

Ville Pekkala

## **MOTIVATIONS TO PARTICIPATE IN VALUE CO-CREATION IN SHARING ECONOMIES**



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## **ABSTRACT**

Pekkala, Ville

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The aim of this study is to identify motivators for sharing economy (SE) users to participate in value co-creation. SEs are defined as digital multisided platforms (MSP) where users can gain temporary access to a resource that would otherwise be underutilized. Because sharing happens between users, users need to be active participants. Therefore it is important to study what motivates users to participate in value co-creation on the platform. Self-determination theory and cognitive evaluation theory are used as the motivation theory to understand how people are motivated.

The study is explorative in nature. Framework for value co-creation in Consumer Information Systems (CIS) was used to understand how value is co-created in sharing economies. The motivations to participate in value co-creation were studied with a qualitative case study by interviewing users of Airbnb (n=24). The interviews were conducted with a laddering technique. Interviewees were recruited using snowball sampling as recruitment technique.

Laddering interview identified what are the most important features for SE users. The interview also identified the consequences that the features helped users achieve and the underlying personal values that motivated users to pursue these consequences. During the data analysis phase, five themes were identified from the interview results. Five theme maps were created based on themes that emerged. Based on the results of this study, users appreciate ease of use and assurances of sharing economy. Other important motivators include financial benefits, authentic experiences, social benefits, and pleasant user experience.

**Keywords:** sharing economy, multisided platform, value co-creation, service-dominant logic, consumer information system, self-determination theory

# TIIVISTELMÄ

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Tämä tutkielma tutkii käyttäjien motivaatiota osallistua arvon yhteisluontiin jakamistalouspalveluissa. Jakamistalous määritellään digitaalisena monitahoisen alustana (multisided platform; MSP), jossa käyttäjät voivat saada väliaikaisen käyttöoikeuden resurssiin, joka muuten olisi alikäytetty. Palvelun toimiminen vaatii sitä, että käyttäjät ovat aktiivisia toimijoita alustalla. Tämän vuoksi on tärkeää tutkia, mitkä tekijät motivoivat käyttäjiä osallistumaan arvonluontiprosessiin. Motivaatioita tutkitaan käyttämällä linssinä itseohjautuvuusteoriaa (SDT) ja kognitiivisen arvioinnin teoriaa (CET).

Tutkimuksessa hyödynnetään viitekehyskenä arvon yhteisluonnon mallia kuluttajatietojärjestelmissä (CIS), jotta voidaan ymmärtää, kuinka arvon yhteisluonti ilmenee palvelussa. Käyttäjien motivaatiota osallistua arvon yhteisluontiin tutkitaan laadullisella case-tutkimuksella haastattelemalla jakamistalouspalvelu Airbnb:n käyttäjiä (n=24). Haastattelu toteutettiin laddering-menetelmällä ja haastateltavat rekrytoitiin lumipallo-menetelmällä.

Laadullinen tutkimus selvittää käyttäjien tärkeimpinä pitämiä ominaisuuksia jakamistalouspalvelussa, sekä mitkä arvot tai henkilökohtaiset tavoitteet saavat käyttäjät pitämään näitä ominaisuuksia tärkeinä. Tutkielmassa luotiin graafiset mallit haastateltavien vastausten pohjalta. Tutkimuksen tulosten perusteella käyttäjille erityisen tärkeää on, että palvelu on helppokäytöinen ja herättää luottamusta. Muita tutkimuksessa esiintyneitä motivaatioita olivat rahalliset hyödyt, palvelun mahdollistamat uniikit kokemukset, sosiaaliset hyödyt, sekä palvelun käyttömukavuus.

