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**MOTIVES AND BARRIERS FOR ENGAGING IN COLLABORATIVE CONSUMPTION IN FINLAND**

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## **Abstract**

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In this thesis the consumers' expected motives and barriers for engaging in collaborative consumption in Finland are studied. The phenomenon is observed through the lens of consumer theory and it is connected to the context using Hofstede's 6-D model. The phenomenon is new and there are almost no recorded results in the background research, and when considering the limitations of this study, there are no results at all. Therefore, combining different kinds of literature, as well as taking along consumer theory and Hofstede's model that explains cultural factors, it was possible to compile a comprehensive general view of the present state of the phenomenon. The actual study was conducted using qualitative methods and the solution was sought collecting data from six in-depth interviews with interviewees having experience from using, or offering resources, or both. According to the results, the primary motive in all modes of consumption was economic. Anti-materialism, anti-consumption, and expanding lifestyle were another a bit more general motives. Perceived barriers were, especially as a new result, the amount of trouble one has to see and in single modes, a lack of trust, the used platform and too expensive prices.

## Tiivistelmä

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Tässä tutkielmassa tutkitaan kuluttajien kokemia motiiveja ja esteitä jakamistalouteen osallistumiselle Suomessa. Ilmiötä tarkastellaan kuluttajateorian avulla ja teoria kytetään kontekstiin käyttämällä apuna Hofsteden 6-D -mallia. Ilmiö on uusi ja tutkittavasta ongelmasta ei juuri esiinny tuloksia taustatutkimuksessa ja mikäli lisätään tämän tutkimukset rajoitukset, tuloksia ei ole lainkaan. Tästä syystä yhdistelemällä erilaista kirjallisuutta sekä tutkimuksia ja ottamalla mukaan myös kuluttajateoria sekä kulttuuritekijöitä selittävä Hofsteden malli, oli mahdollista kasata perustavanlaatuinen kokonaiskuva ilmiön nykytilasta. Varsinainen tutkimus toteutettiin kvalitatiivisin menetelmin ja vastausta tutkimusongelmiin etsittiin keräämällä aineistoa haastattelemalla kuutta eri elämäntilanteessa olevaa henkilöä, joilla oli kokemusta ilmiöön osallistumisesta joko tarjoavana, käyttävänä tai vaihtelevasti molempana osapuolena. Saatujen tulosten mukaan ensisijaisena motiivina kaikissa kulutusmoodeissa tulevat rahalliset syyt, ja hieman yleisempänä myös antimaterialismi, kulutuksenvastaisuus ja elämäntyylin parantaminen. Koettuja esteitä olivat erityisesti uutena tuloksena tullut valtava vaiva sekä yksittäisissä moodeissa luottamuksen puute, alusta sekä liian kalliit hinnat.

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On this sunny Sunday afternoon and, coincidentally a Mother's Day, I saw this title with an empty page under it and stopped for a while to think about all the people in my life that I have been lucky enough to bump to. Some have stayed there for a shorter, some a longer time yet, all as important, as learning happens throughout life. Again, one adventure has come to an end and the last waypoint, writing this thesis, has been a very interesting and instructive journey from which I can gladly say I am proud of myself for completing it. Yet, it could not have been possible without a few other people to whom I would like express my sincere gratitude here:

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Helsinki, May 8<sup>th</sup>, 2016

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## 1. Introduction

The world of today is majorly suffering from economic, ecological, and societal crises and one can easily see this when opening the newspapers or, even worse, just looking out of the window. The planet is slowly yet inevitably decaying, the limited resources depleting and even many of the once-so-clean lakes, rivers and oceans, or the atmosphere, are now spoilt. Late economic crises are still causing massive upheavals in some countries, the amount of poor is ever raising, and the indisposition is growing. There is no single reason for all that has happened, or an answer to tackle all of the problems whatsoever, yet there are a few evident factors for both.

The development of advertising and marketing in the mid-20<sup>th</sup> century led to a beginning of a new era in consumption, which has been exponentially growing all the way to today. Nowadays we can even call it *hyperconsumption* since people just mindlessly and heedlessly buy everything of that they get a sight. Hyperconsumption is also the thing that keeps the companies breathing so they try to do everything they can in order to grow continuously the amount of products to fulfil the needs of the consumers. Therefore, products such as electronic corkscrews, strawberry slicers, and champagne whisks, as well as a plethora of others exist – all in different colors.

Owning all this material can then make people to grow fond of them and even further, it often makes them want to show a certain status or lifestyle through their items. Moreover, it has led to materialism according to which people actually start caring more about their material than other people. At this point, one easily starts thinking Chuck Palahniuk's book "Fight Club" where the protagonist was all about material but started to see his life in a new angle when his apartment exploded and he moved to a ramshackle. So maybe we need a new perspective telling us what is important in life.

Materialism leads to lonely people carrying the burden of ownership, so questions of where to put it all, what to do with it, what if somebody steals something or something

gets broken arise. According to a study, the amount of people going bowling is growing all the time in the United States but simultaneously the amount of people signing into bowling clubs is decreasing (Botsman & Rogers, 2011). What is happening to the once so communal and collaborative mindset that people have had ever since they started existing? Why are we so greedy nowadays?

According to the researchers of *collaborative consumption*, or furthermore *collaborative economy*, all the above mentioned, with the help of internet have bred the urge for the latest generations to get rid of this excessive material and focus more into sharing, collaborating, and interaction with other people. Indeed, one can see an abstract of this in services such as Wikipedia and social medias, and the growing need to join into all kinds of forums. Some researchers claim this actually has been under the surface all the time (Belk, 2010). Moreover, activity such as this can be practiced in a global scale for example by offering expertise through web platforms such as TaskRabbit for people in different countries, or locally by for instance, joining a communal garden in one's neighborhood.

However, although the idea is ancient, the modern phenomenon with internet as a catalytic is very new and currently in a formation state, where researchers try to make sense of it and nonprofessionals might not even have heard the term ever. Additionally, the phenomenon actually has the ingredients for a neo-capitalistic worst-case scenario model in which the jobs become gigs and people become microentrepreneurs, carrying the burden of an entrepreneur and lacking the benefits of an employee while getting only few-euro compensations from here and there without the possibility to enjoy a decent, or moreover a regular, income. Therefore, much criticism also exists towards it. Yet, in the best-case scenario, not even a utopian one, as people start to operate through the three different modes of collaborative consumption that are product-service systems, redistribution markets, and collaborative lifestyles (Botsman & Rogers, 2011), the consumption of new products decreases when sharing and the circulation of used product grows. In addition, this offers people new channels for

interaction with each other and even building new communes with other people that are situated near, physically or digitally. Furthermore, when one gets a compensation out of the activity, it becomes self-interest so there actually should not be that many reasons for not participating in a collaborative economy – yet is there. It is only the acts and direction that we take right now that will define the future of this phenomenon.

### 1.1. Background and research gap

Although collaborative consumption is a contemporary trend, a modern version of the phenomenon is still very new. Therefore, the background research on this subject is still very scarce; the first article about the phenomenon can be found written by Rachel Botsman & Roo Rogers in 2010 and to date 74 articles could be found with using different concepts referring to this phenomenon in SCOPUS, and couple hundreds when zoomed out of the immediate focus. In other words, the trend is upwards (see: Figure 1). In the figure, the different scientific approaches have a few parallel articles as a single paper can belong into multiple disciplines.

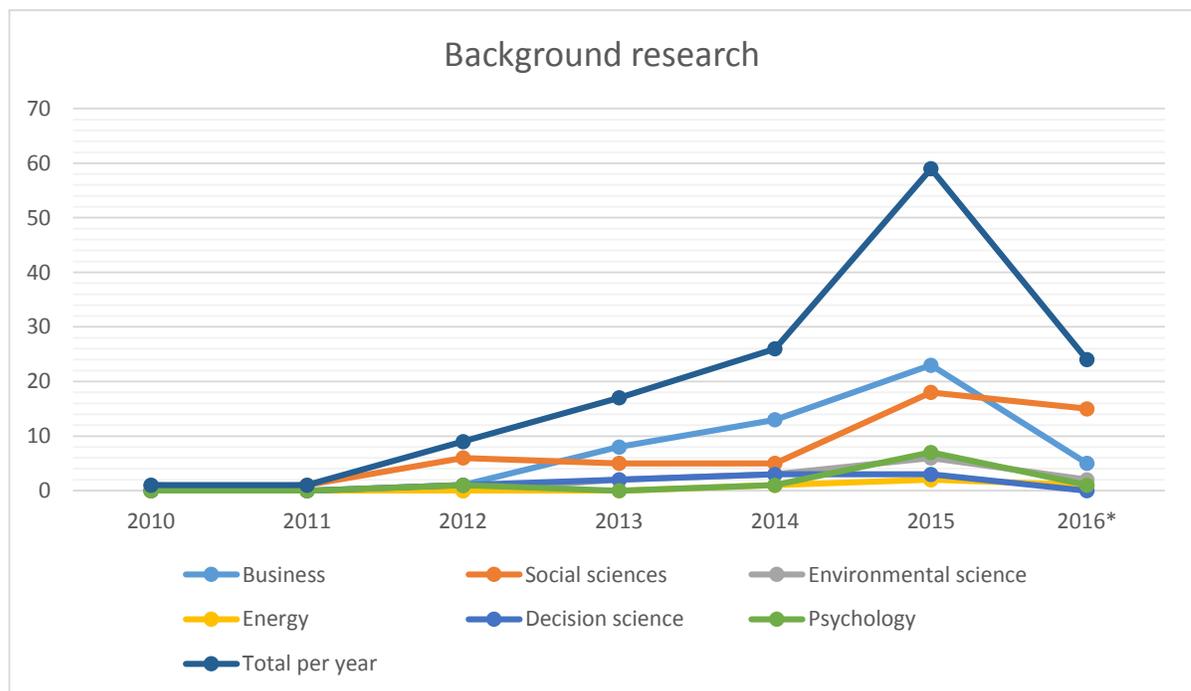


Figure 1: The background research from SCOPUS

Early research is mainly focused in the phenomenon itself, so trying to seek what is it, and how is it reasoned. In addition, there are articles about its sustainability. There is much research claiming that sharing economy is the sustainable model on consumption of the future but only a few studies have actually studied the phenomenon in a more individual level – so what is in it for the consumer. Only a couple of studies exist focusing precisely on what motives or barriers exist for consumers to engage in it. Even less studies can be found from and about Finland as there is only one that is focused on investigating how different factors such as perceived sustainability, or enjoyment affects to attitudes and behavioral intentions to participate in collaborative consumption (see: Hamari, et al., 2015). Hence, the scope is somewhat different here. In the verge of a possibly new paradigm, there exists the possibility that if researched early enough, Finland could become a pioneer in developing a more collaborative economy, showing the way for others. Therefore, this thesis tries to dig into that problem more deeply.

## **1.2. Aim and research problems**

Collaborative consumption as a concept is vaguely defined and there are huge gaps currently in the background theory. In addition, as the existing research has focused mainly on the phenomenon itself, almost no theory exists for why and how consumers could adopt the new paradigm in the end. Therefore, this thesis tries to fill one gap by both working as an up-to-date literature review and building a framework by connecting the conceptual literature into consumer behavior theories. The framework can be found in chapter 1.4.

To fill the given gap concerning the consumer-side of the phenomenon so why a consumer should participate in it, what hinders or even blocks it and what does one get out of it, this study seeks answers to the following research question:

*“What kinds of motives and barriers consumers have when engaging in collaborative consumption in Finland?”*

To help in finding the answer to the actual research question, and help in navigating through the different aspects of the phenomenon, this thesis has set three sub-questions. Firstly, the phenomenon itself is very new and the background research in its baby steps. Therefore, as for this thesis a comprehensive basis of the combined results concerning the phenomenon itself, as well as the surrounding theoretic realms has to be built in order to be able to investigate it, the following sub-question has to be formatted:

*“What is collaborative consumption?”*

Secondly, very much hand in hand with the perceived motives and barriers, go attitudes and intended behavior, so bringing the discussion about those into the analysis offer an easy way to bring a wider and deeper insight into the phenomenon. The phenomenon can then be connected to the habits, culture, and even on-going background noise in the target country. Therefore, this thesis also has the following sub-question:

*“What kinds of attitudes consumers have towards collaborative consumption?”*

In addition, a single phenomenon never operates in a silo but tends to have its effects to the surroundings where it occurs. Therefore, while building perceptions, rational consumers then think about how it could benefit or harm them, others, or even the system, or the whole planet, depending on the worldview of the person. That is another essential source of information especially when the phenomenon is as new, and the potential future scenarios as unknown, as it is. Therefore, the third sub-question is formatted as following:

*“What kinds of perceived benefits and harms people expect collaborative consumption to generate?”*

### 1.3. Literature review

Collaborative consumption comprises from three consumption modes that are product-service systems, redistribution markets, and collaborative lifestyles. The first one covers all the services and activities where the user pays for a license rather than for an ownership of a resource (Botsman & Rogers, 2011; Lahti & Selosmaa, 2013) and examples vary from ride services to jointly-owned sailboats and from condominium-owned laundry rooms to communal gardens. This category includes many successful services such as Airbnb and often is the element of the modern version of the concept that comes into people's minds when asked. Moreover, much of the focus in the public conversation is in here.

The key benefits that a user gets from participating through this mode are that one does not have to pay for the product outright so it removes from the burden of ownership and, furthermore, when our relationship with things moves from ownership to use, options to satisfy our needs change and increase (Botsman & Rogers, 2011). This also allows people to try new things more flexibly and conveniently, when for example expensive scuba diving gear can be rented more cheaply. The effort that this requires is not even a pain anymore, when a person in need of the given scuba diving gear can just log in to a service such as ShareTribe and search for a marketplace and find the most convenient option (Lahti & Selosmaa, 2013). In the near future, it is probable that services that are based on a map increase, so one can locate needed items from for example a neighborhood or a city. A prototype of such a service is existing in Finland and called Nappinaapuri.

Another group of activities, redistribution markets, includes all kinds of flea and exchange markets, swaps and bartering, being to social networks that enable used or pre-owned goods to be redistributed from where they are not needed to somewhere or someone where they are (Botsman & Rogers, 2011). This is inevitably the most familiar mode of consumption to all people, yet is often not connected to collaborative consumption in the minds of consumers at first thought. The benefits that this creates

are the savings for single consumers if they accept the fact that items are not new in the sense that they are the first buyers. Moreover, this creates positive societal and especially environmental externalities when it encourages reusing and reselling old items rather than throwing them away. Furthermore, this could result in long-term that organizations start seeing the benefit for producing more durable and sustainable, high-quality products that last longer to support the reusing mindset, so it would reduce waste from unnecessary or disposable products (Botsman & Rogers, 2011; Lahti & Selosmaa, 2013).

The last mode, collaborative lifestyles, is perhaps the most modern outcome of the sharing paradigm, covering all kinds of activity where people with similar interests group together to share and exchange less tangible assets such as time, space, skills, and money (Botsman & Rogers, 2011; Lahti & Selosmaa, 2013). In Finland, a term *talkoot* (a “bee” in English) could be used as a synonym. Examples of this include time banks, peer-to-peer lending, and office hubs. For example, time banks clearly represent the purest form of a collaborative community, where the tasks are valued as equals and people do not involve money in it. Thus, one spending one hour to do something that one likes for another person and in return gets the unpleasant tasks, or tasks that one does not have the skills to do done by others. However, this also tends to be the most controversial mode of consumption as it includes both the services that operate in a contested or grey area under the current legislations, as well as the ingredients for the criticized neo-capitalistic worst-case scenario of a gig economy where labor force is considered microentrepreneurs getting a couple euro compensation from here and there. This would then increase unemployment and decrease the welfare of unemployed (Martin, 2016), while also removing the benefits from the employed as entrepreneurs tend to not have similar ones. Taking this to Finland, for example the tax officials have declared the activity in time banks as entrepreneurship from which one should pay taxes of social fees (Verohallinto, 2013), and this kind of declaration ruins the idea of these activities.

For collaborative consumption to be a successful phenomenon rests on four principles, which are the critical mass of users, idling capacity of products, belief in the commons, and trust (Botsman & Rogers, 2011; Lahti & Selosmaa, 2013). Critical mass means that there is enough people using for example a service that it becomes self-sustaining (Rogers, 2003). So when there is enough people in the market, sharing resources, it becomes more reasonable for a single person to join in as it more likely can cover every kinds of needs that people have with cheaper prices than the traditional ways of consuming. Additionally, then there is enough “social proof” for the latecomers to join in as well (Botsman & Rogers, 2011), as latecomers are usually the ones considering longer and more carefully in what they are going to be involved – or often just for plain resistance.

Idling capacity means all the resources that we do not need all the time, yet are lying in our closets, warehouses, and garages (Botsman & Rogers, 2011; Lahti & Selosmaa, 2013). Moreover, one could divide the resources in two kinds of categories: the ones that are a result of hyperconsumption and plain hoarding and the others that are necessary yet one just does not need it all the time, such as a car. Idling capacity, as critical mass, is important for the sake that there is enough choice and convenience for the new users to join in and refuse the traditional consumption option (Botsman & Rogers, 2011).

A long way before privatization and the world of ‘the tragedy of the commons’ have the commons existed and nowadays we are starting to re-realize in the digital world that by providing value to the community, we enable our own social value to expand in return (Botsman & Rogers, 2011; Ostrom, 1990). Returning to tribal societies in a digital age has also been claimed from this (Belk, 2007). Then, collaborative consumption is all about how we transfer these principles from the digital world to the real (Botsman & Rogers, 2011).

The requirement for trust is self-explanatory, since collaborative consumption often happened between strangers and there is no traditional intermediary governing the

process. This is highlighted in many occasions, and as Botsman & Rogers (2011) put, most types of collaborative consumption require varying degrees of trust for someone unknown to us, be it that one is sharing a room from one's apartment or a single physical resource such as a drill.

#### **1.4. Theoretical framework**

The framework is a combined view of theories about consumer behavior, particularly sharing, and collaborative consumption; an illustration of it can be seen in Figure 2. It begins from the situation when a consumer has a need/offer and one chooses to engage in collaborative consumption. However, in the decision-point of the engaging lie multiple factors affecting the outcome. Consumers have different kinds of motives and barriers when thinking about what kind of channel they will use and how are they operating. This thesis will focus on that single decision-making point and tries to find out what kind of motives and barriers might exist at that occasion.

As a consumer in need of for example a drill, one has the option to go to a market, buy ownership to a new drill, and that way enter into traditional consumption. So the consumer gains the first-ownership to the product and while one can use it whenever one likes, one has to also carry the burden of the ownership. The burden consists of storing the drill when not needed and paying alone the costs for repairing and maintaining it. That buying process has its own motives and barriers that we likely go through sub-consciously. However, as owning has been so fundamental in our Western culture, one might go through the thinking somewhat quickly. On the other hand, the consumer has options to engage in collaborative consumption by buying ownership for a used drill, got from another consumer, or pay for an access to a drill. Nowadays, services like this usually operate through internet, connecting the needy people to ones that have a possibility to fulfil that need. Yet, also this occasion comes with different kinds of motives and barriers. The consumer might think if one can save money this way or think if it is reasonable, environmentally healthy, or dirty and socially unaccepted due to being used.

On the opposite end, a consumer having an offer, perhaps skills to build a good-looking website in a few hours, who cannot of course throw the acquired skill away concretely but one might always leave the skill unused and, in time, forget it. Yet, one can also take advantage of the skill and begin offering it through online services, such as Sharetribe or TaskRabbit, and either gain benefits out of it (charged fees, accumulating social wealth, or entering into bartering and gaining back needed services from other people) or just offer it from plain joy of sharing and contributing. Alternatively, it might be that one had gained help earlier and wants to pay the aid back to another person – made possible by internet. The consumers, whether needy or having an offer, can then engage in collaborative consumption through three different domains: product-service systems, redistribution markets, and collaborative lifestyles. The first two offer ways to gain access to, or offer, tangible products / services, such as shared using of products, or swapping, through certain online or offline platforms, and the last one is focused more on intangibles and money.

