. 2.5.2 Attitudes towards Collaborative Consumption. 3. Methodology. 3.1 Research Strategy. 3.1.1 Research Approach. 3.2 Data Collection. 3.2.1 Literature review.	30 33 33 42 44 44 44 44 52 52 52 52 52 53 53 53
Consumer Behaviour. 2.4.2 Theory of Switch. 2.4.3 Social Norms and Peer Pressure. 2.4.4 The Structure of Information Flows in the Marketing Context. 2.4.5 Keeping the New Behaviour Going. 2.5 Consumer Attitudes towards Sharing Economy. 2.5.1 Attitudes towards Access-based Consumption 2.5.2 Attitudes towards Collaborative Consumption 3. Methodology. 3.1 Research Strategy. 3.1.1 Research Approach. 3.1.2 Research Design. 3.2 Data Collection. 3.2.1 Literature review. 3.2.2 Focus Groups.	30 33 38 42 44 44 44 44 52 52 52 52 52 53 53 53 53 53
Consumer Behaviour. 2.4.2 Theory of Switch. 2.4.3 Social Norms and Peer Pressure 2.4.4 The Structure of Information Flows in the Marketing Context . 2.4.5 Keeping the New Behaviour Going. 2.5 Consumer Attitudes towards Sharing Economy. 2.5.1 Attitudes towards Access-based Consumption 2.5.2 Attitudes towards Collaborative Consumption 3. Methodology. 3.1 Research Strategy. 3.1.1 Research Approach 3.1.2 Research Design 3.2 Data Collection. 3.2.1 Literature review. 3.2.2 Focus Groups. 3.2.3 Selection of Respondents.	30 33 38 42 44 44 44 44 44 52 52 52 52 52 53 53 53 53 53 54 55
Consumer Behaviour. 2.4.2 Theory of Switch 2.4.3 Social Norms and Peer Pressure 2.4.4 The Structure of Information Flows in the Marketing Context 2.4.5 Keeping the New Behaviour Going. 2.5 Consumer Attitudes towards Sharing Economy. 2.5.1 Attitudes towards Access-based Consumption. 2.5.2 Attitudes towards Collaborative Consumption. 3. Methodology. 3.1 Research Strategy. 3.1.1 Research Approach 3.1.2 Research Design. 3.2 Data Collection. 3.2.1 Literature review. 3.2.3 Selection of Respondents. 3.2.4 Formulating Questions.	30 33 38 42 44 44 44 44 44 52 52 52 52 52 53 53 53 53 53 53 55 55
Consumer Behaviour.         2.4.2 Theory of Switch.         2.4.3 Social Norms and Peer Pressure         2.4.4 The Structure of Information Flows in the Marketing Context         2.4.5 Keeping the New Behaviour Going.         2.5 Consumer Attitudes towards Sharing Economy.         2.5.1 Attitudes towards Access-based Consumption         2.5.2 Attitudes towards Collaborative Consumption         3. Methodology.         3.1 Research Strategy         3.1.1 Research Approach         3.1.2 Research Design         3.2 Data Collection         3.2.1 Literature review         3.2.3 Selection of Respondents         3.2.4 Formulating Questions         3.2.5 The Interview Process	30 33 38 42 44 44 44 44 44 52 52 52 52 52 53 53 53 53 53 54 55 56 57
Consumer Behaviour.         2.4.2 Theory of Switch.         2.4.3 Social Norms and Peer Pressure         2.4.4 The Structure of Information Flows in the Marketing Context         2.4.5 Keeping the New Behaviour Going.         2.5 Consumer Attitudes towards Sharing Economy.         2.5.1 Attitudes towards Access-based Consumption         2.5.2 Attitudes towards Collaborative Consumption         3.1 Research Strategy         3.1.1 Research Approach         3.2 Data Collection         3.2.1 Literature review         3.2.3 Selection of Respondents         3.2.4 Formulating Questions         3.2.5 The Interview Process         3.3 Data Analysis	30 33 33 42 44 44 44 44 44 52 52 52 52 52 52 52 53 53 53 53 53 53 53 53 53 53 53 53 53
Consumer Behaviour.         2.4.2 Theory of Switch.         2.4.3 Social Norms and Peer Pressure         2.4.4 The Structure of Information Flows in the Marketing Context.         2.4.5 Keeping the New Behaviour Going.         2.5 Consumer Attitudes towards Sharing Economy.         2.5.1 Attitudes towards Access-based Consumption         2.5.2 Attitudes towards Collaborative Consumption         3. Methodology.         3.1 Research Strategy         3.1.1 Research Approach         3.1.2 Research Design         3.2 Data Collection         3.2.1 Literature review         3.2.3 Selection of Respondents         3.2.4 Formulating Questions.         3.2.5 The Interview Process	30 33 38 42 44 44 44 44 44 52 52 52 52 52 52 53 53 53 53 53 54 55 56 57 58 58

3.3.3 Analsing Data	59
3.4 Research Philosophy	60
3.4.1 Ontological Considerations	60
3.4.2 Epistemological Considerations	60
3.5 Reliability	61
3.6 Validity	62
4. Results and Analysis	64
4.1 Motivations for Engaging in Access-based Consumption	64
4.1.1 Flexibility	64
4.1.2 Temporary Nature of Use	65
4.1.3 Economic Reasoning	66
4.1.4 Environmental Reasons and Moral Obligations	67
4.1.5 Variation of Products	
4.2 Barriers for Engaging in Access-based Consumption	69
4.2.1 Inconvenience	
4.2.2 Hygienic Aspects	70
4.2.3 Preference to Own	
4.2.4 Uncertainty and Complication	
4.2.5 Difficulties Understanding Potential Economic Benefits	
4.2.6 Fear of Breaking Items	
4.2.7 Lack of Knowledge of Environmental Benefits	
4.3 Summary of Findings for Access-based Consumption	
4.4 Motivations for Engaging in Collaborative Consumption	
4.4.1 Convenience	
4.4.2 Variation of Products	
4.4.3 Economic Reasoning	
4.4.4 Environmental Reasons and Moral Obligations	
4.5 Barriers for Engaging in Collaborative Consumption	
4.5.1 Lack of Trust	
4.5.2 Hygienic Aspects	
4.5.3 Inconvenience	
4.5.4 Fear of Breaking Items	
4.5.5 Complication	
4.5.6 Preference to Own	
<ul><li>4.6 Summary of Findings for Collaborative Consumption</li><li>4.7 Comparison of Models: Access-based vs. Collaborative Consumption</li></ul>	
4.7 Comparison of Models. Access-based vs. Conaborative Consumption	
4.7.1 Hust and Security 4.7.2 Hygienic Aspects	
4.7.2 Hygrenic Aspects	
4.7.5 Social Aspects 4.7.4 Fear of Breaking Items	
4.7.4 Fear of breaking items	
4.7.6 Environmental Reasons	
4.8 Summary of findings for Access-based vs. Collaborative consumption	
4.9 Summary of All Findings	
5. Conclusion and Discussion	

94

"...the climate crisis has already been solved. We already have all the facts and solutions. All we need to do is to wake up and change" - Greta Thunberg

# **1. Introduction**

The Western world has reached a point where people's desire to consume has grown out of proportion, thus facing the reality of unsustainable lifestyles which must be changed (Randerson, 2009). It is becoming increasingly clear that consumption patterns and levels are highly responsible for the deteriorating state of the environment. Products in the categories of food and drink, private transport and housing are according to research together responsible for 70 to 80% of the environmental impact of consumption (Tukker et al., 2006). Therefore, addressing the environmental consequences of our daily purchasing choices is becoming an important focal point of research and societal efforts (Mont & Power, 2010). The development towards this unsustainable direction of consumption commenced during the industrial revolution in the 18th and 19th century, when a linear consumption system was introduced, based on the ideas of products being produced, used and then disposed (Preston, 2012). This has led to products often being designed with short lifespans and to them being swiftly consumed and discarded. As a result, it is often more expensive to repair products than to buy new (Watson, 2008). Consequently, since the beginning of industrialisation, and especially since the 20th century, the throwaway mentality has been part of Western society and still is today (Cooper, 2013). To keep up the growth and respond to the increasing levels of consumption, a development of faster material flows and an ever increasing need for extraction of limited natural resources has accelerated (Ellen MacArthur Foundation, 2012). Today, populations around the world are experiencing and witnessing its consequences in the form of strengthened storms, rising sea levels, polluted air and drinking water, depletion of natural resources and changes in temperature and weather patterns (UNEP, 2019; UNFPA, 2016). Without doubt, the planetary boundaries, which is the safe operating space for human societies to develop and thrive, are being crossed (Steffen et al., 2015).

During the last century, there has been an increasing recognition of the unsustainability of the linear economic system. Countries and companies are becoming more aware of that resource

efficiency and security are critical to future economic competitiveness and resilience, and that this requires a fundamental reconsideration of the role and function of resources in the economy (Preston, 2012). According to a report carried out by the EU Commission (2017), more than nine out of ten Europeans (94%) claim that protecting the environment is important to them personally. As a result of this unsustainable linear economy and the increased awareness of it, the concept of circular economy has emerged (Ellen MacArthur Foundation, 2012). It provides a new model for our society to increase prosperity, while reducing dependence on primary materials and energy, and has therefore been given increased attention in Europe during the last few years (e.g. Ellen MacArthur Foundation, 2015a; Webster, 2017; Preston 2012). China paid attention to the concept even earlier, and it was formally accepted as a new development strategy by the central government in 2002 (Yuan, Bi & Moriguichi, 2006; Su, Heshmati, Geng & Yu, 2012).

Circular economy is based around the idea of things being repaired, reused, upcycled and shared instead of just bought, used and thrown away (Ellen MacArthur Foundation, 2012). The idea with a circular economy is to simply close the cycles and assure that resources are used in a smarter way (Edbring, Lehner & Mont, 2016). Growth in the circular economy is decoupled from the use of finite resources, and instead business models rely on increased longevity, renewability, reuse, repair, upgrade, sharing of resources and dematerialisation (Accenture, 2014). The development and upscaling of new business models based on the idea of closing material loops is essential both to reduce environmental impacts and increase resource security (Planing, 2015). On the consumption side, several models for reducing resource use can be distinguished where new business models based on the idea of sharing, renting or leasing has particularly been on an exponential growth curve over the last couple of years. Along with the rapid expansion of Internet of Things (IoT) and particularly individual's access to smartphones, this has heralded a digital revolution serving as a catalyst of growth for this growing concept while turning it into a global phenomena, namely The Sharing Economy (e.g. Rifkin, 2011; Hamari, Sjöklint & Ukkonen, 2016; Habibi, Davidson & Laroche, 2017; Schor, 2016; Miller, 2018).

In contrast to the linear model, the sharing economy model is argued to have potential to become a circular economy as goods and services are redistributed among multiple users, dramatically reducing society's ecological footprint. Sharing economy business models are additionally argued to have the ability to increase customer satisfaction as people will also experience economic benefits by engaging in it. It is for example, argued that the average cost per carkilometre could drop up to 75 percent, thanks to car-sharing schemes, autonomous driving and electric vehicles (Rifkin, 2011; Ellen MacArthur Foundation, 2015b; Webster, 2017). By increasing utilization rates, the sharing economy model can dramatically reduce economic inefficiency and transaction costs between the producer and the consumer (Schor, 2016). Some argue that the sharing economy will also create significant benefits for society at large, as the coming together into this new system will involve every industry to install required technologies, thus creating an area of mass employment. The sharing economy is therefore the world's first new economic system to enter on the stage. Businesses will still be on that stage to extent that it can find a relationship with the sharing economy (Rifkin, 2011). Two types of sharing economy business models exists; companies either; own goods or provide services which are rented out to customers, often on a short-term basis or they create a peer-to-peer platforms which connects providers and users for exchanging, purchasing or renting goods and services (Rauch & Schleicher, 2015; Schor, 2016). Many of the most visible platforms in the sharing economy started in the United States. However, plenty of new sharing innovations have been brought to other parts of the world, such as Colombia, Ecuador, South Korea, the Arab world and France, often launched by their governments (Schor, 2016).

The Nordic countries are commonly pointed out be in the upfront of this development as sharing platforms are growing faster there than in any other region in the world. The four major countries along the north Baltic sea including Norway, Finland and Denmark and Sweden have shown a rising interest in new economy waves and, more importantly, have put them into practice with extraordinary results. In terms of number of companies and profit made within the sharing economy, Sweden is the leading country in the Scandinavia (Turillo, 2017). Reasons for this rapid expansion is argued to be Swedes' extreme interest in new technology, social care and hospitality-friendly mentality. However, there is still space for growth in the sector (Invest Stockholm, 2015). Although Sweden is considered a sharing economy pioneer (Turillo, 2017), consumer research shows a yawning gap between intentions and actions of the Swedish population. Studies on attitudes towards waste management and resource efficiency show that 99% of the Swedish consumers consider it important that Europe uses its resources more

efficiently. Meanwhile, only 26% of Swedish consumers have used sharing schemes and only 27% have rented or leased a product instead of buying it (EU Commission, 2014; EU Commission, 2017). Swedish consumers are also found to be reluctant to rent items to other people, as over 80% of the consumers in Sweden had never rented any item to another person in the past year (SB Insight, 2019). Consumer behaviour is a complex matter which rarely follows traditional economic theories of decision-making. For example, people may know about, intrinsically value, hold positive attitudes towards and/or genuinely intend to act in some socially desirable way. Yet often these things do not translate into actual behaviour (Frederiks, Stenner & Hobman, 2015). Mont and Power (2010) argue that in practice there is actually little happening that could indicate that the shift to the sharing economy is taking place.

Thus, even as they disrupt, sharing economy business models face some great challenges and gaining consumer acceptance and fostering consumer engagement is proving to be one of them. Also, although Sweden is considered a pioneer in terms of sustainability and the sharing economy, the fact still stands that if the entire world's population were to consume in the same way as does the Swedish population today, approximately four Earths would be needed to support this lifestyle (WWF, 2019). Consequently, a new value system of "sustainable consumption" is now urgently required. In relation to the enhancement of the sharing economy and the move towards a circular economic system, this will require a profound ideological shift, change in consciousness (Cooper, 2013; Rifkin, 2011) and consumer behaviour (Hazen, Mollenkopf & Wang 2016).

## **1.1 Research Justification**

Understanding consumer profiles that seek access rather than ownership is critical for companies seeking to effectively target and position their offerings to the growing market of the sharing economy. Still, consumers motivational drivers for adoption of these business models are not well known (Lawson, Gleim, Perren & Hwang, 2016). Accordingly, Edbring et al. (2016) emphasise that there is a lack of understanding on what existing and potential mechanisms could promote consumers further engagement in the sharing economy. The structure of sharing business platforms in terms of whether a company own goods or provides services that they rent to customers (access-based consumption), or create peer-to-peer platforms connecting providers and users (collaborative consumption), is argued to greatly

influence both why and how sharing takes place (Schor, 2016). Previous studies have investigated consumer attitudes towards these sharing business models, however previous studies examining the role the platform dimension entails have not been identified. This opens up a topic for new research, namely to investigate the role the structure of such sharing economy platforms play in regards to consumer attitudes.

Further, to enable sustainable ways of living, a deep understanding of processes that shape consumption patterns is required. Therefore, it becomes necessary to understand the complexity of the consumption phenomenon per se, the reasons for consumer choices and behaviour as well as the main factors that stimulate people to change their lifestyles to be more sustainable (Mont & Power, 2010). Vezzoli, Ceschin, Diehl and Kohtala (2015) argue that more in-depth studies in relation to owner-less consumption models examining consumers' attitudes and values, lifestyles, habits, behaviours and motivations are required. They further emphasise the importance of investigating the role socio-cultural conditions play in fostering or hindering such acceptance. Sweden shows a great interest in the sharing economy and is argued to have proper cultural conditions to adopt it to a greater extent (Invest Stockholm, 2015; Turillo, 2017). Nonetheless, the actual behavioural statistics of the Swedish population are low in comparison to the attitudes with obvious room for improvement (EU Commission, 2014; EU Commission, 2017). Clearly, a gap between intentions and behaviour exists, making it relevant to investigate Swedish consumer attitudes towards different types of sharing models, including the factors that influence, inhibit or motivate them to engage, in order to understand what existing and potential mechanisms could foster engagement.

#### **1.1.1 Aim and Research Questions**

This thesis aims to investigate how consumer engagement in sharing economy business models can be fostered by investigating Swedish consumers' motivations and barriers towards the two different kinds of sharing business models which exist today, and by applying concepts within the field of behavioural economics and consumer behaviour. This thesis aims to answer the following research question:

**Research question:** How can attitudes and user behaviours be influenced to foster engagement in sharing economy business models among Swedish consumers?

To answer the overarching research question, two sub-questions are addressed:

- What are the motivations and barriers among Swedish consumers for engaging in sharing economy business models?
- Are there differences in terms of motivations and barriers towards engaging in sharing economy business models depending on the platform structure?

In order to address the aim and answer the research questions, the thesis takes on 6 tasks:

- 1) To provide a sound overview of the sharing economy concept and its relation to the circular economy.
- To provide a sound overview of the current Western consumption culture and map the main factors that represent barriers for consumers to change their consumption patterns and take part in the sharing economy.
- To establish a framework consisting of concepts and methods about how to influence consumer behaviour by mapping the current consumer behaviour literature, particularly in relation to sustainable consumption.
- 4) Identify and outline previous found consumer motivations and barriers for engaging in the sharing economy by investigating previous studies within the research field.
- 5) To identify consumers motivations and barriers by conducting focus group interviews with Swedish consumers. The results of this task serve as the main source of information that will enable the answering of the sub-questions and the overarching research question.
- 6) To combine results of the previous tasks and outline a potential mix of insights and managerial implications, which could support the upscaling of sharing economy business models in Sweden.

## **1.2 Scope and Limitations**

The scope of this thesis only covers the benefits of sharing economy, however some critics denounce the sharing economy for being about economic self-interest rather than sharing, and for being predatory and exploitative (Schor, 2016). Therefore, due to the limited scope of this study, potential negative aspects with the sharing economy will not be taken into consideration. Additionally, it is possible that accelerating the sharing economy may affect other parts of the

economy negatively. This will however not be investigated nor taken into consideration in this study either. Potential impacts that policy intervention, legislation and infrastructure development could have on consumer engagement in the sharing economy are also not taken into account in this study. The focus is on how sharing economy businesses can foster consumer engagement by understanding consumers' attitudes and behaviours. Moreover, sharing economy, especially in the form of collaborative consumption with the peer-to-peer structure, entails that the individual could take the role of both being a provider and user. Thus, motivations and barriers for engaging may differ depending on which side of the transaction one is on. This study has its main focus on the consumer, thus focusing on the user side, so the attitudes of providers within the sharing economy will not be investigated thoroughly.

For this thesis three focus groups consisting of fourteen respondents in total were conducted. However, a larger number would inherently generate more robust data, possibly resulting in more accurate insights and increase the ability to generalize the findings. Furthermore, the focus group interviews were done in Swedish, whereas the chunks of data used in this study to emphasise points are translated into English, which may cause a certain amount of interpretation, although the authors conducted the translation with this in mind. The authors take full responsibility for any misinterpretation of data and any mistranslations from Swedish to English.

The target audiences for this thesis are both individuals and businesses wanting to gain insights into consumer's attitudes towards the sharing economy. The findings are of particular interest for people aiming to promote sharing economy business models in the Swedish market by getting a better understanding of what motivates and hinders consumers to participate. This study can give insights into what strategies to proceed with in order to foster consumer engagement in the sharing economy.

# 2. Literature Review

This chapter presents relevant previous research to further understand the concept of the sharing economy, consumption culture and consumer behaviour. The literature review provides the results of task 1, 2 and 3 and consist of four main parts; the sharing economy as a circular economy, the notion of Western consumer behaviour, framework for influencing consumer behaviour, and previous research on consumer attitudes towards the sharing economy.

## 2.1 The Sharing Economy as a Circular Economy

This chapter provides the results of task 1, which was to provide a sound overview of the sharing economy concept and its relation to the circular economy. It gives a brief overview behind the characteristics of the concept of a circular economy, new business models based on the concept and the rationale behind moving from away from the current, linear economy. Below the evolution of the sharing economy is explained, followed by a definition and presentation of the two sharing economy business models of collaborative and access-based consumption.

## 2.1.1 Why go from a Linear to a Circular Economy?

To understand the concept of a circular economy, it is important to first understand the components of our dominating linear economy. In today's linear system a material's technological life cycle begins when natural resources are mined and extracted and then turned into products which are to be used by consumers and then discarded (Preston, 2012). Stahl (2016) draws similarities between the linear economy and a flowing river where natural resources are turned into base materials and products for sale through a series of value-adding steps. It is driven by 'bigger-better-faster-safer' syndrome explained as fashion, emotion and progress. The fundamental concept is that companies make money by selling cheap and attractive products. Once sold, the consumer gains ownership and liability for risks while the decision whether old products and its material should be reused, recycled or dumped passes to the buyer (Stahl, 2016).

According to the Ellen MacArthur Foundation (2015a), the European economy is extremely wasteful with resources. In 2012, even though some member countries in the EU had increased their recycling rates the last couple of years, only 40% of materials were recycled or reused

whereas 60% were landfilled or incinerated, leading to that 95% of the energy and material value was lost and only 5% of the original raw material value was captured. This dependent system on getting cheaply accessible resources out of the ground has its limits given the finite nature of the environment's natural resources. It exposes businesses and economics to price risks, supply risks and environmental degradation which in turn create fundamental challenges for the creation of long-term economic development. These risks can also cause short-term challenges to businesses if their licence for certain resource-intensive or environmentally damaging operations is withdrawn or externalities are priced in. When working towards a sustainable economy the reduction of resources and fossil energy consumed per unit of economic output cannot change their limited nature but can only delay the inevitable of climate change. Thus, our linear model is increasingly unfit for the reality of the landscape in which it operates, consequently a deeper change to our economic system is necessary (Ellen MacArthur Foundation, 2015a).

The circular economy concept has been presented as an opportunity to meet these challenges and as a new fundamental economy by which the planet can operate - without placing unsustainable pressure on natural resources and breaching environmental limits. Various benefits with this new economic system have been presented over the years. At a global scale, the circular economy is argued to enable developing countries to industrialize and developed countries to increase wellbeing and reduce vulnerability to resource price shocks. For businesses it provides a sustainable model appropriate for a world of high and unsteady resource prices (Preston, 2012).

#### **2.1.2 Defining the Circular Economy**

The notion of a circular economy has its roots in industrial ecology (Preston, 2012) where its practical applications to modern economic systems and industrial processes have gained momentum since the late 1970s. According to Webster (2017) the circular economy concept has deep rooted origins and cannot be traced back to one single date or author. As argued by (Preston, 2012) developing a common understanding of the circular economy and its key components would help to lay the groundwork for wider take-up of the concept, encourage cooperation and avoid confusion. Nevertheless, the definition of the circular economy that is namely, most widely accepted is the one developed by the Ellen MacArthur Foundation. The

circular economy is based on resource effectiveness that allows for upcycling by being *"restorative by design, and which aims to keep products, components and materials at their highest utility and value at all times"*, which is mapped out in figure 1 below. Based on three pillars the circular economy aims to design out waste and pollution, keep products and materials in use and regenerate natural systems (Ellen MacArthur Foundation, 2015b, pp. 19-20). The fundamental idea is that items should be designed to be a product of service, to be returned after use, designed for disassembly or repair, designed to be of no harm to the user or the firm, and to use materials and resources effectively (Webster, 2017).

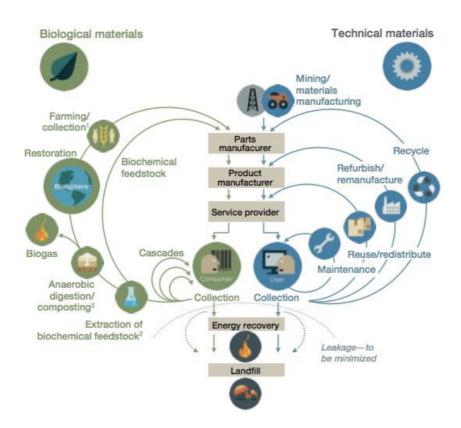


Figure 1. The circular economy - an industrial system that is restorative and regenerative by design (Ellen MacArthur Foundation (2015a p. 20)

#### 2.1.3 New Business Models within the Circular Economy

In order to see a transition to a circular economy creating and integrating new business models by applying the ideas of a circular economy on a wider scale will be necessary and will contribute positively to society and the economy as a whole (Ellen MacArthur Foundation, 2015a; Planing, 2015). Developing new business models entails changing one or several components of the model, which in turn provides new value for the society and its different actors, companies and consumers (Osterwalder, Pigneur & Clark, 2010). The circular economy clearly advocates business models which are based on selling the utilization of the product through rent, lease and shared business models rather than selling the actual product itself (Stahel, 2010; Ellen MacArthur Foundation, 2015a; Webster, 2017). Business models for a circular economy do however include further aspects as well, which are further elaborated in figure 2. below (Ellen MacArthur Foundation, 2015b; Planing, 2015; Webster, 2017). To minimize material and energy losses, business models should be based on product life-time expansion and collaborative consumption. Business models based on refurbishment, maintenance, reuse and redistribution are also needed to extend the product's lifecycle while physical transformation of products is achieved by businesses which perform upgrading or remanufacturing. Lastly, in order to prevent product disposal while keeping materials in the economy there is a need for business models which perform recycling with highest possible material and energy value capture (Planing, 2015). Potential development for all these business models are argued to be possible under the development of a 'leasing society', which entails change in ownership structures from consumers to producers and thereby encourages producers to reuse, recycle and remanufacture their products (Fischer et al., 2015). According to Lawson et al. (2016), the shift from ownership to access represents one of the pivotal changes occurring in today's business environment.

REGENERATE	<ul> <li>Shift to renewable energy and materials</li> <li>Reclaim, retain, and restore health of ecosystems</li> <li>Return recovered biological resources to the biosphere</li> </ul>
SHARE	<ul> <li>Share assets (eg cars, rooms, appliances)</li> <li>Reuse/secondhand</li> <li>Prolong life through maintenance, design for durability, upgradability etc</li> </ul>
ортімізе	<ul> <li>Increase performance/efficiency of product</li> <li>Remove waste in production and supply chain</li> <li>Leverage big data, automation, remote sensing and steering</li> </ul>
	<ul> <li>Remanufacture products or components</li> <li>Digest anaerobically</li> <li>Recycle materials</li> <li>Extract biochemicals from organic waste</li> </ul>
VIRTUALISE	<ul> <li>Dematerialise directly (eg books, CDs, DVDs, travel)</li> <li>Dematerialise indirectly (eg online shopping)</li> </ul>
EXCHANGE	<ul> <li>Replace old with advanced non-renewable materials</li> <li>Apply new technologies (eg 3D printing)</li> <li>Choose new product/service (eg multimodal transport)</li> </ul>

Figure 2: The ReSOLVE framework: six action areas for businesses and countries wanting to move towards the circular economy (Ellen MacArthur Foundation, (2015a p. 21).