Asiasanat: jakamistalous, monitahoisen alusta, arvon yhteisluonti, palvelukeskeinen logiikka, kuluttajatietojärjestelmä, itseohjautuvuusteoria

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# 1 INTRODUCTION

Sharing economy has come a long way, growing from the tech hub of Silicon Valley into a global phenomenon. As people are becoming more environmentally conscious and are looking for more value for their money, they are looking for alternative models to fill their needs (BCG, 2017). An argument against car ownership is that it usually sits unused for around 95% of time (Barter, 2013). One can imagine how much of that remaining 5% of time is used riding with four empty seats. Sharing economy (SE) seeks to maximize the use of underutilized resources by giving access to other people during the time they are not used. In essence, SE is an economic model where peers are able to use assets owned by someone else (e.g. Hamari, Sjöklint & Ukkonen, 2016; Matofska, 2017; Botsman, 2015). Sharing activity is done among peers on a platform (Cusumano, 2015; Hamari et al., 2016). People who share usually get a monetary compensation for sharing. The person who rented the resource gets a cheap access to it without burden of ownership.

In United Kingdom, the value of transactions in sharing economies almost doubled in one year from 16 billion in 2014 to 28 billion euros in 2015, with rest of the Europe following similar trend, according to PwC UK (2016). According to another publication by PwC (2015), sharing economy companies generated 15 billion dollars of global revenue in 2015 and the company has estimated the figure to grow to 335 billion dollars by 2025. Besides reaching the environmentally and financially conscious consumers in the western countries, sharing economy has potential to make a real change among the poorest people in the world. For example, farmers in rural India are able to rent equipment they would be otherwise unable to afford (BCG, 2017). While the image people have of SE might be a small start-up disrupting established companies, bigger companies could potentially ride the wave of SE as well. As BCG (2017) notes, people would actually prefer dealing with established companies.

Sharing is something that people have always done. People have always been loaning, renting, gifting and swapping resources and favors with other people in their communities. Thanks to the advancements in ICT, services that allow sharing to happen between strangers have been made possible (Frenken & Schor,

2017). SE services make leasing easy by eliminating the inconveniences that are present traditionally, like negotiating price and arranging delivery (BCG, 2017). By arranging matchmaking, logistics, and acting as a trusted middleman, SEs make it possible to share resources with strangers (BCG, 2017).

Sharing economies are platforms where people can share resources with each other. Company hosting the SE platform itself does not produce anything valuable. Instead, the company requires its customers to be active participants in the platform and co-creators of value. Modern marketing views consumers as active participants in value production and always as co-creators of value (Vargo & Lusch, 2004; 2008; 2016). This logic is apparent in SE as SE platform requires its users to be active participants. The value of an SE depends on its users being active in sharing as SE is worthless without people interacting and creating value on their platform (Cusumano, 2015). Because the SE company only provides a platform on which value creation happens between users, sharing economies can be viewed as multisided platforms (MSPs). MSPs are services that create value by enabling interactions between two or more customer groups (Hagiu & Wright, 2015). Business model of a MSP relies on interaction between its two customer groups. By interacting, the user groups integrate resources and create value together. Therefore, value co-creation is a core business mechanism in MSP (de Oliveira & Cortimiglia, 2017).

Metcalfe's law states that the value of a network is proportional to the number of its users squared. This means that the value of a network grows exponentially in relation to the number of people participating in it. For example, as more people are using a car pool service, other users will find it easier to find car rides during times that fit their schedules. Therefore it is important to encourage people to participate in value production as it will make the service more valuable to all users in the network. Because the source of value in SE emerges from the users of the service, it is important to motivate them to participate in value co-creation. This thesis aims to uncover what motivates users to be active participants in SE and share their resources.