Moreover, collaborative consumption is such a large-scale phenomenon that it will have its impacts in multiple dimensions, economic, environmental and societal. There is much controversy in the background research whether this kind of phenomenon will serve for the greater welfare of the whole planet or is it just a masked form of “neo-capitalistic” nightmare where people tend to be enslaved by the corporations offering only gig services and jobs. Therefore, it is also important to study these effects so a healthy and righteous alternative of the phenomenon is developed, so in this thesis the claims, and the effects itself, are taken under critical investigation.

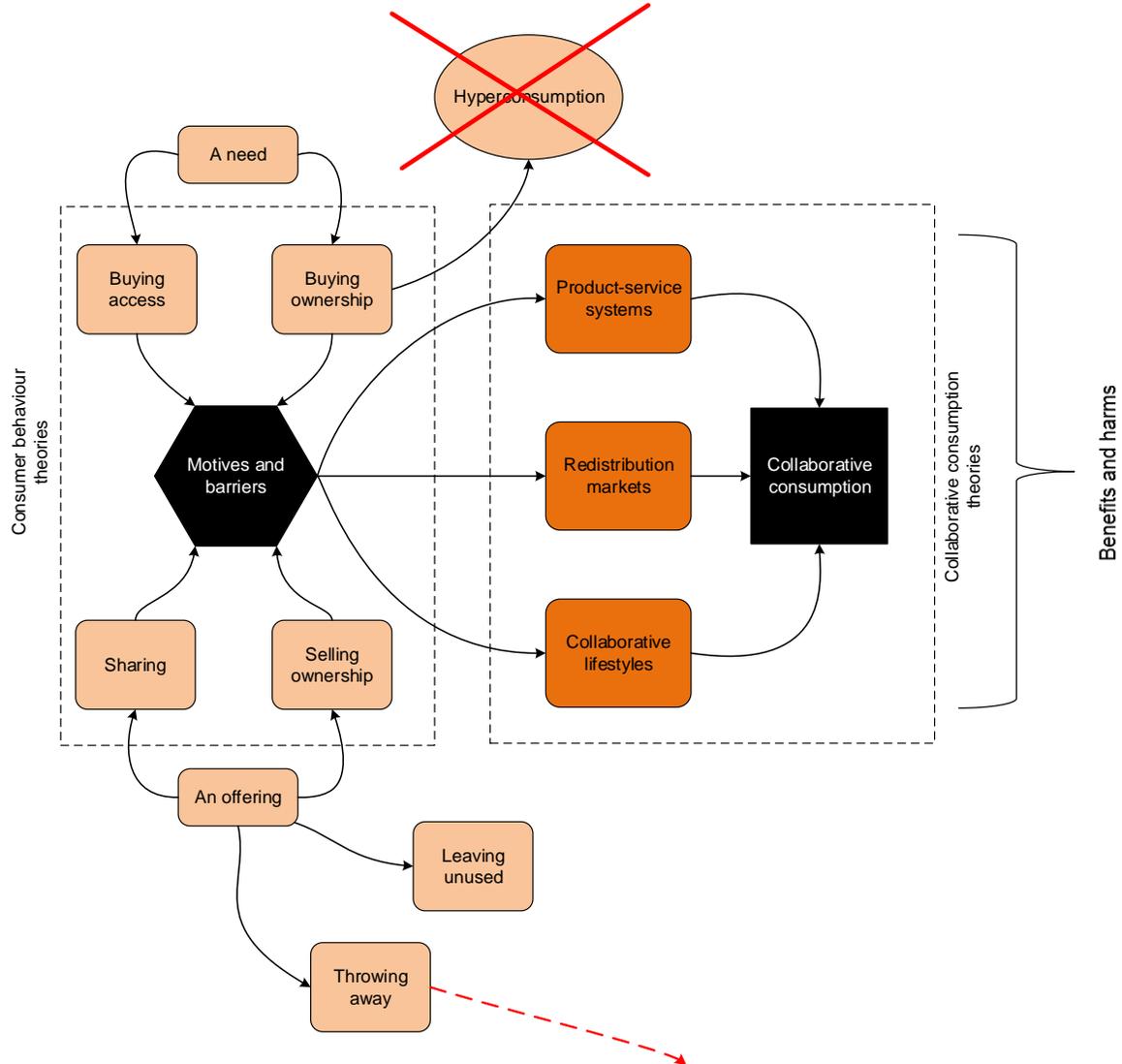


Figure 2: Theoretical framework

## 1.5. Delimitations

This thesis focuses on finding motives and barriers that exist when people engage in collaborative consumption. It aims to analyze a few different types of individual services and activities that are part of the collaborative economy in order to gain at least some level of generalization. Those that became chosen in the end are Airbnb, ride sharing, physical and online flea markets or auctions, and peer-to-peer lending. To be noted, a few characteristics of Finnish manners, for example that certain home

appliances such as refrigerator and oven, and social facilities such as laundry rooms and saunas come with the apartment and are owned by the condominium or the owner of the home definitely affect the attitudes yet might be often considered as self-evident features. Therefore, those kinds of features have to be considered as well. All the other kinds of segments are rendered out of this paper.

The scope is in the consumer-side and therefore, any X-to-Business platforms that exist are excluded. In addition, the traditional Business-to-Consumer services such as car rental are excluded due to their nature of not being a pure sharing but more pseudo-sharing that means that rental services are just masked as sharing activity (Belk, 2014b). Therefore, only such for-profit businesses that offer a platform for consumers to coordinate the acquisition and distribution of a resource freely are included in this paper, so the mode is either pure C-to-C or C-to-B-to-C. In addition, due to the mentioned societal characteristics of Finland, certain non-profit activity such as offering the laundry room will be taken along.

The geographical scope is narrow, including only Finland, which had further limitations on what kinds of services are analyzed. This is since not too many of the activities in collaborative economy exist at the time this paper is written.

## **1.6. Definitions of the key concepts**

Collaborative consumption can be said to be more like a refreshed than a very new idea. Firstly, communities, sharing and trading has likely existed as long as the species of human on this planet (Belk, 2010). In the early phases, we were prey with no such natural features as claws, hard skin, or strength. Therefore, we started to move in packs. Community offers for example protection, ideas, sociality, and the feeling to be part of something and is something that is set into our nature. Moreover, it is likely that we would not even exist in case our ancestors decided to be lone wolves. A key component when living in packs is sharing and indeed we tend to share for functional reasons such as survival as well as out of altruistic motives meant as a convenience,

courtesy, or kindness towards others. Perhaps due to the same fundamental reason of packs, it is more likely that people share within family, close kin, and friends than with total strangers. (Belk, 2014a) Yet, it is the fact that a certain type of “stranger sharing” has emerged (Nadeem, et al., 2015) in the last few years that has ignited the collaborative consumption ideology (Gullstrand Edbring, et al., 2016).

According to Russell Belk (2007), the father and key name of the modern research about sharing, it involves “*the act and process of distributing what is ours to others for their use and/or the act and process of receiving or taking something from others for our use*”. The definition entails that two or more people may enjoy the benefits or costs that flow from possessing a thing and fundamental principles of the ‘thing’ are that it is counted as ‘ours’, is not an involuntary coincidence such as a language, is not contractual renting or leasing, and is not unauthorized use, theft or trespass. Yet, later on, he also states that no precise definition should be made at this early point of research – every concept is as important and all are driving towards the same direction (Belk, 2014a).

Secondly, different streams of research about sharing has been conducted ever since from the 1970s (Belk, 2014a), Felson & Spaeth (1978, p. 614) being the ones coining the term ‘collaborative consumption’. Their definition goes as follows: “events in which one or more persons consume economic goods or services in the process of engaging in joint activities with one or more others”. This definition, however, is a bit different from what today could be counted as collaborative consumption.

Some researchers claim that the Felson & Spaeth’s definition is too wide for it including for instance the fact that people only get together to enjoy for example beer, all paying their drinks separately. This, for example, according to Belk (Belk, 2014a), is only market exchange practiced in a group.

Collaborative consumption tends to be a bit more difficult concept than it seems at first look, due to it having several parallel, cross-framed and therefore, even misunderstood alternatives and definitions. Such alternative concepts include sharing economy, “shareconomy” (a documentary about the phenomenon), access-based consumption (Bardhi & Eckhardt, 2012), co-production, co-creation, and prosumption (Humphreys & Grayson, 2008), anti-consumption, and “the mesh” (Gansky, 2010). With all these, and more, it is inevitable that some kinds of misinterpretations occur. As McArthur (2015) claims, there is no consensus about the classifications of collaborative consumption in the literature, partly due to it being a new concept and covering a wide range of products and services operating with or without commercial intermediaries, and varying in their expectations of reciprocity.

In this thesis, the Belk’s definition of collaborative consumption is chosen because it aligns with the ideology this study follows. According to Belk (2014) collaborative consumption is, “*people coordinating the acquisition and distribution of a resource for a fee or other compensation*”. By choosing these precise terms, Belk includes bartering, trading and swapping, where there is no monetary compensation, into the definition yet excluding activities where there is no compensation at all such as theft or gift giving. Therefore, although having elements of both, collaborative consumption actually lies in between market exchange and sharing (Belk, 2014a). This way, also the term ‘sharing economy’ can be in most cases used as a synonym here. Indeed, as Martin (2016) claimed, for example Botsman & Rogers in their books and studies moved to use the term collaborative consumption to distinguish that from the likes of Airbnb and Uber that are in a way contaminating the previously hyped concept of sharing economy with exploiting loopholes of rigid systems and infrastructures that are slow to follow.

Belk’s definition does not comment non-profit / social activities or voluntary work. Firstly, removing profit making from the core still leaves out multiple customs that are practiced in Finland, such as common laundry rooms and recreational spaces often

offered by the condominium. It is not people coordinated but can be counted as part of Botsman & Rogers' 'product-service systems'. Secondly, according to Finnish Treasury, 40 percent of the population practices voluntary working (Valtiovarainministeriö, 2015) for example through programs offered by churches. The work might be largely gratuitous (except the personal good feeling) but counting it as not part of collaborative economy would be absurd because the work still involves sharing time and aid for the larger good. It even could be the ultimate form of collaborating. This problem, due to the lack of common understanding of the concept collaborative consumption, is also introduced in Richardson (2015). As the three key elements of sharing economy currently are that: 1. the company is paradigmatic in offering an online platform, 2. the activity is peer-to-peer, and 3. it is access-based, leads to second and third aspects rendering out important features. Therefore, usually some kind of combination of the two is supporting the features.

### **1.7. Research methodology**

In this chapter, the chosen research methodology will be briefly covered; a more detailed explanation will be introduced in chapter 3. Firstly, this thesis follows an interpretivist philosophy with ontological subjectivity, which is focused in exploring the subjective meanings motivating the actions of social actors and assuming that social phenomena are created from the perceptions and consequent actions of those social actors concerned with their existence. Axiologically, interpretivism holds that the research is value bound, the researcher is part of what is being researched, and the researcher cannot be separated from the study. (Saunders, et al., 2009)

On the other hand, this thesis involves heuristics meaning that merely a good rather than optimum solution is tried to be found for a difficult problem (Martí & Reinelt, 2011). What it means for this thesis is that heuristics gave a possibility to lend methods and techniques, the actant model and narrative analysis to be accurate, from sociology. Therefore, it is possible to study this phenomenon in the correct manner.

The solution for the given problems is achieved from two ends, from existing background research utilizing consumer behavior theory and conceptual literature about collaborative consumption. For the literature analysis, only high quality, peer-reviewed sources are used when dealing with pure theory and expert opinions and official information when connecting the phenomenon to Finland. Primary data is gathered from six semi-structured in-depth interviews and analyzed using narrative inquiry. After the analysis, the actant model is built. The reason for using narrative analysis and actant model lies in the fact that with those it is able to focus on the interviewee as well as the underlying cultural factors when they make the decision whether or not to participate in collaborative consumption.

Following the mentioned philosophy in this thesis offers the possibility to first of all bring the necessary methods and tools from sociology into a study located in different discipline. Further, as humans are unique and in their stories often is included more than meets the eye, using interpretation and narrative analysis with the actant model, it is possible to explore the emerged issues in a deeper level, as well as see the forces, which are the motives and barriers, ultimately affecting to the actual decision of whether or not to participate into the phenomenon.

## **1.8. Structure of the research**

After the introductory chapters, the thesis will continue with a theoretical analysis. First, an introduction to the phenomena of collaborative consumption and sharing in general are introduced. After that, the recorded motives and barriers for engaging in sharing or straightly in collaborative consumption, gathered from different kinds of studies, are explained. Then, the institution of ownership is so deeply embedded into our Western cultures that it is undergone in its own subchapter. After, the potential effects to economies, societies, and the environment, brought in light in background research are explained. Lastly, the phenomenon is connected to Finland with the help of Hofstede's 6D model.

As the field of the topic is very new, this kind of combination of multiple connected fields of areas and perspectives helped to navigate forward in the topic in order to be able to build the frames for the empirical side of this thesis. For the readers and future researchers that also offers the possibility gain a wider outlook of the phenomenon.

After the literature analysis, the empiric study, its design, and methods are introduced in more depth. Then, the results are introduced so that first come motives, then barriers, and after the actantial model compiling the two. Lastly, with using narrative analysis it was possible to find also more general attitudes, as well as expected harms and benefits that the interviewees had towards the phenomenon.

Lastly, the thesis will be concluded and the managerial and theoretical contributions, as well as the limitations and suggests for future research are given.

## 2. Literature analysis

In this chapter, theories of collaborative consumption and sharing are analyzed further. First, the backgrounds recorded to give a birth to this kinds of activity are introduced, moving on to theories about why and how people tend to share in the first place and what kind of recorded attitudes, motives and barriers towards collaborative consumption and sharing in general exist in the collected previous research. After that, the perspective is taken a step into a more general direction and the possible effects to the society, economy, and environment are presented in a critical light. Lastly, the phenomenon is connected to Finland, which is the focused area in this thesis. The phenomenon is observed through the cultural factors, using Hofstede's 6-D model.

### 2.1. Introduction to collaborative consumption and sharing

Botsman & Rogers (2011) introduce three consumption modes that build collaborative consumption: product-service systems, redistribution markets, and collaborative lifestyles (see also: Lahti & Selosmaa, 2013). The first one, *product-service systems* are activities where the user pays for a license rather than for ownership of the resource. In this one belong all kinds of peer-to-peer shared or rented washing machines, tools, cars, ride services and such. The two key benefits that the user gets are that one does not have to pay for the product outright and therefore, it removes from the burden of ownership. More generally thought, when our relationship with things moves from ownership to use, options to satisfy our needs change and increase. (Botsman & Rogers, 2011) To share like this does not require much effort from the consumers anymore due to the easy and quick access lying in our pockets almost all the time. Indeed, it is decreasing our necessity to own, when we can conveniently just use the resources when we need them and are free from storing it when we do not. (Lahti & Selosmaa, 2013)

In this same category could be put the non-profit offerings of certain firms, such as a condominium-owned toolshed or a laundry room, from which the latter one is an especially common service in Finland. Another point worth noticing is the fact that in the country it is also normal that refrigerators, ovens and as a modern trend, also dish washers and / or washing machines come with a rented apartment, and are usually also left there when one moves out. This will likely have an impact so that one does not think about these appliances as necessary to be consumed or utilized from the markets of collaborative consumption, although especially Botsman & Rogers use the example of a washing machine quite a lot in their book.

*Redistribution markets* cover all kinds of flea and exchange markets, swaps and bartering, being the social networks the ones that enable used or pre-owned goods to be redistributed from where they are not needed to somewhere or someone where they are (Botsman & Rogers, 2011). The benefits that this creates are the savings for single consumers if they accept the fact that the items are not new in the sense that they are the first buyers. In addition, this creates further positive societal and environmental effects because it encourages reusing and reselling old items rather than throwing them away, resulting to that in long-term organizations could see the benefits in producing sustainable and high-quality items that last longer, so it would reduce the waste from unnecessary production (Botsman & Rogers, 2011; Lahti & Selosmaa, 2013).

The last element, *collaborative lifestyles*, is perhaps the most modern outcome of the sharing paradigm. It covers all kinds of activity where people with similar interests group together to share and exchange less tangible assets like time, space, skills, and money (Botsman & Rogers, 2011). Examples include time banks, peer-to-peer lending, and office hubs, or “open offices”. However, this is also the most controversial element, having the possibility to, in worst-case scenario, start evolving collaborative consumption into the wrong direction if for example the traditional labor markets change to certain kinds of gig-work services leading to increased unemployment and

decreased welfare of those unemployed (Martin, 2016). This means that as services such as TaskRabbit are becoming more popular and known, and people start offering multiple skills there, the organizations might start seeking grey workers from there when the legislation is slow to follow the activity.

The three elements together have, for the grief of traditional companies, invaded into many of the daily markets that we use. Nowadays, there is an alternative to getting food, clothing, tools, utensils, toys, cars, furniture and more, and only the imagination seems to be the limit of whatever people make up that can be shared. Following the ideology of this study, only the so-to-say pure forms of collaborative consumption, the peer-to-peer acquired and distributed resources, are counted with the addition of a few non-profit systems such as a free-to-use laundry rooms. Therefore, the organizations are allowed to offer only platforms where the consumers can group together and freely share, operate and exchange according to their willing.

The later generations, born from early 1960s to early 1980s (Generation X) and from early 1980s to early 2000s (Generation Y) (Generation Z was still likely too young to study), seem to favor collaborative economy more than the post-WWII baby boomers (Carbonview Research, 2012; Lahti & Selosmaa, 2013; Gullstrand Edbring, et al., 2016). In addition, collaborative consumption is most familiar to urban and highly educated people, under their 40s, who are open to new things (Lahti & Selosmaa, 2013). However, materialism and the institution of ownership are still buried deep in our Western culture.

### **2.1.1. Where did it come from?**

Collaborative consumption can be said to be a consequence of multiple reasons in the past 20 years. It is not a new phenomenon itself but the ways that it is performed today are showing us possibly even a new paradigm; it is a combination of sempiternal societal values and ways of acting, and the modern ways to communicate made possible by today's technologies (Lahti & Selosmaa, 2013).

The backgrounds pushing people to behave in a more collaborative way can be traced to a few key notions. First, we are currently living in a throwaway culture, which is encouraging us to buy a new product rather than repairing a faulty one (Botsman & Rogers, 2011). This can be seen as a continuously reduced number of for example TV maintenance providers in the past 10 years also in Finland, and as the fact that it often even costs more to repair a product than to buy a new one (Botsman & Rogers, 2011). Moreover, the whole idea of repairing has started to seem like a remnant from the past. Secondly, we are living in an era of hyperconsumption (Botsman & Rogers, 2011) where the difference between life and death of existing companies is usually based on sold goods. Every screen and advertisement in home or in the streets nowadays is manifesting new products, improved products, new trends, as well as offering ways to express our lifestyle to others by acting in a particular way or buying particular brands. In other words, it encourages us to spend and buy more, which leads to that, later on, the two have surely had their effects on the modern phenomenon of hoarding. According to Botsman & Rogers (2011), all this has led to a situation where we have been buying so much that we now need storages to hold everything. An evidence can also be seen in the rising numbers of Pelican Self Storages in Finland. The company started in 2010 (Pelican Self Storage, 2016a) and to date has 13 storages and one that is under construction, with sizes of single rental storage units ranging from 1m<sup>2</sup> to 30m<sup>2</sup> (Pelican Self Storage, 2016b). Needless to say, the area of these storage is becoming significant also in Finland. Moreover, we even tend to store stuff that we do not need at all, not necessarily in external storages but in attics, closets, boxes under bed, or garages. Millions and millions of unused products are just lying there gathering dust.