# 2.2 The Sharing Economy

According to Habibi, Davidson and Laroche (2017), the phrase 'sharing economy' has evolved to become an umbrella term for a wide range of non-ownership forms of consumption. However, it is important to note that various scholars stress the difficulties with establishing a solid definition which can reflect the term's common usage (e.g. Schor, 2016; Egerton-Read, 2014; Hamari et al., 2016; Habibi, Davidson & Laroche, 2017). The main reason for this is that other economic systems such as collaborative economy, collaborative consumption, freelancing/gig economy, crowdfunding/crowdsourcing, co-working/co-branding (Miller, 2018), and access-based consumption (Edbring et al., 2016) are mentioned and included by some, while excluded by others when talking about the sharing economy. Consequently, it becomes challenging to provide a solid definition (Schor, 2016). Schor, (2016) places sharing economy activities into four broad categories including recirculation of goods, increased utilization of durable assets, exchange of services and sharing of productive assets. The most

recurring explanation found is provided by the social movement "The People Who Share" who explain the sharing economy as a:

"... socio-economic ecosystem built around the sharing of human and physical resources. It includes the shared creation, production, distribution, trade, and consumption of goods and services by different people and organizations" (Matofska, 2016, §2-3).

#### **2.2.1 Internet of Things**

The evolution of the sharing economy has taken place in a context of the fast development of new information and communications technologies commonly referred to as Internet of Things (IoT). Smartphones are pointed out as one, if not the most important technical solution enabling the sharing economy to take place, due to their contributing element of changing consumer's consumption patterns. As a result, these technical solutions have facilitated the circular economy's emphasis on changing businesses' and consumers' conventional relationship because consumers are more frequently given access to products rather than traditional ownership (Hamari et al., 2016). The sharing economy is argued to yield a true revolution as it holds the power to change the way people communicate, interact, and exchange ideas and resources, while also enabling any individual or company to gain full access to information and global markets in real time (Jiménez-Ontiveros, 2017; Rifkin, 2011; Schor, 2016). The sharing economy is also argued to have the potential to create an utopian outcome with the empowerment of ordinary people. The nature of the IoT platforms will enable a streamlined, automated, global market economy by making individuals able to produce goods and services at low fixed costs and at zero or low marginal costs (Rifkin, 2011; Schor, 2016). As argued by Miller (2018), thanks to the Internet and mobile technology, managing share-based transactions has never been easier and today millions of people around the world are producing and sharing things like videos, music, contributions to Wikipedia, renewable energy, homes, and automobiles.

Botsman (2015) argues that even though the core of the sharing economy entails that people rent things from each other, the web has made it easier for companies to rent out various products and spaces as well. The greatest change is that availability of more amounts of data about people and things makes it possible for physical assets to be disaggregated and consumed

as services. Websites such as Airbnb connects renters with owners; smartphones with GPS allows people to see where the closest rentalable car is parked; social networks opens up the possibility for people to check up on each other and build trust, whilst online payments systems takes care of the billing (Webster, 2017). Following this development, the sharing economy will increase people's productivity while dramatically reduce ones' ecological footprint as we are getting more out of less from the Earth (Rifkin, 2011). The scope of the sharing economy of accommodation is emphasised by Webster (2017, p.116):

"Last night 40,000 people rented accommodation from a service that offers 250,000 rooms in 30,000 cities in 192 countries."

Lawson et al. (2016) emphasise that access-based business models align consumer self-interest with responsible consumption behaviours, enabling consumers, businesses and society to benefit through this unique form of exchange. Sharing economy business models are further argued to increase liquidity in their respective markets. The increased liquidity drives up utilization of existing assets and services, opening doors for those on the provider side of the marketplace to monetise their assets and services to a greater extent than before. Growing liquidity, asset utilization and market efficiency are all powerful yet abstract benefits. Additionally, some already proven, tangible benefits and opportunities that emerge from sharing-economy business models have been identified in a report conducted by Ernst and Young (2016):

**Customer delight:** Sharing economy marketplaces can offer a wider array of options than typically offered by traditional businesses. Such marketplaces can also have the function of a social network, as it provides possibilities for people to connect and interact. Additionally, they can fill existing marketplace gaps, such as filling the price and service gap between taxis and limousines.

**Individual entrepreneurship:** Sharing economy marketplaces and the tools that comes with it lower market-entry barriers. They also make it possible for individuals to advertise their services at real-time platforms, which in turn enable better monetization of individuals' assets, time and skills. The rating systems that is often a part of such marketplaces allows those with

the most merit to rise to the surface and potentially earn money at a higher rate. Additionally, these marketplaces mirror the potentially evolving future of work, as it matches with the the millennial generation's desire for independence and flexibility to a greater extent.

**Developing-economy boost:** The marketplaces may facilitate the development in some developing economies at a faster pace than previously expected, as sharing economy models may enable access to certain assets for a large part of the population. An example is how sharing models could be extended to products such as for example refrigerators and freezers, by offsetting the ownership cost for those who can afford them, who can then provide affordable access for those who cannot.

**Societal benefits:** Sharing economy models are believed to be better for the environment due to the fact that they make greater use of existing resources, thus reducing the need to produce more. In addition to that being environmentally beneficial, an increased utilization and efficiency can increase productivity, which in turn can lead to raised living standards.

#### **2.2.2 Business Models of a Sharing Economy**

As mentioned in the introduction, two types of sharing economy business models exists: one having a business-to-consumer structure as companies own goods or provide services which are rented out to customers, often on a short-term basis. The other one has a peer-to-peer structure where companies create peer-to-peer platforms which connect provider and user for the exchange, purchase or renting of goods and services (Rauch & Schleicher, 2015; Schor, 2016). The unifying factor for these companies and initiatives is their ability to provide the possibility for people to share or exchange underutilized assets without large transaction costs, often through an online platform (Ernst & Young, 2015).

In this thesis, these two platform models will be distinguished by using the terms access-based consumption which takes the form business to consumer, and collaborative consumption which is the peer-to-peer structure. Access-based consumption is commonly defined as *"market-mediated transactions that provide customers with temporary limited access to goods in return for an access fee, while the legal ownership remains with the service provider"* (Schaefers, Lawson & Kukar-Kinney, 2016, p.3). Collaborative consumption is an emerging phenomenon

that reduces consumption of resources in the use phase by reinventing traditional market behaviours between individuals through renting, lending, swapping, sharing, bartering and gifting (Botsman & Rogers, 2010). This can either take place through non-monetised sharing platforms, e.g. Landshare (established to act as a catalyst for change in the way we manage land and its resources) or through monetised collaborative consumption where the most common examples are Airbnb and Uber (Schor, 2016). In this thesis, focus will be on access-based consumption and the latter type of peer-to-peer platform, where individuals share their resources with others through monetised collaborative consumption.

In order to distinguish between the collaborative consumption and the access-based platform structure one can for example, consider the difference between the two car-sharing platforms Zipcar (access-based) and Turo (collaborative). While transactions with Zipcar functions like an ordinary short-term car rental company, Turo allows private car owners to rent out their vehicles via an online and mobile interface. The providers of Turo can choose trades based on their needs while setting rates and availability (Schor, 2016).

#### 2.2.3 Product-service-systems (PSS)

One emerging form of an access-based consumption model is a product-service-system (PSS). The purpose of PSS can be defined as to shift the focus of traditional businesses based on the design and sale of physical products, to a new business orientation that considers functionalities and benefits delivered through products and services (Manzini & Vezzoli, 2003). It refers to companies renting out or leasing products to customers while also offering additional services. Many see PSSs as an excellent vehicle to enhance competitiveness and to foster sustainability simultaneously (Tukker, 2004). Various classifications of PSS have been proposed (e.g. Behrend, et al., 2003; Zaring, 2001). However, most classifications make a distinction between three main categories of PSS. The first one, referred to as product-oriented-services, takes a more traditional form of providing a product but with some added service functions. In the user-oriented business model, the traditional product still plays a central role, but the business model is not geared towards selling products. The product stays in ownership with the provider and is made available in a different form including product renting or sharing, leasing or pooling, and is sometimes shared by a number of users. The last main category is result-oriented services.

Here, the client and provider in principle agree on a result, and there is no pre-determined product involved (Tukker, 2004).

However, not all shifts to PSS result in environmental benefits. SusProNet, an EU network on PSSs, showed a more complicated reality where at least eight different types of PSS exist, with quite diverging economic and environmental characteristics. Most PSS types result in marginal, if any environmental improvements with the exception for functional results which entails that the provider agrees with the client on the delivery of a result. This model does however require further solution in regards to liability and risk premium issues. PSS models are not inherent circular economic where the favourable environmental outcomes depend upon environmental, social and business rationale of management (Tukker, 2004). One of the major problems are rebound effects for example, lowering costs for the consumer can increase purchasing power which, can lead to increased consumption patterns. One example is the impact of PSS on consumer behaviour where leasing, rather than ownership of products, could lead to careless (less ecological) behaviours (Vezzoli et al., 2015). Investigating whether or not PSSs are sustainably beneficial goes beyond the aim and scope of this thesis, so further emphasis will not be put into this matter. The authors did however consider it relevant to shed light on some of the existing critique found within the literature in order to give a sound overview of this new emerging business model.

In relation to this, Vezzoli, Kohtala and Srinivasan (2014, p.31) proposed the idea of creating PSS:s with the purpose to contribute to sustainable solutions, thus a 'sustainable-productservice-systems' (S.PSS). They define a S.PSS "as an offer model providing an integrated mix of products and services that are together able to fulfill a particular customer demand (to deliver a 'unit of satisfaction'), based on innovative interactions between the stakeholders of the value production system (satisfaction system), where the economic and competitive interest of the providers continuously seeks environmentally and socio-ethically beneficial new solutions". Cost savings are related to reduced quantities of product materials, streamlined managerial costs and reduced costs from prolonged responsibility throughout its use and disposal. It is in the S.PSS providers' economic and competitive interests to foster new models for decreasing the environmental impacts and improving social equity and cohesion. Thus, this model is argued to carry great potential to deliver social well-being and economic prosperity while operating within the limits of our planet. As with a regular PSS, the benefit for the customer/user is related to lower or initial investment and running cost, through an accessesbased offering (Vezzoli et al., 2015). An example is an access-based offering of a washing machine, where no maintenance and end-of-life procedures are handed to the customer hence only the cleaning of clothes as a service (Tukker, 2004). Vezzoli et al. (2015) point out that diffusion of an S.PSS in the consumer market is highly dependent on being sensitive to the culture in which it will be used. For instance S.PSSs have been more readily accepted in communal societies like Scandinavia, the Netherlands and Switzerland than in many other countries.

## 2.3 The Notions of Western Consumer Behaviour

This chapter provides the result of task 2, which is to provide a sound overview of the current Western consumption culture and map the main factors that represent barriers for consumers to change their consumption patterns and take part in the sharing economy. The chapter begins with a dive into consumer culture and consumption, accompanied by a section covering the topic specifically for Sweden. Furthermore, the rationale of why we consume and the role possession and ownership, and materialism and status play in this is presented. Finally, a presentation of the evolution of our current consumer society is provided.

#### **2.3.1 Consumer Culture and Consumption**

There is no simple answer explaining why the circular economy has not yet accelerated across the levels of society, as it depends both on the deeply rooted flaws of our world's economic system as well as inherent irrationality in terms of consumer behaviour (Planing, 2015). According to Bamberg, Ajzen and Schmidt (2003) behaviour is highly inspired by habits and routines, which has also been reinforced by additional studies within various behavioural categories (e.g. Hong, Thong & Tam, 2006; Koivumaki, Ristola & Kesti, 2006). Consequently, long-learned habits of consumers will triumph over pure information about economic and ecological rationality of switching to a circular business model. This implies a need to understand the unconscious, deeply-rooted motives behind consumer behaviour in order to have the ability to change it (Planing, 2015). Firat, Kutucuoglu, Arikan Saltkin and Tuncel (2013) suggest that the key to gaining insights in consumer behaviour is by understanding the drivers of global consumer culture. Therefore, they suggest the need for an investigation into the

implicit interrelationships between the concepts of consumer society, consumer culture and consumption.

Culture consists of various implicit and explicit elements making it an abstract and complex construct (e.g. Arnold & Thompson, 2005; Triandis, 1989; Groeschl & Doherty, 2000). Over 200 descriptions of culture have been found; however, the most broadly known and used definition in marketing literature is the one specified systematically by Taylor in 1881, who defined culture as a "complex whole which includes knowledge, beliefs, arts, morals and law, customs and any other capabilities and habits acquired by man as a member of society" (Lindridge & Dibb, 2003, p. 271). However, this initial definition of culture is not universally held, resulting in difficulties in finding a common definition for the term (ibid). According to Hofstede (1991), culture is a collective mental programming of the people in an environment. He describes this programming as "software to mind" based on an analogy to computers that are programmed by software. The sources of one's mental programs lie within the social environments in which one grew up and collected one's life experiences. It starts within the family; it continues within the neighborhood, at school, in youth groups, at the workplace, and in the living community. Thus, the software mind varies from one environment to another since it is rooted in a person's social environment. In that sense, every person carries within him- or herself patterns of thinking, feeling, and potentially acting, that were learned throughout that person's lifetime. Much of it was acquired in early childhood, because at that time a person is most susceptible to learning and assimilating. As soon as certain patterns of thinking, feeling, and acting have established themselves within a person's mind, he or she must unlearn these patterns before being able to learn something different, and unlearning is more difficult than learning for the first time. Consequently, some common aspects of culture found among the list of descriptions include that culture is learnt through social interactions, that culture is not genetic, that culture is shared by members of a specific society, and that culture is transmitted from generation to generation (Hofstede, 1991).

However, Arnold and Thompson (2005) criticize previous research for either placing too much emphasis on methodological distinctions or including irrelevant contrasts to a presumed dominant consumer research paradigm. It is suggested that a more appropriate approach is to place focus on the core theoretical interests and questions that define this research tradition. They take a broader perspective by exploring the heterogeneous distribution of meanings and the multiplicity of overlapping cultural groupings that exist within the broader socio-historic frame of globalization and market capitalism. In that sense consumer culture denotes a social arrangement in which the relations between lived culture and social resources, and between meaningful ways of life and the symbolic and material resources on which they depend, are mediated through markets (Arnould & Thompson, 2005). Nevertheless, regardless of definition, it is understandable that culture has a strong impact on consumer behaviour. Craig and Douglas (2005) emphasise that cultural factors (values and belief systems, communication and language systems, rituals, artifacts, symbols meadowset cetera) influence people's decisions. Meadows (2008) underline that some of the deepest sets of beliefs about how the world works includes the shared idea and largely unstated assumption that money measures something real, has real meaning and that growth is good and nature is a stock of resources to be converted to human purposes.

#### 2.3.2 Consumer Culture and Consumption in Sweden

The Swedish concept of lagom highly influences Swedish culture. It means just enough, or with moderation, and can be argued to be a part of the basis of the prevalent Swedish norm of the collective good and the tradition of non-conflict. The concept of common good has its roots in early religious postulates, and it implies that is is sinful to strive for more than satisfaction of individual needs. Additionally, there has been pressure on more successful people to share their wealth with the less fortunate members of the community throughout Swedish history. To summarize, there is a strong solidarity tradition in Sweden, which originates from Sweden's political background and various historical events throughout the history of the country. Swedish history provides some explanations of the existence of sharing schemes and their higher acceptance than in many other industrialised countries (Mont, 2004a).

Swedes are also often described as social individuals, where Sweden's second biggest city Gothenburg has been named the world's most sociable city, according to a study looking into the social behaviour and attitudes of residents in 39 destinations. Second place also went to Sweden and then its capital Stockholm (Coldwell, 2017). Turillo (2017) argues that this fact reflects the typical culture in Sweden where a sense of community, collaboration and sharing are essential parts of Swedes' lifestyles, wherefore they can be seen in any layer of society and in the economy. Swedes are additionally known for their great interest in new technology, which is argued to be the main reason for why Stockholm became the fourth international city in regards to user numbers on the car-sharing company Uber's platform. Stockholm is argued to be the perfect place for the sharing economy due to its population of environmentally conscious early adopters and willingness to try new services to share and use resources in smart and innovative new ways (Invest Stockholm, 2015). The issue of mass consumption is however still highly apparent within the Swedish society today. As mentioned in the introduction, the Swedish population are consuming in a fast pace and in an extremely unsustainable manner (WWF, 2019).

## 2.3.3 Why Do We Consume?

Consumption is considered to be a social and cultural process involving cultural signs and symbols beyond an economic, utilitarian process. As the individual has various physiological, psychological, social and cultural needs, all activities towards meeting any of these needs could be stated as consumption. Thus, in the most general sense, consumption means satisfying needs (Firat, et al., 2013). Goodwin, Nelson, Ackerman and Weisskopf (2008, p.3) emphasise the relevance of the frequently used categorization of needs known as the "Maslow's hierarchy of needs," which breaks down human perceived needs into five categories:

- 1. Physiological needs, such as hunger and thirst.
- 2. Safety needs, for security and protection.
- 3. Social needs, for a sense of belonging and love.
- 4. Esteem needs, for self-esteem, recognition, and status.
- 5. Self-actualization needs, for self-development and realization

On the contrary from the perspective of economists which see consumption as an activity to meet a need and to gain benefits, Baudrillard (1998) acknowledge consumption as a desire for any goods. He further emphasises that contemporary consumption removes usefulness of the objects and he refers to it as an indication system rather than meeting the needs. In that sense, consumption is an interpretation and communication process in addition to a tool for people to position themselves (Baudrillard, 1998).

#### 2.3.4 Possession and Ownership

Belk (1988) previously argued that our possessions are a major contributor to and a reflection of our identities and that we cannot hope to understand consumer behaviour without first gaining some understanding of the meanings that consumers attach to possessions. A key to understanding what possessions mean is recognizing that, knowingly or unknowingly, intentionally or unintentionally, we regard our possessions as parts of ourselves (Belk, 1988). Scholars previous to Belk have argued that if possessions are defined as objects we call ours, we are the sum of our possessions (James, 1890). As Tuan (1980, p. 472) puts it, "Our fragile sense of self needs support, and this we get by having and possessing things because, to a large degree, we are what we have and possess". Belk (1988) concludes that it seems to be an inescapable fact of modern life that we are learning, defining and reminding ourselves of who we are through our possessions. That we are what we have is perhaps the most basic and powerful fact of consumer behaviour (e.g. Van Estcrick 1986; Feirsiein 1986; Rosenbaum 1972, as cited in Belk, 1988). Although emphasis on material possessions may decrease with age, it still remains high throughout life. People seek to express themselves through possessions by using material possessions to seek happiness, remind themselves of accomplishments, experiences and other people that are meaningful to them. Material objects can even be used to create a sense of immortality after death. What one possesses can tell a story about who one is, where one comes from and where one is going (Belk, 1988). Many processes are involved in self-extension and one in particular is the process of contamination. The process of contamination refers to how both good and bad aspects of an object can be attached to people through physical contact or proximity. Another process in connection to self-extension is the maintenance of multiple levels of the self, which means seeing one's family, city of residence and nationality as a part of who one is. As a result, self-extension does not only operate on an individual level but can also work collectively on a level where it involves family, subcultural and national identities or other groups. Furthermore, a wide range of evidence and theory suggest and support the extended self as a central construct that has the ability to explain a variety of consumer behaviour, nonetheless when it comes to sharing and collective consumption of objects (Belk, 1988).

According to Belk (2007) sharing is, just like possession and ownership, a culturally learned behaviour. He brings up examples of differences between children brought up in the Western

part of the world, who are taught about possession and ownership before they learn to share, and compare them to the Australian Aborigines, who teach their children to share rather than possess at an early age. As a result, the institution of ownership is deeply embedded into the very fabric of the Western society, wherefore it is not surprising that consumers in the Western part of the world feel so strongly about owning their material assets. The concept of sharing is further argued to be two-sided, as it might reduce envy and create feelings of community or it can have the opposite effect, creating dependency and foster feelings of inferiority and resentment. In order for sharing to exist, feelings of possession or ownership must exist first, or there will be nothing to be shared (Belk, 2007). Belk (1988) also argues that as our possessions represent an extension of ourselves, and the stronger that feeling is, the more likely we are to wish to retain it. It is further argued that social security has been replaced by financial security and that trust in money has exceeded trust in people. As a result, we share less and less even with our immediate families, which is a direction making sharing of tangible goods unlikely (Belk, 2007).

#### 2.3.4.1 Materialism and Status

In the early days when the concept of consumption was first put forward, it emerged among human beings as natural and simple; however, as time went by consumption moved away from the satisfaction of needs and gained a structure that defines social status (Firat et al., 2013). Historically, ownership has been viewed as the superior form of consumption, in contrast to non-ownership consumption which has been viewed as inferior (Davidon, Habibi & Laroche, 2018). People tend to consider renting and sharing as behaviours highly connected to a lower socio-economic status (Mont, 2004a). The ownership of objects provides function, but additionally a sense of status, image and a sense of control for private users (Mont, 2002).

Vezzoli et al. (2015) highlight that the quantity and quality of acquired goods tend to be perceived as a measure of success in life as it indicates a certain position in society where a person's possessions are often used as a way to communicate his or her identity. A study conducted by Catulli (2012), shows that consumers do not identify or feel a sense of ownership when using access-based solutions instead of owning their own products. However, for some product categories, such as leasing expensive products like yachts or aircrafts, users may develop a sense of ownership, or at least a sense of belonging to a certain community by using

these products. As the Western culture is highly influenced by the meaning of ownership in terms if status, it can be expected that modes of consumption that are not based on ownership conflict with consumers' cultural norms and practices (Catulli et al. 2013).

#### **2.3.5 Consumer Society**

According to Baudrillard (1998) consumer society is one in which the entire society is organized around the consumption and display of commodities through which individuals gain prestige, identity, and standing. Goodwin et al. (2008, p. 4), explains how consumer society can only make sense in its social context:

"The modern consumer is not an isolated individual making purchases in a vacuum. Rather, we are all participants in a contemporary phenomenon that has been variously called a consumerist culture and a consumer society. To say that some people have consumerist values or attitudes means that they always want to consume more, and that they find meaning and satisfaction in life, to a large extent, through the purchase of new consumer goods. Consumerism has emerged as part of a historical process that has created mass markets, industrialization, and cultural attitudes that ensure that rising incomes are used to purchase an ever-growing output."

For that reason, Firat et al. (2013) emphasise that the origins of the consumer society relate to the historical evolution of society around the concept of production and the resulting form of society. Therefore, the next section deals with the origins of our current Western consumer society in order to gain further understanding of its consumers.

#### 2.3.5.1 The Development of a Mass Consumption Society

Just a few centuries ago, before the Industrial Revolution, consumption patterns were very different from those that exist today. Items and possessions were expected to last a lifetime, being repaired if needed, and there was neither social pressure nor another forcing mechanism driving people to constantly make new purchases. Then the Industrial Revolution took place, which drastically transformed production (Webster, 2017). As mentioned in the introduction, we have since then created an economic system based on the idea of infinite natural resources. This economic system is linear in nature as products are produced, used and then disposed

(Preston, 2012). During the Industrial Revolution, production levels in for example England went up dramatically, where in the early 19th century about two thirds of the increased output was sold to other countries around the world. However, growth through expansion into foreign markets had its limits, which required an increase of local consumers' consumptions habits. According to Goodwin et al. (2008), English consumers' consumption patterns started to change as workers would no longer prefer to work just to earn their traditional weekly income and enjoy leisure time. Instead, the people started to prefer longer hours in order to earn and spend more. A similar transition took place in America where the transition into mass consumption took off in the 1930s. After the Great Depression, goods were not being sold, partly because many items lasted a long time, could be repaired if broken or were seen as adequate. Businesses learnt that they needed to boost demand by changing consumers' mindset. As a result, companies started to persuade consumers that more was better and that new goods were better than old, that borrowing money was morally acceptable and that owning was superior to renting. As consumer spending was encouraged, the flow of resources and manufacturers accelerated, and an accompanying flow of waste and material increased drastically. Simultaneously, businesses increasingly designed products with much shorter product life cycles, which in turn resulted in more sales. This system suited the mass production line while limiting the manufacturer's responsibility for the reliability and the onward destination of the product (Webster, 2017). As Akbulut (2006, as cited in Firat et al., 2013, p. 195) puts it: "consumption society came to the scene with the development of a capitalist economic system".

When applying the principles of traditional neoclassical economics, the logic of the markets in the industrialized world is that the rational consumers will act on an assumption that more is better. Therefore, consumers often find themselves pressured to strive to consume more. Consequently, products are often seen to be replaced even before they have been worn out, due to consumers' desire to to upgrade their belongings to newer and trendier items as well as to products of higher quality. Meanwhile, companies are responding to consumers' desire to consume more by producing products with different levels of quality. Many products are manufactured relatively cheaply in order to meet predetermined price points of the mass markets, which in turn bear consequences for a product's life-span. Thus, all things considered the throwaway mentality is a great part of Western society (Cooper, 2013).

As mentioned in the introduction, it is argued that in order to transit to a sharing economy and create more sustainable consumption patterns, a value shift entailing a profound change in consumer behaviour and consciousness is necessary (Cooper, 2013; Hazen, Mollenkopf & Wang, 2016; Rifkin, 2011). The section of society that will make it happen is argued to be essentially the young people as they are far more open to change than adults, who have been corrupted by the ways they have been following for years (Randerson, 2009). Millennials are according to Western history the world's largest generation and are now approaching their prime consumption years. They are characterised by being heavily influenced by their respective approach to globalisation, and technological development experienced during early life (SB Insight, 2017). Rifkin (2011) emphasises that fundamental changes of our societies and economies are taking place as the new generation is showing an increased interest in having access to products rather than owning them, while moving from markets to networks; consumerism to sustainability and from market capital to social capital.

## 2.4 Framework for Influencing Consumer Behaviour

This chapter provides the result of task 3, which is to establish a framework consisting of concepts and methods about how to influence consumer behaviour by mapping the current consumer behaviour literature, and particularly in relation to sustainable consumption. The chapter begins with a short introduction on different perspectives within economic theory and attitude theory. Followingly, a thorough description of the theory of switch, social norms and information flows, which have all been identified to comprise important roles when seeking to change human behaviour, are presented.