Previous research has identified some motivating factors that motivate people to participate in SE. Besides offering a more economical option, SE has positive social and environmental effects (Botsman and Rogers, 2011). Some authors argue that sharing economies involving monetary gain from sharing are not true sharing because people participate purely out of self-interests (e.g. Bardhi and Eckhardt's study on Zipcar, 2012). However, even if monetary exchange is involved, there might exist other motivations to participate in value co-creation. For example, Böcker and Meelen (2017) identified environmental concerns and social factors as important motivators to participate in SE. Furthermore, as Lampinen and Cheshire (2016) pointed out, financial compensation that exists in Airbnb made it easier to participate as a service provider. The authors argued that monetary compensation reduced risks and uncertainties existing in allowing strangers to stay in your own house, than in non-monetized Couchsurfing service. Because it lowered the barrier to participate in sharing, it allowed hosts to enjoy other benefits of sharing, such as social interaction with guests. The authors note

that the hosts' "intrinsic motivations were often enhanced, not crowded out, by the existence of financial exchange". While some users may be motivated by monetary rewards, there may exist other motivators as well. Additionally, even if there are some people who participate purely out of self-interest, they are still beneficial to sustainable economy. As Neal Gorenflo (2012) put it: "the promise of the sharing economy isn't about the defeat of self-interest, it's about the alignment of self-interest and the common good".

Lampinen & Chesire (2016) note that research into different motivations for participating is an important objective to help support continued participation in SE. As Edbring, Lehner and Mont (2016) note, not many studies analyze the motivations for engaging in SE and other alternative models of consumption. Lan et al. (2017) also noted that more studies in different culture contexts is needed in motivations to participate in value co-creation in sharing economies. Therefore, to fill the gap in existing research, this study will aim to answer the following research question:

- *What motivates sharing economy users to participate in value co-creation?*

To be able to answer the main research question, it is needed to understand how value is co-created in SE. This view of consumer as an active actor is incorporated into IS development in Consumer Information System (CIS) framework (Tuunanen, Myers, & Cassab, 2010). The framework will be used to understand how value is co-created in SE. Utilizing the CIS framework, this study will answer an additional sub-question:

- *How is value co-created in sharing economies?*

The empirical part of this study was done with qualitative semi-structured interviews utilizing laddering technique. During the data analysis phase, the study followed example in a previous similar study (Tuunanen, Peffers, Gengler, Hui, & Virtanen, 2006) in order to turn the data into meaningful graphical presentations. The results of this study will help SE companies design their service processes to motivate their users to participate in value co-creation.

## 1.1 Thesis outline

This thesis will research how value is co-created in sharing economies, and what motivates people to participate in value co-creation in sharing economies. Before studying motivations to participate in SEs value co-creation, it is important to understand the theoretical background and define the terms used in this thesis. Next chapter will define sharing economy and explain some of the consumer trends behind the rise of this alternative model of consumption. In the subse-

quent chapter, motivation theories used in this study will be presented. They include self-determination theory (SDT) and cognitive evaluation theory (CET). Chapter four will present the modern view of marketing, the Service-Dominant (S-D) logic, and value co-creation, which is an essential part of this study. The CIS framework will be also presented in this chapter.

The fifth chapter will explain the research methodology in more detail. The chapter will present previous studies on the topic, explain the research approach, and present the case SE. The chapter will also explain the recruitment of case study participants and present their information. Methods for collecting and analyzing the data will also be explained. Sixth chapter will present the resulting theme maps from the interviews. Chapter seven will discuss these results in more detail and discuss their implications for research and practice. Finally, chapter eight will summarize the findings and discuss the limitations of this study. The chapter will also give suggestions for future research.

## 2 SHARING ECONOMY

Sharing economy (SE), in essence, is an economic model where peers are able to use assets owned by someone else (e.g. Hamari, Sjöklint, & Ukkonen, 2016; Matofska, 2017; Botsman & Rogers, 2010). Shared assets can be physical resources such as cars and car rides (e.g. Getaround and Blablacar) or general goods (e.g. Goodrnt), they can be space (e.g. Airbnb and ShareDesk), or skills and intellectual resources as service (e.g. Wolt and TaskRabbit) (Matofska, 2016). Some other terms for sharing economy used in publications include “collaborative consumption” (Hamari et al., 2016; Edbring, et al., 2016; Tussyadiah, 2015) and “peer-to-peer economy systems” (Bellotti et al., 2015; Selloni, 2017). They are used as synonyms for sharing economy in this thesis.