Lahti & Selosmaa (2013) agree with the reasons given by Botsman & Rogers but take those somewhat further and suggest that there is a cultural shift going on in consumption behavior towards a valuation of access rather than ownership. The world is dematerializing with digital “access-over-ownership” services leading the way. Nowadays it is normal not to buy all the single movies or songs to gather dust in the shelves

but pay a monthly fee in order to have access to millions of songs through Spotify or thousands of movies in Netflix. Yet, they also highlight the importance of technological development that has made new kinds of social networks and C2C marketplaces possible after the beginning of the 2000s (Lahti & Selosmaa, 2013). We now have smart phones with us all the time, and wireless network infrastructures and fast connections to internet exist almost everywhere so we can likely be connected whenever we want or need. In addition, Lahti & Selosmaa (2013) mention that the concern for environmental sustainability has rose and we have become more aware, which is also what the theorists agree on (see: Belk, 2014a; Botsman & Rogers, 2011; Bardhi & Eckhardt, 2012; McArthur, 2015). Lastly, they bring up the latest economic crises that have made people more considerate about what they actually need and how much they are willing to pay. Therefore, likely also the willingness to share and a more efficient use of owned resources and skills has emerged, that is to be able to either share costs, decrease buying, or earning some extra money.

Bardhi & Eckhardt and MacArthur are in line with Lahti & Selosmaa in their publications. According to Bardhi & Eckhardt's (2012) discoveries, consumers are re-examining their consumption habits and realigning their values, as well as the relationship between ownership and well-being. In addition, MacArthur (2015) brings out that a partial explanation for the shift towards renting lies in the global economic crisis as well as the arrival of many collaborative schemes coincided with the dawn of the crisis. The outcome is that it is more affordable to rent than to buy, based only on the amount of usage rather than the overall ownership. Moreover, it is possible to monetize our underused assets through the sharing schemes (McArthur, 2015), highlighted also by other researchers of this topic, which is leading to all kinds of societal, personal and ecological benefits. So seems that the institution of ownership is losing its role in defining our lives.

Concluding, together the uncertainties in the labor markets, the increased acquisition and maintenance costs of ownership over time, and the instability in social relationships, as well as a major cultural shift (Botsman & Rogers, 2011; Lahti & Selosmaa, 2013), have rendered ownership a less feasible and more unsafe consumption mode than it was before (Bardhi & Eckhardt, 2012). Indeed, it is more difficult to make decisions about important and huge investments, such as an owned apartment, when it is not certain that one will keep a stable level of income throughout the paying-back period, or when statistics show that the amount of divorces are rising all the time.

### **2.1.2. What it requires?**

According to Botsman & Rogers (2011), who are researchers and current opinion leaders in collaborative consumption, the phenomenon depends on four principles: critical mass of users, idling capacity of products, belief in the commons, and trust. Critical mass is defined by Rogers (2003) as “the point at which enough individuals in a system have adopted an innovation so that the innovation’s further rate of adoption becomes self-sustaining.” Having a certain amount of users is essential for this kind of activity due to two obvious reasons. On the one hand, there has to be an enough wide category so that that the consumers feel satisfied, and while this is already working in the B2C world, there has to be enough people providing those resources in the C2C schemes. On the other hand, the critical mass works as a “social proof” for late comers, so also others than just the early adopters can cross the psychological barriers that often exist around new behaviors. For such a new way for behaving and organizing activities as collaborative consumption is, this kind of social proof is especially imperative; people generally tend to make decisions based on what others around them are doing so they need to see or experience a large enough population helping with that change. (Botsman & Rogers, 2011)

Idling capacity means all the resources that we do not need all the time, yet are lying in our closets, warehouses, and garages. Similarly, as the necessity of having enough

users in the market, there has to be enough resources for the phenomenon to become a reasonable and convenient alternative for traditional businesses. One very important factor leading to idling capacity can be derived from the ongoing hyperconsumption – the Diderot effect. (Botsman & Rogers, 2011) The effect is named after Denis Diderot, who expressed the disappointment following from buying a new dressing gown and ending up to change the whole decoration little by little. This happens for two reasons, firstly we tend to become to grow an identity with the material we own (decoration is an exceptionally easy way to do so) and then when we change one part by for example, buying a new one, the identity breaks and we begin building a new one. (Diderot, 1875) In other words, when a consumer buys (or is gifted) a new stainless-steel fashion toaster, the rest of the kitchen equipment that are now old and white, starts to look tawdry so the consumer starts replacing them one by one. Then, living the lifestyle of complementing the kitchen the consumer might even start buying bread makers, electronic corkscrews, strawberry slicers and such that one does not likely use more than once but feels like “you never know when you are going to need it” (Botsman & Rogers, 2011). Yet, it is not only superfluous products that are staying idle but also the more necessary resources such as a car, a washing machine, or a lawn mower. Therefore, it is beneficial to share the advantages and the total costs of ownership of these products (Hartl, et al., 2015). Put simply, engaging in collaborative consumption means only increasing the utilization rate products and maximizing the productivity (Botsman & Rogers, 2011).

Already in the ancient Rome, commons existed as *Res publica* ‘the things we set aside for public use such as parks and roads’ and *Res communis* ‘the things common to us all such as air and water’ (Botsman & Rogers, 2011). However, as Garrett Hardin brought in light in his famous article “Tragedy of the commons” in 1968, being rational, and self-interest, consumers seeking to maximize their gains end up depleting the resources of an uncontrolled commons (Hardin, 1968). Yet, as Botsman & Rogers (2011) bring in light, being in line with ideas by Ostrom (1990), we are realizing in the digital world that by providing value to the community, we enable our own

social value to expand in return. We, for example post pictures on Flickr for other people to freely use in non-profit purposes, or expand Wikipedia by writing articles about topics that interest us, so one day we can then find the information we need. In a way, by tapping into our natural urge to be part of a solution or even a movement of people with similar interests, collaborative consumption is tied to how the principles learned from sharing in services such as Web 2.0 are being adopted to other parts of our lives (Botsman & Rogers, 2011). Indeed, in the abovementioned reciprocity lies the fact that collaborative consumption is actually serving the self-interest also emotionally (Gullstrand Edbring, et al., 2016) and keeps growing. If there is no reciprocity, the activity could easily be thought as market exchange and separate from the communal welfare (Belk, 2014b; Gullstrand Edbring, et al., 2016). To be noted, though, in all this digitalism also lies the Achilles' heel of 'digital divide' as not all countries have been able to build such wide infrastructure to support all citizens, and this might create further division in the future (Nadeem, et al., 2015).

Requirement for trust is repeatedly connected to both collaborative consumption and sharing (e.g. Lahti & Selosmaa, 2013; Bardhi & Eckhardt, 2012; Botsman & Rogers, 2011; Gullstrand Edbring, et al., 2016; Carboview Research, 2012; Belk, 2010, 2014), and is likely the most important factor for defining the success of the paradigm shift. As Botsman & Rogers (2011) claim, most types of collaborative consumption require varying degrees of trust for someone unknown to us, be it that one is sharing a room from ones apartment or a single physical item such as a drill. To this date, intermediaries such as retail stores, different kinds of service providers, or banks have mostly functioned between two actors doing business, offering the required trust, but also bridging the gap between production and consumption. Collaborative consumption eliminates these kinds of intermediaries by rather creating platforms through which the right tools and environment for familiarity and trust to be built is offered. (Botsman & Rogers, 2011) Therefore, the trust-building process is shifted from the intermediaries to peers rating other peers according to their past actions. In digital age this is now possible and it is easy to spread the information to community, so bad behavior,

abusing and free riding are more easily gotten rid of while good behavior, openness, and reciprocity are encouraged and rewarded (Botsman & Rogers, 2011).

## **2.2. Why do we share?**

The kind of economic materialism where we tend to build and maintain the *self* through the acquisition and use of products (Shrum, et al., 2013), and therefore share less for we value material over people (Belk, 2010), has not been the fundamental principle of our lives all the time. We are now reclaiming historic values such as meaning and community. We also value leisure time, and want to socialize and be with each other. In addition, there has been a notifiable, growing interest in returning of local marketplaces, for example decorating with second-hand products is a contemporary trend, and people are willing to buy clothes and such from for example flea markets. (Botsman & Rogers, 2011; Lahti & Selosmaa, 2013; Gullstrand Edbring, et al., 2016) Additionally, sharing involves, for the most part, demonstrations that we care for others (Belk, 2010).

The Millennials, especially, have lived alongside internet throughout their existence. Moreover, social networking is likely the most all-encompassing and culturally disruptive development of our time and nowadays even those that are isolated due to geography such as some villages in the countryside, or uniqueness such as a very specific hobby or interest, are able to find likeminded people and connect and share with them (Botsman & Rogers, 2011). Therefore, the rise of Web 2.0 with social medias, networks, and digital sharing – legal or illegal – has been there to define their values and as Botsman & Rogers (2011) put it, “they are coming of age in an increasingly collaborative world”. It is even claimed that concomitantly with the Web 2.0, sharing has perhaps become an “end-in-itself” of our lives as it offers joy of sharing, and communities with sizes that are controllable and filled with like-minded people. (Lahti & Selosmaa, 2013).

However, while the “circle of sharing“, has expanded from the family, close kin and friends to the public and near communities, guided by internet and various local and national organizations (Albinsson & Yasanthi, 2012; Belk, 2007; 2010; 2014a), still, as Belk (2014a) claims, the Westerners mostly favor the closest ones over strangers when we are sharing our resources.

When we share for the sake of shared enjoyment, and to make the recipient part of a pseudo-family and our aggregate self, the sharing is more of inclusive nature and is called *sharing in* (Belk, 2014a; Widlock, 2004). In other words, it extends the circle of people who can enjoy the benefits of the shared resource to for example neighbors, relatives, or anyone who happens to be around at the time of sharing (Widlock, 2004). On the contrary, when sharing is meant to be a one-time act such as giving the directions, or telling the time of a day to a stranger, or involves dividing something between relative strangers it is seen as *sharing out* (Belk, 2014a). Sharing out especially comes into question when thinking about the barriers and motives for a consumer to enter into collaborative consumption, due to it setting the context of the single activity for example, giving a ride or helping to setup a piece of IKEA furniture. Afterwards, the “business partners“, already familiar to each other, could both expand their extended self to cover the newly attained partner and continue to both helping each other and finding new “strangers” whom to expand.

One a more concrete motivation to share is for example utilitarianism – in this case, expanding lifestyle by collaborating with others (Belk, 2010). For example, many teenage girls have a habit of sharing their wardrobes with friends, so together they have a larger variety of clothes (Botsman & Rogers, 2011). Yet, since they likely are already familiar with each other, they may not care as much about hygienic matters, or if some of the clothes are cheaper than others, because they trust and know each other. However, if the same activity happens through an online platform, the perspective tends to change to the users seeing themselves as using their share of the possessions for a time. Therefore, it is more of a ‘sharing out’ activity and the users start

thinking about free riders and over users, as the tragedy of the commons suggests, so what seems like sharing can actually be more like self-interested commodity exchange. (Belk, 2010)

Sharing has to be separated also from “pseudo-sharing”, which means that short-term rental service providers use the vocabulary of sharing to mask the true idea (Belk, 2014a). ZipCar, for example, is like this; it offers smooth and convenient car rental services where the users take the cars from specified spots, use them as they like, and are then able to return those to a more suitable spot. The benefits of the service are that one does not have to own a car but can use one whenever needed, as well as the variability of the cars, so the user can take a different kind of car for different situations to suit looks, occasions and personal tastes. (Bardhi & Eckhardt, 2012) It is not a bad business and does come with good outcomes for the society and environment, let alone economic. Still, it is not sharing and likely does not put an effort in the shift to a more collaborative economy (Belk, 2014b). It actually is more like access-based consumption, studied more in-depth by Fleura Bardhi and Giana M. Eckhardt (see: Bardhi & Eckhardt, 2012) not too far from assumptions of sharing economy and a layman will likely mix it due to it having elements of both collaborative consumption and sharing (Belk, 2014a). Put differently, there is no “people coordinating the acquisition and distribution of a resource” because the company owns the cars and therefore distributes and takes care of them ultimately.

Not being a true sharing activity leads to that users do not feel like they own the resources and cannot identify themselves with the accesses objects. In addition, the use defines the value of the object-self relationship and therefore, norms and governance is seen as a good thing, when the contractual nature of car sharing leads to alienating users from one another resulting to that there is no trust amongst them. (Bardhi & Eckhardt, 2012; Belk, 2014b)

## **2.3. Motives and barriers for engaging in collaborative consumption**

This chapter will deal with the compiled motives and barriers that have been recorded affecting to participating in collaborative consumption or sharing activities – for both the giving and the receiving end. A couple studies in the past has dealt straightly with this issue but some others have had their opinions when thinking about the phenomenon. So first, philosophically, for sharing to exist requires first a feeling of possession, if not ownership, for else we have nothing to share and if ownership allows sharing, feelings of possessiveness and affection towards the goods we own, to the extent the goods are considered part of our extended self (Belk, 1988), discourage it (Belk, 2007). Extended self means all the perceptions of how we see different aspects, our own bodies, other people, things, places, digital resources, and other (virtual) reflection of our identity, as our own or part of our self (Belk, 1988; Belk, 2014c).

### **2.3.1. Motives**

A key notion to be noted here, altering the priority of the motives is that if the exchange is monetized or not affects significantly to the motives: If the platforms are non-commercialized (such as a clothing swap event), the participants seek for contact and reciprocity, the desire to belong to a community, and pro-sustainability. (Gullstrand Edbring, et al., 2016; Belk, 2007; McArthur, 2015) Another huge driving force has been also abstaining from consumption as a political stand (McArthur, 2015) and reducing ecological footprint (Botsman & Rogers, 2011).

On the contrary, when there is money involved in the activity (such as a ride service), the platform is commercial, participants show less interest in reciprocity or responsibility towards others and are more likely following economic interests and convenience (Gullstrand Edbring, et al., 2016; Zvolska, 2015; McArthur, 2015). In those platforms people hold a hunger for new products and variation (Gullstrand Edbring, et al.,

2016), and the lack of trust holds top position when comparing barriers for collaborative consumption (Gullstrand Edbring, et al., 2016; Botsman & Rogers, 2011; Belk, 2014a; 2010; Nadeem, et al., 2015).

Taken to the personal preference level, product attributes are a factor that largely alters the motivation when sharing out and people tend to be more open to share products that lose their initial value after the first use (Botsman & Rogers, 2011; Belk, 2014a; Gullstrand Edbring, et al., 2016; McArthur, 2015). Considering physical attributes, people were for example willing to share do-it-yourself tools more than textiles and kitchen utensils due to both resiliency and hygienic reasons (Gullstrand Edbring, et al., 2016). Similarly, though unclear the mode of the business studied (B2C, C2C or C2B2C?) the study from Gullstrand Edbring et al. (2016) discovered that people have mainly negative attitudes towards access-based consumption (renting, hiring or leasing products) in home furnishing section, and very negative when considering home textiles, beds and kitchens for the same hygienic reasons. To be noted, at the time of Gullstrand Edbring et al.'s study there was almost no research made about collaborative consumption and likely therefore they made a separation between second-hand, access-based, and collaborative consumptions. Yet, in this thesis the two can be counted as part of collaborative consumption, when services and activities lie inside the given limitations, and parallel to what Botsman & Rogers coined as 'redistribution markets' and 'product-service systems', respectively. Therefore, those are part of the same phenomenon and the results could be generalized to cover the whole phenomenon but for the sake of clarity and respect for their results, those will be introduced separately when necessary also in this chapter.

Economic reasons and the perceived utilization rate of resources is another factor. Users tend to think the money savings in both ends, sharing and accepting (Gullstrand Edbring, et al., 2016; Möhlmann, 2015; Botsman & Rogers, 2011; McArthur, 2015; Lahti & Selosmaa, 2013). On the one hand, when sharing, the owner can divide one's total costs of ownership (Botsman & Rogers, 2011; Lahti & Selosmaa,

2013) and on the other, for example according to Gullstrand Edbring et al. (2016), the main motivation (96% of the respondents) for engaging in collaborative consumption was to gain access to products that are rarely used. Additionally, people were more willing to gain access to expensive products but this creates a problem, as those are the kinds of products people are reluctant to 'share out'. When it comes to access-based thinking, people are similarly more willing to rent products that require maintenance or have a shorter life cycle, and therefore being attractive in the long-term, but also temporary products such as party decoration or extra pair of chairs in the short-term (Gullstrand Edbring, et al., 2016).

Linking to the utilization rate, one factor that motivates people engaging into collaborative consumption are the ecological reasons. In their study, Gullstrand Edbring et al. (2016) found out that many of the respondents were agreeing that sharing is good for the environment and access rather than ownership is seen as a reasonable option for example in children's products and furniture, since those are more often changed every now and then. Similar claims have also been thrown by other researchers and public speakers (see: (Bardhi & Eckhardt, 2012; Botsman & Rogers, 2011; Belk, 2007) For example, Belk (2007) brought out that people are at least willing to share in occasions where the resource would otherwise go to waste.

Access to community and increasing social contacting are other important motivating factors brought into light by multiple researchers (see e.g. McArthur, 2015). Socializing reasons are also in that way unique that those can be seen as a catalyst for sharing no matter what the "product" type is (Gullstrand Edbring, et al., 2016) so in here does not matter whether it is a toy, kitchen utensils, knowledge, or skills, people still have motives to socialize with others. Communities in the internet-era can be built quickly and remotely, consisting from like-minded people from all over the world (Gullstrand Edbring, et al., 2016; Belk, 2007) so connecting and talking to people is now easier and more convenient than ever. As told before the general problem here is the size of the community, which has to be controllable for people to feel safe and

trustworthy. Another notion to be made here is also about the profitability of the platform or the activity. As MacArthur (2015) points out, when there is less motive for making profit, these kind of social factors emerge. Using her theme of collaborative gardening as an example, producing on shared soil provided more satisfaction than the food itself and ordinary raw crops were imbued with meanings of socialization and connectivity, identity, authenticity, and hedonic pleasure.

Lastly, in line with what Botsman & Rogers (2011) claimed about the critical mass working as the proof for others to try new things, Owyang et al. (2014) told that personal recommendation is a major motive for engaging in sharing activity.

The perception of reciprocity motivates people to engage in collaborative consumption (Belk, 2007) if the user has for example been in need of help before and someone has been able to provide that help. Yet, moreover, when the barriers have been brought down and the person has already been part of collaborative consumption is the point reciprocity actually becomes more important. This is because actions tend to breed actions (Botsman & Rogers, 2011; Hamari, et al., 2015) and testing and becoming familiar of the phenomenon have increased the degree of the positive attitude of the users (Gullstrand Edbring, et al., 2016). As Belk (2007) puts, we have an urge to share when someone has shared with us earlier though, it does not have to be the same person. As brought up also earlier, nowadays sharing with strangers is easier because internet and networks, as well as for instance intelligent algorithms can connect the offering for the needy one no matter where in the world those parties are located.

### **2.3.2. Barriers**

As has been brought out in multiple occasions, one of the largest, if not the largest, barriers for engaging in collaborative consumption is the desire to own (Gullstrand Edbring, et al., 2016; Belk, 2007; 2010). Whether it is just to own for rational purposes for instance an owned apartment or plain materialism, makes no difference. The study

from Gullstrand Edbring (2016) highlighted this when 94% of their respondents answered that the desire to own was an obstacle for collaborative consumption. Materialists grow feelings of possession and attraction while they define themselves through the products they own, therefore being more anxious to share. Further, if the amount of the products is seen scarce and that one might miss something will mitigate the liability to share. (Belk, 2007) Materialism and the institute of ownership will be dealt more in-depth in the next chapter.

Hand in hand with the desire to own, lack of trust is another crucial barrier for collaborative consumption that has as well been mentioned often in studies about the phenomenon. Belk (Belk, 2007; 2010; 2014a) has been continuously bringing up in his studies about sharing that sharing in, sharing to the people we share our identity with, is more usual than sharing out, sharing to strangers or only one time. According to Gullstrand Edbring (2016) respondents were willing to share with strangers but not if the product had high personal value, and required some kind of structure or contract to cover the sharing process. On the other hand, unfamiliarity and likely mistrust of the services also came out as a barrier since many respondents had difficulty imagining how renting furniture could work in practice, and they saw the whole renting as unnecessary, and possibly too complicated. Botsman & Rogers (2011) claimed that most of the forms of collaborative consumption require varying degrees of trust to strangers, be it that you invite unknown people into your home, or car, or just expect that others do not break your washing machine when using it.