# **2.4.1** Applying Psychology and Behavioural Economics to Explain, Predict and Change Consumer Behaviour

Traditional economic theory postulates that human decision-making and behaviour are based on purely rational choices (e.g. Simon, 1955; Becker, 1962). Within more recent neo-classic approaches there is also a fundamental assumption that consumers' base their decisions on rational preferences, always striving to maximise utility which is achieved through a process of choosing among alternatives available on the market, and to act independently based on full and relevant information. Based on these assumptions, the traditional economic model predicts that consumers' behaviour choices can be influenced by providing people with more information, for example by increasing knowledge or awareness and/or by providing more options or influencing prices (e.g. Goode, 1997; Henry, 2011; Mont & Power, 2010). However, on the contrary to such assumptions, there is a growing body of scientific research that identifies that consumers rarely base their decisions on solely rational argumentations and that there are certain fundamental and persistent biases in human decision-making which regularly produce behaviour that these assumptions cannot account for (e.g. Haidt, 2012a; Stoknes, 2014; Cialdini & Goldstein, 2004). In parallel with the world's increasing awareness of the effects of climate change along with an urge to change human behaviour, a dramatically increased interest for behavioural economics has taken place. Compared to traditional economic theory, behavioural economics emphasise that people have cognitive limitations, and that they, at least partly for this reason, sometimes make seemingly irrational decisions. People's behaviour is to a large extent influenced by social norms, perceived fairness and thus not only motivated by material payoffs. It further highlights that humans act in a social context, and that issues such as social approval and status are central motivators of human behaviour (Brekke & Johnson-Stenman, 2008). When looking at consumption from a societal perspective, Mont and Power (2010) argue that decisions and purchasing behaviour are influenced by many factors, such as economic influences, marketing of products and technological innovations, and not least by what the people around us and in the media are doing.

#### 2.4.1.1 ABC Model of Attitudes

Fishbein & Ajzen (2010) argue that consumers tend to base their decisions on subjective beliefs about a product or service, rather than on rational knowledge regarding for example the utility of a product. Consumers' attitudes are further regarded to be a major determinant of their behaviour (Ajzen, 1991). When a positive attitude is held towards a product or a brand, consumers are likely to choose to purchase it whereas if a negative attitude is held, consumers are likely to avoid purchase (Szmigin & Piacentini, 2015).

Attitudes are half-automated pre-dispositions to react to people or things in a positive or negative way. Every attitude has three components that are represented in what is called the ABC model of attitudes (Stoknes, 2014). This model explains attitudes as comprised by three main components where A stands for affective, B for behavioural, and C for cognitive. Even

though every attitude has these three components, any particular attitude can be based on one component more than another. In other words, each component can also be the answer to the question: where does an attitude come from? There are affectively-based attitudes, behaviourally-based attitudes, and cognitively-based attitudes. The affective component relates to the emotional connection the consumer may have with the object about which the attitude is formed. It refers to the fundamental feelings regarding an object and often take its form in liking or disliking. The behavioural component consists of the action or behaviour associated with the attitude object, in other words the "doing" aspect of the attitude. This can refer to an intention to start or stop using a product or engage in a certain behaviour. It is regarding the action about which the attitude is formed and does not mean that the intended action is necessarily carried out. The cognitive component of a product refers to beliefs and thoughts a consumer has about the attitude object, its character and its relation to other things. It could be the belief that a certain behaviour would lead to a certain outcome and eventually to a purchase of a product that is believed to help trigger or avoid this (Szmigin & Piacentini, 2015).

Individuals tend to seek alliance between these three elements of attitude, behaviour and cognition as an inconsistency between beliefs and behaviours otherwise causes an uncomfortable psychological tension, known as cognitive dissonance (Stoknes, 2014). To maintain a positive engagement, the three components should not be in an internal conflict when relating to a person or an issue. This sometimes implies that people change their beliefs to fit their behaviour instead of changing their behaviour to fit their beliefs, as is conventionally assumed. If taking the example of climate change, this may imply that people who cause large greenhouse gas emissions tend to believe that the climate change problems are overstated. Thus, it may not only be that those who believe that climate change is a serious threat that adapt their behaviour accordingly and emit less; the causality is also likely to go in the other direction where people change their beliefs in order to justify their behaviour (Brekke & Johansson-Stenman, 2008). Further, consumer behaviour literature suggests that even though consumers may be ethically and ideologically minded, their ambitions may not translate into sustainable behaviour (e.g. Hamari et al., 2016; Bray, Johns & Kilburn, 2011; Phipps et al., 2013; Vermeir & Verbeke, 2006). According to Hamari et al. (2016) a few issues might explain this attitudebehaviour gap:

(a) pursuing sustainable behaviour can be costly both in terms of coordination and direct cost,(b) people lack the means of deriving benefits from signalling such behaviour and thus are not able to gain recognition from the behaviour.

However, Szmigin and Piacentini (2015) emphasise that although this model provides three components which may translate into the attitude, it does not tell us how these elements come together. As it is not known how important one component is in relation to the other, it is difficult for marketers to influence attitudes by solely using this approach (Szmigin & Piacentini, 2015).

#### 2.4.2 Theory of Switch

According to Haidt (2012a), two basic and fundamentally different sorts of mental processes are going on at all times in the human mind: automatic processing and controlled processing. To help explain this process of how humans make their decisions Haidt (2012a) developed a metaphor known as the elephant and the rider. The elephant represents the automatic processing and the rider the controlled processing. The key principle in the relationship between the two, is that intuition will come first, and strategic reasoning second. This is explained by the fact that human cognition is like that of other animals. All brains are neural networks, and they solve problems largely by pattern matching. This sort of process happens rapidly and automatically (Haidt, 2012a). In other words, under normal circumstances, the rider takes its cue from the elephant. However, if you force them to sit together and start a conversation the elephant opens up to advice from the rider and information from outside sources. Intuitions comes first, but there are ways to make this relationship more of a two-way street. (Haidt, 2012b).

Based on these principles of the rational (rider) and non-rational (elephant) part of the brain, Heath and Heath (2011), developed the theory of switch as a strategic framework when aiming to influence decision-making and change human behaviour. According to Heath and Heath (2011), all individuals like status quo, certainty and control by nature. Therefore, change becomes extremely hard to implement as it goes against human nature. The often used method of simply trying to educate people is argued to be far from enough, as only knowledge rarely changes behaviour. Moreover, individuals often rely on the fact that they will have a sense of self-control. However, self-control can easily become exhausting, which makes it difficult to implement change among individuals. Thus, in order to reach a change in behaviour, three things need to occur including reaching an individual's' rational side (rider) and emotional part (elephant) and shaping his or her path in terms of facilitating their way (Heath & Heath, 2011). These three elements will be explained below.

#### 2.4.2.1 Direct the Rider - Reaching the Rational Part

The rider represents the stream of words that the individual is fully aware of and is where one's thinking, planning and strive process to create a better future takes place (Haidt, 2012a). However, by nature, the rider is more problem- than solution oriented. One of the main weaknesses of the rider is its ability to easily get caught in analysis paralysis, contemplation, seeing things much worse than they are and the disability to see bright spots in challenging situations. Situations or scenarios which are considered bad are often much more strongly perceived than good ones, wherefore even success can look like a problem or a failure to a rider. As the rider lacks clarity, proper directions are needed. Therefore, one must very precisely show the rider where to go, how to act, and what destination to pursue. To direct the rider, one needs to find the bright spots in a situation and script critical moves of how the rider will get to the goal (Heath & Heath, 2011). These sequences are explained in the following way:

#### Follow the bright spots

The task of identifying the bright spots refers to investigating and figuring out what works in a situation and how this can be cloned in order so that it can be used again. The idea is to carefully replay the scene when things were working like one hoped, from one's personal behaviour and feelings to the surrounding environment and interactions with other people. The bright spots are the best guidance to know exactly what needs to be done differently. Thus, at any given time when one finds a bright spot, one's core mission is to clone it. In other words, figure out what is working and how to do more of it. That is the first step towards a positive change (Heath & Heath, 2011).

#### Script the critical moves

One of the most challenging things for a person to do is making decisions, and with more options and unclear directions this process becomes even more challenging. With change comes uncertainty, complexity and many choices which can leave a person paralyzed. Therefore, if

one's mission is to get another person to start to act differently, it becomes vital to explain why and exactly how in a highly precise manner. Crystal clear guidance on what exactly an individual should start doing, stop doing or continue doing should be provided (Heath & Heath, 2011).

#### 2.4.2.2 Motivate the Elephant - Reaching the Emotional Part

Change is only successfully implemented when reaching both the rider and the elephant (Heath & Heath, 2011). Accordingly, Planing (2015) emphasises that in order to optimise the value proposition of circular economy business models, it needs to both address the consumers' rational and non-rational motives. According to Heath and Heath (2011) change usually happens when someone is presented with evidence that makes them feel something new. That is why simply teaching and educating people is not enough if it does not also appeal to a person's feelings. Knowing how to act is one thing, but being motivated to act is something else, which makes a large difference in terms of behaviour. For those reasons, people's emotional sides need to be engaged and they must also believe they are competent enough to make the change. There are three things one can do to motivate the elephant:

#### Find the feeling

Contrary to the rider, the elephant seeks instant gratification and tends to have an unduly optimistic and wistful perspective about things and its environment. The elephant also tends to take the rosiest interpretation of facts and therefore lacks the ability to evaluate the situation appropriately (Haidt, 2012a). Such positive illusions pose an enormous obstacle in regards to change. Establishing a sense of crisis to initiate change becomes mandatory in critical change situations when quick and specific action is needed. Negative feelings tend to sharpen one's focus, however they decrease motivation. Thus, they are most suitable when quick and specific action is required. In other cases, appealing to positive emotions brings better results (Heath & Heath, 2011).

Positive emotions are argued to open up for new ideas, to broaden and build a repertoire of thoughts and actions and to motivate the human being to get involved and learn new things. All the more, positive feelings encourage open minds, creativity and hope – feelings which are essential to make a lasting positive change. They are also deemed most suitable to solve larger

and more ambiguous problems. The task is thus to find a way to instil hope, optimism and excitement in people by addressing positive feelings (Heath & Heath, 2011).

#### Shrink the change

Considering that the elephant is easily demoralized, spooked or derailed it becomes critical to provide a sense of progress in order to keep the elephant motivated enough to see a change through. To get the elephant moving, one must first assure it that the change or task will not be so bad. By providing constant reassurance one can keep it moving strongly ahead. One way to motivate people is to shrink the change in a way that makes people feel "big" and powerful in comparison to the challenge. The best way to shrink the change is to; limit the investment asked for or think of small wins that are within reach (Heath & Heath, 2011).

#### Grow the people

The best way to successfully motivate people to make a change is to shrink the change while also growing people. When people are built up they develop the strength to act, so the best way to grow people is by influencing their identity. This in turn has a great ability to influence people's decisions and thus consumer behaviour (Heath & Heath, 2011). According to Planing (2015), more than just pure utility functions of a product or a service must be taken into consideration when considering a consumer's decision making process. Social and personal motives such as self-gratification and sensory stimulation are also involved in the process of acquiring goods and services. Although a product might provide high utility, it only has a limited impact if it does not additionally generate an emotional response from the consumer. Non-functional motives such as enjoyment and entertainment can even be more influential in the decision than the pure utility function (Planing, 2015). According to Heath and Heath (2011) people rely on two basic models of decision-making when making choices:

**Consequences model:** The consequences model is the rational analytical approach to decision-making. It assumes that when a person makes a decision, the costs and benefits of options are weighed where the option that maximizes satisfaction is ultimately chosen. This kind of rational thinking process is however more appealing to the rider.

**Identity model:** In the identity model, the individual asks herself three questions when making a decision; 'Who am I? What kind of a situation is this? What would someone like me do in this situation?' No rational calculation of costs and benefits is taking place in this process. The identify model represents how the elephant makes the decisions and is much stronger in this regard.

Consequently, to motivate the elephant, one must find strategies on how to change a matter of identity, rather than a matter of consequences. It becomes a matter of finding ways to inspire others to be the kind of person who would make this particular change. Fortunately, people tend to be receptive to developing new identities and these new identities can grow from small positive beginnings. Thus, if people are shown why it is worth caring for something new, they will make that caring part of their new self-image. On the other hand, although a new identity can quickly be established and rooted, living up to it is extremely difficult. Evidently, every change will go through a process of failure and apathy (Heath & Heath, 2011).

#### 2.4.2.3 Shape the Path

A behaviour is a result of an individual's personality, but is also highly influenced by the environment one is in. Therefore, what often appears to be a people problem, is indeed a situation problem. The situation, including the surrounding environment, is called the path. Changing the environment by shaping the individual's path, can facilitate the change process for an individual (Heath & Heath, 2011). Three strategies for shaping the path are suggested:

#### Tweak the environment

Tweaking the environment refers to changing the situation by making the right behaviours a little bit easier and the wrong behaviours a little bit harder. As environmental tweaks beat self-control at every stage, a proposed strategy is to play with transactions costs. One should consider what can be done at three points of the change situation: the pre-event, event and post-event. In order to tweak a person's environment in one's favour, one should make the old behaviour harder, and the new behaviour easier at all three points (Heath & Heath, 2011).

#### **Build habits**

Establishing sound habits which support one's mission is highly important as habits represent the essence of every change in behaviour. Creating supportive habits within people is also useful as one person's habits can influence others. As people want to fit in, habits are in nature highly sensitive to the environment and the culture which people are in and therefore habits become highly contagious. Inevitably habits are formed, whether intentionally or not, which is why they are so powerful. The problem occurs when habits are created which do not support the behaviour which one is aspiring to establish. Consequently, habits must be intentionally created which advance the mission and are relatively easy to embrace. One way to create such favourable habits is to install action triggers. An action trigger - the associations of one action to another - also called a reminder, can encourage a person to execute a certain action when encountered in a certain situation. Such reminders have a profound power to motivate people to do things which they know that they need to do but will not make a person do something they do not want to do (Heath & Heath, 2011).

#### Rally the herd

In ambiguous situations, people tend to look at other fellow individuals in order to discover cues and insights on how to properly behave. Behaviour is argued to be contagious at the individual, group and social level. Therefore, spreading favourable behaviour is desired (Heath & Heath, 2011). Within the consumer behaviour literature, various scholars emphasise the influential power social norms have on individual and collective consumer behaviour (Cialdini & Goldstein, 2004; Stoknes, 2014; Planning, 2015; Schor, 2016). Therefore, a further in-depth discussion in regards to this topic will follow in the next section.

#### **2.4.3 Social Norms and Peer Pressure**

Within recent behavioural economic research, the importance of social norms and peer pressure has become much more prominent and has proven to have an influential impact on consumer behaviour (e.g. Cialdini & Goldstein, 2004; Stoknes, 2014; Planning, 2015). Over the last decade a vast amount of programs have used normative information as a primary tool for changing socially significant behaviours, such as excessive alcohol consumption, drug use, eating disorders, gambling, littering, and recycling (Schultz, Nolan, Cialdini, Goldstein, & Griskevicius, 2007). According to Donaldson, Graham, Piccinin and Hansen (1995), those

types of social-norms marketing campaigns have emerged as an alternative to more traditional approaches such as information campaigns, moral exhortation or fear inducing designed to reduce undesirable conduct.

People adapt to social norms for different reasons. Encouraging people to adapt to certain norms in order to conform, to avoid emotions of guilt or to fit in, is likely to lead to a shallow level of motivation to change behaviour. Therefore, if possible, social norms should be combined with intrinsic motivations, such as fulfilling a need to feel social belonging, as that will increase the likelihood of efficiency and persistence (Climate Change Communication Advisory Group, 2010). Most of our behaviour is social; with family, friends, colleagues or even strangers on the commute to work. Therefore, emphasis on what other people are doing, develops a stronger sense of in-group and collective purpose (Corner, 2014). Stoknes (2014) underlines that the comparison with peers is an emotional driver that in many situations is stronger than isolated self-interest, since it represents the strong motivations that social status and peer review constitute. He gives the example of conserving power or saving money, and how it is only fun because it tends to make one recognized by others for doing so. Being acknowledged for behaving in a certain way is a vital emotional driver to do so (Stoknes, 2014).

Planing (2015) emphasises that the most important form of societal influence in the circular economy context is the perceived moral obligation to engage in a certain behaviour. Moral obligations refer to the subjective impression of what ought to be done or not, and therefore differ from obligations enforced by authorities, such as laws and regulations. Social norms tend to be imposed by society over time and is often a slow process. Although time consuming, once there is a social consent on whether a certain behaviour is acceptable or not, the perceived social pressure on individual behaviour can be expected to be very strong (Planing, 2015). As social norms have such power in terms of influencing behaviour, there are quite naturally risks of it fostering negative behaviour as well. Many campaigns that emphasise social norms are problematic as they often contain a hidden message. An example is how campaigns that focus on the fact that too many people travel with domestic flights would probably contain two messages: that travelling with domestic flights is bad for the environment, and additionally that a large number of people do travel with domestic flights. Consequently, the second message risks making the campaign counterproductive due to the fact that it confirms how common is

the undesirable behaviour. When knowing how common a behaviour is, it risks creating incentives to continue the behaviour, or even make people engage in it that had not done so before (Cialdini, 2003).

Stoknes (2014) provides an example illustrating the comparison of four groups of households when looking at a reduction of power consumption. In the study each group was given different reasons for conserving energy. Group 1: because it is better for the Earth (sustainability), Group 2: for the sake of future generations (your grandchildren), Group 3: because it saves (more money), and Group 4: because your neighbours do it (social comparison). The outcome of the study found group one not as committed, with reasons such as it may be to the despair of idealists. Contrary to the rational actor of economic theory, not even the third group, which had learned how much money they would save, responded much. The most committed group with the greatest savings, were those who could compare their own efforts with their neighbours' (Stoknes, 2014). Goldstein, Cialdini and Griskevivious (2008) conducted a study which also illustrates the influence peers have on consumer behaviour. In the study two different messages encouraging people to save the environment by reusing their towels when staying at a hotel were presented. The first message simply focuses on environmental concerns and encourages people to save the environment by reusing their towels, whereas the second one focuses on social norms and encourages people to join their fellow guests in saving the environment, stating that 75% of the guests use their towel more than once. Comparing the results of the guests exposed to the different messages showed that the guests exposed to the message emphasising the behaviour of other hotel guests, reused their towel at a significantly higher rate than those exposed to the other standardized message (Goldstein, Cialdini & Griskevivious, 2008).

#### 2.4.3.1 The Impact of Reference Groups

The picture of consumer behaviour that comes out of the marketing synthesis of social science research is one that sees consumption behaviour as very much a social behaviour (Goodwin et al., 2008). Consumers tend to base a decision about whether or not to engage in a certain behaviour depending on the perceived number of people they consider relevant who are or are not already engaging in said behaviour (Fishbein & Ajzen, 2010). Most consumer behaviour takes place within group settings and groups are one of the primary agents of learning and

socialisation. Reference groups are particular groups of people who influence the behaviour of a consumer, because the consumer compares himself or herself with them. A reference group can be defined as a group "whose presumed perspectives, attitudes, or behaviours are used by an individual as the basis for his or her perspectives attitudes or behaviours" (Arnould, Price & Zinkhan, 2005, p. 609). How groups are influencing a consumer depends on if he or she feel like they belong, or are so called members of a group, and on the attractiveness of a group in terms of whether such membership is considered desired to gain or not. In other words, if a group is attractive, the consumer wishes to associate with it whereas if it is not, the consumer wishes to disassociate with them. The communicator credibility, which means the overall believability of the source of information, also affects who we choose to be influenced by (Arnould, Price & Zinkhan, 2005).

Membership groups are groups to which the person belongs, such as families, student communities, and groups of co-workers. Membership groups are important sources of information and also sources of pressure to conform to group practices and norms (Goodwin et al., 2008). According to Arnould, Price and Zinkhan (2005) two different types of membership groups exist; a disclaimant reference group, which is a group one is a member of but does not want to be. One might change consumption behaviours in order to disassociate from the group. The other kind is called a contactual reference group, which is a group one belongs to and wants to be associated with. The other types of groups include the aspirational reference group which one is not a member of but has a strong positive attitude towards (Arnould, Price & Zinkhan, 2005). People often purchase, dress, and behave like the groups such as management personnel, rock stars, sports teams, or whoever with whom they would like to be identified (Goodwin et al., 2008). The last group is an an avoidance reference group, which is not a member of and does not wish to be associated with. The influence of wanting to be associated or disassociated with said groups can have significant impact on consumer behaviour (Arnould, Price & Zinkhan, 2005).

An example of a study showing evidence of how a product could be endorsed by using an aspirational reference group is one in which college students in the U.S. were asked about their attitudes and intentions to use cordless headphones. The study showed how the endorsement from the U.S. national ski team enhanced students' perceptions about the social desirability of

consumption of the new product and that it had a positive effect on the perceived sound quality. Although the U.S. ski team most likely did not have any specific expertise in judging sound quality of headphones, their endorsement still made a huge impact on the students' attitudes (Arnould, Price & Zinkhan, 2005). Planing (2015) emphasises that as the perception of the number of relevant people engaging in a behaviour impacts one's decision to adopt or not, it becomes pivotal to ensure that early adopters of new circular business models are visible so that their peer network can be influenced to also engage. Moreover, due to the social media revolution and constant access to other people's lives, their opinions and their behaviour, it can be argued that one is even more prone to be affected by other people now than before (Solomon, Bamossy, Askegaard & Hogg, 2016). Making a living out of having a large number of followers on social media and posting content from one's everyday life on various platforms is even a profession today, often referred to as being an influencer (Harris, 2017). In terms of reference groups, the online community allows us to even more clearly express ourselves and thus show who we are, what we would like to be and what we wish to belong to (Solomon et al., 2016).

#### 2.4.4 The Structure of Information Flows in the Marketing Context

Making information visible has been used by many parties to change institutional and individual behaviour and is argued to be highly effective (Meadows, 1997; Cooper, 2013). Governments have for example acted on the assumption that making information available to consumers will foster more favourable choices in terms of consuming more sustainable products. This approach has been proven successful, which is one of the reasons why, for example, energy labelling has been highly influential in increasing sales of the most energy-efficient appliances (Cooper, 2013). In accordance, Mont and Power (2010) argue that marketing and advertising are likely to be the most powerful tools that can be used to establish attractive visions of more sustainable futures and lifestyles, products and services. Additionally, they can serve as powerful methods to educate and engage consumers on how to translate these visions into everyday practices. The marketing and advertising strategies that are currently used to promote non-sustainable consumption patterns could just as easily be used to promote environmentally sound products and more sustainable lifestyles (Mont & Power, 2010).

Meadows (1997) provides two examples of successful implementations of information flows. The first is an example with a subdivision of houses that are identical, except for the fact that some of them have the electric meter installed in the basement, while some have it installed in the front hall. When installed in the front hall, the residents of those houses could see the meter constantly, going around faster or slower as they used more or less electricity. With no other changes made and the electricity prices remaining the same for both type of houses, electricity consumption ended up being 30 percent lower in the houses where the meter was in the front hall. Another example demonstrating the power of information flows is the Toxic Release Inventory, which is a U.S. government's requirement instituted in 1986, demanding that every factory releasing hazardous air pollutants report those emissions publicly every year. All of a sudden, every community had the ability to find out exactly what the smokestacks in their cities were emitting. There was no regulations or laws about the level emissions, just the requirement of providing plain information. However, by 1990 emissions had dropped by 40 percent, and they have continued to go down since. One chemical company that found itself on the Top Ten Polluters list reduced its emissions by 90 percent, just to "get off that list" (Meadows, 1997).

However, Stoknes (2014) emphasise the danger of using climate change as a communication strategy as climate change it is often associated with sacrificed and it is perceived gloomy, costly and distant. Referring to climate aspects has also proven to evoke feelings of fear and guilt, which strengthens denial. Accordingly, Pamp-Sandgren (2019) further stresses the common mistake of informing about climate related benefits when promoting new alternative ways for transportation. As owning a car is strongly connected to one's personal brand, companies who want to promote new transportation options should talk more about the "cool" and "glamorous" aspects, rather than highlighting one's contribution to the reduction of CO2 emissions. She further highlights the importance of using information in close relation with the Internet of things in order to successfully foster engagement. In terms of public transportation, it is argued that consumers should have access to information such as if there are any seats available, exact time of departure, potential complications or delays and so forth. Such information would not only make it easier for individuals who are using sharing options today but might also make it more attractive for other consumers to choose sharing mobility alternatives (Pamp-Sandgren, 2019).

#### 2.4.5 Keeping the New Behaviour Going

If succeeding to enforce a favourable consumer behaviour, one must make sure that the new behaviour continues in the long run. Positive reinforcement, which refers to constantly noticing and encouraging positive behaviour, is argued to be the most appropriate approach. The least appropriate approach is argued to be to use punishment, as this will negatively influence the emotional side of the human being and thus erode the behaviour. It is further emphasised that cognitive dissonance can work in a company's favour when a person has started to engage in a new behaviour. When people start acting in new ways, it becomes more difficult for them to cognitively dislike their new destination. This will in turn strongly reinforce the individual's new way of doing things (Heath & Heath, 2011).

### **2.5 Consumer Attitudes towards Sharing Economy**

Motives for participating in the new sharing economy differ, which is not a surprising discovery considering the diversity of platforms and activities. The body of literature on consumer attitudes towards alternative ways of consumption is slowly increasing. In the following section, previous research on consumer attitudes towards sharing economy business models are presented.

#### 2.5.1 Attitudes towards Access-based Consumption

According to Edbring et al's. (2016) study on young Swedish consumers' attitudes towards alternative models of consumption, focusing on home and furniture products, consumers were found to be motivated by economic gains, the temporary nature of use, environmental reasons and increased flexibility. Flexibility in this sense was connected to outsourcing product maintenance and repair to the service provider. The provider gives access to the product without the need for the consumer to own it, as is typically the case within a PSS. However, consumer attitudes were found to vary to a large degree. Attitudes towards short-term renting were found to be largely positive compared to attitudes towards long-term renting, which were mainly negative. Consumers were found to be positive towards renting products for special occasions, for example when throwing a party. The study only investigated respondents between the ages of 20 and 35, however even amongst this young segment, the results showed greater inclination for the youngest respondents to rent an entire interior design for a limited period of time. The main critical barriers identified in the study were materialism and consumers' desire to own.