### 2.1 Defining sharing economy

Sharing in the context of a sharing economy refers to consumers granting or getting access to infrequently used products or space (Botsman & Rogers, 2015). The sharing activity happens on a platform where underutilized assets can be reallocated to where they are needed and valued (Matofska, 2016). The platform where this sharing activity happens is the sharing economy. In SE, waste is not viewed as something to get rid of. Rather, it is viewed as resource in the wrong place. SE platform allows it to be re-distributed where it is needed (Matofska, 2016). Rachel Botsman (2015), a famous author on the topic defines sharing economy as:

“An economic system based on sharing underused assets or services, for free or for a fee, directly from individuals”.

The term sharing economy is used quite liberally to describe systems providing access to goods and services and there exists quite a bit of confusion as to what counts as a sharing economy. Like Schor (2016) asks, is library a sharing economy? Users of library are borrowing assets owned by the library after all. Additionally, why is Airbnb considered a sharing economy, but traditional bed and breakfast

services are not? Hamari et al. (2016) argue that sharing economy is strictly an economic-technological phenomenon that is closely tied to the developments in ICT. The authors use the following definition for sharing economy:

“The peer-to-peer-based activity of obtaining, giving, or sharing the access to goods and services, coordinated through community-based online services”

An ICT enabled platform dramatically reduces the costs in matching suppliers with consumers and makes it easy to share resources (Edbring et al., 2016). While people have been always sharing, through ICT enabled platform this activity can happen with complete strangers (Frenken & Schor, 2017). While there are inherent risks in making transactions with strangers, platform mitigates risks and builds trust between its users (Frenken & Schor, 2017; Yoon & Lee, 2017).

Many articles are of the opinion that services based on transfer of ownership are not sharing economies, and that sharing economies only grant a temporary access to otherwise underused asset or service (e.g. Meelen and Frenken, 2015; Makkonen, 2017; Botsman, 2015). In order to limit the scope of this thesis I will exclude services that are based on transfer of ownership. This excludes all services based on reselling, such as eBay, tori.fi, and Facebook marketplaces. This exclusion allows this thesis to focus on services that create value from use of “sleeping assets”.

The value of an SE depends on its users being active in sharing and a SE is worthless without people interacting and creating value on their platform (Cusumano, 2015). SE company only provides a platform on which value creation takes place between users. Thus sharing economies can be seen as multisided platforms (MSP). MSPs create value by enabling interactions between two or more customer groups (Hagiu & Wright, 2015). In the case of SE, two user groups interact and create value on the platform. Sharing activity happens between users who share and other users who are the receivers of shared resources, and who may pay for this service. SE platform helps these users find each other. The platform also builds trust between the two users through reputation systems or by requiring an identity verification. The users may change roles in between interactions. For example in Airbnb, a user may be a guest one week and a host to someone else the next. Usually SE platform providers make money by keeping a percentage of financial compensation paid by the beneficiaries to people who share.

Based on these literature sources this thesis defines sharing economy as a *digital multi-sided platform that facilitates peer-to-peer renting of otherwise underutilized assets*. In order to fit the definition in this thesis, sharing economy has to be (1.) access-based instead of ownership-based, meaning that the ownership of shared assets does not change. Also, (2.) the renting activity has to take place in a digital platform. Finally, (3.) sharing takes place between peers and the actors on the platform are not professionals. This excludes services such as DriveNow, city bikes, and electronic libraries where the shared assets are owned by single entity. Examples of services that meet these criteria include monetized and non-mone-

tized hospitality services Airbnb and CouchSurfing, ride-sharing service Kimpakyyti, general good renting service Goodrnt, and parking space renting service Barking.

Finally, many organizations like call themselves sharing economies while it is questionable if they are sharing assets that would be otherwise unused. While Uber calls itself a sharing economy, drivers are not sharing space in a car for a trip they would make anyway. Contrastingly, Blablacar and Kimppakyyti are services based on sharing car seats that would be otherwise empty in a journey one is about to make anyway. The beauty of sharing economy is that it maximizes the use of resources and makes sure that assets that would otherwise be unused, are utilized.