As claimed before, the traditional intermediaries have earlier been the façade of trust for the parties doing business but in collaborative consumption, a great deal of effort is required from the platform providers to offer a similar level of trust by other means. However, this does not come without problems either; Lizzie Richardson (2015) found out that while internet can help in gaining the required trust for a trouble-free participation, simultaneously it might limit or prohibit it. This happens in two occasions: Firstly, when the user is new and has not gathered enough social wealth resulting in

limited credibility, or happens to for example represent different ethnical background while the user in the other end of the production-consumption continuum practices digital discrimination (Edelman & Luca, 2014). Secondly, as the phenomenon is mainly digital, it requires a connection to internet, yet there exists a certain “digital divide” within and between countries in the world (Graham, et al., 2012). Interestingly, it still seems to depend on how one looks this as neither an internet capability nor a smartphone capability affected to the satisfaction experienced when engaged in collaborative consumption or the likelihood to engage again (Möhlmann, 2015). So collaboration has to happen also outside the network infrastructures.

One interesting and important, yet a surprisingly new discovery in theories about collaborative consumption, was that people are concerned about hygiene when thinking of barriers, according to Gullstrand Edbring et al. (2016). People are afraid of the products being dirty or even contaminated with pests and bugs (Bardhi & Eckhardt, 2012) after others have used them, and hygiene was seen as an obstacle in all three categories, especially in kitchen utensils and children’s products.

As Botsman & Rogers (2011) pointed out, one critical element for success of collaborative consumption was idling capacity. Indeed, another very important barrier introduced by Gullstrand Edbring (2016) was the fear of product unavailability. As flexibility was one positive feeling experienced in collaborating, the lack of access to product at any time would naturally totally ruin this setting. Belk (Belk, 2007) took this even further by explaining that this pursuit of individual ownership – the increased amount of battling over IPR’s, prenuptial agreements, and individual credit cards in the near past – as a factor might have the potential to stop this increased sharing of resources.

Anxiety was another recorded barrier in Gullstrand Edbring et al.’s (2016) study. Some of the respondents did not feel safe with using other peoples’ belongings and were uncertain about renting a product if ending up breaking it. People like to own stuff because then they are free from any ties to others and feel that if they break something, they do not face sanctions for it belonging to someone else (Gullstrand

Edbring, et al., 2016). This one issue has to be covered somehow. Yet, it might be more a case of a mindset shift than some external solution for example contracts. In a paper by Bardhi & Eckhardt (2012) that studied a “pseudo-sharing” car rental service ‘ZipCar’ that works perfectly here as an example, was found that contractual nature of car sharing alienated the consumers from one another and, for their surprising, that the users did not regard themselves as part of some community but rather saw the cars as their own. Therefore, resistance existed to for example, clean the car or return belongings others had forgotten into the car during their reservation. There are certain evident difficulties to see how this kind of business would be counted into the same group of businesses that includes for example jointly owned tools in a neighborhood.

Taking the scope to communal level, as the amount of networks sharing resources is ever growing, there are controversies between if there should or should not exist some kind of governance and control in there. According to findings of Hartl, et al. (2015), concerning a within-subject designed study about an imaginary open workshop that can very much be counted as collaborative consumption mode, majority (81,7%) supported the introduction of a governance system. So not only does the people lack trust to others in a B2C mode such as the mentioned ZipCar but also in a C2C mode. Moreover, the study revealed that majority of people would actually engage in collaborative consumption if there exists control in the access and use of goods (Hartl, et al., 2015). The study, although being somewhat black-and-white, brings into light the problem of too large communities, also described in Gullstrand Edbring et al. (2016). So more likely, the size of the group has to be controlled rather than the activity itself. Supporting this, Elinor Ostrom (1990) made discoveries about communities solving the governance problems, occurring as the tragedy of the commons insist, by themselves.

There are small amount people that see for example renting not environmentally sound, since renting usually costs more after a certain level of usage while it does

not have proof of decreasing consumption. In addition, for some people sharing is too impractical and complicated. For example, in the rural areas, the distances are usually so long that people partly have to own many of the needed resources. This is another finding, which has not been reported in previous research. (Gullstrand Edbring, et al., 2016)

In a more general level, collaborative consumption is still activity that has to be practiced outside of traditional legislation and taxation and the collaborators (the producers/consumers) have to be careful not to do anything illegal and therefore, ending up being sanctioned (Lahti & Selosmaa, 2013). Bureaucracy inhibits the engaging on its behalf when it is difficult to get for example insurances for health and products due to operating in grey zones between producing/working/entrepreneurship and recreating (Botsman & Rogers, 2011; Lahti & Selosmaa, 2013). Moreover, collaborative economy requires a total mind shift in the western societies. As Amitai Etzioni explained, a feeling of shared identity with others, be it a group, a community, a neighborhood, a city, a state, a nations, or the whole planet, results in common sense of moral obligation toward them (Etzioni, 1988; Belk, 2007). Belk (2007) took another step by claiming that,

*“In the broadest sense, we all share a common humanity that may provoke sharing with others with whom we can empathize in their time of need. This sense of commonality is especially relevant to those things that can only be owned in common, as is the case with our stewardship of planetary resources”*

### **2.3.3. Ownership as a fundamental institution**

Despite the facts that attitudes have changed in the past few years, internet has stirred up the market, and platforms have made it easy for people to share their assets with others through monetized and non-monetized exchanges, the single largest problem that collaborative consumption has, is that the institution of ownership is so fundamental in our Western culture. (Belk, 2007; Gullstrand Edbring, et al., 2016).

“Ownership has been the normative ideal among modes of consumption based of cultural values about perceived advantages of ownership over access” (Bardhi & Eckhardt, 2012). Take for example ownership of an apartment: It is nested with rites to adulthood and in discussions is tied to choice and freedom (Botsman & Rogers, 2011). A person owning a home is seen as a better type of citizen, neighbor, and even parent while using common-access resources such as a library or public transportation is seen as an inferior, even stigmatized, consumption mode (Ronald, 2008).

A study conducted by Edbring, Lehner & Mont (Gullstrand Edbring, et al., 2016) brings this issue into the light by discovering that in both access-based consumption and collaborative consumption, one of the largest two obstacles was the desire to own (43% of respondents in access-based and 24% in collaborative consumption). Yet, for a consumer it is easier to get familiar with the idea of sharing for example by beginning with sharing goods that lose their value after the first use such as books, movies and games. That is found to be more attractive than sharing something that has high monetary or personal value. (Botsman & Rogers, 2011; Gullstrand Edbring, et al., 2016; Hamari, et al., 2015; Belk, 2010) Again, being self-interest specifies the pace but also that it is beneficial for the person.

Sharing resources means less profit for traditional companies that flourish in times of hyperconsumption. Perhaps even nations will have to change their metrics as the nowadays-popular gross domestic product, which measures the annual production happened inside a nation’s borders, would not be able to sharing into account similarly, should it become a new economic standard (Botsman & Rogers, 2011). Therefore, there is a huge incentive for the traditional companies to prevent this from happening and highlight the value of ownership. Lately, one has been able to notice this in the Finnish media after Uber entered the market with a revolutionary business model, when old taxi companies have used all their power to blackmail the new operator.

If discoveries about disruptive innovations are taken along, the effect is not a new one but follows the same patterns even though collaborative consumption is more of a paradigm than an innovation and this is the common ground in which many of the even contradicting researchers of collaborative consumption agree (Martin, 2016; Belk, 2014a; Botsman & Rogers, 2011). As Belk (2014a) tells, traditional companies are scared of disruption and pressuring municipalities and not too much weight should be put into their claims only. Companies and nations, too, have to evolve with the consumers (Lahti & Selosmaa, 2013), and there is evidence that some already have.

The institution of ownership solidly attached to our lives nowadays has also led to another interesting outcome. It is not just free riding and abusing or cheating that are seen as problems in collaborating with others but also the aversion of indebtedness to others and emphasis of reciprocity in a way that one does not accept anything before one has given something first (Lahti & Selosmaa, 2013; Belk, 2010). This was also brought up by Botsman & Rogers (2011) when one of their interviewee, an organizer of a cloth-swapping event, had told that people were reluctant of taking something totally free and were anticipating that there is some kind of catch, a disservice, behind the deal. Moreover, they had to constantly bring up during the events that everything offered is free for taking and one is not required to bring something if they want to take something, and so people insisted of giving at least something they were carrying in exchange be it candy, a bubble gum, or a lipstick. Despite these being single-events only, there are hints that people are not yet fully able to consider material something that is common rather than something that we own.

#### *Access over ownership*

On the contrary to owning, as the car manufacturer example explained, for example in Richardson (2015) access is more thought to be a means to improve the quality rather than quantity of the engagements with materials. Indeed, it is trying to diminish the quantity by offering better quality for both the product and the lifestyle. Therefore, instead of buying and owning things, the modern consumers rather buy an access to

goods and therefore prefer to pay for the experiences of temporarily accessing them (Bardhi & Eckhardt, 2012). In this kind of world, services such as Netflix and Spotify then bloom for those strip the users from the burden of owning and storing every object in their shelves but let them still enjoy the core idea – the content – wherever and whenever it is wanted. Another example is the ride sharing services, in which the people sharing their cars for the ride are possibly even encouraged to do so with rewards such as exclusive lines or not having to pay road tolls. The possibilities are endless.

With the rise of internet, and the amount of information and knowledge concurrently, societies have increasingly started to value cultural rather than tangible resources (Claro, 2016; Radka, 2011). In other words, people tend to reflect from others and are willing to belong in something, while interacting and sharing with other members of the society. Moreover, nowadays the identity projects are constantly changing (Bardhi, et al., 2012) and people are living kind of in a flux of different identities that evolve both over time and in different networks. Those networks can also easily be numerous due to the growth of connections to the internet. In this kind of a liquidizing modernity where social structures limiting individual choices, institutions guarding repetitions of routines, and patterns of acceptable behaviour are not stable anymore (take for example the growth of hipster and nerd cultures where it is accepted and even rewarded for one to publicly express the characteristics that previously one were possibly ashamed of) and therefore cannot serve as reference for human actions and long-term life strategies (Bauman, 2000; 2007, p. 1). Due to this, on the contrary to the solid emotional, social, and property relations embedding in ownership, nowadays that ownership and attachment to things can be significantly more problematic and rather paying for an access offers the required flexibility, variability and adaptability for the modern liquid consumers and their identities (Bardhi, et al., 2012).

## **2.4. Effects to the economy, society and environment**

Past research has brought up two extreme outcomes of collaborative consumption. On one extreme, it is seen as a “potential pathway to sustainability” (Heinrichs, 2013) – the future’s new, sustainable way of doing business that results to decreasing the consumption of new products while increasing the circulation and utilization of the existing products. On the other extreme, collaborative consumption, (or rather the concept of sharing economy which means the same thing), has been labeled as “neoliberalism on steroids” (Morozov, 2013) or potentially “a nightmarish form of neoliberal capitalism” (Martin, 2016). If this scenario comes reality, both the daily life’s and companies’ single tasks such as ordering food and cleaning, or a coding project and transcribing, are outsourced through different kinds of collaborative platforms and consumers are considered as micro-entrepreneurs lacking all the benefits of an employee while carrying the risk of a self-employer (Martin, 2016; Morozov, 2013; Nadeem, et al., 2015).

### **2.4.1. Benefits**

In this chapter, the recorded benefits from the different, yet connected fields of studies are presented. First the environmental benefits are introduced, then economic, and after societal and cultural.

#### *Environmental*

Collaborative consumption has obvious benefits to the environment. As a direct benefit can be counted the immediate changes to the production amount affected by the changes in demand. Car manufacturing is a good example of this, since they already have lean production systems that follow a “pull” philosophy, so they react to the changes in demand quickly in order to prevent unnecessary waste in the value chain (Hines & Taylor, 2000). Therefore, if the demand is decreased, the production rates drop soon. According to Botsman & Rogers (2011) and Lahti & Selosmaa (2013)

private cars remain unused 90 percent of the time and if the utilization rate could be doubled from 10 to 20 percent with collaboration, in theory we could make all the current driving with half the cars used now. Hence, this leads to half the traffic jams occurring now.

In long-term, the kind of behavior shift from ownership to sharing and access results in lower and more efficient usage of our finite resources when not everything has to be new and the overheated rate of consumption starts to settle down, as well as to higher quality, when the expectations about the life cycle and durability change to more long-term (Heinrichs, 2013). This mind shift then requires companies to produce more durable and long-lasting products leading to higher quality and paying more attention to the mode of production and the origins of the manufactured products. Moreover, the change would shift the consumption away from cheap and disposable products towards more sustainable and in a TCO way cheap products. (Botsman & Rogers, 2011; Lahti & Selosmaa, 2013) Further, in a world of limited resources and increasing population and consumption, sharing will eventually become even essential as the amount of people continues to rise.

### *Economic*

Collaborative consumption enables the efficient use of resources through the high utilization rate, leading to reduced waste and excessive storages when for example products are not bought for the sake of owning them but a single product is circulated with multiple users. Additionally, it offers new business models and sources of potential revenue, attracting both traditional companies, seeking innovations, and new entrepreneurs into the markets, offering something totally new. Therefore, it increases competition, which according to theories of economics, leads to decreasing prices and better quality for the consumers. In a more general way, collaborative consumption diversifies the economy, and offers new jobs as new companies are founded and the traditional ones expand. (Lahti & Selosmaa, 2013)

Clearly, collaborative consumption introduces evidences of a new possibility for Schumpeter's "creative destruction" when a small mutation might turn out as revolutionizing the current economic structures and (Schumpeter, 1994, pp. 81-86), on the other hand an "innovator's dilemma", as companies need to cut potentially from short-term profits in order to preserve an edge in the long-term (Christensen, 1997). Thus, the future of collaborative consumption, and potentially the whole evolution of the future economy depend largely on which element gets the most attention right now. As multiple sources (McArthur, 2015; Martin, 2016) claim, economic opportunity has again begun to shape the discussion, due to the heavy investment funding and the following success of Uber and Airbnb, and should be taken out of the center of the phenomenon.

### *Societal and cultural*

Collaborative consumption activities bring an easy way to enrich the ordinary life of a consumer with social interaction (McArthur, 2015; Belk, 2014a), potentially leading to a more communal way of life (Botsman & Rogers, 2011). Even further, that could lead to growing propensity to considering others and taking care of the common good of the society. Alone, collaborating is the best cure for problems caused by loneliness and feelings of redundancy (Botsman & Rogers, 2011; Lahti & Selosmaa, 2013). Additionally, it supports social and cultural sustainability by inspiring the citizens to become more active in different arenas of societal activity (Bergren Miller, 2015; Botsman & Rogers, 2011). Then, it offers the possibility to try the role of producing simultaneously while being a consumer, bringing for example some extra cash. Increasing communality is both the goal per se and the benefiting feature for the fact that communality increases trust which then makes collaborating easier. (Lahti & Selosmaa, 2013; Botsman & Rogers, 2011)

Collaborative consumption offers a flexible and practical way of life and a possibility to try new and different things and services without exhaustive investments. More generally, it makes consumers more aware, leading to increased ethicality and

providing channels to act ethically. As more noble goals than increasing individual ownership are more pivotal to the present-day youngsters and young adults, those are also essential to take into account when thinking of advancing collaborative consumption in long-term. (Lahti & Selosmaa, 2013; Botsman & Rogers, 2011)

### **2.4.2. Harms**

When thinking of the benefits of collaborative consumption, one must not forget the potential that it might also make everything worse (Lahti & Selosmaa, 2013). At this point, there are controversies about the dominating voice of the successful Airbnb and Uber, from which Uber is not even part of collaborative consumption but more of a gig economy, exploiting the grey areas of the regulation. Being able to keep the dominance might end up turning these kinds of jobs as gig tasks, “employing” people only when necessary (Nadeem, et al., 2015) and earning a couple of dollars here and another five from there – with no guarantee of a steady income. In addition, should similar services where people offer expertise (such as TaskRabbit) gain a similar dominance, offering platforms might turn other even well paid and important jobs as single-task operations. In both cases, the users actually become microentrepreneurs carrying the risks of an entrepreneur, yet losing the benefits of an employee such as health insurances and vacations (Martin, 2016).

While collaborative consumption offers benefits for the environment, those do not come without problems. For example, an equilibrium has to be found between sharing and owning. One end screaming that everything is shareable and the other holding tightly on hyperconsumption leaves the consumer alone to wonder whichever would be good in which occasion. Therefore, there has to be an arrangement on the given requirements, which were critical mass, idling capacity, belief in the commons, and trust, for a successful and healthy collaborative consumption activity. Additionally, the reducing amount of cars do not happen in a vacuum, and people might actually move to some extent from public transportation to a more convenient carpooling or ride

sharing, or spend the saved money in sharing non-environmentally, nullifying the effect (Botsman & Rogers, 2011). The latter is acknowledged as the *rebound effect* – a term from energy industry that means the effect lower costs from increased energy efficiency has on consumer behavior (Herring, 2007) – and covers also examples of accommodation being cheap so people fly more, actually increasing their ecological footprint, or simply that the growing usage of internet requires more technics for it to support that (Botsman & Rogers, 2011). Therefore, studies for example comparing the benefits are needed.

Yet, to be noted as some researchers explain, the point of collaborative economy is not to offer the full subsistence for anybody but rather to provide extra-profits (Lahti & Selosmaa, 2013; Botsman & Rogers, 2011). Likely, it is going to be working alongside the current economic models but just adding the little twist so we would not need to consume so much. One can compare the mentality of dividing costs (shared washing machine) to making profits (microentrepreneurship) (Lahti & Selosmaa, 2013) and it is only logical that if one makes the decision to acquire something for the sole purpose of exploiting the loopholes that one is sanctioned to for example pay taxes and get permissions like a normal service operator in the market. Yet, this might be difficult to get evidences from and that is why more knowledge, coordination, and regulation are needed.

Moreover, it is difficult to imagine that for example due to the rise of collaborative economy, people would only sleep in other people's homes and lacking the luxury element of a hotel with for instance all-inclusive benefits, or that nothing is bought new, or owned, as it might be reasonable to have an own car or home or whatever. On the other hand, perhaps not all resources are not meant to be share, or at least there should exist new ways for doing so, take for instance the before mentioned home textiles (Gullstrand Edbring, et al., 2016). Rather, everyone can find their own best ways for collaborating, be it a neighborly community where everybody knows each other, and commonly take care of the whole commune, or an internet platform

through which a person can offer expertise and knowledge all over the world. That is the reason why the services and activities of collaborative economy have to be so widely spread and available. Therefore, also money and profits has to be removed from the core purposes (Lahti & Selosmaa, 2013; Nadeem, et al., 2015), although profits are a good motivator and preserving the self-interest.

When considering the situation in the world through theories of economics, in the most important problems is not the optimized allocation of the limited resources after all but rather how the available resources can be consumed in the most welfare providing way possible. Unemployment for instance leads to that there is unused capacity in the production line, which then leads to underutilization of homes due to not enough solvent people in the market. Thus, when taken a wide enough perspective, there is actually an abundant amount of idle resources in existence. (Lahti & Selosmaa, 2013)

## **2.5. Collaborative consumption in Finland**

Evidences of collaborative consumption can definitely be seen in Finland, one can find over 40 sharing services – including the two major ones Uber and Airbnb (Peltola, 2016). However, perhaps due to a couple of problems, the phenomenon has not expanded widely and critics have said it even being a bubble growing in southern Helsinki (Peltola, 2016) that includes the center of the city where most of the young and keen future leaders, which have recorded to be most open to the phenomenon, are located. Firstly, Finland is country where the distance to the closest neighbor might be long, as the overall density is only 16 persons per square kilometer. However, 84 percent of the population lives currently in urban areas. (CIA, 2016) Secondly, the overall population is small, which might put its limits when considering critical masses and idle resources in a certain area. Yet, some cultural and structural characteristics exist that might yet drive the phenomenon far.