Also, a fear of health risks associated with renting used products, along with the fear of breaking rented products, were further identified obstacles (Edbring et al., 2016). Catulli (2012) identified that consumers are often uncertain about the rules in the event of the leased or rented product breaking or becoming damaged. Bardhi and Eckhardt (2012) and Baumeister (2014) identified that consumers feel they have to be more careful about products that they do not own. The study by Edbring et al. (2016) also showed that young Swedish consumers are uncertain about how the process would actually work in practice when renting furniture. They were also concerned that renting might be too complicated to be practical. Similar results were identified by Mont (2004b) in the product categories for power tools and garden equipment for household use.

The EU Commission published an extensive report in 2014 in which, among other things, consumer attitudes towards various ways of sharing were investigated. The major reason for not wanting to rent or lease a product is because 61% of the respondents preferred ownership. Looking specifically at Sweden, 58% claimed they prefer to own a product. Another evident common reason for not renting or leasing was the fact that people do not think that the price is advantageous in comparison to buying a product. In Sweden, 41 % of the respondents were of this opinion. Other reasons for scepticism include the belief that the option is not available in their area (29%), concerns about the quality of products (28%) and that the option had never been heard of (21%). In Sweden the proportions were 28%, 17% and 15% respectively of these opinions (EU Commission, 2014).

In PSSs and renting/leasing systems, flexibility and guaranteed access are argued to be important success factors that greatly affect consumer attitudes (Edbring et al., 2016). Raja, Bourne, Goffin, Çakkol and Martinez (2003) further emphasise that the dynamics of the relationship between consumer and provider, combined with ease of access, are the key success factors for consumer satisfaction in access-based consumption. According to previous findings, consumers tend to define flexibility in different ways where the different features of the offer provide different values to consumers in regards to flexibility. Rexfelt and Hiort af Ornäs (2009) stress the importance of offering consumers a chance to test the concept before a contract is entered into. This increases the flexibility of access-based modes of consumption and thereby reduces consumer risk perception. Having trust in providers of function or services is another

critical factor found in establishing favourable attitudes towards leasing or renting (Catulli et al., 2013, Schmidt, Bauer & Mörtl, 2014; Armstrong, Niinimäki, Kujala, Karell, & Lang, 2015).

Difficulties understanding potential economic benefits, such as reduced life cycle costs, have previously been identified as a barrier for consumers to accept S.PSS (Bartolomeo et al., 2003). Although the initial investment, the cost of ownership which includes use, maintenance, repairs and disposal costs, are usually lower for a S.PSS in comparison to the purchase of traditional products, S.PSS is still often perceived as more expensive by the end user (Vezzoli et al., 2015). In a study conducted about a PSS for office furniture, in which organisational clients rent furniture and receive service that includes furniture maintenance, repairs and upgrades, the results show that the main barrier was the difficulty in comparing the price of buying furniture to the total cost of renting it (Besch, 2005). Thus, providing information about the benefits a PSS will bring and how the process will work, is critical to successful implementation (Catulli, 2012; Rexfelt & Hiort af Ornäs, 2009).

Nevertheless, consumer perceptions of access-based consumption depend on the type of product (Baumeister, 2014). Armstrong et al. (2015) conducted a study which examined positive and negative consumer perceptions of clothing PSS features in Finland. Their results show that the attributes contributing the most to positive perceptions of the clothing PSS were environmental benefits as well as emotional aspects such as experiential or social features of the PSS model, the ability to meet fashion needs, and increased product satisfaction. Negative perceptions were mostly driven by a lack of trust in the service provider and perceived barriers to ease of use, such as a lack of accessibility to the product or the technical requirements that may be demanded. In another study conducted in the UK, which investigated the public's understanding of sustainable clothing consumption, sharing or swapping clothing items were found to be acceptable in some consumer segments, particularly for children (Fisher, Cooper, Woodward, Hiller & Goworek, 2008). Previous research on solutions based on access, such as PSS solutions, has identified notable challenges to consumer adoption, such as the removal of personal ownership. That creates a clash as it contradicts the well-established norm of ownership currently dominating consumption today (Catulli, 2012; Tukker & Tischner, 2006). As a consequence, consumers are reluctant to accept ownerless-based solutions. How reluctant consumers are depends on the type of sharing. People may for example, be more reluctant to

share a washing machine not owned by them, whereas public transport is an example of an ownerless-based solution that is a natural part of many people's routines (Vezzoli et al., 2015). In the context of clothing, the issue of personal ownership is particularly notable. As the emotional side of personal ownership for such products may provide a sense of control or status (Niinimäki, 2013), a feeling of self-expression or memory keeping, the dematerialization through rental and sharing may become may hinder engagement in sharing (Catulli, 2012). Niinimäki (2013) further highlight that consumers who have become fond of the ongoing consumption of a product, as is often the case with fashion goods, may resist changing such consumption behaviour.

Bardhi and Eckhardt (2012) conducted a study on access-based consumption in the context of car sharing. They argue that ownership is becoming less desired and that consumers prefer to pay for the experience of temporarily accessing goods rather than buying and owning them, but also identified various issues in connection to car sharing. An obstacle identified is that people are reluctant to identify with the accessed object of consumption since the knowledge of the shared use leads to the consumer to consider the object dirty. Thus, the consumer may experience a feeling of disgust when aware of that the object has been used previously by unknown individuals. Additionally, only having limited access to a car inhibits people from engaging in access-based consumption. It is also found that specifically for car sharing, the hedonic or experiential aspect of the consumption is eliminated and that it is mainly about the utility of the accessed product. Another barrier co-created by the consumers themselves is that there seems to be a tendency to engage in opportunistic behaviour towards the company and others (Bardhi & Eckhardt, 2012).

Catulli et al. (2013) conducted a study aiming to explore the interaction between access-based consumption and consumer culture, focusing on the context of baby products. Similar to car sharing, one of the biggest obstacles found for parents wishing to engage in access-based consumption when it comes to baby products was the "fear of contamination". Another finding was that parents feared being seen as someone renting a pre-used pram since it might make them belong to an "access-based brand community". However, the feeling of belonging to a "community of practice" by using different forums and help groups was something with which many identified. Parents tend to look at health practitioners and peers through social networks

to get input regarding parenthood. Therefore, it is possible that these sources would have an impact of how well access-based provisions would be received (Catulli et al., 2013).

#### 2.5.2 Attitudes towards Collaborative Consumption

Attitudes towards collaborative consumption show that some respondents are drawn by the trendiness or novelty of the platforms, whereas other respondents tend to be motivated by economic, environmental, and social factors (Schor, 2016). Consumer motives are however argued to differ significantly depending on whether the collaborative exchanging model is monetised or not (McArthur, 2014; Schor, 2016). The dominant incentive for respondents taking part in monetised collaborative consumption has been economic gains (e.g. Schor, 2016; Möhlmann, 2015; Zvolska, 2015). On the consumer's side prices are argued to be low for various reasons. Internet platforms have drastically reduced the previously considerable transactions costs in person-to-person economies by matching suppliers with consumers, thus creating new value for consumers and income opportunities for producers (Edbring, et al., 2016). They also mitigate the risks associated with exchanging with strangers through their ratings and reputational systems, rather than costly branding. Further reasons are the minimization of labour costs or the ability to evade regulations. These markets also provide inexpensive, low-quality options (e.g. amateur providers and accommodation in downscale apartments) (Schor & Attwood-Charles, 2017).

Furthermore, most sharing economy sites advertise their green credentials and impacts due to the recirculation of products, and many users have been found to care about that. Many sites also advertise the social connection and the opportunity to build social networks which has also proven to be a motivation for many users. However, studies also show that people tend to be disappointed as most sites are not constructed to build durable social ties. Strong enthusiasm for technology, also referred to as technophilia, is another motivation. Consumers like using the internet in connection to consumption, as it allows them to do things efficiently and easily (Schor & Fitzmaurice, 2015). Participants have also been found to be highly driven by its convenience, the quest for new products and desire for variation while showing less interest in reciprocity or responsibility towards others (Zvolska, 2015). As identified by Botsman (2012) and Schor (2016), the most critical obstacle for collaborative consumption is lack of trust in other people.

In the study about alternative models of consumption in the furniture sector conducted by Edbring et al. (2016), the results showed that Swedish young consumer attitudes to collaborative consumption depend on the product being shared. The main motivation for people to engage in collaborative consumption was for products that are used rarely. The respondents were found very positive towards sharing seldom-used products such as "do-it-yourself" tools and outdoor furniture. Textile products followed by kitchen utensils were regarded as not suitable for sharing with others. The individuals who were positive towards sharing products were driven by economic, environmental factors or social factors. However, the social contact and desire to be part of a community of like-minded people was found to be a driver for some respondents while, for other respondents, potential conflict situations that may arise as a result of sharing products is perceived as a barrier. In regards to identified barriers, it was identified that the concern for hygiene was the most apparent obstacle for engaging in collaborative consumption, followed by the desire to own the product. Lack of flexibility and access to products at any time were also identified as two of the most important obstacles. Finally lack of trust in other peers and the concern for sharing being impractical and complicated were also identified. The requirement to plan ahead was identified to be a critical obstacle for many respondents and therefore contributing to the barrier of impracticality (Edbring et al., 2016).

In the EU Commission report (2014) reasons for engaging or not engaging in sharing schemes with other consumers were investigated. 54% claimed the reason preventing them from using sharing schemes was because they prefer to own a product. 40% claimed they are prevented due to the fact that the option is not available in their area. The latter is particularly true for the Swedish respondents as 50% of them argue they do not use it due to unavailability and 31% of all the respondents say they have never heard of the possibility. However, that differs between different countries, for example 47% of the Greek respondents feel that way whereas only 13% of the Danish do. In Sweden 18% say they have never heard of the possibility. Worrying about the quality of a product or service was the fourth biggest reason for not using sharing schemes (24%) and the belief that the price is not advantageous the fifth (17%). In Sweden 18% worry about the quality and 15% think the price is disadvantageous in comparison to buying (EU Commission, 2014).

Accordingly, Möhlmann (2015) concluded that trust and cost savings are the two most essential determinants of the satisfaction with a sharing option between consumers. Additionally, familiarity and utility were estimated to have significant positive effects on the likelihood of a consumer using the same sharing option again. Other researchers argue that there are three main reasons why people may not be willing to engage in sharing. The first one is economic rationalisations, which refers to the fact that collaborative consumption may not always be economical due to the fact that unstandardized trades with unknown people may increase search and coordination costs. The second reason is institutional dependencies, referring to people tending to justify their non-sustainable consumption with the argument that legislation hindering consumption, manufacturing or imports of sustainable products is lacking. Development realism, meaning that it is believed that sharing may hinder economic growth, is the third reason and it is believed to also come from the institutional dependencies (Hamari et al., 2016; Eckhardt, Belk & Devinney, 2010).

Hamari et al. (2016) explored consumers' continued motivation to share the consumption of goods and services through activities such as renting, swapping, or trading, coordinated through community-based online services, including services such as Zipcar, as well as Couchsurfing and Airbnb. They found that consumers are motivated by many factors such as its sustainability, enjoyment of the activity as well as economic gains. Their study also found that sustainability is not directly associated with participation unless it at the same time is also associated with positive attitudes towards collaborative consumption. The authors further emphasise that their results suggest that an attitude-behaviour gap might exist as people perceive the activity positively and say good things about it, but this positive attitude does not necessary translate into action. Furthermore, perceived sustainability was found a vital factor in the formation of attitudes towards sharing, however, the economic benefits were a stronger motivator for people to actually participate in collaborative consumption. Böcker and Meelen (2017) identified differences in motivations depending on which type of product that is shared and also differences depending on socio-demographic profiles. Younger groups with low income are more economically motivated to use and provide shared assets, younger groups with higher income and higher education are less socially motivated and women are more environmentally motivated.

Mittendorf and Ostermann (2017) conducted a study, focusing on the hospitality industry, and more specifically the perspective of an AirBnB accommodation provider. They found that trust, perceived risk, social motives and customers' intentions are interconnected. Further research show evidence of social-hedonic motives, such as the fun of meeting new people and thus playfully trying out new roles or extending the utility of a possession to a new social dimension, are the strongest motivation for engaging in sharing options. Moral motives are the second strongest incentive, which includes the will to help others and the fact that sharing is a more sustainable alternative to traditional ownership consumption. Monetary incentives are ranked the third biggest incentive. It is believed to be a necessity for sharing to happen as it establishes trust between the sharing partners. However, it is not considered to be sufficient to motivate sharing behaviour alone (Bucher, Fiesler & Lutz, 2016).

# 3. Methodology

The aim of this section is to present the practical approaches used to best answer the main research question and the two sub-questions, which will support the process of answering it. Firstly, the study's research strategy, design and approach are presented. Secondly, how the data collection and analysis took place are explained followed by the research philosophy of the study. Lastly, the study's reliability and validity are discussed.

### **3.1 Research Strategy**

In order to answer the research questions, a qualitative method was used to collect the primary data for this paper. The choice was motivated by the research questions, as they require an insight of people's opinions and attitudes. Qualitative research is the research strategy used when aiming to emphasise words rather than quantification when collecting and analysing data (Bryman, 2012). A qualitative study puts emphasis on understanding and interpreting the socially constructed reality and underlying reasons, opinions and motivations (Bryman & Bell, 2011). However, qualitative research methods have flaws and they are often criticized for lacking generalizability, being too reliant on subjective interpretations made by the researchers as well as their incapability to be properly replicated in further research. Nonetheless, the qualitative methods are often regarded as being able to provide rich data regarding real life people and situations and being more able to make sense of behaviour, especially within its wider context, in comparison to quantitative methods (Vaus, 2002). As the aim of this study is to capture and understand the opinions behind the behaviour of real-life people, a qualitative method was thus considered suitable to apply for primary data collection in this study.

#### **3.1.1 Research Approach**

The design of a research project is either of a deductive, inductive or abductive nature (Saunders et al., 2009). Qualitative research is often characterized by an inductive view of the relationship between theory and research, meaning that theories are generated through the research that is conducted (Bryman, 2012). Considering that the purpose of this study is to get the feel of what is going on and thus understand the nature of a problem, using an inductive approach was chosen. It was considered the best approach to answer the research questions of the study as it

intends to investigate the subjective opinions of people rather than objectively testing existing theory and quantifying information (Bryman & Bell, 2011).

#### 3.1.2 Research Design

Research design refers to the plan regarding what will be done in order to answer the research questions. Exploratory studies aim to explore their research areas to get general insights about a situation, wherefore research questions taking a explorative approach leave room for further studies to continue contributing to the research area. Exploratory studies are useful when wanting to clarify the precise nature of a problem and its flexibility and adaptability to change. The data collection form in an exploratory study is more flexible and the analysis is qualitative and less formal in its nature (Saunders, Lewis & Thornhill, 2009). Thus, an exploratory research design was considered most appropriate for this study as the aim is to get a deeper understanding about how to foster consumer engagement in the sharing economy by gathering subjective information from consumers. Additionally, the area of research is relatively new and unexplored. That, in combination with the limited time frame of this study, made it more realistic to expect achieving an insight and deeper understanding of the nature of the research area, rather than providing final results as the one and only solution.

# **3.2 Data Collection**

#### **3.2.1 Literature review**

An extensive literature review of previous research within the fields of circular economy, sharing economy, behavioural economics, consumer behaviour and consumption culture was conducted as a first step to begin this study. Although this study is characterized by a inductive research approach where the aim is to draw theoretical conclusions from the data collection rather than testing existing theory, it was still considered important to gain knowledge of relevant fields of the study. To be able to conduct a study that is relevant, it was considered vital to gain an overall knowledge of what has been done and what has not been done in order to identify relevant research gaps to pursue. Thus, the data collection of this study can be argued to entail a deductive element as well (Saunders et al., 2009). Therefore, a secondary data collection was primarily commenced and started with previous research regarding circular economy. Eventually, that research led into the field of sharing economy. It quickly became

apparent that consumer behaviour plays an important role in the sharing economy's ability to gain a foothold. Research regarding consumption culture was conducted to get an overview of how our current consumption patterns have evolved and how it has influenced consumer behaviour. As Sweden was chosen as the country of focus, specific research regarding the position of the sharing economy and consumption culture in Sweden was also conducted. Additionally, a comprehensive literature review within the field of consumer behaviour and behavioural economics was carried out to create an understanding of how consumer behaviour can be influenced. Eventually, research gaps were identified which made it possible to finalize research questions.

#### **3.2.2 Focus Groups**

The primary data collected for this study was made via interviews by using focus groups. The focus group approach was chosen because it allows the researcher to develop an understanding about why people feel the way they do, and it allows respondents to probe each other's reasons for holding a certain view. Focus groups may also be very helpful in eliciting a wide variety of different views in relation to a particular issue, while providing the researcher with more realistic accounts of what people think as there is a process of arguing between the respondents forcing them to think about and possibly revise their views (Bryman, 2012). A further argument for using this approach is that it provides the opportunity to study the ways in which individuals collectively make sense of a phenomenon and construct meanings around it. This is a central tenet of theoretical positions like symbolic interactionism that the process of understanding social phenomena is not undertaken by individuals in isolation from each other but rather something that occurs in interaction and discussion with others (Wilkinson, 1998). This becomes highly valuable for this study since the phenomenon of the sharing economy is a social phenomenon taking place among individuals. Consequently, the focus group approach reflects the processes through which meaning is constructed in everyday life and to that extent can be regarded as more naturalistic than individual interviews (Wilkinson, 1998).

When deciding how many focus group interviews should be conducted a common proposal is to halt the process at the point where the researchers do not gain any further insights and when he or she is able to anticipate fairly accurately what the next group is going to say (Calder, 1977). It is however unlikely that just one group will be sufficient for the needs of the researcher

since there is always the possibility that the responses are particular to that one group (Bryman, 2012). Thus, in order to avoid such an outcome while taking into account the rather strict time frame of this master thesis three focus groups were held.

#### **3.2.3 Selection of Respondents**

In regards to the number of respondents, having a smaller group setting is suggested when analysing respondent's personal accounts is a major goal and when topics are controversial or complex. Smaller groups settings also provide a greater opportunity for disagreement and diversity of opinion as the tendency for one person to dominate proceedings may be lower (Bryman, 2012). As this study examines new controversial consumption models while also aiming to glean personal views, having a smaller group setting was deemed most appropriate. Peek and Fothergill (2009) provide confirmation of the likelihood that, in many contexts, smaller groups will be preferable since those focus groups that included between three and five respondents were proven to run more smoothly than the larger group interviews. However, as emphasised by Wilkinson (1998), one major problem faced by focus group practitioners is people who agree to participate but who do not turn up on the day. As it is almost impossible to control for 'no-shows' following a strategy of consciously over-recruiting is sometimes recommended. Thus, in this study five to six respondents for each focus groups was selected in order to make sure that at least three people would show up.

Normally some restriction on who can be part of the interview is required in order to collect the appropriate data to answer the research question. Respondents are normally selected with the help from setting a stratifying criteria, such as age, gender, education, occupation, and having or not having had a certain experience (Bryman, 2012). As previously mentioned, millennials represent the world's largest group which is in the midst of entering their prime consumption years. Therefore, the authors considered it interesting to investigate their attitudes towards the sharing economy. Thus, the focus was narrowed down to the segment of millennials while using the definition criteria provided by SB Insight, defining millennials as individuals between the ages of 16 and 26 years old. The definition provided by SB Insights is brought from developed Western countries (SB Insight, 2017). It is therefore not to be considered a representation of the world's youth, however suitable for this study as the focus was to investigate Swedish consumer's attitudes. Moreover, as it is more likely that individuals of the same gender would

share or rent out items such as clothes to one another, gathering homogeneous focus groups became necessary. Hence, the first selected stratifying criteria consisted of that the respondents needed to be Swedish, belong to the age group of 16 to 26 years and be of the same gender.

A further issue in relation to the selection of group respondents is whether to select people who are unknown to each other or to use natural groupings (for example, friends, co-workers, students on the same course). As pre-existing styles of interaction or status differences may, according to some researchers contaminate the session this was considered an issue which needed to be taken into consideration (Bryman, 2012). Morgan (1998) suggests that one problem with using natural groups is that people who know each other well are likely to operate with taken-for-granted assumptions that they feel do not need to be brought to the fore. As it was important for this study to bring out such assumptions, a further criterion was that the respondents should not know each other beforehand. Thus, in order to effectively reach people who fulfilled our criteria individuals in the authors' respective personal contact net were contacted. By doing so, it was possible to create groups of females in the age of 20 to 26, who did not know each other beforehand. This can be described as a convenience sampling method due to the fact that the chosen group were easy to contact (Bryman, 2012). Jacobsen (2002) explains that this type of method will limit researchers' ability to gather generalizable results, however as these females fulfil previous stated selection criteria whilst originating from various parts in Sweden, this method was deemed reasonable. In the end, two of the focus groups consisted of four respondents and the other one of six, thus in total fourteen respondents. All the respondents are young females from Sweden. As the purpose is to get an insight to the attitudes of the average consumer, no prior knowledge within the field of sharing economy was required.

#### **3.2.4 Formulating Questions**

When formulating the interview questions, one should have the study's research questions in mind as the purpose of the interview questions is to collect data that can provide an answer to the research questions. The interviewer should also avoid formulating questions which are too long whilst taking into consideration whether the respondents have the knowledge to answer the questions or not (Bryman, 2012). Thus, the interviewer's questions for this study were written with the research questions and the literature review on consumer behaviour in mind.

Considering that the focus group method does not require a large number of perfectly formulated questions as the main purpose is to get a grasp of why people feel the way they do (Bryman & Bell, 2011), the questions was formulated to allow for adaptation depending on how the discussions evolved, but still to serve as a supportive framework to make sure that appropriate data was collected among all groups. The interview guide can be found in Appendix 1.

#### **3.2.5 The Interview Process**

Firstly, an invitation to the study was formulated, briefly describing the purpose of the study, the proposed dates, time and location where the focus group interviews would take place and an estimate of their duration. This invitation was sent to twenty individuals that met the aforementioned criteria. Of these, fourteen people stated that they could participate. The interviews were conducted between the 23rd of March 2019 and the 27th of March 2019, they took place face-to-face and lasted between 55 to 75 minutes. During the interviews the general recommendation of using a funnel approach was applied. Meaning that initial questions were broad and open ended, moving to more specific and targeted questions towards the end with specified follow-up questions where clarification was needed to ensure that needed information had been collected (Kvale & Brinkmann, 2009). In each focus group, two moderators were present. One, who was in charge of asking the questions, nudging the discussions in the right direction and making sure that all respondents were involved in the discussions. The other one mainly observed and took notes but was also present to have the ability to jump in when needed, or to remind the main moderator of topics to bring up. The focus groups all began with the main moderator briefly introducing the topic of sharing economy, explaining the procedure, the length of the interview as well as informing the respondents that they can always interrupt if something is not properly understood. To minimize the risk of the respondents associating the sharing economy to particular brands which could have influenced their answers, the name of brands that already exist within the sharing economy were never brought up by the moderators. Naturally, the moderators could not stop the respondents talking about brands in the discussions, however, all questions and comparative scenarios were asked by using the product categories of cars, clothes, kitchen appliances and furniture. When the first more open part of the discussion felt completed, the main moderator headed towards the second part, where the comparison between access-based and collaborative consumption begins. The products and

product categories were used to describe how the different offerings of them would take place depending on the business model. As it was also considered important to ask them about specific themes that emerged from the literature on consumer behaviour, the last section the covered role of moral obligations and social norms. The moderators also used this time to make sure to follow up on any topic that had not been covered properly from the previous parts of the discussion.

### 3.3 Data Analysis

### **3.3.1 Transcribing**

All focus groups were recorded and divided between the authors for transcription. The transcription was written down exactly as the discussions took place, with occasional removal of humming sounds and meaningless words. The names of the respondents were removed in order for them to remain anonymous. Instead, the first or the two first letters of their names were used to mark when different respondents are speaking.

#### 3.3.2 Coding

The first cycle of coding of the data was done with help from a template analysis. A template is a list of codes or categories that represent the themes revealed from the collection data. However, this approach allows the use of both predetermined codes and codes added along the way as data are collected and analysed (Saunders et al., 2009). The first cycle of coding was based on the strongest identified barriers and motivations in the previous research. Consequently, it can be argued that this part of the data analysis includes a deductive element (Saunders et al., 2009). Furthermore, a second cycle of coding took place where the authors separately read the transcriptions and identified possible additional categories based on the transcriptions was agreed upon and added to those already chosen from the literature review. This is where the inductive approach of the template analysis returns (Saunders et al., 2009). This resulted in the finalized categories within motivations and barriers for access-based consumption and for collaborative consumption respectively.

For the part where the respondents were asked to compare given access-based consumption scenarios to collaborative consumption scenarios and choose which one they preferred, a third cycle of coding took place (Charmaz, 2006). The division of categories were conducted according to the most frequently discussed topics among the respondents and factors which they deemed most relevant and important when choosing between the two. In other words, the categories of sub-section 4.7, emerged during the coding process and is not inspired by previous research. After the categories in all sub-sections were established, the authors went through the transcriptions again with the purpose to allocate parts of the data to the various categories. Data which matched the categories was then written into a readable text and placed underneath appropriate category. Throughout this stage, the process of memoing was included, meaning that as additional analytical ideas that came to mind, they were recorded for future analysis, discussion and further research (Charmaz, 2006).

#### **3.3.3 Analysing Data**

The analysis of the data was carried out parallelly with the presentation of the findings. The analysis method used for this study is called pattern-matching analysis, which entails comparing and matching patterns found in this study to patterns found in previous research within the field (Yin, 2009). The first part of the results and analysis section consist of the most relevant findings for each category and is thus simultaneously compared to previous findings within the literature review. In the second part, where the two sharing models are compared to one another, reasoning regarding the findings and answers why one consumption model is preferred over the other is presented along with the data and some comparisons to previous studies that can help explain the findings. Followingly, in the conclusions and discussion section, the findings of consumers' motivations, barriers and findings of the comparison between the two consumption models are discussed with help from theories within behavioural economics and consumer behaviour presented in the literature review. The conclusion and discussion provide the answer to the main research question.

# **3.4 Research Philosophy**

#### **3.4.1 Ontological Considerations**

The research philosophy of a study contains essential assumptions about the way in which one views the world and those assumptions underpin one's research strategy and the methods chosen to underpin it. Ontology can be described as the science of being, which means that it is concerned with the nature of reality. Ontology raises questions regarding the assumptions researchers have about the way the world operates (Saunders et al., 2009). The question of whether social entities can and should be considered objective, existing in reality external to social actors, or whether they can and should be considered social constructions built up from the perception and actions of social actors is central. In other words, whether or not social entities are objective or subjective is a central question within ontology (Bryman, 2012). This study aims to capture the reality based on subjective opinions of people. The assumption behind the nature of reality in this study is thus social reality rather than one that can be regarded as definitive. Consequently, the ontological position of this study is the constructivist one, which asserts that social phenomena and the meaning of those are continually being accomplished by social actors (Bryman, 2012).