The status of collaborative consumption in Finland is described and the Finnish culture is analyzed through the Hofstede's 6-D model in order to look for factors affecting to the citizens' propensity for engaging in collaborative consumption. Sweden, Germany, Netherlands, and United States are chosen for comparison in order to get some sense to the level where Finland lies in these categories. Sweden, also being part of the Nordics, has a similar culture with Finland but Finns tend to have their differences in their views of life and the world. Collaborative economy is highly noticed and being developed in Germany and Netherlands, and both are part of Europe, so it is rational to take also those into the analysis. Lastly, United States is a birthplace for many successful collaborative consumption services so the differences might help in analyzing why the same is not happening in Finland. The results of the model can be seen in Figure 3.

According to Hofstede's 6-D model (Hofstede, 2001; Hofstede, et al., 2010) Finland has low power distance, high preference for avoiding uncertainty, and a normative culture, as well as is an individualist and feminine society, and an indulgent nation. Having a low power distance equals decentralized power, equal rights, accessible superiors, and independency. Finland is a politically democratic country, a fundamental characteristics helping setting the stage for sharing, resulting to that it is easier for individuals or small groups to launch their own initiatives (Bergren Miller, 2015). There is no mentionable difference between the compared countries as all belong in the Western culture that tends to favor personal freedom to express. This is also despite the fact that Sweden and Netherlands are constitutional monarchies.

Finland is an individualist and feminine society, which represents the western way of life with a twist of Nordic welfare. Being an individualist society leads to that social framework is loosely knit and individuals are expected to take care of themselves and their immediate families only. On the other hand, in a feminine society, people value equality, solidarity and quality in their working lives, incentives such as free time and flexibility are favored, and the focus is on well-being while status is not shown. When

comparing to the other countries, Finland has the lowest score for being individual and sits in the middle in femininity/masculinity continuum. (Hofstede, 2001; Hofstede, et al., 2010) Albeit the people tend to have high barriers when talking to even the next-door neighbors, let alone strangers, they actually do care about others and their welfare system is the ultimate demonstration of that. According to the Finnish Treasury, almost 40 percent of the population practices voluntary working (Valtiovarainministeriö, 2015). In addition, they possess a spirit of building common good together. In Finnish, this is called *talkoohenki* and a good example is when in autumns the residents in an apartment building are often seen cleaning the yards and playgrounds from leaves and trash voluntarily. There is no monetary compensation but usually the condominium offers food, beverages and a free sauna after the work is done. As Matti Aistrich, Senior Lead in Business Development at Sitra (the Finnish Innovation Fund) explained, “We were an agricultural nation until not that long ago. The agrarian society was always very sharing and circular economy focused” (cited in Bergren Miller, 2015).

When considering uncertainty avoidance and long-term orientation, of the chosen countries Finland ranks as the second highest in the first and second lowest in the latter. Uncertainty avoidance means maintaining rigid codes of belief, behavior, and intolerance of unorthodox behavior and ideas, emotional needs for rules even if the rules never seem to work and resistance against innovations while security is an important element in individual motivation. Moreover, low levels in long-term orientation lead to a strong concern with establishing the absolute truth, great respect for traditions, viewing societal changes with suspicion, a relatively small willingness to save for the future, and a focus on achieving quick results. (Hofstede, 2001; Hofstede, et al., 2010) This seems to be the category where most of the problems lie. “Slow reacting and not exploiting the available possibilities seems to be typical for the Finnish decision-making system. Without a wise regulation exists the concern that sharing economy grows to be a half-grey economy”, crystallizes Anna Kontula, a Finnish MP and participant in the Committee for the Future (Kontula, 2016).

Indeed, in Finland, everything tends to be overregulated nowadays and that is realized by both the regulators and the victims of it. This has led to some ridiculous decisions from the authorities, killing many potential start-ups. Multiple Finnish experts in collaborative consumption have pleaded the government to deregulate, make taxation more convenient while time bank services even tax free, and collaborate with experts and businesses in building a feasible collaborative economy model in Finland (Ahvenlampi, 2015; Harmaala, 2015; Makkonen, 2015). To remove the obstructing factors and help in developing a right kind of collaborative economy, the Finnish Parliament's Committee for the Future has made collaborative consumption one of its key focus areas (Tulevaisuusvaliokunta, 2016). However, correcting this is currently in its infancy so it could take time to see concrete evidences as the officials will understandably require a lot more information about the sharing economy itself, its most advantageous paths of development, and the most suitable ways to organize regulation and taxation for all (Liikenne- ja viestintäministeriö, 2015; 2016a; 2016b; Mäenpää, 2016).

Lastly, in terms of indulgence, Finland ranks as second lowest in the chosen countries which means that the people exhibit a willingness to realize their impulses and desires with regard to enjoying life and having fun but it just happens somewhat more rarely than for example in Sweden. Additionally, according to the results, the people tend not to be pessimists or negative, they value free time, act as they please and spend their money as they want. (Hofstede, 2001; Hofstede, 2001) This fact could especially fuel time banks, which seem to follow the ideology of a pure collaborative economy, when people are able to prioritize different routines in their free time while socializing with each other and building a neighborly commune with the people living in near. For example, having nothing to do right now and therefore taking a task of walking out neighbors' dogs – every task being equally worthy – frees the person from washing dishes and cleaning windows later on.

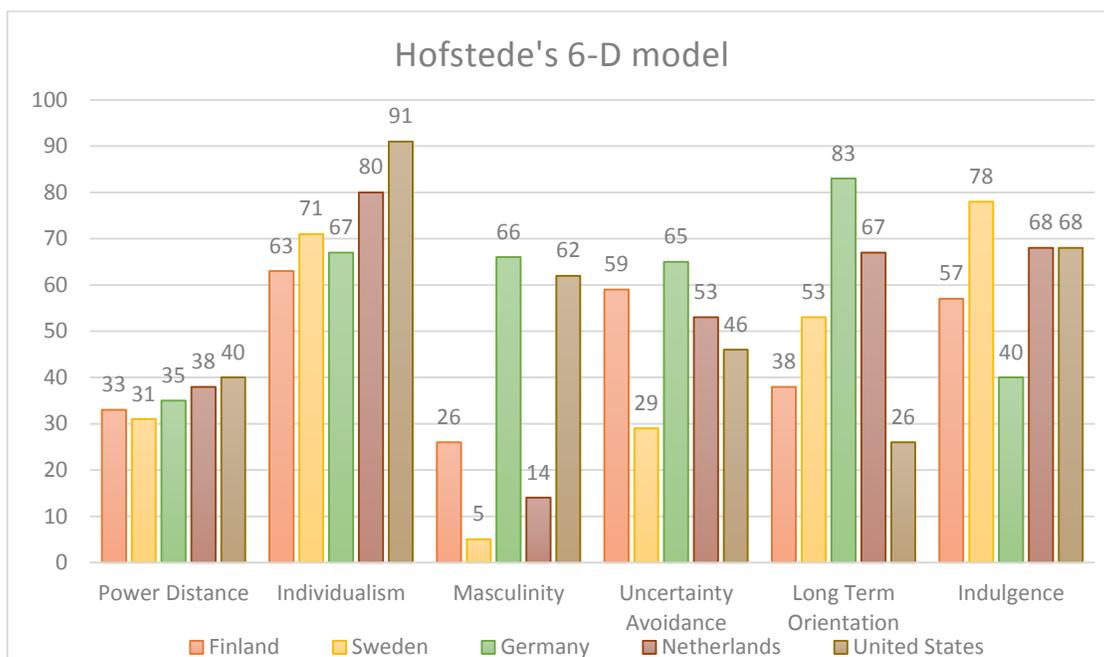


Figure 3: The Hofstede's 6D model (built from Hofstede, 2001; Hofstede, et al., 2010)

Two kinds of characteristics make Finland an especially potential birthplace for a future collaborative economy. Firstly, it is a technologically very advanced country; it was ranked second in the World Economic Forum's Network Readiness Index in 2015, and held the top position in the previous two years. The index measures the ability to leverage information and communication technologies through six principles that cover for example the connectedness, innovativeness, and how the government sees the importance of technologies. (Dutta, et al., 2015) In addition, Finland has a mobile data network that practically covers the whole country (DNA, 2016; Elisa, 2016; TeliaSonera Finland, 2016). Therefore, everyone has the possibility to be connected to the internet regardless of the location at any point.

Secondly, the country has traditionally been a one where trust is appreciated; the people trust in institutions, the infrastructure and in each other (Blomqvist, 2014). According to the latest Eurobarometers (that study the European citizens' opinions about different matters biannually), Finns tend to trust more into their government, parliament, regional and local authorities, political parties, the army, the police, and the legal system than the what is average in the European Union. In fact, Finland

mostly positions in the top two positions when regarding trust. (TNS opinion & social, 2015a; 2015b) A global, honesty-measuring “lost wallet” social experiment conducted by Reader’s Digest ranked Helsinki as the most honest city in the world, as 11 out of 12 wallets were returned (Reader's Digest, 2013). Additionally, the country has continuously kept the top positions in Transparency International’s Corruption Perceptions Index that keeps track of the overall level of corruption in the countries of the world (Transparency International, 2016).

### 3. Research philosophy

In this chapter, the philosophical approaches, as well as choices for methodology, strategies, and techniques used in this thesis, are explained. The chapter follows the research onion, which is illustrated in Figure 4, when undergoing the design.

As the philosophy, this thesis adopts *interpretivism*, which sets the frames to the further layers. Interpretivism comes a suitable option when the researcher is more concerned into subjective meanings than providing law-like generalizations (Saunders & Tosey, 2012), as it explores the subjective meaning motivating the actions of social actors in order for the researcher to be able to understand these actions (Saunders, et al., 2009). The philosophy studies social phenomena in their natural environment and focuses upon conducting research amongst people rather than upon objects, adopting an empathetic position to understand their social world and the meaning they give to it from their point of view (Saunders & Tosey, 2012). Moreover, interpretivism entails that the researcher understands differences between humans in their role as social actors, so accordance with their set of meanings; similarly, to how we all interpret our everyday social roles in accordance with the meanings we give to these roles. Furthermore, as the heritage of interpretivism comes from the traditions of *phenomenology* and *symbolic interactionism* means that we are in continual process of interpreting the social world around us by interpreting the actions of others with whom we interact and this interpretation leads to adjustment of our own meaning and actions. Then we try to make sense out of world through these single interpretations. (Saunders, et al., 2009)

Interpretivism is an obvious choice for a thesis like this, since it straightly is focused on studying the subjective assumptions people have towards a phenomenon, such as collaborative consumption. Moreover, it is suitable when trying to find motives. Take for example the person looking for a way to get to work in a way that is the cheapest yet most convenient. That person, being rational, perceives different op-

tions for the trip, according to one's situation and worldview – one likely thinks economic, societal, and / or ecological factors of the decision. Then, those assumptions likely affect to which kind of option (be it bus, owned car, shared car or a ride sharing service) one engages in and the nature of their social interaction with others. Along with interacting the environment, one also tries to make sense of it through their interpretations of events and the meanings they draw from the events.

When considering ontological questioning, which is concerned about the nature of reality and the assumptions researchers have about the way the world operates as well as the commitment held to particular views (Saunders, et al., 2009), and following the logic of interpretivism, this thesis adopts *subjectivism*. Subjectivism holds that social phenomena are created from the perceptions and consequent actions of those social actors concerned with their existence. Those perceptions also might change in time (Saunders, et al., 2009).

This thesis searches the motives and barriers for engaging, so the user seeks information for example about the service and the user in the other end by the used service. Therefore, the assumptions of the phenomenon alter as for example regulation, past experiences, and the features of the platform change in time. There are no “set” structures for collaborative consumption but at least in the current state the users operate freely through the platforms and create the single events by the expectations and interaction for each of the events – in other words the users “are” the collaborative economy.

Axiologically, which studies judgements about value, interpretivism holds that the research is value bound, the researcher is part of what is being researched, and the researcher cannot be separated from the study (Saunders, et al., 2009).

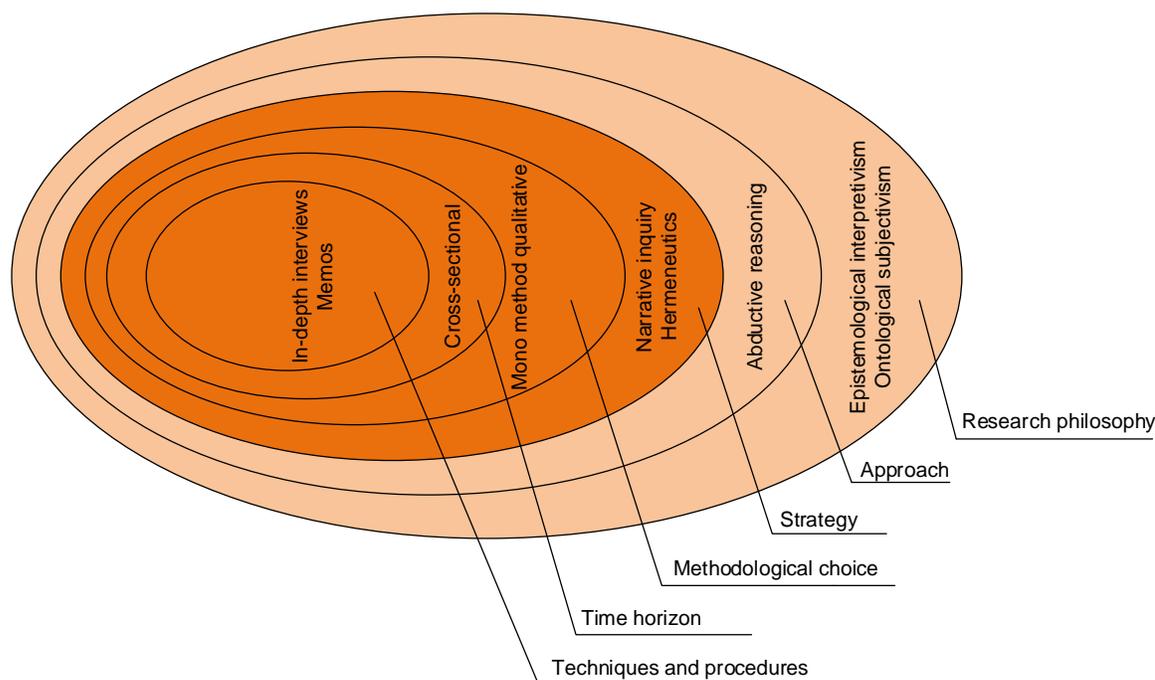


Figure 4: The research onion (modified from Saunders, et al., 2009; Saunders & Tosey, 2012)

### 3.1. Research design

The thesis uses heuristics and is conducted involving mono method qualitative design and an abductive reasoning approach.

Heuristic methods, opposing to exact methods that guarantee to result in an optimum solution of the problem, only attempt to yield a good, yet not necessarily optimum solution to a difficult problem. Nevertheless, finding an optimum solution to a difficult problem with an exact method – if case it even exists – and is a lot more consuming than the heuristic one. (Martí & Reinelt, 2011) For this thesis, heuristics was chosen for two reasons. First, the topic and especially the focus partly lie in a different academic field than where the author is located so with using heuristics, it is possible to utilize the necessary tools and techniques from sociology so the results could be interpreted with a certain level of depth and a more correct perspective. Secondly, the context of collaborative consumption is so new with only initial theories existing, and while there are no deeply stationed structures about how to perform a study such as

this, it is necessary to use the available options to navigate further. As Aristotle has described, a heuristic procedure is finding premises to solve problems (Cellucci, 2015)

According to the SAGE encyclopedia of social sciences, abduction is used to make logical inferences about the world (Given, 2008). As Dubois & Gadde (2002) explain, it is a mixture of inductive and deductive approaches, “a continuous interplay between theory and empirical observation”. In other words, it is reasoning toward meaning, combining the theory and the observations with the goal of reaching for interpreting of something specific (Seale, et al., 2007). Reasoning to meaning leads to extending the field of plausible explanations and giving one the possibility to see things that one might otherwise miss by staying with “tried-and-true explanations”, as well as offering a great promise as a potential primary mode of reasoning. It has also been referred as “reasoning to the best explanation”. (Given, 2008). Therefore, it is a very suitable approach when studying a new phenomenon (Dubois & Gadde, 2002) such as collaborative consumption. Additionally, Magnani (2015) claimed that abductive inference is the only framework where one can grasp correctly and usefully the cognitive status of heuristics.

In this thesis, as the topic is new, abduction was the most logical choice as it enabled the author to conduct a literature review from which the framework was built, and, relying on that, conduct an empirical study in order to build new theory.

### **3.2. Methods for data collection and analysis**

In this chapter, the data collection and analysis methods are introduced. As this thesis uses abductive reasoning, there is a certain level of both deductive and inductive reasoning involved. Therefore, the solutions are sought from two ends: existing background research that works as the basis of the empirical study, and those empirical findings gathered from in-depth interviews, using narrative analysis.

### *Secondary data*

A theoretical literature analysis is conducted using consumer theory, which is then reflected to the phenomenon of collaborative consumption. Especially, the focus is on theories about sharing, conducted majorly by Russell Belk. In order to avoid too differing and unverified claims in the scientific theory, the credibility of every single source is inspected using the Scientific Journal Ranking by Scimago Lab (see SCImago Journal & Country Rank, 2016). Only sources that belong into the highest two quartiles both currently and in the past few years, are accepted for this paper. Yet, most sources belong into the highest quartile. Included articles come from for example Journal of Consumer Research, Journal of Business Research, and Journal of Cleaner Production.

Literature about the phenomenon is gathered especially from books by Rachel Botsman and Roo Rogers who are researchers and current opinion leaders in the topic, and Vesa-Matti Lahti and Jenni Selosmaa who are the Finnish experts in this field, actively trying to raise conversation and building an effective infrastructure to support the development of the phenomenon in Finland. Alternatively, research papers are used with the same criteria as with the scientific theory. Lastly, when attaching the topic to Finnish economy, blogs, discussions, news articles, and opinions and information provided by the Finnish officials are forced to be used. This is, because collaborative consumption is still in its infancy in Finland and there exists next to none scientifically validated papers whatsoever about the topic.

### *Primary data*

Qualitative research has a long history in the human disciplines (Denzin & Lincoln, 2005). In sciences that study the human as something else than a biological phenomenon, the researcher and the object belong into the same human's world, where everything consists of meanings that people give or have given for different event and phenomena. Qualitative methods, then, are used because both the studied meanings

and the tendency of intertwining into the meanings appear as qualities that people, the actions of the people and the phenomena of the culture have. (Varto, 2005) A qualitative research method fits especially well when:

1. One is interested in detailed structures rather than their sweeping division
2. One is interested in the structures of meaning of the single factors involved certain events
3. One is willing to study natural occasions that cannot be organized as an experiment or where one cannot even closely control all of the affecting factors
4. One is willing to get information about causal relationships pertaining to certain events, and a possibility to study with an experiment does not exist. (Metsämuuronen, 2006)

The empirical data is collected through six semi-structured in-depth interviews (summarized in Table 1) organized in March 2016, which makes this study also *cross-sectional* because it is set at a particular time (Saunders & Tosey, 2012). It was made sure that every mode of consumption will have at least one interviewee so invitations were sent to multiple locations. Interviewees were sought from the author's own networks using hashtags '#jakamistalous, #yhteisötalous, and #kaikkijakoon' for maximum visibility, Facebook groups targeted for people interested in the phenomenon, and directly approached key persons operating in the field of collaborative consumption. The total reach of the invitation was likely a couple thousand people. As 'redistribution markets' already has a solid position in the consumers' mind, more people was tried to be found especially for the newer and more unknown modes 'product-service systems and collaborative lifestyles'. In the end, six interviewees from a total of 12 that were interested, was chosen as their history with used collaborative consumption services were eligible with the frames set for this thesis, so included the fact that the platform only works as a mediator for the consumers to freely operate with each other.