#### 3.4.2 Epistemological Considerations

Epistemology is concerned with possibilities, nature, sources and limitations of knowledge in a field of study. In other words, epistemology concerns what constitutes acceptable knowledge and it focuses on what is known to be true. A truth to one researcher can consist only of what can be measured by only purely objective facts, whereas another researcher's truth can be measuring feelings and attitudes of people, which are social phenomena without an external reality. The first is often referred to as positivist philosophy whereas the latter is adopting a interpretivist philosophy (Saunders et al., 2009). Qualitative researchers often argue that the positivist tradition of research is not appropriate for social research, as social research requires an understanding of the differences between people and the objects of the natural sciences. Qualitative research requires the researcher to grasp the subjective meaning of social action (Bryman, 2012). Furthermore, it can be argued that the social world of business and management is far too complex to be theorized by the same definite laws as natural sciences.

research, in contrast to in quantitative research where positivism is more common. Interpretivism advocates for the necessity that a researcher comprehends differences between humans as social actors (Saunders et al., 2009). As this thesis aims to investigate people's attitudes and thoughts regarding sharing economy, it is highly interpretivist in its nature as what is known about people as social actors is considered knowledge. The interpretivist approach takes into consideration that social reality has a meaning for human beings, which means that human action is meaningful as it is the result of humans acting on a basis of the meanings that they attribute to their acts and the acts of others (Bryman, 2012). This study is aiming to grasp people's common-sense thinking and to eventually interpret their actions and their social world from their point of view, which strengthens the argument of an interpretivist approach being taken in this study

# 3.5 Reliability

Reliability refers to whether or not the data collection techniques and analytical procedures used will yield consistent findings. Questions researchers should ask themselves to assess the reliability of their work is if the measures would yield the same results if measured on other occasions and if similar observations could possibly be reached by others (Saunders et al., 2009). In a study like this one, which is qualitative and non-standardized in its nature, it can be argued that the findings derived are not necessarily intended to be repeatable and therefore the reliability is relatively low. Deriving findings about sharing economy through focus groups can be argued to reflect reality at the time of collection, and it can be argued to be a situation which may be subject to change. Also, the value provided by using non-standardized data collection methods in terms of flexibility that might be needed to explore the complexity of people's attitudes towards the topic of sharing economy cannot be compromised (Saunders et al., 2009). The research in this study might thus not be able to be properly replicated, however, it can be argued to imply that unique insights regarding a complex topic can be found, which is valuable although not replicable.

Due to the research design of this study the challenge of overcoming observer bias needs to be addressed. It refers to the fact that the answers may be interpreted differently depending on the observer (Saunders et al., 2009). As the interviews were recorded and transcribed, the study's reliability is likely to be higher since any misinterpretations and misconceptions could be

avoided (Bryman & Bell, 2011). Focus has also been aimed towards increasing the study's internal validity since some scholars argue that a high internal validity leads to a higher reliability, as these parts are related to each other (Merriam, 1994).

### 3.6 Validity

In general, a high validity is argued to be reached if the study's conclusions align with the purpose of the study and its research question (Bryman & Bell, 2011). Within the discussion of validity, one usually deals with internal and external validity. A study's internal validity refers to whether one's result reflect the reality and whether it actually measures what was intended to be measured (Merriam, 1994). The used analysis method of pattern-matching correlation tells us, for our particular study, whether there is a demonstrable relationship between how we theoretically expect our measures will interrelate and how they do in practice. This in turn contributes to a higher validity (Yin, 2009).

External validity refers to whether the study's result and sample can be generalizable and applicable to other cases which differ from the study's specific context. This is normally found problematic for qualitative studies (Bryman & Bell, 2011). To be able to generalize the results to a greater extent, one can use several study objects within the selected area of research (Merriam, 1994). With this in mind, the authors sought to carry out several focus groups consisting of at least three respondents to get a more comprehensive material and increase generalization possibilities. The external validity is however still relatively low for this study as the respondents in the focus groups can be argued to be rather homogenous and thus not representative of the Swedish population. Also, considering that the study aims to create a deeper understanding for a specific phenomenon rather than delivering a result which can be applicable to various cases, this results in a lower external validity. A further strategy for ensuring the study's external validity is to apply specific selection strategies and ask predetermined questions (Merriam, 1994). The authors did however not use such strategy as it is was not considered an option if wanting to conduct focus groups properly. A key point in the study was that the interviews should focus on the respondents' own views and opinions, which would have been made more difficult by using specific and fixed questions. Thus, the followup questions were formulated differently from interview to interview and the discussions differed somehow between the focus groups. Conducting semi-structured focus group interviews was considered appropriate for this study as it generates deep insights of the respondents' attitudes and opinions, and even how the respondents influence each other. However, it may have reduced the external validity of the study.

# 4. Results and Analysis

This chapter presents the findings from the data collection and thus provides the results of task 5, which is to identify consumers' motivations and barriers by conducting focus group interviews with Swedish consumers. The first section of this chapter presents motivations and barriers for access-based consumption followed by collaborative consumption. The aim of this section is thus to answer the research question:" What *are the motivations and barriers among Swedish consumers for engaging in sharing economy business models*"? The second section of this chapter presents findings of differences in motivations and barriers along with consumer preferences of these sharing models. The aim with this section is thus to answer the research question: "Are there differences in terms of motivations and barriers towards engaging in sharing economy business models depending on the platform structure"? By the end of each section, a summary of the findings is presented. In order to facilitate the process for the reader, a summary of the overall results is additionally presented by the end of this chapter.

# 4.1 Motivations for Engaging in Access-based Consumption

#### 4.1.1 Flexibility

It became apparent throughout the interview process that the respondents regard flexibility as an important motivating factor when considering engagement in access-based consumption, supporting previous identification that flexibility is one of the important drivers for accessbased consumption (Catulli et al., 2013: Edbring et al., 2016). The respondents considered it to be more flexible to having rented a washing machine when the time comes to replace or discard it. It was also considered more convenient in situations when it is in need of service. As emphasised by one respondent in group one: "*It feels flexible in a way as you can receive help if you are in need of it having a service or if parts need to be replaced. I can imagine that it is more flexible to rent a washing machine in those situations so that you do not have to worry about insurance and deal with the issue yourself"*. Another respondent in group two highlighted that the service of being able to call the company who is renting out the washing machine, if you are having trouble with it, provides great value. She expressed perceived difficulty in regards to knowing who to turn to for help after having bought a washing machine. The respondents also emphasised having access to a functioning and good quality bicycle provides greater flexibility in contrast to buying one, as the company providing the bicycles will do the job of maintaining them properly. These findings provide support to Edbring et al's. (2016) study on Swedish consumer attitudes which identified the motivation of flexibility to be connected to the outsourcing of maintenance to the service provider.

#### 4.1.2 Temporary Nature of Use

Furthermore, in the study by Edbring et al. (2016), consumers were found to be more positively engaged towards renting furniture on a short-term basis on the contrary to long-term renting, where consumer attitudes were found to be negative. Accordingly, this study supports those findings even for other types of products. The respondents showed an overall positive attitude in regards to renting products that would be used at a specific time, on a single occasion or during a limited period of time. It was for example regarded appealing not having to collect things if one was to live at a place during a limited amount of time. One respondent in group two emphasised that as she might be living in another country in the upcoming years, it would not make sense for her to buy a car as this would interfere with her desire to have a flexible life style. The respondents also brought up the appealing nature of renting clothes which are used during a limited time period, for example if attending a masquerade, dresses or bags if attending fancy parties such as weddings, or pregnancy clothes. In accordance to the findings shown in Fisher et al's. (2008) study in the UK, where sharing or swapping children's clothing items was particularly acceptable, the respondents in this study also showed a positive attitude towards renting clothes for infants. Both group two and three brought up the possibility of renting baby clothes, maternal wear or a stroller due to its limited time of use: "I feel like it is about time limitation – when I get kids for example, I could lease a stroller instead of buying it because I am only going to use it during a certain time period".

In line with Catulli et al's. (2013) study who show that individuals may feel a sense of freedom by only having access to the products when they need them, the possibility of renting tools was also brought up by group two and three, without having been mentioned by the moderators. It has previously been found that Swedish consumers are very positive towards sharing do-ityourselves tools with others (Edbring et al., 2016), thus it becomes interesting to acknowledge that this positivism is also found when discussion renting from a company. One of the respondents in group two emphasised how she wished that there was a renting-tools service as she would never buy tools herself. Both groups discussed the flexible advantages of renting tools instead of having to buy or borrow them from their parents who may live far away. In regards to items such as cars, it was further considered appealing to just have the possibility to access a car when for example going shopping at IKEA, rather than taking on the full responsibility of owning a car.

#### 4.1.3 Economic Reasoning

Economic gains are a further identified motivation for engaging in access-based consumption thus, providing further support to Edbring et al. (2016) and Bardhi and Eckhardt (2012), both of whom identified similar findings. In this study, the respondents showed particular interest towards the idea of renting products that are expensive or may decrease in value. Cars were often used as an example of something they could see themselves renting or leasing rather than buying because of the economic benefits it provides. A respondent in group one argued that "A car is what loses its value already when driving from the car dealer" as a reason for renting a car instead. When asked if the environmental benefits of not buying a car would impact their decision one respondent from group two expressed that it would provide an extra value, however the economic gain is more important: "An extra value for me would be that it is more environmentally friendly, but bottom line what matters is that you gain something from it economically, I admit that". An apparent part of the car discussion is that the majority of the respondents imagine themselves living in a big city when reaching the point in life where they traditionally might have wanted to buy a car. It seems to be expected that people from the generation of the respondents, which is the millennial generation, will also move around more than the generation of their parents did and that they will mainly live in larger cities. Some respondents stressed that it is not necessary to own a car when living in a city and how this will result in higher costs when having to pay for parking, insurance and repairs. Consequently, many of the economic reasons for not buying were expressed in the context of one living in a bigger city. Kitchen appliances and washing machines were also mentioned as products one would be more motivated to rent rather than buy as they are expensive and as one's needs may change over time.

#### **4.1.4 Environmental Reasons and Moral Obligations**

Environmental reasoning is a further identified motivation for engaging in access-based consumption which is also in line with Edbring et al's. (2016) study which also showed that some respondents see renting as a preferable option for environmental reasons. The amount of discussion and the impact the respondents argued that it would have on their decisions differed between the groups. The topic is most apparently discussed among the respondents in group one, where one respondent expressed that renting products feels more sustainable and that contributing to a deduction of mass consumption is tempting. Moreover, the car was once again used as a product example in the discussion. The main focus was that the respondents perceive it to be more beneficial if people were to lease modern cars of higher standards instead of buying old ones, as this could both reduce mass production and emissions. In relation to this, the respondents also expressed the security benefits that leasing a car could provide because one could get access to a car of a higher standard compared to the purchase of an older model car.

The idea of leasing a washing machine was also brought up for discussion and potential perks of leasing washing machines were identified by the respondents. Group one discussed the possibility to lease a modern washing machine that one could not afford to buy and the possibility for older washing machines to be reused by people who do not value having a modern one. "*My experience is that leasing feels more sustainable*". However, group one was the only group convinced that renting or leasing is an option that is more sustainable than buying. One respondent in group three emphasised that she believes it may be more environmentally friendly to rent or lease a washing machine as it may be reused by another consumer after termination, and also as she might not have the energy to actually sell an old washing machine if she were to buy one. However, this respondent is more or less alone in her group in terms of reasoning about and considering the environmental benefits of renting instead of buying a washing machine.

In group two, environmental benefits as a motivational factor for renting were only mentioned as a possible extra value of a product: "If I could lease one that is better for the environment and uses less water - so that it comes with an extra value for the same money that I could buy another one with another standard for, I would 100% choose to lease! But I want to feel like I get something extra, something that attracts me to it and makes it worth it". In general, the respondents in group two were of the opinion that sustainability could be an extra value, but definitely not the only reason for choosing to lease or rent instead of buying. Nevertheless, although environmental reasons were mostly mentioned together with economic gains or flexibility, an important second value was expressed which could drive consumption choices: "It should not cost more, absolutely not, but if it doesn't then I would definitely consider renting a washing machine particularly due to other aspects such as it being more environmentally friendly". Sustainability as an added-value has been identified in previous studies in relation to collaborative consumption, where perceived sustainability is a vital factor in the formation of attitudes towards sharing, but the economic benefits are a stronger motivator for people to actually participate in collaborative consumption (Hamari et al., 2016). Evidently, similar results can be identified even for access-based consumption. A further identified aspect is that there seems to be a hint of guilt and obligation attached to the topic of sustainability which consequently appears to have an impact on consumer attitudes. When the subject of sustainability was mentioned, one respondent in group two, which is the group discussing sustainability the least, expressed: "I have realized that maybe I should look at things differently, I feel like I might have the "wrong" attitude".

#### **4.1.5 Variation of Products**

The concept of renting clothes was mainly discussed in terms of its economic benefits as it was seen unnecessary to purchase something when it is only going to be used once, whereas renting could be an advantage. However, in accordance with the study by Armstrong et al. (2015), which shows that the attributes contributing most to positive perceptions of clothing PSSs includes both the ability to meet fashion needs and an increased product satisfaction, this study show similar results. In group three, one respondent told the others about her positive experience of leasing glasses as it offers her the possibility to switch between different pairs, which in turn changed her attitude towards the idea of wearing glasses from being extremely negative to believing it is fun and fashionable as she now had different options to choose from: *"I thought this was wonderful because then I could have two pairs, one dark and one light, so that I could match them with what I was wearing and make it into something fun"*. The other respondents in the group showed positive reactions to her story.

Group one also discussed the possibility of renting dresses or bags when going to proms or other extravagant events in terms of the variation this could provide. When speaking of renting or leasing bags one respondent said: *"When you get tired of it, it is great to lease it so that you can exchange it"*. The respondents of the group agreed that renting and leasing could be attractive for products such as bags and dresses as it offers variation. Although it is not one of the strongest motivations expressed, an underlying desire to be able to have access to different products without buying them all, can be identified among two of the groups.

## 4.2 Barriers for Engaging in Access-based Consumption

#### **4.2.1 Inconvenience**

Accessibility to a product or service which can live up to one's demand is found to be a prerequisite for considering renting instead of buying. Group one and three discussed how the lack of access can become a potential barrier regarding items that are used more often, and items of which one want to have several to choose from. As the decision about usage of some products or services happens just before the actual usage takes place, having access to objects like that instead of owning them was perceived as difficult among the respondents. When speaking of bags, a respondent of group one said: "*I don't want to have to plan which bag to use a week in advance*".

Renting clothes for a short period of time was also perceived inconvenient as a common belief among the respondents was that this will come with obligations of one having to pick the item up, return it and maybe even wash it. This process was greatly frowned upon by respondents in both group two and three. One respondent in group three emphasised that the process of renting clothes appears more complicated and annoying than fun. Nevertheless, the respondents in group two and three shared the opinion that renting larger items, which are used on rare occasions or during a limited time period, is less complicated and thus more appealing. Evidently, the inconvenience barrier matters especially in relation to clothes that are for everyday use due to the need of an assumed regularly repeated process. In relation to car rental, the respondents of group three mainly stressed the fact that the decision to buy a car or choose to rent when needing it mainly depends on how convenient and easy it will be to do it when demand arises: *"I think people will always want what is the most convenient"*. This is in accordance with previous studies, which have found that guaranteed access, convenience and flexibility a prerequisite for access-based consumption to be accepted by consumers (Edbring et al., 2016; Rexfeldt & Hiort af Ornäs, 2009; Raja et al., 2003).

#### **4.2.2 Hygienic Aspects**

Fear of contamination, or in other words not wanting to use access-based consumption alternatives due to perceiving them as unhygienic, was found a common barrier among the respondents. Previous research show that barriers in terms of hygiene and fear of contamination have been emphasised within different product categories, including furniture, cars and baby products (Edbring et al., 2016; Bardhi & Eckhardt, 2012; Catulli et al., 2013). Accordingly, there was a consensus among most respondents in this study that clothes are not what they would like to rent. In a conversation in group three, one respondent was very sceptical towards renting clothes. She clearly expressed that she prefers to buy second hand since she has the perception that it has not been used as many times by as many people. This is further emphasised by another respondent who explicitly expressed that: *"It feels a little bit unhygienic and disgusting"*.

In addition to clothing, the topic of hygiene was brought up when discussing kitchen utensils as well. In group two, the idea of renting blenders or other utensils was brought up as something that would be of interest. However, the immediate response was to question whether or not it is hygienic to rent kitchen utensils used by others: "But do you want to use it though? I don't know if you want to share it with others. That would be the big barrier for me". When the hygiene aspect was brought up, the other respondents immediately agreed that indeed it might be disgusting. Even the respondent who brought up the idea in the first place changed her mind and expressed: "Yes maybe it actually feels unhygienic". Although the first respondent was initially positive towards the idea of sharing kitchen utensils, she was easily reminded and convinced that she may not regard it to be hygienic to rent something that others have used.

#### 4.2.3 Preference to Own

Consumers' desire to own is well known and has been discussed in research for decades (Belk, 1988; Belk, 2007; Belk, 2013) and has previously been proven to be a major barrier for engaging in access-based consumption (Edbring et al., 2016). Although this study in general

showed evidence of the respondents being fairly open towards the idea of accessing products rather than purchasing them, the ownership barrier was still evident as they expressed resistance to engaging in access-based consumption due to their desire for ownership of the product. The argument of ownership being a culturally learned behaviour, can be argued to be supported as some respondents instinctively know deep down that they prefer to own, but they cannot give any rational reasons why. As previous research suggests, the respondents of this study have been raised in a social environment permeated by a culture of ownership consumption, which most likely has affected their opinions and beliefs from the very beginning of their lives (Hofstede, 1991; Lindridge & Dibb, 2003; Randerson, 2009). Therefore, finding preference to own as a barrier for both access-based is naturally not unexpected. One of the reasons explaining why, were the reward mechanisms some respondents emphasised that they connect to purchasing things, which is something that has been identified in other studies as well (e.g. Mick & DeMoss, 1990). The following quote illustrates an example of how this is expressed by one of the respondents in group one: *"That has a lot to do with the incentive of feeling that I have used my money to buy this, I see a lot of value in reward mechanisms over all"*.

The concept of owning was further identified to become more important when transiting into another stage in life. More specifically a shift of attitude was noticed particularly when the discussions shifted to the topic of creating a family and swapping from renting one's home to buying it. When discussing potentially leasing or renting a washing machine, one respondent in group two said: "Yes, in the future maybe you live in a house and it becomes more important to have it "all set" and own your stuff", as an argument against renting or leasing in the future. Another respondent in the same group stressed: "When I rent an apartment, I know that someone else used it. But if I had the choice, I would not have wanted to rent, but to buy". Evidently, when ownership was discussed in relation to access-based consumption, reasons mentioned for purchasing include the reward mechanisms connected to purchases and the sense of security that ownership can provide.

Meanwhile, it was discussed how leasing cars can generate the same sense of ownership as when purchasing a car. The respondents spoke of how cars that family members have leased are still strongly considered the family's own car, even though it is not owned. Similar findings have been identified by Catulli (2012), who notes that for some product categories, such as leasing expensive products like yachts or aircrafts, users may develop a sense of ownership of at least a sense of belonging to a certain community by using these products.

#### 4.2.3.1 Materialism and Status

The Western culture is highly influenced by the meaning of ownership in terms if status. It can be expected that modes of consumption that are not based on ownership conflicts with consumers cultural norms and practices (Catulli et al., 2013). This became evident in this study too, as additional intangible phenomena and emotions that goes beyond the functionality, such as the status that ownership of a product can communicate to others, were often discussed in context of one's desire to own. The consensus of the groups was that they believe people to be less inclined to rent a car as the ownership of it can provide a certain status in terms of class and wealth, compared to a product which is mainly just used for its functionality. As emphasised by one respondent in group one: "A car is a personal thing that is used to show which class in society you come from. You want a washing machine that works, but how old or new it is might not have the same meaning as with a car". These findings support the ones of Mont and Plepys (2003), who note that this barrier might be less for products that are consumed merely for their primary function than for products that have high associations with social status, such as cars, or products that have emotional value, for example when consumers want to express personal style or identity through their consumption patterns.

Some respondents also highlighted the importance of ownership in regards to how it can communicate prosperity: "I think people want to own their things when you reach a stable stage in your life because you want to show how much you own. You want to show that you are successful and that you can buy your own things". It was further stressed by several respondents how lack of ownership of a fancy product can have the opposite effect on the status it communicates when it is obvious that a person does not own it: "I just know how it is when young guys drive around town with sport cars, then you think "you don't own that". And then it is not as fun anymore". This is in line with Catulli et al. (2013) who identified that people are reluctant to be associated with an "access-based brand community", a finding which may be understood using the insight that people tend to consider renting and sharing as behaviours highly connected to a lower socio-economic status (Mont, 2004a). The attitudes of group one and two are clearly aligned with previous research on materialism and status as a barrier for

engaging in access-based consumption. Group three did not touch upon the subject, however as previously mentioned this group did too express the importance of owning without specifying any reasons for holding this opinion.

#### **4.2.4 Uncertainty and Complication**

Closely related to the obstacle of inconvenience is the identified barrier of the process being complicated. The respondents of the study expressed that easy access to products is a prerequisite to engage in sharing, and they also expressed complication, or perceived complication, as a barrier for choosing sharing instead of owning. The fact of it being complicated was mentioned in all groups in terms of not knowing how the renting process would actually work in practice. This concern was particularly raised when discussing renting of everyday wear but also in regards to renting a washing machine. Similar findings have been found within other product categories (Mont, 2004) and is also in line with Edbring et al's. study (2016), where many of their respondents found difficulty imagining how renting furniture would work in practice.

#### 4.2.5 Difficulties Understanding Potential Economic Benefits

Bartolomeo et al. (2003) identified that some consumers have difficulties understanding potential economic benefits due to lack of knowledge, which consequently becomes a barrier for consumers to accept S.PSS. The findings in this study supports those previous findings, as this was brought up in all three groups with questions such as *"how much would it cost?"* and *"how would it pay off?"*. Similarly across all three groups, the respondents emphasised that renting should not cost more than buying. Moreover, one respondent emphasised that she would never consider renting furniture such as a couch as she felt that the investment is too small for it to pay off for by paying a monthly fee. For that reason, she emphasised that she would rather buy second hand furniture than renting it. A feeling of confusion connected to having to pay a monthly fee in contrast to paying a single amount at the time of purchase was also identified. Respondents expressed a concern about the difficulties of keeping track of ones' spending, which this system would entail. This is in line with Besch's (2005) previous findings of organisational clients finding it difficult to compare the price of buying office furniture to the total cost of renting it. Some respondents were also concerned about the aspect of whether renting a washing machine and other kitchen appliances would decrease the value of their

apartment when selling it, since such items are traditionally included when purchasing an apartment in Sweden.

#### **4.2.6 Fear of Breaking Items**

Some respondents expressed a of fear of breaking a rented product and found this a worrying and exhausting process: As emphasised by one respondent in group three: "I don't know if I could enjoy a rented couch. I would be so afraid to spill as it is not mine, the responsibility would be exhausting". This supports the findings of Bardhi and Eckhardt (2012), Catulli (2012) and Edbring et al. (2016) who note that consumers feel that they have to be more careful with products they do not own themselves. The respondents showed a more positive attitude towards renting items which can more easily be repaired and gives the example of a refrigerator. Although this confirms the previously identified barrier, it is one of the few times that the barrier was mentioned in the context of access-based consumption. Instead, it was found to be a more meaningful barrier in the context of collaborative consumption.

#### 4.2.7 Lack of Knowledge of Environmental Benefits

Attitudes regarding uncertainty about what sort of sustainable benefits and whether accessbased consumption models even provide any, were identified among the respondents. This uncertainty and doubt differed among the groups. In general, group one was positive towards access-based consumption and its potentially positive impacts environmentally wise. However, there were still discussions about how different products and business ideas, when it comes to renting out products, might differ in how environmentally friendly they are: "*I know this car company that just rent out cars from the last year and then they sell them. So, it is better that they sell them than that they just disappear*". However, that was not an opinion with which all respondents agreed. It was brought up how a car company that keeps changing cars every year contributes to mass production. All in all, the respondents expressed that they believe accessbased consumption to be a sustainable consumption model but differed in their opinions on the best way for companies offering access-based products or services to act in regards to it.

Some respondents expressed clear scepticism towards whether renting or leasing a washing machine would provide any environmental benefits: One respondent in group two expressed this in the following way: *"I connect renting and sharing economy to it being environmentally*"

friendly - and leasing a washing machine until it breaks and then getting a new one does not make it more environmentally friendly?". Evidently, the respondents doubted or did not see how access-based consumption can be more sustainable than the traditional manner of ownership consumption, which is in line with previous findings provided by both Edbring et al. (2016) and Baumeister (2014). This finding becomes interesting as environmental soundness of renting was considered a driver rather than a barrier by other respondents, particularly in relation to washing machines.

## 4.3 Summary of Findings for Access-based Consumption

The most apparent motivational factors found for engaging in access-based consumption are *flexibility, economic reasoning* and *temporary nature of use.* The three factors were often mentioned coherently, where some respondents found it attractive to rent items which are seldomly used as it would provide them with both economic benefits and a higher level of flexibility. In terms of barriers, the most distinguishable barriers found are *inconvenience* and *hygienic aspects.* Within previous research, the often-mentioned strong barriers of wanting *ownership* and the status that ownership can provide are also evident in this study. An additional finding of interest is the two-sidedness of environmental reasons as a motivation and lack of knowledge of environmental benefits as a barrier. The combination of those two findings opens up for potential action to foster engagement. Last but not least, attitudes clearly differ depending on the product in discussion. In general, the respondents were more negative towards renting items which are used often, and it could be argued to be perceived as more personal, such as clothes and kitchen utensils. In relation to that, a more positive attitude was found towards products such as cars.