Short pre-interviews are sent for the possible respondents in order to find out the fit of the mode of engagement (the used service) and to tackle wrong assumptions early enough. In addition, the questions are sent to the respondents for them to be able to prepare for the actual interview session. During the interview, the interviewer gathered a memo to record important elements that could be forgotten quickly after the session. All the interviews were recorded with the permissions of the interviewees and transcribed, as soon as possible after every interview, for the actual analysis.

*Table 1: The interviewees*

	<b>Gen-der</b>	<b>Age</b>	<b>Occupation</b>	<b>Mode of engagement</b>
<b>Subject1</b>	Female	25	Entrepreneur	Product-service systems
<b>Subject2</b>	Male	27	Student	Product-service systems / Redisribution markets
<b>Subject3</b>	Female	26	Student	Product-service systems / Redisribution markets
<b>Subject4</b>	Female	26	Employed	Redistribution markets
<b>Subject5</b>	Female	22	Unemployed	Redistribution markets
<b>Subject6</b>	Male	26	Student	Collaborative lifestyle

Following the choice of focusing into quality, interviewing is a good method for example when one is willing to interpret the questions or clarify questions, when intimate or emotional aspects are studied, when one is mapping the studied area, and describing examples are wanted (Metsämuuronen, 2006). Interviews also make it possible to focus into the narrative in more depth while still being able to hear for example multiple reasons for a certain behavior in a short time. Lastly, while this kind of study could have been conducted using quantitative methods for example, a survey has set and leading options while an interview enables the respondent to prioritize and explain the opinions more thoroughly.

Narrative analysis is used to analyze the data and with this kind of analysis is meant a family of analytic methods for interpreting texts that have in common a storied form. In this thesis, the definition of narrative analysis in psychology and sociology is used and according to it, personal narrative encompasses long sections of talk – extended

accounts of lives in context that develop over the course of single or multiple interviews or therapeutic conversations. (Given, 2008) In this case, only one interview is arranged per interviewee.

Every interview is then analyzed as single factors, yet building towards a single story with the help of the actantial model (explained further in chapter 4.3.). In these stories, the events are connected by the speaker to a sequence that is consequential for later action and for the meanings listeners are supposed to take away from the story (Given, 2008). In addition, this kind of analysis enables taking also the cultural and habitual characteristics into the picture, especially for building the actantial model. Overall, narrative inquiry is very suitable when analyzing experiences (Given, 2008).

### **3.3. Validity**

This thesis achieved *methodological triangulation* (Guba & Lincoln, 1982) from using different sources for empiric data – memos and recorded sessions. However, as humans are creatures with the ability to reason, and a single setting being usually unique, getting the same results with replication is nearly impossible, even if the objects were the same. Indeed, in time, there will likely be differences in both the perceived motives and barriers and the priority of those. In addition, external circumstances such as mood, a single point of time, social, economic, and environmental changes, and uncontrolled events will likely affect to the perceived motives, barriers, attitudes, benefits and harms. Therefore, more generalized results can be found using quantitative methodology, covering a wide enough population.

## 4. Results

In this chapter, the empirical results will be presented. In general, as this was a qualitative study, the explanations came purely from the minds of the observed subjects so the level of any kind of leading is minimalized. The results partly followed recordings in the background research while also gave new insight about how it is perceived to engage in collaborative consumption in the context of Finland. As the interviews were arranged in Finnish, the translations are included in the appendices. The chapter is divided so that first motives will be explained, then barriers and after that the actantial model will be introduced. Lastly, a brief discussion about the attitudes that people have towards the phenomenon, will be dealt.

Sensitivity of the *collaborative lifestyle* mode was surprising, and only one person was willing to be interviewed. Likely, the reason is that into this mode belong most the services and activities (such as peer-to-peer lending and time banks) that, at least in Finland are thought operating currently in the greyer or contested area. There has been an ongoing discussion and, while solutions are tried to be found, the tax officials even made propensity-hindering decisions, when they proclaimed using time banks as entrepreneurship (Verohallinto, 2013).

### 4.1. Motives

The main motive for all the interviewees regardless of the mode of collaborative consumption was economic. This was also evident in both ends of the consumer-producer continuum. In other words, people tend to seek savings when they act as a consumer, for example going to another person's home via Airbnb, or a flea market, and either cost sharing or even profiting as "producers" when they offer their homes in Airbnb, or peer-to-peer loans to others. In addition, economic reasons drive people in different life situations, as the respondents represented students, employed and unemployed people, and entrepreneurs.

Anti-consumerism and anti-materialism were also evident in both *product-service systems* and *redistribution markets*, in where it makes sense. As one interviewee crystallized, "*It [owning] is a nuisance. A terrible nuisance*" (Subject1, 2016). It would be difficult to imagine how these kinds of values would be attached to activities and services in *collaborative lifestyles* where intangible resources and money is exchanged. This finding is in line with what has been claimed about the Y generations, since all of the respondents belonged into it. In addition, as one breaks the barriers that are there when thinking something is one's own, and perhaps even grows fond of the item, hindering the willing for sharing, one actually could expand the attitude towards those items. Furthermore, this might work as a complete overhaul in how one thinks about material and ownership. One could for example start seeing what is "my" as "ours", and find new ways to utilize and exploit the owned items.

Lastly, when first considering the economic benefits, expanding lifestyle actually goes hand-in-hand with it and was recorded as a motive for taking part in product-service systems and redistribution markets. With the help of collaborative consumption, people are able to try, do, and experience things that would otherwise be economically difficult or even impossible. Indeed, one interviewee straightly explained, "*I would not have had enough money to go to the Helsinki Metropolitan area that often to see my parents and my friends if I had to always take a train. Perhaps, many of the trips would not have been made at all*" (Subject2, 2016). Although, what can be counted as rebound effects when people start to travel more due to it being more affordable, for instance Airbnb offers a new potential for people: "*gee, this cool thing was that we get to go on a holiday trip while getting to break even, and then, in my opinion, it was a very tempting thought that one can earn while on a holiday... ..gee, if one can travel for free like this, what could be better*" (Subject1, 2016), crystallized another. Additionally, one interviewee had taken part in cloth swapping, even though on this occasion it happened between friends.

### *Product-service systems*

When it comes to the level of single modes, there were some differences of how people saw what motivated them for the engagement. In product-service systems, firstly, the excitement of newness and something different drove people into trying the services. This is somewhat logical since, as the whole phenomenon is still very new, also this category is where the most known new services, such as Airbnb, lie. Then, the early adopters typically have a certain level of courage, foolhardiness and even a quest for excitements as natural characteristics. After enough evidence exists, the more comfortability seeking users could start thinking of taking part as well. This seemed to hold truth also in the subjects of this study, "...it is all about the experiences and I, too, am more or less a kind of an 'excitement-junkie'; the more that happens in life, the cooler" (Subject1, 2016), claimed one interviewee, and "but I do not know like... excited, excited, as in a positive way" (Subject3, 2016), said another. Hence, when earlier people were excited to buy new physical items out of plain newness and excitement, nowadays they can channel that same excitement into services and sharing, or accepting, other people's things.

Word-of-mouth evidently helped in making the decision in this mode as two out of three interviewees in this mode told that they either have encouraged their friends to use a service such as Airbnb, or that friends have encouraged the interviewee to try it. The platforms also try to encourage this by offering decent compensations, such as 100 euro's worth of Airbnb nights, when friends are invited to use the service and, moreover, when encouraged to offer their apartments for rental.

Another motive was the social interaction and new people that one gets the chance to meet, as well as the possibility to try their way of living. As one interviewee mentioned, the phenomenon offers many new ways to get to meet new people and furthermore, that the people already likely share a similar mindset with each other, so they could get along more easily and share similar opinion and interests in general. Again, back to the experiences, "*the second [motive] is for sure the people you meet*

*because they already share the same mindset so the chance to meet like some really super person is so high. I do not mean that one necessarily finds true lifetime friends but indeed it is again one of the experiences”* (Subject1, 2016), claimed the interviewee.

The increase in social interaction partly leads to the last discovered motive for taking part especially in the product-service systems, which was altruism. Belk brought up in his studies that sometimes the simplest answer is the correct one, as, yet perhaps being a rare characteristic, true altruism could be a motivator for engaging in sharing. *“Then there was like maybe a personal growth, when thought afterwards, that I want to believe in the goodness of other people and I want to trust that these things work”* and *“as I have learned, people really are altruists, they are good people. Of course there will always be the ‘rotten egg’ somewhere, there always a reason for doubt but if you get past that thought, life actually becomes cooler, more unrestricted and everything...”* (Subject1, 2016), claimed one of the interviewees. From the claims, one can interpret that probably the first contact point for the engagement is not yet motivated by altruism but it definitely grows along the positive experiences of the services. This makes more sense in Finland, since as was discussed previously in chapter 2.5., the level of trust is very high in Finland, which likely breeds this kind of attitudes and thought about other people. As one keeps getting positive experiences about the reliability of other people, one is already able to hold a certain level of trust in another person when meeting that one the first time. Therefore, this kind of social phenomenon could actually flourish in a Nordic culture with more feminine characteristics.

### *Redistribution markets*

Additional to economic and ideological reasons, two out of the three interviewees that had visited a physical flea market felt that the atmosphere there was a motive for taking part into the phenomenon. Flea markets can often be visualized as happy and cheerful arenas in which the air is filled with noise from the continuous talking and perhaps yelling children. *“The sellers are in a good mood when they get clear money*

*while getting rid of junk, and when you browse there you are happy if you find a cheap pair of some shoes and, I do not know, it certainly is a kind of a win-win situation”* (Subject3, 2016), told one interviewee. However, it was also mentioned that the atmosphere could easily be ruined if the flea market grows too large. Clearly, this does not affect to online markets and auctions, and the only recorded motives for using those are cheaper prices on one end, and getting rid of old and unused items on the other

Another recorded motive for taking part into redistribution markets is the feeling that comes from hunting, bargaining and closing a deal, as one could be able to make good and unique discoveries in a flea market. Even the word *treasury* was used to describe a flea market. *“Those [items] are unique, as in a way that those are not produced anymore and are old, and if I find something that is intact and make a good deal, I get a good feeling”* (Subject4, 2016), crystallized one interviewee. Moreover, sometimes one is even forced to seek an item from aftermarkets, as those might not be available in stores.

Lastly, redistributing the old and unused items rather than disposing them was seen as a motive for taking part into online or offline redistribution markets as a seller, according to everyone that had tried it. Even the aforementioned anti-materialism is evident in this mode, since, as was brought up in almost every interview, people feel like they have gathered excessive material in time and are willing to get rid of it now. Moreover, it is seen as mindless to throw away an item that one does not need but is still in enough good condition that someone could benefit or make use out of it – one could even earn some money from the items. Therefore, exploiting redistribution markets is also a self-interest act. *“...clothes, and of course other items in general, when those are still usable it is pointless to throw those in trash, and, used stuff, you get money from it. As a student, money is always welcomed”* (Subject3, 2016), told one interviewee. Additionally, one interviewee made a point when one said that one had

bought a pack of decorative ribbon and only needed a small part of it while the rest was left unused, which then created another push for people to share even more.

As has been brought up multiple times in multiple sources, people are nowadays more ecologically aware and shifting from the throwaway culture to a more environmentally conscious behavior. This was also evident in the interviews for this thesis, when every interviewee had friends that regularly use redistribution markets when buying something. In addition, the whole concept is already so established that it is often considered as something normal and of what people have had experiences about already as soon as when being a child. Therefore, for example word-of-mouth tends not to increase the propensity anymore.

#### *Collaborative lifestyle*

The only recorded motive in this mode was economic. Furthermore, as the researched mode was peer-to-peer lending, profit seeking and risk diversifying were the reasons for the engagement. *“Purely out of economic reasons. I got interested as I noted that from the share markets one cannot get enough profits and searched for alternative options. Then I was able to find some data that I could analyze from internet, and after those analyses I participated”* (Subject5, 2016), explained the interviewee.

## **4.2. Barriers**

A more general barrier that was present in both product-service systems and redistribution markets was the amount of extra, even painful, effort and the hassle that arise from multiple sources when using collaborative services. This is the current unfortunate outcome of the phenomenon still being in its infancy.

As it was already discussed in the background research, the removal of the traditional intermediaries in collaborative consumption leaves a vacuum for the platforms to fill.

The platforms may, and usually do, offer information that seeks to help the users when they make their decisions about what will they do and with whom will they do it. Yet, the actual extra effort tends to always fall onto the shoulders of the users. As one interviewee said, *“in my opinion, collaborative economy [services] require more effort and time. Commercial services are usually organized so that you kind of pay for the serving to run smoothly and effortlessly. In my opinion, there exists an opposition in that collaborative economy [service] is cheaper but requires more effort and time whereas commercial services are more expensive but one gets off more easily”* (Subject2, 2016). According to the same interviewee, the extra effort meant that one has to for example do some research in the other person’s background, and that starts to sound more like what businesses have to go through when engaging into negotiations. Additionally, if one is searching for something specific, it takes time to browse all kinds of flea markets when no catalogs usually exist.

Another source for efforts, especially in product-service systems lies in the fact that, as was also mentioned in the previous paragraph, when you for example stay in a hotel, you pay for the organizing, cleaning and perhaps even cooking. These all are the background work that makes the service something special, yet possibly unnoticeable until one decides to use Airbnb. With the cheaper price comes the extra “responsibility” to keep the spaces extra clean and cooking the meals. It is not easier in the other end of the spectrum, the offeror must either keep the home super clean, or hire a cleaner, and go through steps such as key handling, explaining the rules, staying alert for problems, and perhaps doing a check-up. One interviewee had thought of putting own apartment in Airbnb for when leaving to summer vacation but then decided not to because one thought that one should be physically near in order to answer to all the needs of the process. At least there should be someone to do that. In ride sharing, on the other hand, one often does not get near the planned destination but has to continue with using for example public transit. Moreover, as this is often a socially driven phenomenon, sometimes there is no intermediary at all to help when

something goes wrong or there is a fault somewhere. These problems are something that companies try to seek solutions to.

### *Product-service systems*

Lack of trust rose as a barrier for participating in product-service systems, especially in the first contact to the phenomenon. *“In the beginning, I was super careful and we hid like everything, and we even almost went to see with our own keys that everything is still in order during the staying”* (Subject1, 2016), laughed one interviewee. In addition, the ever-existing need for searching enough information about others is a result from lack of trust in them, leading to the aforementioned efforts. Yet, after the initial trial one could experience a total mind shift, *“in the end, it is a change in the mindset towards everything that you do, the trust between people, so I feel that everything is better for me now”*, claimed the interviewee after. Once collaborating becomes a routine, this gets easier as well. Later on, the interviewee even ended up founding a business under the label of collaborative economy.

Lastly, connecting to the previous, the platform itself might become a barrier for the participation. Firstly, the platform must be easy to use and provide the best possible service for the users while trying to minimize their risks. *“For example, as a service provider, the most important thing is that the first experience is, it is like five stars, and it is easy. It straightly determines the continuity, the users will not come back if the experience is poor”* (Subject1, 2016), brought up one interviewee. Multiple services, for example Airbnb, tend to not take much of the responsibility on them but they try to offer as much information about the users for other users as possible, it even seemed to be their initial strategy as, according to the interviewee, in the beginning the platform was otherwise scrubby, the rating system already worked. In addition, Airbnb does not have a working customer service, which might repel some people from using it. Another interviewee admitted that one would not use a product-system service if it was *“unsafe and if cases of exploitation occur”*.

Secondly, the reputation of the service should be in order for if the propensity is to be increased. This also covers the fact that while they cannot possibly choose their customers they still should somehow control the public image in case some negative light comes from a certain user group taking the service as its own. Indeed, one interviewee said, *“if it could have been put in the media that it is somehow a shady business, criminals use it or it is marked by a certain group”* (Subject1, 2016). For example, recently in Sweden it was brought into the light by the police that most of Stockholm’s prostitution happens in apartments offered through Airbnb (MTV Uutiset, 2016). Additionally, if there is an ongoing discussion about the functionality or features that hinder the usage otherwise, such as recently in Finland an Uber driver was sentenced to fines for offering rides, even though the driver paid one’s taxes and such (Koivuranta, 2016).

#### *Redistribution markets*

One recorded barrier for taking part in redistribution markets was that the size and formation of the flea markets might lead to high prices, which then means lost benefits when comparing to buying new items in most cases. Two out of the three interviewees that had experiences of flea markets told that the bigger the flea market the higher the prices usually, when all kinds of entrepreneurs usually fit in to sell their products, for example jewelry. In addition, the typical atmosphere is easily ruined when this happens, and could not be counted as an authentic flea market anymore. One interviewee concluded that, *“...the pricing in the larger chains is too high and the difference between a small flea market and a chain is huge. It is the quality-price ratio, if I want to buy a used glass and I put two more euros and I get one that is new. If there are for example dings or dirt, I rather buy a new one”* (Subject4, 2016) and *“...if those become so large that no one sells with a flea market ‘spirit’ but everything has the same prices than in a store”* (Subject6, 2016), claimed another.

### *Collaborative lifestyle*

No recorded major barriers was mentioned in the interview for this mode but supposedly the overall criticism, and problems in taxation and regulation that came up in the literature could become a barrier if one becomes intimidated or frustrated and decides not to engage in the phenomenon. As the interviewee in this mode mentioned, one easily does not mention the topic because then one has to explain it for people to understand it correctly – even the interviewee self was sceptic in the beginning about into what one is involving.

### **4.3. The actantial model**

In this chapter, the actantial model is built, according to the interviewees' answers. An illustration of the model can be seen in Figure 5. Theoretically, the model can be used to analyze any real or thematized action. This way, the results can be explicitly presented in an understandable logic. According to Greimas (1979) (see also Hébert, 2007), the actantial model helps in breaking an action into six actants:

1. The subject that wants or does not want to be joined to
2. The object
3. The sender is what instigates the action, while
4. The receiver is what benefits from it. Lastly,
5. A helper helps to accomplish the action, while
6. An opponent hinders it.

Moreover, using actant categories (Greimas, 1979), the six actants can be divided into three oppositions and each of those forms an axis of the actantial description. Hence, first there is the axis of desire, which constitutes of the opposition between the subject and the object (Hébert, 2007). In this thesis, the subject is a Person X that wants to reach an objective 'engage in collaborative consumption'. Similarly, the objective could be a negative such as 'get rid of the thought of engaging in collaborative

consumption'. The relationship between the two is called a *junction* and is conjunction or disjunction, regarding the perspective of whether the subjective is conjoined (the first) or disjoined (the latter) with the objective (Hébert, 2007).

Secondly, there is the axis of power that represents the junction between the helper and the opponent (Hébert, 2007). As Greimas (1979) explained, there are two different types of functions: the ones that aim to help when one wishes to fulfil one's desires or when they ease the communicating of it, and the ones that aim to set barriers when one is doing so. In this thesis, helpers are the platforms and their functionality as well as general attitudes about the respective modes of consumption or sharing and possible word-of-mouth that help the subject to reach the object. Opponents are directly the barriers that are set from the lack of trust, attitudes, other people or the external infrastructure set by the governments for example.

Lastly, there is the axis of transmission (or the axis of knowledge in Greimas (1979)) that includes the sender and the receiver – the factors that either requests the establishment of the junction between subject and object, or benefits from it. In other words, the receiver means the element for which the quest for reaching the objective is being undertaken. Additionally, sender and receiver are usually the one and the same element. (Hébert, 2007) In this thesis, the senders are the motives for taking part to the phenomenon and receivers are Person X and the same motives, yet from the angle that the perceived benefits are now reaped.

In the model, the different weights of the arrows show the different weights of the forces affecting the decision. As in this case the economic reasons were the universally highest motive for participating in collaborative consumption, the arrow is the largest. Then, another, a bit more general intra-mode result was anti-consumerism and anti-materialism, as well as expanding lifestyle, that affected product-service systems and redistribution markets. The rest belong to a single category so those are considered as normal.