Access-based Consumption	
Motivations	Barriers
Flexibility	Inconvenience
Economic Reasoning	Hygienic Aspects
Temporay Nature of Use	Preference to Own
Environmental Reasons & Moral Obligations	Materialism & Status
Variation of Products	Uncertainty & Complication
	Difficulties Understanding Potential Economic Benefits
	Fear of Breaking Items
	Lack of Knowledge of Environmental Benefits

*Figure 3: Overview of consumer motivations and barriers for access-based consumption, in descending order starting from the top (Authors' own illustration)* 

## 4.4 Motivations for Engaging in Collaborative Consumption

### 4.4.1 Convenience

The appealing nature of the collaborative consumption model's ability to create an easier and more convenient consumption experience than traditional ownership can, is an identified motivational factor found among the respondents. In relation to cars, one respondent in group one expressed that she would be interested in accessing a car pool for certain occasions: "If there is something I would use right now it is a car pool, it would be perfect". Another respondent in group two expressed that buying a car would not make sense to her and that she would be more inclined to use a car pool as long as it fits her needs and is easily accessible when she needs it: "Specifically joining a car pool is something I have thought of because in the cities I see myself live in in the future, it would maybe not be logical for me to get my own car". Another respondents in group one expressed her positivism towards the idea of sharing cars with her neighbours, but stressed the fact that it needs to be simple: "You'd want it to be very easily accessible, like if we are going to IKEA today I don't want to have to call around to different car rental companies". Thus, in general there was an existing open-mindedness towards collaborative consumption of cars, as long as it can fulfil the needs one has, and as long as it is easily accessible. This is in line with Zvolska's (2015) finding that convenience is one of the strongest drivers for consumers to engage in collaborative consumption. The possibility to be able to switch cars depending on what you need it for is also a motivating factor. Being

able to access products in a spontaneous and flexible way has previously been identified as a motivation in terms of furniture (Edbring et al., 2016), which is this study is also confirmed for the product category of cars.

#### **4.4.2 Variation of Products**

In accordance to Zvolska (2015), who identified variation of products to be a strong driver for consumer engagement in collaborative consumption, the possibility to have access to a greater variation of products was found appealing among the respondents across all three focus groups in this study. However, this finding is limited to the product categories of clothes and kitchen utensils. The respondents in group one discussed the idea of having a bank of clothes to share among friends and how unnecessary it is for everyone to own for example odd or rarely used pieces of clothing, such as high heeled shoes: *"It feels so stupid that everyone are just having those high heeled shoes etc and just use them once in a while"*. It was also emphasised how fun it would be to have the opportunity to choose between a wider assortment if sharing with others.

In contrast to Edbring et al's. (2016) study on young Swedish consumers attitudes which identified negative attitudes towards the idea of sharing kitchen utensils with other peers, the idea of sharing kitchen utensils in apartment buildings was considered interesting by some respondents. As emphasised by one respondent in group one: "*Apartment buildings should have that available for rent among the residents. Like waffle irons and things that you don't use so often*". The potential variation of products that collaborative consumption could offer is evidently an identified driver for engagement. However, it was noticed that the respondents mainly discussed it in scenarios where renting takes place among friends or within the same apartment building. The idea to rent with people further away or with people that are less known was not brought up by group one.

In group three, the respondents ended up discussing the idea of renting festive clothes for special occasions. One of the respondents talked about how she would like to borrow from friends, and also lend her clothes to them because it would increase the variation of clothes in her wardrobe. When asked if she would be open to the idea of renting a dress for a special occasion, such as a wedding, from someone else through an app or similar, she was not completely hesitant to the idea, but still claimed that borrowing from friends would be her first choice: *"Maybe I would* 

check with friends before renting. But I would not be against the idea, it would be fun to look extra nice with a new dress". To summarize, the respondents expressed that having access to a wider product choice of clothes and kitchen utensils such as blenders, waffle irons, food processors et cetera, could motivate them to engage in collaborative consumption.

#### 4.4.3 Economic Reasoning

As found within access-based consumption, economic gains were also proven to be a motivational factor in regards to collaborative consumption. The respondents in particularly group two agreed that expensive products used only occasionally, such as tools would be of interest to share with others due to economic advantages: *"I think that it is smart because those things are pretty expensive and how often do you really need to use them?"*. The identification of economic reasoning as motivational factor for engaging in collaborative consumption was however quite weak and only a few discussions on the topic took place. It can be argued to be quite surprising, as many previous scholars have found it to be a meaningful motivation within several product categories as well as a dominating incentive for respondents taking part in collaborative consumption (Schor, 2016; Möhlmann, 2015; Zvolska, 2015). Even more surprising since the respondents consist mainly of students, which traditionally is an economically sensitive group. As stated before, the findings of this study show that economic reasoning is one of the strongest barriers for access-based consumption.

Reasons for economic reasoning being a weaker motivational finding in this study may occur from the fact that during the interviews, the majority of the discussions tended to focus more on access-based consumption than collaborative consumption. Also, it was evident that the respondents did not instinctively connect collaborative consumption to, for example, Uber and Airbnb, which are services that are used and appreciated by the respondents. Difficulty connecting collaborative consumption to services that are available, and thus the economic benefits they can offer, might also be a reason for a weaker motivation than expected. Meanwhile, the respondents never thought of themselves as providers, which was not the intention either. However, since being a provider could entail personal financial earnings when, for example, renting out one's apartment, car, clothes and so forth, addressing a question making the respondents think of themselves as providers may have changed the outcome of the findings in regards to economic gains as a driving force for engagement in collaborative consumption.

#### **4.4.4 Environmental Reasons and Moral Obligations**

In previous research it has been established that perceived sustainability is a vital factor in regards to the formation of attitudes towards collaborative consumption (Hamari et al., 2016). Other scholars have found that people are, or could be positive towards social and environmental factors that comes with sharing (Edbring et al., 2016; Mittendorf & Ostermann, 2017; Bucher et al., 2016). Sustainability and moral obligations as motivational factors to engage in collaborative consumption was also shown in the studies of Schor and Fitzmaurice (2015) and Böcker and Meelen (2017). Across all three focus groups, the respondents showed a strong correlation between a bad conscience caused by the wastefulness of having things laying around or throwing them out instead of sharing them with others. The respondents described scenarios and examples of how they are aware of products just laying around in different ways, and they expressed that they feel it is wasteful and that they should be shared with others. One respondent in group three expressed her concern in relation to this in the following way: "When I go to my parents' house and see how much things we own that just lay in our garage, I just want other people to have access to it". The same respondent also expressed a feeling of panic when thinking about all the things which are laying in the garage and not being used properly as she is aware of the negative impact of mass consumption on the environment and it stresses her that things are not shared and used in a more sustainable way.

However, the majority of the respondents mainly referred to sustainable benefits as an extra value where other benefits such as convenience was emphasised to be far more important. Considering the high motivation for sustainability identified in previous literature, it was quite unexpected that it was not brought up as a motive to engage in collaborative consumption to a greater extent. Also, this finding may appear quite surprising due to the fact that all respondents are young, Swedish, highly educated people, and thus belong to a group that have been characterized to be very environmentally conscious (EU commission, 2017; Rifkin, 2011; Turillo, 2017; Invest Stockholm, 2015). This finding may be explained by considering various scholars identifying that, although consumers are ethically and ideologically minded, their

ambitions may not translate into sustainable behaviour (e.g., Hamari et al., 2016; Bray et al., 2011; Phipps et al., 2013; Vermeir & Verbeke, 2006).

## 4.5 Barriers for Engaging in Collaborative Consumption

#### 4.5.1 Lack of Trust

Other scholars have found that potential conflicts may arise when sharing due to lack of trust in other people. Lack of trust has also been identified as the strongest obstacle for collaborative consumption to bloom (Edbring et al., 2016; Botsman, 2012; Schor, 2016). The findings in this study are aligned with previous findings, as all respondents agreed that it is very important that you trust the people you share with, due to safety reasons and also to make sure you are insured if products break. As emphasised by one respondent in group one: "You want a pretty high guarantee that the car stops, and rolls" and "I'd really like some sort of insurance". In regards to renting clothes, one respondent in group three was of the strong opinion that she would never engage with an unknown peer due to lack of trust: "I could never do it with another person. Ever." As Belk (2010) indicated, sharing of resources outside the family is something that many people do not feel comfortable with.

Although negative attitudes towards sharing with others because of lack of trust was strongly expressed among the respondents, it was at the same time identified that most of them had actually already engaged in collaborative consumption and truly enjoyed it. However, being the first one to try it out was still identified as a hindrance. The following quote where one respondent in group two started to talk about Uber shows this: "*If anyone were to suggest that to me I would probably be sceptical - thinking that I would never jump into a car like that. But it has truly been a great concept and now that it is gone here it makes you sad*". Nevertheless, the instinct when presented with the option of interacting and sharing with people, was to be sceptical and negative. It appeared to be somehow difficult for the respondents to connect previous or current consumption behaviour to collaborative consumption, although it is what they have been engaging in or are engaging in.

#### 4.5.2 Hygienic Aspects

Hygiene is yet again, in terms of collaborative consumption, an aspect the respondents were concerned about. In general, hygiene was considered an obstacle among the respondents in the context of sharing with unknown people, as the fear of contagion was perceived stronger when one is not familiar with the other person. As emphasised by one respondent in group one: "It is important, with certain products, that it is fresh and of good quality, not that it is new. So, with some products I would doubt because of hygienic reasons". When considering sharing items with closer friends or amongst a selected group of people, the attitude was found to be more positive as it was regarded to be both more hygienic as well as easier to find something of one's size and taste. Other respondents in group three emphasised how sharing baby clothes with peers would be a good idea as the clothes can only be used by one person's child for a short period of time. However, the topic of hygiene arose as a clear barrier: "But I don't know, when you have your own child you might want things that are clean and new". Although the respondents in group three were in agreement that sharing baby clothes is the better option, they still doubted if they actually would do it. Again, there was evidence of openness towards collaborative consumption of baby clothes, but when it came down to the hygienic issue, it was clear that it is an obstacle that the respondents are not sure that they will be able to surpass.

As mentioned under barriers for access-based consumption, sharing kitchen utensils, such as blenders and ice cream machines, was particularly brought up by one of the respondents in group two as a suggestion for items which she would like to share: "*I would find it perfect to rent or share kitchen utensils like blenders etc*". However, another respondent quickly brought up the unhygienic aspect, with which all the respondents ended up agreeing. As the topic was broadly discussed in terms of both renting from companies and sharing with others, it is considered a relevant barrier for collaborative consumption as well. The fear of contagion is never brought up in the example of cars or kitchen appliances such as refrigerators and washing machines. Evidently, it was only considered an obstacle for the kinds of products that are smaller, and more personal in the sense that they are either worn or that you eat something that was made inside it. The findings about hygiene as a barrier is in line with the previous study by Edbring et al. (2016) as well as Belk (1988), who claim that the unhygienic aspects of an object can be caused by a person's physical contact or proximity to the object.

#### 4.5.3 Inconvenience

In accordance to the findings in relation to access-based consumption, inconvenience and limited access to the object were found to be obstacles for engagement in collaborative consumption. In relation to cars, one respondent in group one stressed that if it is not easily accessible, the idea of sharing a car with peers is useless and that owning a car would be preferred: *"You want to be able to have access to it constantly - that is what is attractive about it. Because if you don't, you'd rather have your own car"*. Previous studies have also identified barriers in terms of people being sceptical due to the perceived requirement to plan ahead within the furniture industry (Edbring et al., 2016). In general, the respondents were of the opinion that one will always choose what is the most convenient, and that collaborative consumption must live up to the demand of convenience. This is line with what Belk (2007) describes as the pursuit of individual ownership while arguing that this desire is one of the factors that may potentially put a stop to the increased sharing of resources.

#### 4.5.4 Fear of Breaking Items

In relation to the obstacle of lack of trust, an emotional barrier in terms of fearing breaking another peer's items was identified among the respondents. As emphasised by one respondent in group two: *"You know yourself how devastated you'd feel if someone used something of yours and ruined it!?"*. This was particularly apparent in relation to expensive items such as cars, but also within the product categories of clothes. In general, the respondents expressed feelings of anxiety if ending up hurting someone's feelings if breaking their items or on the contrary worrying about having their own items broken if sharing them with others. The barrier fear of breaking items was heavily discussed, yet mainly brought up by the respondents when asked to compare access-based consumption and collaborative consumption towards one another. Thus, further findings in regards to this barrier will be presented in the next section when comparing the models.

#### **4.5.5 Complication**

The barrier of complication, which can be argued to be closely related to the barrier of inconvenience, was also evident for collaborative consumption. One respondent in group two expressed her feelings regarding it in the following way: *"I feel like it would be complicated for someone to rent their things out for four months and then the owner come back and want it* 

*back, then it feels easier to buy cheap stuff and eventually sell it*". Complication as a barrier has been identified in previous studies in relation to collaborative consumption (Edbring et al., 2016), where young Swedish consumers showed hesitation towards engagement as they found sharing with other peers being impractical and complicated. Evidently, similar results can be identified even for collaborative consumption.

#### 4.5.6 Preference to Own

The preference to own was also found when discussing collaborative consumption, although not as strongly as in regards to access-based consumption. Several respondents expressed that they did not want anyone else to have used certain things that they themselves are going to use, mainly when speaking of products you have in your home such as furniture. As emphasised by one respondent in group three: *"It is mainly because I feel like they already had a history. I prefer to have my own"*. *Also*, a discussion about buying second hand or renting from others emerged in group three. One respondent claimed that she would prefer to buy second hand rather than renting from someone, and when she was questioned why, the answer was: *"I don't buy second hand very often. But at least then it is mine"*. Finding that consumers feel so strongly about owning their material assets is not surprising considering Belk's (2007) argument that the institution of ownership is deeply embedded into the very fabric of our society.

## 4.6 Summary of Findings for Collaborative Consumption

The most apparent motivational drivers found were *convenience* and *variation of products*. The fact that the products or services shared could fulfil the needs of the consumers, and that they are convenient to use were extremely important to the respondents. The convenient aspect was especially discussed in regards to collaborative consumption of cars. The possibility to have a greater variation of products was mainly discussed in regards to clothes, especially clothes used at special occasions, and kitchen utensils. The identified differences in motivations depending on product type is in accordance with the study by Böcker and Meelen (2017). What differed between the findings of this study and previous research was mainly that economic reasoning and environmental reasons as motivational drivers were not as apparent as expected. In terms of barriers, *lack of trust* was the most apparent barrier identified followed by *hygienic aspects*. The respondents were particularly sceptical towards sharing personal products, such as clothes and kitchen utensils, with unknown peers due to it being perceived as unhygienic. Since it was

also found that some respondents were positive to the variety of products that sharing kitchen utensils can offer, while many still considered it unhygienic, makes it difficult to draw any conclusions regarding that product category. Inconvenience was also regarded an obstacle as the respondents were convinced that if products or services were not easily accessible and convenient to use, they will not engage in collaborative consumption but choose to own instead. This barrier is highly related to the motivation of convenience, indicating the importance for collaborative sharing models to provide a flexible distribution process of products and services in order to foster engagement. In general, the empirical findings on collaborative consumption are less due to the fact that all discussions among the respondents tended to focus more on renting or leasing from a company rather than renting or sharing with other peers. The fact that the respondents more naturally and instantly discussed access-based consumption can be argued to suggest that collaborative consumption is regarded as less attractive or they are generally less aware of this form of consumption.

Collaborative Consumption	
Motivations	Barriers
Convenience	Lack of Trust
Variation of Products	Hygienic Aspects
Economic Reasoning	Inconvenience
Environmental Reasons & Moral Obligations	Fear of Breaking Items
	Complication
	Preference to Own

*Figure 4: Overview of consumer motivations and barriers for collaborative consumption, in descending order starting from the top (Authors' own illustration)* 

# 4.7 Comparison of Models: Access-based vs. Collaborative Consumption

As previously mentioned, this section provides findings in regards to the respondents different perceptions of access-based consumption and collaborative consumption when asked to evaluate the two options by comparing one to the other. Since no previous identified study has used this approach of letting the respondents compare the options in this way, this part is more exploratory than the earlier parts of the analysis.

#### 4.7.1 Trust and Security

In general, a much stronger sense of security existed among the respondents when renting directly from a company, compared to when renting from a peer. That is even though the moderator made it clear that the option where one rents from a peer still goes through a company, which works as an intermediary between the two peers. The respondents expressed that renting from a company felt more controlled and regulated, in comparison to collaborative consumption. However, it was emphasised that renting items, such as a prom dress or other specific items used on rare occasions, could be perceived as more fun if rented from another peer. Still, the respondents stressed that they would like some sort of insurance or control process for the fun part to be worth it. This highlights the importance of open and trusting relationship between provider and consumer, as identified by Raja et al. (2013).

Again, trust and security came up as subjects of discussion when the respondents were asked to talk about which car scenario is most appealing to them. In group one, all the respondents said: *"You want to trust the people you share with"*. It was clear that all respondents consider trust a vital aspect for collaborative consumption to work, especially in regards to cars. Still, the group was rather positive towards the idea of collaborative consumption of cars. The respondents expressed how they would prefer to rent from peers, as long as it is properly regulated so that issues of trust and security will not occur. *"It is more attractive, at least for me, to rent from peers as long as there are guarantees that it is cleaned and such"*.

In contrast, the other two groups were instinctively more negative towards renting from peers, presuming that regulations cannot be as well-controlled as with access-based consumption. Both groups expressed strong scepticism towards renting cars from peers and they expressed strong beliefs that collaborative consumption of cars most likely would result in problems for both parties in the deal. *"It feels like problems could really occur for both the one who is renting out and the one who is renting"*. Amongst the respondents in group three, there was a negative attitude towards collaborative consumption of cars as it is such an expensive product. Additionally, they were convinced that although a company works as an intermediary between peers, it opens up for more risks of peers being opportunistic, in comparison to interacting only with the company: *"The owner does not have any responsibility for the quality of the cars, it is* 

more likely that you as a car owner can be opportunistic and rent out crap cars and say that other broke them".

To summarize, there was clearly a more positive attitude towards trust and security in accessbased consumption in comparison to collaborative consumption. Group one was the only group with respondents claiming they would prefer collaborative consumption if they could be assured that it is properly regulated so that they feel protected as consumers. However, the scepticism in terms of trust and security was still evident despite the positivism. In the other groups the attitudes were almost exclusively more positive towards access-based consumption in terms of trust and security.

#### 4.7.2 Hygienic Aspects

When asked which option is preferred in terms of clothes, one of the respondents in group two expressed that she strongly feels like the only option of the two would be to rent it directly from a company. She explained how she does not at all understand consuming collaboratively, especially in regards to clothes: "*No, I think it is very disgusting. I have a really hard time imagining that, it is extremely personal*". In general, the respondents in all groups were in agreement that the collaborative consumption option seems less hygienic than the access-based consumption option as it was assumed that it would be in the companies' interest to provide a nice, sound and clean product. As identified in the study by Edbring et al. (2016), the concern for hygiene was the most distinguishing barrier for consumers to engage in collaborative consumption, whereas it was the second most apparent barrier for engagement in access-based consumption where the desire to own was found to be stronger. Evidently, the concern for hygiene is found highly problematic even for collaborative consumption and is thus less popular than access-based consumption even here.

#### 4.7.3 Social Aspects

When the respondents were asked if access-based consumption options and collaborative consumption options were preferred, the topic of social aspects was brought up. In terms of social aspects in relation to collaborative consumption there were disagreements among the groups. Group one was in general positive towards the social aspect and emphasised that they would prefer to exchange or rent products from other peers due to the possibility to meet new

people. They compared it to renting directly from a company, which they were more negative towards as it lacks an interesting and social aspect: "*I can appreciate meeting people and talking to them, which I think is an advantage if renting from peers*". However, even though the respondents in group one all found the social aspect appealing they further speculated that it would probably only work among certain circles of people, for example students attending the same university as they are more likely to share a similar type of mindset. The finding of contradictory attitudes towards the social aspect of collaborative consumption is line line with previous studies, which also found that the social aspect work as both a motivational and a hindering factor (Mittendorf & Ostermann, 2017; Edbring et al., 2016).

In group two, the option of collaborative consumption in terms of clothes, furniture and kitchen appliances was barely discussed. There seemed to be a strong consensus of preferring access-based consumption within the group. For instance, potential social aspects that could come from it were not mentioned. In group three, there were negative attitudes towards collaborative consumption. The group discussed how it would be complicated to coordinate with a peer and how they did not see any perk by having to do that: *"Two people's very independent lives have to fit together and times have to be coordinated, it just feels so annoying" "[...] and talking to another person, too much hassle"*. Other respondents agreed with her in terms of viewing the social aspect of collaborative consumption as something negative, and therefore preferring access-based consumption.

#### 4.7.4 Fear of Breaking Items

The emotional aspect of the fear of breaking something was much stronger among the respondents when discussing interaction with a peer instead of solely interacting with a company. Accordingly, the groups agreed upon the fear of breaking items as an important reason for choosing access-based consumption over collaborative consumption. It was clear that the respondents all felt like there are more established rules regarding these sorts of risks connected to access-based consumption: "Yes maybe I sound sceptical - but what if I get a little scratch on these shoes, what happens then? With a company it feels more clear - clearer guidelines". Respondents also stressed how the fear of breaking something that is rented from a peer is connected to not wanting to make someone sad and that they themselves would feel sad if something of theirs was broken: "If you have a company that is like a jurisdictional thing

and not a private person...then it is more like you know you broke it but nobody will be sad personally".

#### 4.7.5 Convenience

In group one, several respondents mentioned the possibility of increased flexibility if renting from other peers: "*It feels like peers are more flexible*". They also emphasised the convenience aspect of sharing cars with people in their neighbourhood and how easy it would be to find one to use as there are so many just standing there. In general, the other two groups were more negative towards collaborative consumption of cars as it was regarded both complicated and less convenient in comparison to access-based consumption.

#### **4.7.6 Environmental Reasons**

Potential environmental benefits with collaborative car consumption were briefly mentioned. It was merely brought up by group three, where one respondent emphasised how a car that has already been produced may be more effectively used if shared among peers and thus as a result decrease the number of cars on the streets: *"From an environmental perspective I can imagine this being good if shared with other peers"*. In sum, other aspects clearly seemed to have a bigger impact of the choice between access-based and collaborative consumption of cars.

# 4.8 Summary of findings for Access-based vs. Collaborative consumption

In general, access-based consumption was found to be the preferred sharing business model among the respondents, when asked to choose between the two. The reason for this appears to be that *lack of trust* and *hygienic aspects* were found to create strong resistance for engagement in collaborative consumption. Additionally, the *fear of breaking* rented items, and the responsibility that may come with that, was much stronger for collaborative consumption. The respondents expressed that they felt more uncomfortable with the thought of breaking an item which belonged to a person they had personally been in contact with, in comparison to breaking an item rented from a company. Additionally, the collaborative model was also associated with having a *lack of clarity and guidelines*, which was also used as an argument for preferring to rent directly from a company.

However, the respondents did show very positive attitudes towards collaborative consumptions models which they had all tried in the past mainly the on-demand car service company Uber and the short-term accommodation service platform Airbnb. Thus, some of the identified negative attitudes towards collaborative consumption may be due to a lack of familiarity with the concept for the discussed product categories of clothes, home furniture and kitchen appliances, as well as cars when the concept is to drive it yourself.

## 4.9 Summary of All Findings

The strongest identified motivational factors for access-based consumption are *flexibility*, economic reasoning and temporary nature of use. The most distinguishable barriers identified are inconvenience and hygienic aspects. Smaller yet relevant findings are environmental reasons as a motivation and lack of knowledge of environmental benefits as a barrier for accessbased consumption. For collaborative consumption, the most distinguishable motivations identified are convenience and variation of products, whereas the strongest barriers identified are lack of trust and the hygienic aspects. Additionally, when the two sharing models were compared, access-based consumption was perceived as more controlled and trustworthy, which to a large extent decreased the respondents concerns regarding lack of trust and fear of contamination. The fear of breaking a rented item is another identified barrier creating reluctance for engagement in collaborative consumption. Meanwhile, some respondents expressed positivism towards the idea of collaborative consumption due to the social aspect of interacting with other peers. Still, as mentioned above, in general attitudes were more positive towards access-based consumption than collaborative consumption. The fact that access-based consumption is the preferred option is identified both in regards to larger and more expensive items such as cars, as well as for other product categories including clothes, home furniture and kitchen appliances.

## **5.** Conclusion and Discussion

This chapter provides the result of task 6, which is to combine results of the previous tasks and outline a potential mix of insights and managerial implications, which could support the upscaling of sharing economy business models in Sweden. This chapter thereby aims to answer the main research question: "*How can attitudes and user behaviours be influenced to foster*  *engagement in sharing economy business models among Swedish consumers*"? This is done by discussing the findings under five categories that are considered relevant in fostering engagement. The last part of the chapter consists of a section where the authors provide their final reflections about the study conducted, followed by suggestions for future research.

#### 5.1 Foster Engagement with Social Norms and Attitude Formation

It has been established that a person's social environment has a vital impact on one's patterns of thinking and feelings (Hofstede, 1991), and that social norms strongly influence people's behaviour and attitudes (e.g. Cialdini & Goldstein, 2004; Stoknes, 2014; Planing, 2015). Accordingly, this study generates evidence of how people are influencing each other's' opinions. When the respondents were asked if their opinions and perceptions had changed after participating in the group discussion, a majority said that they had gone from being fairly positive towards sharing economy to even more convinced, because they had been made aware of others' positive attitudes towards it. Further, both positive and negative attitudes were easily passed on from one peer to another. As previously mentioned, one respondent ended up agreeing with the other respondent that sharing with others is too unhygienic although she initially had a positive attitude towards the idea. It also became very clear the respondents would not have tried the two sharing platforms Uber and Airbnb, if they had not heard about people's positive experiences with the services beforehand. Evidently, as both previous research as well the empirical findings in this study show, informing target groups about the behaviour of their peers should be included in sharing companies' communication strategy. Not only it is an important method to employ as it can reach consumers emotional side which serve as an effective tool when wanting to influence behaviour (Stoknes, 2014), but also considering the current nature of the sharing economy. The sharing economy is still in its initial phase of implementation and spreading. Consequently, it becomes extremely important to communicate to new potential users that this is an accepted thing to do. Sharing business wanting to introduce new product categories into the sharing economy such as washing machines or clothes should also pay extra attention of undertaking the benefits promoting social norms can give. This because consumer engagement is still particularly low and also since the empirical findings in this study and in others, show that consumers are uncertain about the how rental process would actually work, the economic as well as environmental benefits. Considering the fact that humans normally look at others to figure out what the appropriate behaviour is, being informed

that someone else has tried out this service before is likely to make the consumer feel more confident in taking the first step.