On the other hand, in barriers there was no one above-all result, as all belonged in a respective mode of consumption, all are equally positioned on the same force arrow.

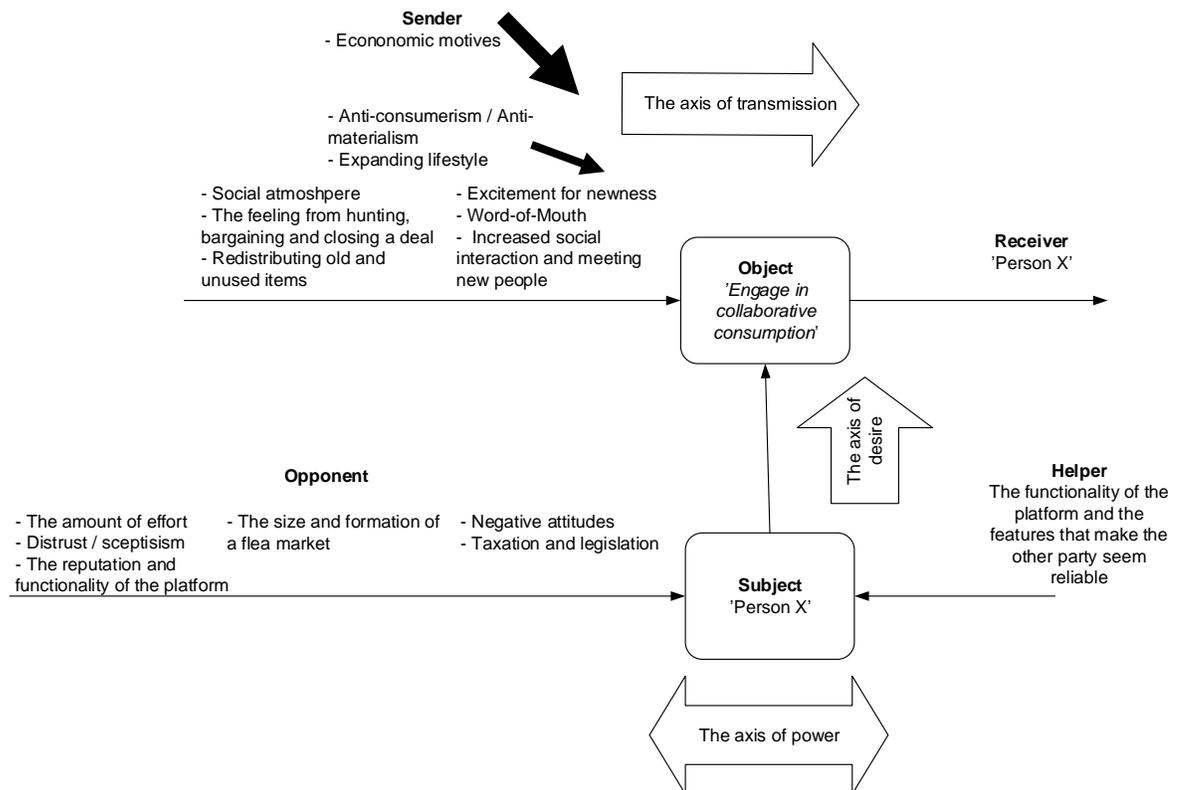


Figure 5: the actantial model (edited from Greimas, 1979)

#### 4.4. Attitudes, benefits and harms

About the attitudes, it was found that people actually have usually taken part into collaborative economy, yet unconsciously for the phenomenon has only been under conceptualizing for some years, and has not reached the thoughts of the grand public yet. Therefore, and because the modern definition is so insufficient, there also was confusion about what kind of phenomenon it is, if one had not familiarized self to the topic before. The services that more likely belong under concepts of circular economy or gig economy, which also do not have a solid definition yet, were typically a source for misunderstanding. This is also the reason why the pre-questionnaire was sent, so

to tackle the misunderstandings as well as to explain the delimitations and the phenomenon a bit beforehand. Still, some resisted and came up later on in the actual interview in many cases.

However, the interviewees were only positive about the phenomenon and everyone thought that likely they would only get more involved into it in the future, if they have not done so already. As positive excitement drives the phenomenon, it of course requires a certain kind of characteristics of the users. This also came up in this thesis, as some interviewees were even more excited about the topic and showed that they have familiarized themselves with it, especially in the product-service systems mode that is perhaps the manifestation of the modern version of collaborative economy – and the most interesting.

In general, the first time likely has huge barriers and for example one's own home was too sensitive to be shared for the first time for two out of three interviewees in this mode but as background research shows, smaller items that do not hold so much personal value were very much an option to be shared with others. Additionally, the convenience motivated them to bend with this sensitivity, as a car could be shared in a way that one offers rides for longer trips. Before this thought, the interviewee already had continuous experiences from reserving a seat from another person's car. One interviewee that already had had the courage to rent one's own apartment told that *"the first time was probably like super sceptic yet somewhat trustful and after that succeeded it became a super positive experience and I was like 'gee, these people are so good'... It went like from super negative to super positive, like if you order something cheap from a menu and end up getting this superb portion of lobster and you already were assuming to get something bad"* (Subject1, 2016). Therefore, the barriers might even collapse after a single successive experience, which highlights the importance of the platforms.

To be noted here, only once did an interviewee consider the other party as a risk or a potential source of harm. Mostly the interviewees only brought up cases of force

majeure, lack of control and terms when discussing about those. In this way, users supposedly tend to impose the responsibility upon the service providers. So people tend to trust in others over the platforms. Furthermore, the rating systems of those platforms got appraisal from many interviewees.

The difference between *sharing out* and *sharing in* was evident to some extent also in this thesis, as one interviewee explicitly brought up that one would share with familiar people only. This is the point where the functionality and differences between the features of the platforms comes into picture. It is the job of the platforms to fill this gap and make the people feel secure, like if they were sharing in with the people that belong to the extended self.

Redistribution market is the more traditional mode of collaborative economy and therefore usually a person already has multiple experiences from it as soon as being a child. In addition, either the interviewees thought positively about telling friends about making discoveries and good deals in for example flea markets, or that the topic is so common in their close circles that it is self-evident. *“Well, I actually have not had the necessity to mention that because in my circle of friends all these services are so normal to be used. Therefore, it is not of anything special for anyone that you buy something from Huuto.net [an online second-hand auction service] so we do not talk about like specifically that”* (Subject2, 2016), explained one interviewee from this mode and, *“well, of course if I get, for example, I found a pair of Levi’s shoes from a flea market a couple summers ago and always when we start talking about shoes, I say that I got these from a flea market and paid five euros for a pair of shoes that normally costs way over 100 euros. Perhaps those were but I got those so cheap, so, yes, I brag with the fact that I have made a discovery... ..my friends are not snobs or anything, like ‘yuck, do you use second-hand clothing?’”* (Subject3, 2016), told another.

However, potential sources for harm or risk was found from that, since there is a looser, or even nonexistent, control in secondary markets, one interviewee had experiences that one did not get the product one bought. This happened in an online Facebook group, in which the identity is available but the actions to be taken are somewhat limited even in Finland, where the level of customer protection is high, due to the legal constructs in C2C business. As another interviewee brought up further, *“if I change my mind and if I end up not liking those [the bought products], I do not have an any kind of returning right for example, and if I decide to resell those, do I get the price that I paid in the first place”* (Subject4, 2016).

When it comes to collaborative lifestyle, the similar deficiencies in control, regulation, and taxation are evident as well, yet in another perspective. The phenomenon is still in a very fluid form so the taxation and regulation are not accurate, and might change from better to worse somewhat surprisingly. Sometimes the risks trigger, as happened in the case of the recent conviction of the Uber driver who, in addition to fines, lost all the earnings as restitution while not getting the costs back for those were used to practice the criminal activity. This is in line with what the interviewee told about peer-to-peer loans, *“There is that as a phenomenon it is very new, and there exists no long-term history data. In addition, it is not sure what happens with the regulation, so the risks that some large chance occurs, are pretty huge”* (Subject5, 2016). In other words, one does not get one’s moneys back if regulation changes along with taxation, or if the regulatory obligation from the other end, are taken away. More practical example from Finland is, according to the interviewee that in all other forms of investment, the losses can be reduced from winning but this does not consider peer-to-peer loans and if one gets losses it is straightly taken out from the winnings rather than income. However, the regulation is being updated.

The lack in the controllability leads to higher risks in reliability, as the interviewee pointed out that one peer-to-peer organization actually had taken a much larger portion of the investors’ money and used millions of euros of their money without telling

them, while the investors thought that their money is invested in loans and growing interest at every given time.

As mentioned before, it was surprising to notice that the services belonging in collaborative lifestyle seemed to be more sensitive for the users. It was difficult to get interviewees for that one, perhaps due to the nature or characteristics of the category. In addition, as the respondent brought up, mostly people have negative or critical attitudes towards the services in this category. One usually has to explain the topic further in order to even trying to explain how it would be a good thing. Words shady, fraud, risky and plain stupid were used and even connotations to deprivation of poor were mentioned. Therefore, also the interviewee considered the mode as sensitive and while one sees this as efficient allocation of money, one does not easily tell other that one is practicing investing in peer-to-peer loans.

However, the interviewee was happy that the activity has increased and not become one of the shadier, risky options. Indeed, people that might have a low rating in credibility for other institutions, while have a record of paid-back loans, might even get a cheaper new loan than what a credit would be. According to the interviewee, this is also the result of more investors coming to the market, which straightly relates to the success factor of critical mass, introduced earlier by Botsman & Rogers.

Lastly, one topic that came up that is not yet counted as part of the definition of collaborative consumption is the non-profit activity of an organization. For example, in Finland it is normal to have a laundry room in a condominium to which everybody living there has an access. Therefore, it is not peer-to-peer but it is a product-system service with an organization as a provider. Another way could be a condominium-owned toolshed from which everyone living there can loan tools. If this kind of activity is more common in other countries as well, this should expand the borders of the definition of collaborative economy to cover some non-profiting business activities as well.

## **5. Discussion and conclusions**

The purpose of this thesis was to find answers to why consumers participate in collaborative consumption, what kinds of factors hinders the propensity to do so and how the consumers perceive the phenomenon itself, so what kinds of attitudes they have towards it, as well as the benefits and harms they expect to get. To find the answer to the question, both existing literature and an empirical analysis were used. Theories from sociology, moreover from sharing pioneered by Russell Belk, and collaborative consumption were studied and combined as a framework, which was shown in the introduction. In addition, an empiric study was conducted using semi structured in-depth interviews with six interviewees.

The thesis followed interpretivist philosophy with ontological subjectivity and an abductive reasoning. Additionally, the thesis used mono method qualitative approach with narrative analysis as a strategy. Then, from the theoretic and empiric results, an actant model was built. Moreover, as the phenomenon is very new, the structures very scarce at this point of time, and the author was located in a different field of study, heuristics was used to apply sociological methods and techniques for finding correct type of solutions in correct type of perspective.

### **5.1. Summary of findings**

According to the empirical analysis from Finland, economic reasons were evident as the most important motive in all of the three consumption modes and regardless of the life situation of the interviewee. Additionally, it was motivating the interviewees in both ends of the producer-consumer continuum, as people were willing to both utilize for example Airbnb or flea markets when seeking cheaper alternatives for the respected services and getting to break even or even gaining profits from offering resources in these kinds of services. For example, the size of the flea market was then seen as a factor affecting to the price level and a too large size leads to nullifying the benefits when comparing to a regular market. To be noted though, the motive for, for

example redistributing unnecessary items, could also be ecological. Similar behavior was also recorded in the lifestyle mode as the interviewee was purely looking for new sources for profits.

In the background research, it was told that when there is money involved in the process, so the platform is commercialized, economic motives start guiding people. Another claim was that people tend to start seeking convenience. This is linked to the perceived harm, and a potential barrier, that has not been recorded before, which was the amount of effort one has to put when operating in services or activities of collaborative consumption. It was brought up in product-service systems and redistribution markets that the possibly even painful amount of effort and time, for example the especial cleaning, key handling, showing the apartment, and answering to inquiries, that is involved when one offers a room in Airbnb, is definitely a problem. Additionally, in redistribution markets, while it may be the excitement in browsing, hunting, and bargaining for random items, the fact that for example no catalogs whatsoever usually exists results in hours spent in looking for some specified items. This is something that was commented that one is willing to pay for that “background work” to be done for you. Indeed, it is easy to miss that all this is actually very normal for, for example hotels, yet they hire multiple professionals to do it and that might be expensive for a single operator in collaborative consumption. Staying in a hotel often also offers a certain kind of luxury when one is free from doing the routine daily tasks, so it is not likely that the cheap collaboration services such as Airbnb would take over the whole industry.

Deriving from the money-involved processes, the excitement of newness and something different drove people to try product-service systems. Hence, when earlier people were excited to buy new physical items the same excitement, nowadays they have the option to channel that into services and sharing with other people. Moreover, this is also critical for the phenomenon need critical masses of early adopters in order to succeed.

Another motive that came up was anti-consumerism and anti-materialism and the recorded fact in the literature about the modern generations being less into owning and hoarding excessive amounts of material is evident in this thesis. All but one interviewees expressed that they have unnecessary possessions and are even willing to get rid of it using redistribution markets. The changing attitude towards one's own items and the upcoming mind shift towards a more collaborative attitude were also mentioned.

Social interaction, new channels to meet like-minded people, and later on true altruism were explained in Belk's studies and were evident in this thesis as well. People enjoy meeting new people, especially when they share the same mindset, and collaboration is a well-known way for getting to them. Additionally, the atmosphere that is potentially created by likeminded people, for example that is present in flea markets was mentioned as a motive.

It was interesting to notice that the lack of trust was not straightly mentioned by many of the interviewees, yet they gave clues that it is more the platform that they trust in, and might be disappointed to, rather than the opposite party in the service or activity. So likely they would blame the service first and this could create problems as the services, even though sometimes have advanced systems for collecting reliability as social capital, those usually have not taken much of the responsibility on them in their terms. Moreover, Finland was shown to be a high-trust culture, so could this be even more a hidden yet exaggerated problem. Yet, along with the mind shift towards a more collaborative attitude, one kind of gets free from the shackles – the stress and burden – of not trusting into other people and becomes happier in every level.

Deriving from the previous, the platform itself could become a barrier for engaging, being the factor filling the gap the traditional intermediaries leave. Therefore, the platform must function perfectly, especially for the first timers, and should keep the image clean for people not raising negative connotations to it. Mainly at least the larger platforms such as Airbnb, Huuto.net, and eBay are doing a fine job with trying to offers

as much information about the other party as possible for there to be a perfect deal for every single time. For example, there has been some unpleasant news about Airbnb in Sweden, where prostitutes have taken over the business, and combining that to the fact that people share their homes through it, does not create images of a successful business.

People were mainly reluctant to share resources that hold high personal value such as a home, and it was mentioned multiple times that one specifically would willingly share low-value items or offer for example a ride.

Surprisingly, the collaborative lifestyles mode was somewhat sensitive for people, possibly due to the thoughts and partly ongoing discussion about for example time banks. Regarding the current legislation, it often renders out especially these kinds of activities and might result in people operating in grey areas and therefore, being perhaps afraid of the potential sanctions whatsoever.

Connecting the phenomenon to Finnish society and culture, which are rather feminine and indulgent, yet uncertainty avoiding and short-term focusing, leading to some apparent controversies. Collaboration would be something that people enjoy doing but as long as an “ultimate truth”, so the mapping of the phenomenon and its future direction, are missing, for example the government tends not to support it. The Finnish *talkoot* (‘bee’ in English) is a deeply set mindset in their culture and an important characteristic when considering collaborative consumption. As it has been a country dependent on agriculture and being a battlefield in many wars not that long ago, the people have understood that unity is strength. Concluding, relying on the given facts in this thesis and after the removal of the different barriers hindering the participation, the country could actually offer a fruitful basis for a successful collaborative economy to bore and flourish.

## 5.2. Discussing about collaborative consumption

Hardin coined what we now know as tragedy of the commons that has been used as a point in criticism. According to the claims, people will similarly only deplete all the resources offered in collaborative consumption. Yet, to be noted, however, the concept was claimed well before the (post-) internet era; there was no available tools or ways to control the usage of the 'commons' – or at least it was very difficult. However, nowadays, the communities, virtual, real, or mixed, can more often govern themselves for example via the internet. The self-governing communities are also supported by evidences of Elinor Ostrom (see Ostrom, 1990). Additionally, this is something that is for the self-interest of the users or participants in the communities: by developing for instance different kinds of review systems that many online services (eBay, Huuto.net, Airbnb to name a few) already use, gives an incentive for the users to behave well. Background research and the empiric results also verify that these kinds of review systems lead to good online behavior. Therefore, it is very easy to discover exploiters and abusers of the service and render them out of the community – also in the real world. Another way this helps is that it offers channels to report for example if the rented car is messy or broken, if there are pages missing from the book, or the DVD is damaged. The same channels, then, can be used to provide the user a different product or compensation very quickly.

Social capital can now be accumulated easier than ever before. Through the internet for instance, one good deed can travel to the eyes and ears of millions of people overnight. In addition, it seems natural that while some people use for example forums only for seeking information there are many people that put an effort in providing other people with that information and most of the times it happens totally voluntarily, see Wikipedia for example. Additionally, the people that first only sought information and got it could start on their behalf offering information as a reward, so one kind of “pays it forward”. This and other kinds of reciprocity are also in the heart of collaborative consumption since it works for the self-interest of people. The information

needs not to be shared even to the same people anymore but can be offered in a wholly different service and for wholly different people. These administrators or monitors whatsoever then deserve to have rewards and those rewards are collected first as social capital. In other words, they at least get more credibility and renown in their communities, which can later on lead in being honored in the community, getting digital or real compensations, or even a job. This scenario seems natural and, again, seems to follow the ancient patterns of hierarchy and “governance” of the early tribes of humans.

In this way, that the original offer and the counter-offer can be from and to different people also leads to that the needs and supplies can be connected in new ways (Botsman & Rogers, 2011). When earlier a software engineer trying to barter supplying one’s expertise in software development and with a need for skills to weave woolen socks required to find a match, a person that can weave and happens to be in need of software development skills, was a difficult if not even impossible task. However, modern services such as Sharetribe, TaskRabbit, or time banks offer a way to make this happen through multiple points of offerings and needs.

Modern technologies also offer their benefits for the collaborative consumption. Today, everyone has a smart phone in their pockets, offering an entry to unlimited catalogs of different kinds of products and services that are needed in a given time. In addition, it is possible to attach RFID (radio-frequency identification) or GPS (global positioning system) chips cheaply, send instant messages, and connect different needs and offerings through multiple endpoints. Therefore, it is easy for example to track the rented products and quickly reach the borrower when needed.

The problem lies in that, again, there seems to be the concepts of money and profits in the center on this phenomenon. We are talking about business so speaking of money is inevitable but researchers have found out that focusing too much on money and profits, while taking the focus off of the community and collaboration sides leads to distrust and people refusing to take part in helping the community (Martin, 2016)

and therefore possibly requiring governance (Hartl, et al., 2015). Governance on the other hand could lead to crooked versions of collaborative consumption.

The key in success of collaborative consumption could perhaps lie in the logic of first lowering the barriers and encouraging the motives for engaging in the first place, and afterwards for example controlling the size of the community for it to be reasonable and mentally assimilated so that the actors can expand their extended self to cover the whole community. Then later on, a larger entity such as a whole city could be mentally divided into neighborhoods and districts that work as single communities. This kind of setting can already be seen for example in Asian culture; South Korea for instance, uses a governmental system, where the larger cities are divided into districts, which are then divided into neighborhoods, and even further to “villages” and “ends”. Villages and ends are not counted as separate levels of government anymore, yet exist in maps and addresses, yet work well as a base for communal identity.