Further, to effectively make sure that consumers emotional side is reached, it becomes important to influence people's identity. This entails finding ways to inspire others to be the kind of person who would make this particular change (Heath & Heath, 2011). In relation to this, the power of reference groups is brought up as an effective tool when wanting to change human behaviour (Fishbein & Ajzen, 2010). The respondents emphasised that they pay attention and care about the opinions of certain individuals who are all well-known for being successful, intelligent and possess a high amount of knowledge within certain areas, such as Elon Musk, Bill Gates and Greta Thunberg. Also, circles of friends were mentioned as a very strong influencing factor when making a decision. These famous individuals can be argued to make up an aspirational group for the respondents. Although they do not belong to the group themselves, they have strong positive attitudes towards them and hold their opinions in high regard. The vital factor seems to be the perceived trustworthiness of the famous people. Additionally, many respondents said that they would listen and trust friends, family and recommendations from people in their surroundings if they spoke well of sharing economy options. It can be argued that friends and family belong to a contactual reference group, a group with which the respondents enjoy being associated. On the other hand, when speaking of individuals who work as 'influencers' and the idea of having them promote sharing economy options, most respondents were instinctively negative. They argued that influencers are just promoting whatever generates profit for themselves, which consequently makes them less trustworthy as promoters of sustainable products and services. It is clear that, although the respondents have knowledge about certain influencers because they follow them, they do not see themselves as a typical follower or in the target group of these influencers. Thus, it can be argued that influencers belong to the avoidance reference group and that people perceived as typical followers of influencers belong to disclaimant reference group (Arnould, Price & Zinkhan, 2005).

Evidently, as different people can have different forms of impact, it is of great importance for companies offering sharing options to take this insight into consideration. The opinions of individuals who belong to a person's contactual reference group and aspirational reference

group, can influence consumers to engage in certain behaviour. Therefore, encouraging people to write recommendations and share those openly may have the effect of making other people engage in the same behaviour. However, if the wrong person writes such recommendations, for example individuals who belong to an avoidance reference group, there is a risk that this may result in the opposite effect; it may prevent people engaging in a certain behaviour. Thus, if engaging in collaborations with influencers or other famous people, they must be chosen wisely in order to have desirable effect. Who belongs to which reference groups for whom, naturally depends on target group and the people in it.

## The conclusions that can be drawn from fostering engagement with help from social norms and attitude formation are the following:

The attitudes and behaviours of other people are perhaps the most powerful tools that can be employed to influence and change consumer behaviour. Additionally, consumers' perceived trustworthiness of others is shown to matter greatly when it comes to people's engagement in the sharing economy. To promote the favourable behaviour and attitudes of others, particularly those people with whom one associates and/or holds positive attitudes towards, is therefore recommended to be included in the communication strategy of sharing economy businesses, to foster further engagement. Consequently, it is of importance for companies to carefully choose their target groups, investigate how that group feel about the behaviour and opinions of others, and who the relevant others are, and thereafter use those insights to develop proper, successful and efficient marketing strategies.

## 5.2 Establishing Trust and Security

Lack of trust in other people has been shown to be one of the strongest obstacles for consumers to engage in collaborative consumption (Edbring et al., 2016; Botsman, 2012; Schor, 2016). Accordingly, some of the main barriers identified during the interviews were the respondents' scepticism about whether one can trust another peer, along with uncertainty about the regulation of the renting or sharing process. Meanwhile, as mentioned previously positive attitudes were emphasised towards the collaborative consumption models Uber and Airbnb. These are also the two most commonly used sharing models within the sharing economy today (Schor, 2016). As it appears, trust and uncertainty issues are not stopping consumers here. By undertaking the method of analysing "the bright spots" one can discover successful mechanisms as a first move

to make change happen (Heath & Heath, 2011). Two particular aspects which makes Uber unique in the category of taxi providers, is that the user always knows how much the ride will cost him or her before even jumping into the car and can also follow the car's approaching progress as well as the route the driver picks by using the app. As a result, the user will know exactly when the car is approaching, if it is delayed and the way they are taking as well as how much the price will be. In relation to Airbnb, the customer is financially secured as the withdrawn money stays with Airbnb until the day after arrival. This allows the user to complain if something is wrong, or if it is a scam. Consequently, the consumer can be secured that one receives the service one has paid for. This may contribute to the customer feeling more secure which can result in the person having a more pleasant experience. Additionally, both Uber and Airbnb share the common denominator of letting users evaluate their performance providing the service offered, which builds trust between both the parties. In accordance to Botsman (2012), creating a clear structure and introducing mechanisms for peer review and feedback can greatly increase trust between people and thereby enable greater sharing of resources. Further, this may not only enhance the incentives for both providers and users to avoid behaving opportunistically, but it could also serve as an effective tool if combined with social norms. Hearing about the positive experiences of other peers using a certain service, product or provider could work as an incentive for other consumers to use it. If the participants are, for example, encouraged to sign up or connect the sharing platform to their social media accounts such as Facebook and Instagram, it could allow the company to customise the peer review system so that reviews by friends, friends of friends or followers are immediately apparent to the new user. By doing so, the chances that the reviews are perceived as trustworthy are likely to increase.

Moreover, consumers were found more positive towards access-based consumption due to the assumption that it would be in the company's interest to be trustworthy. However, they were still uncertain about how the process would work in practice, particularly in relation to rental of washing machines and clothes. It was further identified that the respondents felt a strong fear of breaking an item rented from a peer, emphasising that they would, for that reason, rather rent from a company as they believed them to have clear guidelines of what would happen in such situations. These findings highlight both the importance of providing clear and proper directions to minimize the risk of the persons' feeling in critical situations (Heath & Heath, 2011) as well

as the importance of information flows (Meadows, 1997). Thus, providing clear directions on what the consumer should do and who to turn to, as well as information about for example legal regulations and one's responsibilities, become critical for both sharing business models, but particularly for collaborative consumption. This can minimize the risk of having the consumer suffering from feelings of uncertainty and complexity, which could hinder change in behaviour. Consumers' uncertainty about how the process would work in practice when renting a washing machine or clothes, stresses the importance for sharing economy businesses to make this type of information transparent and easily comprehensible to avoid confusing consumers and also overcome the barrier of process uncertainty.

## The conclusions that can be drawn from fostering engagement by establishing trust and security are the following:

Firstly, as the findings show, it is of great importance that sharing economy businesses make information about rules and regulations of the whole process clear, visible and easily accessible. Considering that the idea of, for example, renting washing machines or clothes are two still highly unfamiliar product categories in the sharing economy, it becomes extremely important to provide clear information about the process to scale up consumer engagement. Companies wishing to establish consumption models built on the idea of pairing peers together need to create a process which will be perceived as trustworthy and regulated from both sides, although particularly from the consumer's side. Peer review systems show strong potential to work as way to increase the sense of security and trust when using sharing economy options.

## 5.3 Increasing Convenience and Flexibility

When investigating consumer attitudes towards the sharing economy, guaranteed access, convenience and flexibility have been found to be a prerequisite to foster consumer engagement (Edbring et al., 2016; Hiort af Ornäs, 2009; Raja et al., 2003). In accordance, similar findings were identified in this study, confirming that these demands and desires need to be fulfilled for ownerless consumption models to gain consumer acceptance. Many respondents argued one will always choose what is the most convenient. Evidently, convenience and flexibility are vital barriers that must be overcome.

In relation to renting or sharing clothes, the results show that both positive and negative attitudes towards the access-based model as well as the collaborative model exist. The access-based solution of renting clothes from a company instead of renting or sharing with other peers was in general perceived to be more hygienic and thus preferred. However, some respondents did express very positive attitudes towards the idea of collaborative consumption, if it took place between one's closer friends or amongst a selected group of people. It was also seen easier to find something of one's size and taste as well as more hygienic compared to if sharing with unknown peers. Additionally, it was regarded as more fun compared to renting from a company. Drawing on these findings, one recommendation is to offer a platform service where consumers can create a profile where their size, desired items and living area is inserted which in turn gets matched with other peers in the nearby area that can provide products that would fit. However, in order to meet these needs and truly increase the convenience and flexibility aspects for the consumer, it could be argued that this model is most suitable for people living in a smaller city or area. It should also be emphasised that the respondents expressing the positive attitudes towards the collaborative model all live in a small university town compared to the other respondents who live in a larger capital city. Moreover, as this business formation involves connecting people within the same geographic area, a greater level of trust and security of the process may be gained as the chances are higher that respondents are familiar with one another. Considering that the concept of sharing can create a sense of community (Belk, 2007), this collaborative design may have a greater chance of doing so compared to the access-based model of renting from a company.

However, it was further identified that the respondents felt negative towards the idea of renting or sharing everyday wear, if it entailed elements of having to pick items up, wash them and return them on a regular basis. These barriers may be tackled by considering the access-based model of a PSS or S.PSS model, where various service elements are included. In this case the user-oriented business model may be appropriate. Here the company can provide a series of clothing items picked by the consumers while at the same take on the responsibilities of washing and maintenance. Flexible renting periods adjusted to fit the individual consumer's desires and wishes as well as home delivery could also be part of the model. Besides, considering that the majority of the respondents found renting clothes from a company more hygienic compared to the peer-to-peer option while also expressing a greater level of trust towards renting from a company, sharing economy businesses models taking this PSS format has the potential to overcome the barriers of inconvenience, lack of trust and fear of contamination simultaneously.

In relation to cars it was identified that this process also needs to be flexible and convenient to foster engagement. As previously mentioned, tweaking one's environment by making the right behaviour a bit easier at three points could facilitate the consumer's process (Heath & Heath, 2011). By seizing the opportunities that IoT provide this could provide a strategy for doing so. It could for example entail the opportunity to pre-book a car through an app so that one can be sure that a car of taste will be available at that given time. During the event, the driver could for example receive information about different options for parking and their price range. After the car has been returned, the customer could be given updates about newly available cars in his or her area and potential discounts. The same procedure should be considered for sharing businesses offering products or services within other categories as well. A further consideration is to make use of action triggers, also referred to as reminders, as these are argued to be effective when wanting to build habits (Heath & Heath, 2011). An idea could be to send out a reminder when the time to return e.g. rented clothes is approaching, while also stressing the fact that this means that the customer could now receive a new set of clean clothes ready to wear. Everything and anything which would make the experience feel more flexible and convenient, while making the new behaviour a little bit easier and the old one a bit harder, would work as a driver for engagement.

## The conclusions that can be drawn from fostering engagement by increasing convenience and flexibility are the following:

It has been identified that convenience and flexibility are prerequisites, that must be fulfilled in order for consumers to engage in the sharing economy. In regards to renting clothes, sharing business models are identified to have two options as both positive and negative aspects towards the collaborative and access-based model have been identified. The collaborative consumption model is suggested most appropriate in smaller cities/areas to enable that the sharing process of items becomes more flexible and convenient among the participating peers. For the access-based consumption model, the PSS model is recommended where inclusion of services such as washing, maintenance and personal renting periods are likely to increase convenience and flexibility. Sharing businesses also need to map the consumer's journey and thereby facilitate

their process by making their experience a little bit easier at three specific points of action; the pre-, during. and post-event. Sharing economy companies need to evaluate what they can do at each stage in order to make the process as simple and convenient as possible for the consumer.

## 5.4 Overcoming Ownership

A further identified barrier which needs to be overcome in order to scale up sharing economy business models is consumers' deeply rooted preference to own (e.g. Belk, 2007; Edbring et al., 2016). Evidently, ownership has a strong meaning, although the meaning differs. Some respondents were able to express why they prefer to own, due to reasons such as reward mechanisms and a sense of security, while others could not express why but only that they want the items to be theirs. Furthermore, if the respondents had an emotional attachment to an item, they made it clear that this item was not on the market for sharing. Many such items are the kind that are traditionally purchased as a way to show status and success, or when one starts a family and builds a home. However, it was identified that leasing can have the ability to generate a sense of ownership, indicating that creating leasing alternatives for a greater range of products, especially status-related ones such as cars becomes relevant to consider. Some respondents explicitly expressed they feel that leasing a car, generates the same sense of ownership as if they were to purchase one. It could possibly have to do with the fact that leasing in Sweden is often a corporate privilege, meaning that one gets to lease a car through one's employer. Therefore, it can be argued to be status-related, both as it is a privilege of employment and since it often entails accessing a newer car than what one could perhaps afford to purchase. Consequently, it is apparent that leasing is a way of consuming that has become normalized in Sweden, at least for cars. This implies that engagement in the sharing economy could possibly increase if leasing options were extended into other product categories. This insight is supported by the findings of Catulli et al. (2013), who argue that leasing within more expensive, high-end product categories can generate a sense of ownership. Increasing the leasing options on the market for more exclusive and expensive product categories may thus overcome the conflict between ownerless consumption and the current norms of Western consumption. As previously stated, the younger generation is showing increased interest in having access to products rather than taking on the full responsibility of ownership. In accordance, for some particular product categories the respondents in this study expressed that they would prefer to have access to rather than owning. These include access to cars, tools, washing machines, and clothes used on rare

occasions, such as prom gowns, high heeled shoes and outstanding pieces of clothing. An additional finding is that time is a crucial factor impacting whether or not ownership is preferred over sharing. Ownership becomes less relevant when an item is to be used only during a short period of time, on a single or rare occasions.

## The conclusions that can be drawn from fostering engagement by overcoming ownership are the following:

Providing leasing as an option for a wider range of products, especially for high-end and more expensive product categories such as cars, is a recommendation for companies providing, or considering providing, sharing economy options as leasing it has been shown to generate a stronger sense of ownership in comparison to other renting options. Additionally, ownership is shown to be less important in regards to products of temporary use. Thus, it can be argued that sharing economy business models focussing on such product categories, may overthrow the deeply rooted notion of a person's desire to own as they can fulfil other types of needs, which in this context are found more important for the individual consumer.

## 5.5 Foster engagement by promoting the right features

Exposing people to information and making use of marketing and advertising techniques are argued to be powerful methods if one wants to enhance sustainable behaviour (Mont & Power, 2010; Meadows, 1997). In relation to this, companies should address positive emotions as they can motivate consumer better than negative feelings (Heath & Heath, 2011). During the interviews it became apparent that flexibility, temporary nature of use and economic reasoning are the main drivers for engaging in access-based consumption while convenience and variations of product are the main motivational factors for collaborative consumption. Thus, heavily advertising and spreading information about the sharing economy by shedding light on these main motivational drivers may foster engagement as addressing positive aspects can instill optimism and excitement in people, feelings which are extremely important to evoke when aiming to change human behaviour.

Furthermore, during the interviews it also became apparent that environmental benefits and the desire to be a sustainable person do appeal to the respondents and is therefore a strong added-value when considering engagement in sharing economy business models. Additionally, lack

of knowledge of environmental benefits has been found to hinder people from engaging in access-based consumption both in previous studies as well as in this one. However, the respondents who had expressed their concern for the effects of climate change, still admitted that other factors such as personal economic gains were the most important factors for them to engage in the sharing economy. In relation to this, it became apparent that some of the respondents expressed that they could perhaps do more and that being negative towards sharing items with others is potentially wrong if it can benefit the environment. Evidently, it appears that an inconsistency between some of the respondents' attitudes, behaviours and cognitions exists. This can cause these respondents to suffer from cognitive dissonance and to resolve this tension the respondents may change one of the three components of attitudes, behaviours and cognitions to re-establish a consistency (Stoknes, 2014). Drawing on these insights it can be argued to be of importance to promote the environmental benefits which sharing business models produce, although other scholars argue that it could be an inefficient strategy to foster engagement (Stoknes, 2014; Pamp-Sandgren, 2017). It may serve as an effective tool to both increase the chances of having customers choosing to change their behaviour as a way to resolve their cognitive dissonance, and also to make sure that customers are aware of these benefits as it has been found to be an added value which can attract their engagement.

## The conclusions that can be drawn from fostering engagement by promoting the right features are the following:

Promoting and informing consumers of the primary motivating drivers becomes highly important for sharing businesses, as addressing positive emotions is argued to have the greatest chance of influencing consumer behaviour. Further, it is also of great importance to create a better understanding of both the economic and environmental benefits which these models can provide. Providing such information becomes especially important in relation to economic reasoning considering that it has been identified as one of the strongest drivers for engagement. Emphasizing environmental benefits should however be done with caution as previous research shows that it can lead to consumer reluctance to change. Nonetheless, this study shows that environmental benefits are regarded as an added value and including such benefits becomes important. In summary, the recommended strategy is to highlight the main motivational drivers of flexibility, temporary nature of use and economic reasoning for access-based consumption and convenience and variations of product for collaborative consumption, as they have been identified to be a prerequisite for consumers to engage in sharing. Still, promoting the environmental benefits should not be excluded. However, in order to foster engagement, the other considerably more important benefits must be prioritised, and environmental benefits should only be promoted together with those, in order not to risk making the strategy inefficient.

### **5.6 Final Reflections**

This study has investigated a number of contributing factors; including consumer motivations and barriers for engaging in the sharing economy, the fundamental structure of our current linear economy and the reasons why we consume along with concepts and methods that may have the power to influence and change consumer behaviour. One of the least surprising insights from this study is that understanding the factors which shape and influence consumer behaviour is a highly complicated task. However, separating them is most likely to cause the necessary shift to more sustainable consumption patterns.

The current dominating linear economic system characterized by a throwaway mentality is one of greatest threats for the sharing economy to spread. Although the respondents in this study were fairly open towards sharing, there are clearly obstacles that need to be overcome. It is difficult to grasp whether the millennials are actually prepared to give up their ways and transit to a completely new economic system or whether this transaction will be easier for the children was born even later or today. Meanwhile, it should not be forgotten that consumers' desire for mass consumption of new goods has only been the norm of our consumption society for a relatively short period of time. From a historical perspective, Western consumption culture has been characterised by far more sustainable consumption behaviour, including the ideas of sharing, reusing and repairing items. These principles form the foundations of today's modern sharing economy. Just as companies once persuaded consumers that new and more goods were better than old and that ownership was superior to the sharing economy, businesses can play a pivotal role in changing this mentality around by demonstrating the benefits the sharing economy will provide the individual. For the sharing economy to fully integrate into society, it needs to become mainstream and consumer's standard choice. An aggressive marketing strategy similar to the one that took place in the 1930's America, changing consumers mindsets and behaviours dramatically, is needed in order make way for the new sharing economy and sustainable consumption. The conclusions and managerial implications provided in section 5.15.5 in this in this chapter could work as a framework for companies to use to enhance the massive shift needed in the mindset of today's consumers so they will embrace the sharing economy.

## **5.7 Further Research**

This study has reached interesting results by investigating the attitudes of young Swedish females. Swedish consumer culture is argued to have traits making its people particularly open towards sharing (Turillo, 2017; Invest Stockholm, 2015), and millennials are heavily influenced by globalisation and technological development since the early years of their lives (SB Insight, 2017). Therefore, it would be of interest to investigate the attitudes of other demographic groups within the Swedish population, such as people of different genders and particularly different ages. Additionally, conducting similar studies in other countries to see if a similar openness towards ownerless consumption applies for millennials of other nationalities, and possibly other age group as well. Further, how much impact the preference to own barrier will have on the future of ownerless consumption is difficult to grasp yet important to understand in order to foster engagement in the sharing economy. Thus, it would be interesting to further investigate the scope of the ownership barrier, among consumers and particularly the younger generation. These insights may generate a further understanding on the potential future of the sharing economy. Additionally, the key towards a sharing economy is not only to truly understand the individuals who make up the society we live in, but also to break down barriers and unite different groups. In order to make change happen, contributions and actions are needed from various sectors in society. Therefore, it would be of interest to conduct a cross-section analysis to determine who these stakeholders are, their respective roles and the actions needed that could facilitate the uptake of the sharing economy.

## References

Accenture (2014) Circular Advantage. Innovative Business Models and Technologies to Create Value in a World without Limits to Growth, vol. 24.

Ajzen, I. (1991). The theory of planned behavior. Organizational Behaviour and Human Decision Processes, 50(2), 179–211.

Arnould, E.J., Thompson, C.J. (2005) Consumer Culture Theory (CCT): Twenty Years of Research, Journal of Consumer Research, Volume 31, Issue 4, Pages 868–882, https://doi.org/10.1086/426626

Arnould, E.J., Price, L., & Zinkhan, G.M. (2005) Consumers. McGraw-Hill/Irwin; 2nd edition.

Armstrong. C.M, K. Niinimäki, S. Kujala, E. Karell, C.Lang (2015). Sustainable productservice systems for clothing: exploring consumer perceptions of consumption alternatives in Finland. J. Clean. Prod., 97, pp. 30-39

Bamberg, S., Ajzen, I., Schmidt, P. (2003) Choice of Travel Mode in the Theory of Planned Behavior: The Roles of Past Behavior, Habit, and Reasoned Action, Basic and Applied Social Psychology, 25:3, 175-187, DOI: 10.1207/S15324834BASP2503\_01 Bardhi, F. & Eckhardt, G.M. (2012). Access based consumption: The case of car sharing Journal of Consumer Research, 39 (4), pp. 881-898

Baudrillard, J. (1998) The Consumer Society: Myths and Structures. London: Sage Publications, 1st edition.

Baumeister, C.K. (2014). Access versus Ownership: Consumers' Reactions to an Alternative Consumption Mode. PhD. Technische Universität München.

Bartolomeo, M., dal Maso, D., de Jong, P., Eder, P., Groenwegen, P., Hopkinson, P., James, P., Nijhuis, L., Orringe, M., Scholl, G., Zaring, O. (2003) Eco-efficient producer services e what are they, how do they benefit customers and the environment and how likely are they to develop and be extensively utilised? J. Clean. Prod. 11, 829-837.

Becker, G.S. (1962). Irrational Behaviour and Economic Theory. Journal of Political Economy Vol. 71, No. 5, pp. 505-510.

Behrend, S., Jasch, C., Kortmap, J., Hrauda, G., Firzner, R., Velte, D. (2003) Eco-Service Development. Reinventing Supply and Demand in the European Union. Greenleaf: Sheffield

Belk, R. (1988) Possessions and the Extended Self. Journal of Consumer Research, Vol. 15, No. 2, pp. 139-168. https://doi.org/10.1086/209154

Belk, R. (2007) Why Not Share Rather Than Own? The ANNALS of the American Academy of Political and Social Science, 611(1), 126–140. https://doi.org/10.1177/0002716206298483

Belk, R. (2010). Sharing. Journal of Consumer Research, Vol. 36, Issue 5, pp. 715–734, https://doi.org/10.1086/612649

Belk, R. (2013) You are what you can access: Sharing and collaborative consumption online Journal of Business Research, 67 (8) pp. 1595-1600

Besch, K. (2005) Product-service systems for office furniture: barriers and opportunities on the European market. J. Clean. Prod., 13 (10–11), pp. 1083-1094

Botsman R. & Roger, R. (2010) What's Mine Is Yours: the Rise of Collaborative Consumption. HarperBusiness, 1st Edition.

Botsman, R. (2012) The Currency of the New Economy Is Trust. TED Talks (2012) [Speech]RetrievedApril28th,2019from:http://www.ted.com/talks/rachel\_botsman\_the\_currency\_of\_the\_new\_economy\_is\_trust.html

Botsman, R. (2015) Defining The Sharing Economy: What Is Collaborative Consumption–AndWhatIsn't?RetrievedFebruary7th,2019from:https://www.fastcompany.com/3046119/defining-the-sharing-economy-what-is-collaborative-consumption-and-what-isnt.

Bray, J., Johns, N., & Kilburn, D. (2011) An exploratory study into the factors impeding ethical consumption. Journal of Business Ethics, 98(4), 597–608.

Brekke, K.A. & Johansson-Stenman O. (2008) The behavioural economics of climate change. Oxf Rev Econ Policy 2008;24 (October (2)):280–97.

Bryman, A. (2012) Social Research Methods (4th Edition). Oxford New York: Oxford University Press.

Bryman, A. & Bell, E. (2011) Business Research Methods (3rd edition). Oxford, United Kingdom: Oxford University Press.

Bucher, E., Fieseler, C. & Lutz, C. (2016) What's mine is yours (for a nominal fee) Exploring the spectrum of utilitarian to altruistic motives for Internet-mediated sharing. Computers in Human Behaviour 62, 316-326. http://dx.doi.org/10.1016/j.chb.2016.04.002

Böcker, L., Meelen, T. (2017) Sharing for people, planet or profit? Analysing motivations for intended sharing economy participation. Environmental Innovation and Societal Transitions Vol 23, pp. 28-39. http://dx.doi.org/10.1016/j.eist.2016.09.004

Calder, B. J. (1977) Focus Groups and the Nature of Qualitative Marketing Research, Journal of Marketing Research, 14: 353–64

Catulli, M. (2012) What uncertainty? Further insight into why consumers might be distrustful of product service systems. Journal of Manufacturing Technology Management, Vol. 23 Issue: 6, pp.780-793. https://doi.org/10.1108/17410381211253335

Catulli, M., Lindley, J.K., Reed, N.B., Green, A., Hyseni, H., Kiri, S. (2013) What is mine is not yours: further insight on what access-based consumption says about consumers. Research in Consumer Behavior, Volume 15, 185- 208. doi:10.1108/S0885-2111(2013)0000015012

Charmaz, K. (2006) Constructing Grounded Theory: A Practical Guide Through Qualitative Analysis. London: SAGE Publications.

Cialdini, R. B. (2003) Crafting Normative Messages to Protect the Environment. Current Directions in Psychological Science, 12(4), 105–109. https://doi.org/10.1111/1467-8721.01242

Climate Change Communication Advisory Group (2010) Communicating climate change to mass public audiences. Retrieved 14th of March from: http://psych.cf.ac.uk/understandingrisk/docs/cccag.pdf

Cialdini, R.B. & Goldstein, N.J. (2004) Social influence: compliance and conformity. Annu Rev Psychol. 55(February (1)):591–621.

Coldwell. W., (2017) Party central: Gothenburg voted world's most sociable city. Retrieved February 28th, 2019 from: https://www.theguardian.com/travel/2017/feb/22/party-gothenburg-voted-worlds-most-sociable-city-hostelworld-stockholm-new-york

Cooper, T. (2013) Sustainability, consumption and the throwaway culture. S. Walker, J. Giard, H.L. Walker (Eds.), The Handbook of Design for Sustainability, Bloomsbury.

Corner, A. (2014) Social norms and social networks – talking climate. Talking Climate. Retrieved March 25th, 2019 from: http://talkingclimate.org/guides/using-social-norms-social-networks-topromote-sustainable-behaviour/

Craig, C. S. & Douglas, S. (2005) Beyond national culture: Implications of cultural dynamics for consumer research. International Marketing Review, 23 (3), 322-342

Davidson, A., Habibi, M.R. & Laroche, M. (2018) Materialism and the sharing economy: A cross-cultural study of American and Indian consumers. Journal of Business Research Vol 82, pp. 364-372.

Donaldson, S.I., Graham, J.W., Piccinin, A.M., & Hansen, W.B. (1995). Resistance-skills training and the onset of alcohol use: Evidence for beneficial and potentially harmful effects in public schools and in private Catholic schools. Health Psychology, 14, 291–300.

Eckhardt, G.M., Belk, R., Devinney, T.M. (2010) Why don't consumers consume ethically? Journal of Consumer Behaviour, 9(6), 426–436.

Edbring, E.G., Lehner, M. & Mont, O. (2016) Exploring consumers attitudes to alternative models of consumption: motivations and barriers, Journal of Cleaner Production, Vol. 123, pp. 5-15.

Egerton-Read., S. (2014) What does the Sharing Economy Mean for a Circular Economy? Circulate News. Retrieved February 7th, 2019 from: https://circulatenews.org/2016/08/what-does-the-sharing-economy-mean-for-a-circular-economy/

Ellen MacArthur Foundation (2012) Towards the Circular Economy vol. 1: an Economic and Business Rationale for an Accelerated Transition.

Ellen MacArthur Foundation. (2015a) Growth Within: A Circular Economy Vision for a Competitive Europe. Ellen MacArthur Foundation, McKinsey Center for Business and Environment. Retrieved March 2nd, 2019 from: http://www.ellenmacarthurfoundation.org/books-and-reports

Ellen MacArthur Foundation. (2015b). Delivering the circular economy - A toolkit for policymakers. Retrieved March 1st, 2019 from: http://www.ellenmacarthurfoundation.org/books-and-reports

Ernst & Young (2015) The Rise of the Sharing Economy in India. Report in PDF-format. Retrieved April 1st, 2019 from: https://www.ey.com/in/en/industries/technology/ey-the-riseof-the-sharing-economy

Ernst & Young (2016) Get Ready: open to sharing means open for business. Report in PDFformat. Retrieved April 21st, 2019 from: https://www.ey.com/Publication/vwLUAssets/ey-getready-open-to-sharing-means-open-for-business/\$FILE/ey-get-ready-open-to-sharing-meansopen-for-business.pdf

EU Commission (2014) Attitudes of Europeans towards waste management and resource efficiency. Flash Eurobarometer 388. Report in PDF format. Retrieved February 15th, 2019 from: http://ec.europa.eu/commfrontoffice/publicopinion/flash/fl\_388\_en.pdf

EU Commission (2017) Attitudes of European citizens towards the environment. SpecialEurobarometer 468 – Wave EB88.1 – TNS opinion & social. Report in PDF-format, RetrievedFebruary15th,2019from:http://ec.europa.eu/commfrontoffice/publicopinion/archives/ebs/ebs\_295\_en.pdf

Firat, A., Kutucouglo, K.Y., Arikan Saltik, I., Tuncel, Ö. (2013) Consumption, Consumer Culture and Consumer Society. Journal of Community Positive Practices, vol 1, pp. 182-203.

Fisher. T, Cooper. T, Woodward. S, Hiller. A and Goworek. H. (2008). Public Understanding of Sustainable Clothing: Report to the Department for Environment, Food, and Rural Affairs. DEFRA, London. Retrieved April 5th, 2019 from:

http://www.defra.gov.uk/environment/business/products/roadmaps/clothing/documents/clothing/action-plan-feb10.pdf

Fischer, S., O'Brien, M., Wilts, C. H., Steger, S., Schepelmann, P., Jordan, N. D., & Rademacher, B. (2015) Waste prevention in a "leasing society". Retrieved February 27th, 2019 from https://epub.wupperinst.org/frontdoor/index/index/docId/5852

Fishbein, M., Ajzen, I. (2010) Predicting and changing behavior. The reasoned action approach. Psychology Press [e-book]. Retrieved February 5th, 2019 from: https://scholar.google.com/scholar?hl=sv&as\_sdt=0%2C5&q=+M.+Fishbein+and+I.+Ajzen% 2C+Predicting+and+changing+behavior.+The+reasoned+action+approach.+Psychology+Pres s%2C+2010.&btnG=

Frederiks, E.R., Stenner & K., Hobman. E.V. (2015) Household energy use: Applying behavioural economics to understand consumer decision-making and behaviour. Renewable and Sustainable Energy Reviews 41, 1385–1394.

Goodwin, N., Nelson, J.A., Ackerman, F. & Weisskopf, T. (2008) A GDAE Teaching Module on Social and Environmental Issues in Economics. Retrieved April 11th, 2019 from: http://www.ase.tufts.edu/gdae/education\_materials/modules/consumption\_and\_the\_consumer \_society.pdf

Groeschl, S. & Doherty, L. (2000) Conceptualizing culture. Cross Cultural Management, 17(4), 12-17

Goldstein, N.J., Cialdini, R.B. & Griskevicius, V. (2008) A Room with a Viewpoint: Using Social Norms to Motivate Environmental Conservation in Hotels. Journal of Consumer Research, Vol. 35, No. 3, pp. 472-482. https://www.jstor.org/stable/10.1086/586910

Goode, W.J. (1997). Rational choice theory. The American Sociologist. Volume 28, Issue 2, pp 22–41 doi: https://doi.org/10.1007/s12108-997-1004-5. Retrieved May 3rd, 2019 from: https://link.springer.com/article/10.1007/s12108-997-1004-5#citeas

Habibi R.M., Davidson. A., Laroche, M. (2017). What manager should know about the Sharing Economy. Business Horizon, 60, 113-121. Kelley School of Business, Indiana University. Published by Elsevier Inc.

Hamari. J., Sjöklint. M., & Ukkonen. A., (2016) The Sharing Economy: Why People Participate in Collaborative Consumption. Journal of the Association for Information Science and Technology. Vol. 67 Issue 9, pp. 2047-2059. DOI: 10.1002/asi.23552

Haidt, J. (2012a) The Righteous Mind: Why Good People are Divided by Politics and Religion. Knopf Doubleday Publishing Group [e-book]. Retrieved May 3rd, 2019 from: https://books.google.dk/books?hl=sv&lr=&id=ItuzJhbcpMIC&oi=fnd&pg=PR11&dq=jonath an+haidt+rider+elephant&ots=H3aaJKiw3z&sig=3RZc58s-ycHx-GQBPPPk61yGBAk&redir\_esc=y#v=onepage&q=rider&f=false

Haidt, J. (2012b) Moral psychology and the law: How institutions drive reasoning, judgement and the search for evidence. Alabama Law Review, Vol 64:4:867-880.

Hazen, B.T., Mollenkopf, D.A., Wang, Y. (2016). Remanufacturing for the Circular Economy: An Examination of Consumer Switching. Behavior. Journal of Business Strategy and the Environment. Vol. 26, issue 4. pp. 451-464. DOI:10.1002/bse.1929

Henry, J.F. (2011). The making of neoclassical economics. Routledge, Oxon, UK

Harris, S. (2017) What is an Influencer? Vogue UK. Retrieved May 5th, 2019 from: https://www.vogue.co.uk/article/what-is-an-influencer

Heath, C. & Heath, D. (2011) Switch: How to change things when change is hard. Random House Business Books, 1st Edition.

Hofstede, G. (1991) Cultures and Organizations: Software of the Mind. [PDF ebook]. RetrievedApril1st,2019from:https://e-edu.nbu.bg/pluginfile.php/900222/mod\_resource/content/1/G.Hofstede\_G.J.Hofstede\_M.Minkov%20-%20Cultures%20and%20Organizations%20-%20Software%20of%20the%20Mind%203rdedition%202010.pdf

Hong, S., Thong, J.Y., Tam, K.Y. (2006) Understanding continued information technology usage behavior: A comparison of three models in the context of mobile Internet, Decision Support Systems, vol. 42, no. 3, pp. 1819–1834

Invest Stockholm (2015) Stockholmers embrace the sharing economy. Retrieved February 28th, 2019 from: https://www.investstockholm.com/news/stockholmers-embrace-the-sharing-economy/

James, W. (1890) The Principles of Psychology. New York: Henry Holt, first edition.

Jiménez-Ontiveros, F. (2017) Redefining property: The sharing economy. Retrieved Retrieved February 16th, 2019 from:

https://www.huffingtonpost.com/fomin/redefining-property-the-

s\_b\_8314098.html?guccounter=1&guce\_referrer\_us=aHR0cHM6Ly93d3cuZ29vZ2xlLmNvb S8&guce\_referrer\_cs=28wVZhOK4to9Q0dWQZggZw

Koivumaki, T., Ristola, A., Kesti, M. (2006) Predicting consumer acceptance in mobile services: Empirical evidence from an experimental end user environment. International Journal of Mobile Communications, vol. 4, no. 4, pp. 418–435

Kvale, S., & Brinkmann, S. (2009). InterViews: Learning the craft of qualitative research interviewing. Los Angeles: Sage Publications, 2nd edition.

Peek, L., & Fothergill, A. (2009). Using focus groups: lessons from studying daycare centers, 9/11, and Hurricane Katrina. Qualitative Research, 9(1), 31–59. https://doi.org/10.1177/1468794108098029

Lawson, J. S., Gleim, R.M., Perren, R., Hwang., J. (2016).Freedom from ownership. An exploration study on access-based consumption. Journal of Business Research. Volume 69, Pages 2615-2623.

Lindridge, A. & Dibb, S. (2003) Is 'culture' a justifiable variable for market segmentation? - A cross-cultural example. Journal of Consumer Research, 2 (3), 269-287

McArthur, E. (2014). Many-to-many exchange without money: why people share their resources. Consumption Markets & Cultures. Vol. 18, issue. 3, pp. 1-18. DOI.org/10.1080/10253866.2014.987083

Manzini, E., Vezzoli, C. (2003).A strategic design approach to develop sustainable product service systems: Examples taken from the "environmentally friendly innovation" Italian prize. Journal of Cleaner Production, 11(8), 851–857. http://dx.doi.org/10.1016/S0959-6526(02)00153-1

Matofska, B. (2016) What is the sharing economy? Retrieved February 7th, 2019 from: http://www.thepeoplewhoshare.com/blog/what-is-the-sharing-economy/. Meadows, D.H. (1997) Places to Intervene in a System. Whole Earth, Winter, Issue. 91. pp. 78-84.

Meadows, D.H. (2008) Thinking in Systems - A Primer [e-book] Edited by Wright, D. Sustainability Insitute. Chelsea Green Publishing. White River Junction, Vermont, 1st Edition. Retrieved May 10th, 2019 from: https://books.google.dk/books?hl=sv&lr=&id=CpbLAgAAQBAJ&oi=fnd&pg=PR9&dq=me dwows+2008&ots=LzofobvDMY&sig=P5\_19Uk2Fxo9uKpg6TSDOs4jLSA&redir\_esc=y#v =onepage&q=medwows%202008&f=false

Mittendorf, C. & Ostermann, U. (2017) Private vs. Business Customers in the Sharing Economy – The Implications of Trust, Perceived Risk, and Social Motives on Airbnb. Proceedings of the 50th Hawaii International Conference on System Sciences. http://hdl.handle.net/10125/41865

Miller, D. (2018) What Is the Sharing Economy (and How Is it Changing Industries)? Small Business. Retrieved February 25th, 2019 from: https://www.thebalancesmb.com/the-sharing-economy-and-how-it-changes-industries-4172234

Merriam, S. B. (1994). Fallstudien som forskningsmetod. Studentlitteratur, Lund.

Morgan, D. L. (1998). Planning Focus Groups. Thousand Oaks, CA: Sage.

Mont, O. (2002) Drivers and barriers for shifting towards more service-oriented businesses: Analysis of the PSS field and contributions from Sweden. The Journal of Sustainable Product Design 2: 89–103

Mont, O. & Plepys, A. (2003) Customer Satisfaction: Review of Literature and Application to the Product-service Systems, 61, The Society for Non-Traditional Technology, Tokyo

Mont, O. (2004a) Institutionalisation of sustainable consumption patterns based on shared use. Ecological Economics 50 (2004) 135–153. doi:10.1016/j.ecolecon.2004.03.030

Mont, O. (2004b). Reducing life cycle environmental impacts through systems of joint use. Special issue on "Life Cycle Management" of Greener Management International Spring, Vol. 45, pp. 63-77

Mont, O., Power, K. (2010). Understanding the complexity of consumer behaviour and implications for the sustainable consumption discourse. In: Knowledge Collaboration & Learning for Sustainable Innovation ERSCPEMSU conference, Delft, Netherlands, 25-29. October 2010. Retrieved 5th of May, 2019 from: https://repository.tudelft.nl/islandora/object/uuid:cd2b3c25-4a29-4bd2-aa3d-1863f0ac388d?collection=research

Mick, D.G. & Faure, C. (1998) Consumer self-gifts in achievement contexts: The role of outcomes, attributions, emotions, and deservingness. International Journal of Research in Marketing; 15: 293–307.

Möhlmann, M. (2015) Collaborative consumption: determinants of satisfaction and the likelihood of using a sharing economy option again, Journal of Consumer Behaviour 14(3), 2015, pp. 193–207.

Niinimäki, K. (2013) Fashion Activism through Participatory Design. In Crafting the future conference. 10th European Academy of Design Conferences 17-19 April, 2013. University of the Gothenburg, Sweden.

Osterwalder, A., Pigneur, Y., and Clark, T. (2010). Business model generation: a handbook for visionaries, game changers, and challengers [Electronic resource] Hoboken: John Wiley & Sons.

Pamp-Sandgren, K. (2019). 55. Karolina Pamp-Sandgren: Mobility as a service gör städernasmartare.Hejaframtiden,audiopodcast.

Planing, P. (2015) Business Model Innovation in a Circular Economy Reasons for Non-Acceptance of Circular Business Models. Open Journal of Business Model Innovation, in press.

Phipps, M., Ozanne, L., Luchs, M., Subrahmanyan, S., Kapitan, S., and Catlin, J. (2013) Understanding the inherent complexity of sustainable consumption: A social cognitive framework. Journal of Business Research, 66(8), 1227–1234.

Preston, F. (2012). A Global Redesign? Shaping the Circular Economy. Chatham House.RetrievedFebruary5th,2019from:http://www.chathamhouse.org/sites/files/chathamhouse/public/Research/Energy,%20Environment %20and%20Development/bp0312\_preston.pdf

Randerson, J. (2009) Western lifestyle unsustainable, says climate expert Rajendra Pachauri.The Guardian.RetrievedApril5th,2019from:https://www.theguardian.com/environment/2009/nov/29/rajendra-pachauri-climate-warning-copenhagen

Raja, J.Z., Bourne, D., Goffin, K., Çakkol. M. & Martinez, V. (2013). Achieving customer satisfaction through integrated products and services: an exploratory study. J. Prod. Innov. Manag., 30 (6), pp. 1128-1144

Rauch, D. & Schleicher, D. (2015) Like Uber, but for Local Government Law: The Future of Local Regulation of the Sharing Economy. Ohio State Law Journal, Vol. 76, Issue 4, pp. 901-964

Rexfelt, O and Hiort af Ornäs, V. (2009). Consumer acceptance of product-service systems: designing for relative advantages and uncertainty reductions. J. Manuf. Technol. Manag., 20 (5), pp. 674-699

Rifkin, J. (2011) The Third Industrial Revolution: How Lateral Power Is Transforming Energy, the Economy, and the World. St. Martin's Press, 1st edition.

SB Insights. (2017) Millennials, Generation Z & Sustainability. Report in PDF-format. Retrieved April 1st, 2019 from: https://www.sb-insight.com/sb-reports

SB Insights. (2019). The Nordic Market For Circular Economy. Attitudes, Behaviour and Business Opportunities. Report in PDF-format. Retrieved April 2nd, 2019 from: https://www.sb-insight.com/sb-reports

Saunders, M., Lewis, P. & Thornhill, A. (2009) Research methods for business students (5th Edition). Pearson Education.

Schaefers, T., Lawson, S.J., Kukar-Kinney, M. (2016) How the burdens of ownership promote consumer usage of access-based services. Marketing Letters, 27: 569-577. https://doi.org/10.1007/s11002-015-9366-x

Schmidt, D., Bauer, P., Mörtl, M. (2014) Product-service systems for influencing customer barriers and customer acceptance. J. Econ. Bus. Manag., 3 (11) (2014).

Schor, J.B. & Fitzmaurice, C.J. (2015) Collaborating and connecting: the emergence of the sharing economy. Reisch, L.A., Thøgersen, J. (Edit). Handbook of Research on sustainable consumption [Electronic resource] Retrieved April 11th, 2019 from:

https://books.google.dk/books?hl=sv&lr=&id=N07fBgAAQBAJ&oi=fnd&pg=PA410&dq=h ow+to+foster+consumer+engagement+in+sharing+economy&ots=kyRhcemePh&sig=5FfoW wgZLLJnWc1ZkEEbkd4rDXY&redir\_esc=y#v=onepage&q&f=false

Schor, J. (2016). Debating the Sharing Economy. Journal of Self-Governance and Management Economics. Vol. 4. Nr. 3, pp. 7-22.

Schor, J.B & Attwood-Charles, W. (2017). The "sharing" economy: labor, inequality, and social connection on for-profit platforms. Boston College, MA, USA. DOI: 10.1111/soc4.12493

Schultz, P. W., Nolan, J. M., Cialdini, R. B., Goldstein, N. J., & Griskevicius, V. (2007). The constructive, destructive, and reconstructive power of social norms. Psychological science, 18(5), 429-434.

Simon, H.A (1955). A behavioral model of rational choice. Quarterly Journal of Economics, 69 (1955), pp. 99-118

Solomon, M.R., Bamossy, G.J., Askegaard, S., Hogg, M.K. (2016) Consumer Behavior. A European Perspective. Pearson Education Unlimited - 6th Edition

Su, B., Heshmati, A., Geng, Y., Yu, X. (2012) A review of the circular economy in China: moving from rhetoric to implementation. Journal of Cleaner Production, Vol 42, pp. 215-227.

Stahel, W. R. (2010) The Performance Economy, Basingstoke: Palgrave Macmillan, 2ndEdition.RetrievedFebruary5th,2019from:http://www.palgraveconnect.com/doifinder/10.1057/9780230274907

Stahl, W.R. (2016) The Circular Economy. A new relationship with our goods and materials would save resources and energy and create local jobs. Comment Revista Nature. Macmillan Publishers Limited. Vol. 531. berg

Steffen, W., Richardson, K., Rockstrom, J., Cornell, S. E., Fetzer, I., Bennett, E. M., ... Sorlin,
S. (2015). Planetary boundaries: Guiding human development on a changing planet. Science,
347(6223), 1259855–1259855. http://doi.org/10.1126/science.1259855

Stoknes, P. (2014). Rethinking climate communications and the "psychological climate paradox". Energy Research & Social Science. Volume 1, March 2014, Pages 161-170. https://doi.org/10.1016/j.erss.2014.03.007

Szmigin & Piacentini (2015). Consumer Behaviour. Oxford University Press

Tuan, Y. (1980) The Significance of the Artifact. Geographical Review, 70 (4), 462-472

Tukker, A. (2004) Eight Types of Product Service System: Eight Ways to Sustainability? Experiences from Suspronet. Business, Strategy and the Environment, Vol 13, p. 246-260. DOI: 10.1002/bse.414

Tukker, A., Tischner, U. (2006). Product-services as a research field: past, present and future. Reflections from a decade of research J. Clean. Prod., 14 (17), pp. 1552-1556

Tukker, A., Huppes, G., Guinée, J., Heijungs, R., de Koning, A., van Oers, L., Suh, S., Geerken, T., Van Holderbeke, M., Jansen, B and Nielsen, P. (2006). Environmental Impact of Products (EIPRO): Analysis of the life cycle environmental impacts related to the final consumption of the EU-25. Seville, JRC/IPTS/ESTO. Retrieved 8th of May, 2019 from: http://ec.europa.eu/environment/ipp/pdf/eipro report.pdf

Turillo, H. (2017) The Nordics Embrace the 'Sharing Economy'. Retrieved February 28th, 2019 from: https://www.intelligenthq.com/business/the-nordics-embrace-the-sharing-economy/

Triandis, H. C. (1989) The self and social behaviour in differing cultural contexts. Psychological Review, 96(3), 506–20.

UNFPA (2016) Climate Change. Retrieved February 14th, 2019 from: https://www.unfpa.org/climate-change

UNEP (2019). Global Environment Outlook. GEO-6. Retrieved February 14th, 2019 from: https://www.unenvironment.org/resources/global-environment-outlook-6

Vaus, D. (2002) Surveys in Social Research. Taylor and Francis (6th Edition)

Vermeir, I. & Verbeke, W. (2006) Sustainable food consumption: Exploring the consumer "attitude–behavioral intention" gap. Journal of Agricultural and Environmental Ethics, 19(2), 169–194

Vezzoli, C., Kohtala, C & Srinivasan, A. (2014) Product-Service System Design for Sustainability [PDF e-book] Greenleaf Publishing Limited. ISBN-13: 978-1-909493-69-8

Vezzoli, C., Ceschin, F., Diehl, J.C. and Kohtala, C. (2015): New design challenges to widely implement Sustainable Products-Service Systems. Journal of Cleaner Production 97 (2015) 1-12. http://dx.doi.org/10.1016/j.jclepro.2015.02.061

Watson, M. (2008) A Review of Literature and Research on Public Attitudes, Perceptions and Behaviour Relating to Remanufactured, Repaired and Reused Products. Report for the Centre for Remanufacturing and Reuse, The University of Sheffield. Retrieved April 29th, 2019 from: http://www.remanufacturing.org.uk/pdf/story/1p143.pdf

Webster, K. (2017). The Circular Economy. A Wealth of Flows. Ellen MacArthur Foundation Publishing.

Wilkinson, S. (1998). Focus Groups in Feminist Research: Power, Interaction, and the Co-Production of Meaning, Women's Studies International Forum, 21: 111–25

WWF. Världsnaturfonden (2019). Ekologiska fotavtryck. Retreived March 20th, 2019 from: https://www.wwf.se/klimat/ekologiska-fotavtryck/.

Yuan, Z., Bi, J., Moriguichi, Y. (2006) The Circular Economy: A New Development Strategy in China. Journal of Industrial Ecology, Vol. 10, Number 1-2, pp.4-8.

Yin, R. K. (2009) Case Study Research: Design and Methods. Thousand oaks: Sage Publication.

Zaring, O. (2001) Creating Eco-Efficient Producer Services, report of an EU project. Gothenburg Research Institute, Gothenburg.

Zvolska, L. (2015) Sustainability Potentials of the Sharing Economy. The Case of Accommodation-sharing Platforms. MSc thesis Lund University.

## Appendix

### Appendix 1- Interview guide focus group respondents

#### Introduction

- ◆ Briefly introduces the sharing economy
   → Clarifying the emphasis on the shift from owning one's products to instead having access to them. A huge shift from traditional consumption to a new kind.
- Rules

 $\rightarrow$  Explain that there is no requirements of prior knowledge of sharing economy, and that the respondents should just express their honest opinions and thoughts, and that nothing is right or wrong.  $\rightarrow$  Emphasise that the respondents should let the moderators know if something is such unclear or not understood, as unfamiliar words or concepts.  $\rightarrow$  Inform that the discussion will be recorded and transcribed but that the respondents will not be mentioned by their full names and thus remain anonymous.  $\rightarrow$  Ask the respondents to try not to talk at the same time as someone else, as it will make the transcription and interpretation of the results difficult.

#### Part 1: General attitudes - Motivations and barriers (ca 20 minutes)

**Ice breaker:** Have you ever considered to start sharing or renting products that you traditionally own today? If so, why?

What kind of products could you see yourself rent or share with others instead of purchasing them? If the discussion does not continue on its own, use these:

Why these products?

What is attractive with accessing these products rather than owning them?

What is less attractive about renting or sharing these products instead of buying them?

Is there anything that you feel would prevent you from actually starting to rent or share these products?

Depending on answers above, and the length of the discussion so far, use these product-specific questions:

Could you imagine not buying your own car, but instead having access to one when in need of it?

Why/why not?

What is attractive with only having access to a car?

What is less attractive with only having access to a car?

Are there any specific factors that are extra important if choosing between accessing a car instead of purchasing it?

Is there something you need more knowledge about?

Is there something you need to be assured about?

Could you imagine not buying and owning your own washing machine, but instead renting one and thereby have access to the functions it provides?

Why/why not?

What is attractive with only having access to a washing machine?

What is less attractive with renting a washing machine?

Are there any specific factors that are extra important if choosing between accessing a washing machine instead of purchasing it?

Is there something you need more knowledge about?

Is there something you need to be assured about?

Could you imagine yourself accessing second hand-clothes as an alternative to purchasing clothes?

Why/why not?

What is attractive with only having access to clothes?

What is less attractive with only having access to clothes?

Are there any specific factors that are extra important if choosing between accessing clothes instead of purchasing them?

Is there something you need more knowledge about?

Is there something you need to be assured about?

Could you imagine yourself having access to home furniture as an alternative to purchasing them yourselves?

Why/why not?

What is attractive with only having access to furniture?

What is less attractive with only having access to furniture?

Are there any specific factors that are extra important if choosing between accessing furniture instead of purchasing them?

Is there something you need more knowledge about?

Is there something you need to be assured about?

# Part 2: Comparison between access-based consumption and access-based consumption (approx. 20 minutes)

The respondents are not introduced to the definition of the two different sharing models, nor to any brands/companies providing them. The respondents are asked to compare two scenarios, the access-based business solution and the collaborative business solutions in relation to different product categories. They are asked to express their opinions, thoughts, feelings and preference in relation to these scenarios.

How do you feel about either renting clothes directly from a company, where interaction only takes place between you and the actual company in comparison to a scenario where you rent clothes through a company (e.g. through an app), but in contrast to the other solution the company only serves as mediator between you and another person. In other words, the communication/interaction takes place between you and another person (peer) in this solution and between you and a company in the other.

Is one of the options more attractive than the other? Why/why not?

What feels more and less attractive with both options?

Would you be more motivated or less motivated to rent from a person instead of renting from a company?

If you imagine the same scenario but in terms of cars, and renting it directly from a company, in comparison to renting or sharing it with another person although mediated by a company.

Is one of the options more attractive than the other? Why/why not? What feels more and less attractive with both options? Would you be more motivated or less motivated to rent from a peer instead of renting from a company?

#### Part 3: Wrap-up (approx. 20 minutes)

Has your attitude towards renting or sharing products with others changed in any way after having discussed it? If so, why are you more positive or more negative towards it? Could you imagine yourself encouraging others to engage in the sharing economy?

Do you feel like you should engage more in sharing activities? E.g. renting clothes and cars instead of owning them, and renting washing machines instead of owning?

Do you think that the extent the people in your surroundings (incl. social media) share/rent products have an effect on your attitude and behavior? Please elaborate and explain!

Depending on the length so far. If time space, potential questions: What could make you more prone to engage in the sharing economy? Why is it important to you to own the products you use?