Deriving from the earlier, although collaborative consumption has to be defined as its own entity and so be separated from concepts such as gig economy, so there could be a healthier version of the phenomenon in existence in the future, the main thing now is not to fine-tune the message about what to say about it publicly. As Belk mentioned in his research, every existing definition is still going the right way. Therefore, it is not enough that researchers, experts, and hopefully officials keep the discussion in their own cliques but the common people have to be informed and encouraged to participate in the phenomenon. In the end, this is a social phenomenon, so it happens between people, and if they do not know about it, how could they act in a supportive way? Moreover, more people that are aware might mean more solutions for the problem, and more communities mean more sources for research. There is a certain high percentage in the latest generations that operate this way already, consciously or unconsciously, and the phenomenon is indeed inevitable, so the task is not even too hard, it is just about who ignites the conversation and with what message.

The sharing economy is by no means a small entity but could for example, be framed as its own topic under the field of economics with the possibility to align existing theories from there into this new context. The vastness is also proven by the multiple definitions existing now and the somewhat contingent nature of the phenomenon. Therefore, it will still take years to see some concrete evidences of the future development. The research nowadays is merely the bricks of the pavement forging the larger whole.

### **5.3. Theoretical contributions**

As theoretical contributions, this thesis offers confirmation for certain earlier results in a new study area because of non-existing studies from Finland. Additionally, it tied together the new phenomenon of collaborative consumption and theories from sharing, which aims to help understanding the motives that people have when engaging into collaborative consumption. On the contrary, since sharing, and collaborative consumption, is social phenomenon, certain barriers exist in that reciprocity, and in the overall infrastructure. As there exists a couple of different kinds of studies close to this, this thesis continues to offer a new stream for studying the social side of the phenomenon.

As the results derived from the existing research worked in the background of the design of this thesis, and as the inductive part of abductive reasoning, this thesis also offered a single result that is totally new. Interpreting the interviews with narrative analysis and, in the end, building the actantial model offers new theory as the model itself shows the forces, and their weight, affecting the decision-making process. Additionally, a totally new discovery was made – the amount of possibly painful effort that one has to put when participating in the phenomenon, that could set a barrier for a new consumer considering joining. When considering the cultural and societal aspects of Finland, for example the customs of using common laundry rooms and workshops offer new insight into the phenomenon, that, if common also in other parts of the world, should be somehow counted into the future developments of it.

On the other hand, this thesis could work as a literature review for new researchers to get a sight about where the research is currently going.

#### **5.4. Managerial contributions**

This thesis offers business operators and officials a channel to both get a comprehensive review of the still unknown phenomenon of collaborative consumption / economy and to get familiar with how the consumers see the phenomenon, what they see as motivators or blocks for taking part in it, as well as what kinds of perceived harms and benefits there are. For the business operators this could offer a chance to rethink their processes and messages and for officials to check out what is the current status of the phenomenon and how it could be made sure that successful collaborative economy models are developed. In a more general level, this thesis offers information to ignite discussion and try to push it in the correct direction in order to block any kinds of worst-case scenarios to happen.

#### **5.5. Limitations and future research**

Qualitative study sets its limitations because of the limited sample. Another way, then, for this thesis could have been to use quantitative methods, yet there was not that much solid structures or results in this kind of field, so that those could have been replicated in a new location. Furthermore, the phenomenon is still very new in Finland and not that many consumers are aware of it, so qualitative methods offered a possibility have an in-depth discussion about the experiences when it was possible to explain the phenomenon and correct misunderstandings.

That limitation also offers a new stream for future research, as firstly this kind of study should be replicated to find more evidence from Finland for building hypotheses for conducting a wider, quantitative study later on. As was shown in the Hofstede's model, Finland, and Scandinavia in general, is actually a very potential location for a successful and healthy type of collaborative economy to arise and flourish.

Another limitation was the surprisingly sensitive mode of collaborative lifestyle, in which only one interviewee was willing to give an interview. Therefore, the results are mainly opinions for that one interviewee.

Regarding the status of the phenomenon in Finland, it could be beneficial to take other perspectives along as well. So for example just using semantics, the actant models could be built from the government's perspective, the traditional businesses' perspective, and communal perspective in order to get a thorough vision of the phenomenon. This way, it could be easier to find decent tradeoffs and agree on those.

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## Appendices

### Appendix 1: Translations of the interview questions

1. Kuinka vanha olet?  
*How old are you?*
2. Nykyinen elämäntilanteesi?  
*What is your current situation in life?*
3. Millä tavalla olet osallistunut jakamistalouteen / Minkälaisia aktiviteetteja tai palveluita olet käyttänyt?  
*How have you participated in collaborative consumption? What kinds of activities or services have you used?*
4. Milloin aloit käyttämään jakamistalouden aktiviteetteja / palveluita?  
*When did you start using services / activities of collaborative consumption?*
5. Miksi päätit osallistua jakamistalouteen, kuinka päädyit käyttämään kyseistä / kyseisiä palveluja?  
*Why did you decide to participate in collaborative consumption? How did you end up using the service(s) / activity(ies)?*
6. Minkälaisia tunteita aktiviteetin / palvelun käyttäminen herätti heti? Jälkeenpäin?  
*What kinds of feelings did the usage of the given service(s) / activity(ies) arouse immediately? Afterwards?*
7. Mitä mieltä olit palvelun tarjoajasta / kontekstista / alustasta?  
*What did you think about the service provider / context / platform?*
8. Kerroitko tapahtuneesta / käyttämästäsi palvelusta muille?  
*Did you tell about it / the used service(s) / activity(ies) to other people?*

9. Miten ystäväsi näkivät sinun osallistumisesi tämänkaltaiseen ilmiöön?  
*How did your friends see your participation into this kind of phenomenon?*
10. Tekisitkö saman uusiksi / Käyttäisitkö palvelua uudelleen?  
*Would you do it again?*
11. Voisitko kuvitella käyttäväsi jotain erilaista jakamispalvelua?  
*Would you think of participating in a different kind of collaborative consumption activity / service?*
12. Koetko, että sinulla on sellaista tavaraa, mitä et tarvitse tai mitä et käytä usein? Tai sellaisia erityisiä oppimiasi henkisiä tietoja ja taitoja, esimerkiksi harrastusten kautta, jota et tule käyttäneeksi arkielämässä?  
*Do you think you have such resources that you do not need or use often?  
Or such special skills or knowledge, learned from for example a hobby, that you do not use in daily life?*
13. Jos sinulle tulisi mahdollisuus esimerkiksi tietynlaisen palvelun kautta, jakaisitko omia tavaroitasi, tietojasi, taitojasi tuntemattomien ihmisten kanssa?  
*If you had the chance, for example through a certain kind of service, would you share your items, skills, or knowledge with strangers?*
- 13.1. Jos et, niin entä, jos saisit siitä korvauksen?  
*If not, what if you get a compensation?*
- 13.2. Miksi? Miksi et?  
*Why? Why not?*

14. Ajatellaan hetki tilannetta, että päättäisit olla käyttämättä esimerkiksi aiemmin esittelemääsi aktiviteettia / palvelua. Mitkä olisivat sinusta suurimmat syyt, jotka ajaisivat tähän?

*Let us think for a while a situation that you decide not to use for example the before mentioned service(s) / activity(ies). What could be the biggest reasons for this?*

15. Minkälaisia hyötyjä koet saavasi irti jakamistaloudesta?

*What kinds of benefits you expect to get out of collaborative consumption?*

16. Minkälaisia haittoja sillä voisi olla sinun kannaltasi?

*What kinds of harms could be involved in it?*

17. Tuleeko sinulle mieleen muita mielipiteitä, joita tässä ei ehkä tullut esiin?

*Does something else come into your mind?*

Appendix 2: Translations of the phrases from the interviews

**Subject 1, page 58**

- *“It [owning] is a nuisance. A terrible nuisance”.*
- *”Se on riesa. Se on iha järkyttävä riesa.”*

**Subject 2, page 58**

- *“I would not have had enough money to go to the Helsinki Metropolitan area that often to see my parents and my friends if I had to always take a train. Perhaps, many of the trips would not have been made at all”*
- *”Mulla ei ois ollu varaa käydä pk-seudul niin usein kattomas mun vanhempii ja kavereit jos ois pitäny mennä aina junalla ja sinne ois saattanu jäädä ehkä osa reissuist kokonaa tekemättä.”*

**Subject 1, page 58**

- *“Gee, this cool thing was that we get to go on a holiday trip while getting to break even, and then, in my opinion, it was a very tempting thought that one can earn while on a holiday... ..gee, if one can travel for free like this, what could be better”*
- *””hei vitsi, et tämmönen siisti juttu oli et lähetään lomalle ja päästään break eveniin’ ja ja sit mun mielest se oli tosi houkutteleva ajatus, et vois niinku tienata täs lomaillessa... ..mä olin sillee et ’hei vitsi et jos tällee niinku ilmaseks voi reissaa ni mikäpäs sen niinku parempaa”*

**Subject 1, page 59**

- *“...it is all about the experiences and I, too, am more or less a kind of an ‘excitement-junkie’; the more that happens in life, the cooler”*
- *”...se on just niit niinku elämyksii ja mäki oon semmonen niinku elämys-junkie jollain tavalla, et mitä enemmän vaa niinku elämäs tapahtuu ni sen siistimpää.”*

**Subject 3, page 59**

- *“but I do not know like... excited, excited, as in a positive way”*
- ”Mut emmä tiiä siis.. jännitti, jännitti, se oli semmonen positiivinen tunne.”

**Subject 1, page 59**

- *“the second [motive] is for sure the people you meet because they already share the same mindset so the chance to meet like some really super person is so high. I do not mean that one necessarily finds true lifetime friends but indeed it is again one of the experiences”*
- ”Kakkonen on varmasti nykyää niinku ne ihmiset mitä sä treffaaf, koska nehän jakaa niinku saman mindsetin joten siis niinku mahdollisuus että sä tapaat niinku jonkun uuden niinku supertyypin niin on niinku tosi iso. Emmä nyt sano et siel niinku mitää vältsii, vältsii mitää ikuisii yhtävii tulee mut se on just niit niinku elämyksii.”

**Subject 1, page 60**

- *“Then there was like maybe a personal growth, when thought afterwards, that I want to believe in the goodness of other people and I want to trust that these things work”*
- ”Sit oli myös semmonen oma niinku henkilökohtanen ehkä, tai jälkikäteen ajateltuna ehkä semmonen kasvu et mä haluan niinku uskoa ihmisistä hyvää ja mä haluan luottaa siihen et nää asiat niinku toimii.”

**Subject 1, page 60**

- *“As I have learned, people really are altruists, they are good people. Of course there will always be the ‘rotten egg’ somewhere, there always a reason for doubt but if you get past that thought, life actually becomes cooler, more unrestricted and everything...”*
- ”Ku mä niinku oon oppinu, et ihmiset oikeesti on altruisteja, ne on hyvii tyyppjä, et okei siel on se mätämuna aina jossain, aina on syytä epäillä mut siis

jossä pääset siitä ajatuksesta eteenpäin ni elämä, elämästä tulee oikeesti aika paljon siistimpää ja vapaampaa ja kaikkee...”

### **Subject 3, page 60-61**

- *“The sellers are in a good mood when they get clear money while getting rid of junk, and when you browse there you are happy if you find a cheap pair of some shoes and, I do not know, it certainly is a kind of a win-win situation”*
- ”Myyjät on hyväl tuulella, ku ne saa rahaa suora kätee ja pääsee roinasta eroo ja kiertelet siellä oot tyytyväinen ku löydät jotkut kengät halvalla ja en tiiä, kylhä se on niinku semmonen win-win juttu.”

### **Subject 4, page 61**

- *“Those [items] are unique, as in a way that those are not produced anymore and are old, and if I find something that is intact and make a good deal, I get a good feeling”*
- ”Ne on uniikkeja siis sinänsä niit ei enää tuoteta jotain, ne on vanhoja ja sit jos mä löydän jonkun ehjän ja teen hyvät kaupat, ni sitte siit tulee hyvä mieli.”

### **Subject 3, page 61**

- *“...clothes, and of course other items in general, when those are still usable it is pointless to throw those in trash, and, used stuff, you get money from it. As a student, money is always welcomed”*
- ”...vaatteita ja tietty muita ylipäättään, et ku ne on vielä käytettäviä ni turha heittää niitä roskii ja tota, en tiiä, käytetty tavara ni siitä saa rahaa, köyhä opiskelija, raha kelpaa.”

**Subject 5, page 62**

- *“Purely out of economic reasons. I got interested as I noted that from the share markets one cannot get enough profits and searched for alternative options. Then from internet I was able to find some data that I could analyze, and after those analyses I participated”*
- ”Iha puhtaasti taloudellisist syistä, että tota kiinnostuin ensiks, tota, totesin et osakemarkkinoilta ei ehkä täl hetkellä oo saatavis tarpeeks hyvää tuottoon ni sit katoin et mitä muita vaihtoehtoi ois, ja netistä löyty jonkin verran kuitenkin, tota, ihan dataa mitä pysty itte analysoimaa. Niiden jälkee osallistuin”

**Subject 2, page 63**

- *“In my opinion, collaborative economy [services] require more effort and time. Commercial services are usually organized so that you kind of pay for the serving to run smoothly and effortlessly. In my opinion, there exists an opposition in that collaborative economy [service] is cheaper but requires more effort and time whereas commercial services are more expensive but one gets off more easily”*
- ”Must ne jakamistalousjutut vaatii enemmän vaivaa ja ajankäyttöä. Kaupalliset palvelut on yleensä, sä tavallaa maksat siitä et se sujuu vaivattomasti ja sujuvasti, et niinku siin on mun näkökulmas siin on vastakkainasettelu siin et jakamistalous on halvempaa mut vaatii enemmän omaa vaivaa, ku taas kaupalliset palvelut on kalliimpia, mut pääset helpommal.”

**Subject 1, page 64**

- *“In the beginning, I was super careful and we hid like everything, and we even almost went to see with our own keys that everything is still in order during the staying”*
- ”Et aluks mä olin iha tosi varovainen et just piilotettiin niinku ihan kaikki ja oltii sillee tyylillä niinku, käytii melkei avaimilki tsiigaa niinku tiiätsä päivän aikana et onks niinku kaikki viel talles.”

**Subject 1, page 64**

- *“in the end, it is a change in the mindset towards everything that you do, the trust between people, so I feel that everything is better for me now”*
- ”Loppujen lopuks se on myös mindsetmuutos iha kaikkee asiaa mitä sä teet. Ihmisten välisee niinku luottamukseen, ni mä koen että mul on niinku paljo parempi olla.”

**Subject 1, page 64**

- *“For example, as a service provider, the most important thing is that the first experience is, it is like five stars, and it is easy. It straightly determines the continuity, the users will not come back if the experience is poor”*
- ”Ja esimerkiks, nii, palvelu providerina ni se on tärkeintä et se ensimmäinen kokemus on se niinku, se on se niinku viis tähtee ja se on helppo, se määrää sen palvelun jatkokäytön siis ihan suoraa et ei ne ihmiset josse on surkee kokemus, ni ei ne tuu uudestaan.”

**Subject 1, page 65**

- *“if it could have been put in the media that it is somehow a shady business, criminals use it or it is marked by a certain group”*
- ”Se ois ollu mediassa jotenki mediassa et se ois jotenki shady bisnestä, rikolliset käyttää sitä, se ois leimaantunu just vaikka niinku tietyn ryhmän hyvin käyttämäks.”

**Subject 4, page 65**

- *“...the pricing in the larger chains is too high and the difference between a small flea market and a chain is huge. It is the quality-price ratio, if I want to buy a used glass and I put two more euros and I get one that is new. If there are for example dings or dirt, I rather buy a new one”*
- ”No isommat ketjut ni niitten hinnottelu on liian ylhäällä mitä mä oon ettiny ni yksityisissä ja tommissa torikirppiksissä ne on edullisempii. Hintaero on huo-

mattava ketjuissa ja pienemmissä. Se on se hinta-laatusuhde, et jos mä halun vaikk käytettynä juomalasin ni mä laitan siihen kaks euroo lisää ni mä saan sen uutena. Jos mä halun jostain käytetyist laseist, mis on vaikka kolhuja tai halkeemii tai muuta ni kyl mä mieluummin ostan uutena.”

#### **Subject 6, page 65**

- *“...if those become so large that no one sells with a flea market ‘spirit’ but everything has the same prices than in a store”*
- ”Jos ne menee niin, niin niinku isoiks et niissä ei myydä enää kirpputorihengellä vaan et sit siel on kaikki samanhintast ku normikaupois.”

#### **Subject 1, page 69**

- *“the first time was probably like super sceptic yet somewhat trustful and after that succeeded it became a super positive experience and I was like ‘gee, these people are so good’... It went like from super negative to super positive, like if you order something cheap from a menu and end up getting this superb portion of lobster and you already were assuming to get something bad”*
- ”Mmmm, eka kerta oli varmaa semmonen super skeptinen mut sit kuitenkin semmonen niinku luottavainen mutta kyl se niinku, ja sen jälkeen ku se onnistu ni siit tuli sikaposiitivinen kokemus et tuli niinku ’voi vitsi et nää ihmiset on tosi hyviä’... ..se meni oikeestaa sillee et tosi niinku negatiivisest tosi positiiviseen semmosii että tilaa jotain halpaa listalta ja sit saaki niinku iha mielettömän niinku hummeriannoksen ja kerkis olettaa et se oli niinku jotain huonoo.”

**Subject 2, page 70**

- *“Well, I actually have not had the necessity to mention that because in my circle of friends all these services are so normal to be used. Therefore, it is not of anything special for anyone that you buy something from Huuto.net [an online second-hand auction service] so we do not talk about like specifically that”*
- *”No mä en oo oikeestaa kokenu tarvetta mainita sitä eriksee koska mun ystäväpiiris nää kaikki palvelut on tosi normaaleja käyttää et se ei oo kellekää mitää erikoista et sä ostat jotain huutonetistä ni ei siit puhuta sillee eriksee.”*

**Subject 3, page 70**

- *“well, of course if I get, for example, I found a pair of Levi’s shoes from a flea market a couple summers ago and always when we start talking about shoes, I say that I got these from a flea market and paid five euros for a pair of shoes that normally costs way over 100 euros. Perhaps those were but I got those so cheap, so, yes, I brag with the fact that I have made a discovery... ..my friends are not snobs or anything, like ‘yuck, do you use second-hand clothing?’”*
- *”No, tietenki, jos mä oon saanu, vaikka, mä sain Leviksen kengät kirpparilta pari kesää sitte ja kyl ainaku tulee kengist puhetta ni mä sanon kyl et mä oon saanu nää on kyllä kirpparilta ja maksoin näist viis euroo, niinku reippaasti päälle satasen kengistä, ja varmaa ne on olluki, mut saanu vaa nii halvalla, ni kyl mä ylpeilen sillä et oon tehny löydön... ..kaverit eioo ainakaa mitää semmosii snobeja et ’Hyi käytätsä käytettyi vaatteita.’”*

**Subject 4, page 71**

- *“if I change my mind and if I end up not liking those [the bought products], I do not have an any kind of returning right for example, and if I decide to resell those, do I get the price that I paid in the first place.”*
- ”No jos mä muutan mielen ja just jos en vaikka tykkääkää niistä ni mul ei oo mitää palautusoikeutta esimerkiks ja sitte tota jos mä haluan ne myydä eteenpäin ni saaks mä niistä enää sitä hintaa minkä mä ite maksoin.”

**Subject 5, page 71**

- *“There is that as a phenomenon it is very new, and there exists no long-term history data. In addition, it is not sure what happens with the regulation, so the risks that some large chance occurs, are pretty strong”*
- ”Täs on se, että se on ilmiönä mahottoman uus, eikä oo kauheen pitkäaikasta historiadataa, eikä oo ihan satavarmuutta siitä mitä lainsäädännön kans tulee tapahtumaan, ni riskit siitä et joku iso muutos tapahtuu, on aika suuret.”