## 2.2 Consumer trends behind the popularity of sharing economy

The consumer use of sharing economies is on rapid rise. In United Kingdom, the value of transactions in sharing economies almost doubled in one year from 16 billion in 2014 to 28 billion euros in 2015, with rest of the Europe following similar trend, according to PwC UK (2016). According to another survey by PwC, sharing economy companies generated 15 billion dollars of global revenue in 2015 and the company has estimated the figure to grow to 335 billion dollars by 2025 (PwC, 2015).

To explain the recent surge in popularity of sharing economies, it is needed to look at current consumer trends. Hesseldahl, Nielsen, Abrahamsen, Jensen, and Hansen (2015) argue that there are some general trends in all sectors of economy that underlie the rise of sharing economy. Firstly, marketing switch from goods-dominant logic to service dominant-logic and servitization of products means that companies are shifting from selling physical products increasingly to services that enable customers to make the most of the resources around them. Rather than paying for ownership of products, consumers are increasingly paying for access. Netflix, Spotify, and Zipcar are successful examples of this trend (Bardhi & Eckhard, 2012). Secondly, rather than offering “one-size-fits-all” products, companies are making more customizable value offerings to fit individual user’s needs. Additionally, consumers are being more active and are increasingly empowered to participate in value co-creation activities. Fourthly, as ICT is becoming part of every aspect of our lives and as everything is getting connected, collaborating and coordinating has become easy with people around the world. Finally, as consumers are becoming more environmentally conscious, there is a pressure to make the most of our natural resources.

First trend enabling the rise of sharing economy is the servitization of products and moving from ownership-based consumption to access-based consumption. Consumers are valuing ownership less than before (Bardhi & Eckhard, 2012). This is evident from the massive success of access-based services such as Spotify and Netflix. Consumers do not necessarily need to own products in order to create value for themselves. Access-based consumption allows consumers to only

pay as they use the services. Access-based services also allow consumers to avoid so-called “burdens of ownership”, such as risks and responsibilities that come from ownership (Schaefers, Lawson, & Kukar-Kinney, 2016). As consumers are only paying for access, they can pay for services that fit their exact personal and contextual needs.

Rise of sharing economy is also closely tied to empowerment of consumers as co-creators of value (Hessendahl et al., 2015). Value co-creation between users is essential for sharing economy. In sharing economy, consumers are the sole creators of value with companies only providing the platform (Cusumano, 2015). The platform is used by users to match with other users in order to engage in value co-creation activities with them.

People participating in sharing economies is also closely tied to the development of ICT (Hamari et al., 2016). Sharing unused assets with other people is hardly a new concept. People have always been loaning, renting, gifting and swapping resources and favors with other people in their communities. However, ICT allows this kind of communal activity to happen at an entirely new scale (Frenken & Schor, 2017). Digital platforms make sharing with total strangers less risky by providing some information of users and use rating and reputation systems to encourage good behavior (Frenken & Schor, 2017).

Final economic trend supporting the rise of sharing economy is that consumers are becoming increasingly environmentally conscious (Nielsen, 2015). Attitudes towards consumption have shifted due to concerns over environmental, societal, and developmental impact (Hamari et al., 2015). As consumers are becoming more conscious about the sustainability of their actions, they are seeking ways to reduce their ecological footprint. Instead of buying products that sit unused most of the time, sharing economy maximizes the utilization of assets, allowing consumers to own less, and reducing the ecological impact. Sharing economy offers a cheap and environmentally friendly alternative to consumption. It maximizes utilization of sleeping assets, minimizing waste and ecological footprint in the process. The current trends of access-based consumption, active participation of customers in the value co-creation process, and environmental consciousness all support the popularity of sharing economies. Advancements in ICT means that using an IT platform, resources can be used to re-distribute unused assets quickly to where they are needed.

While at the moment sharing economy platforms need to act as a trusted authority between strangers, blockchain technology can eliminate the need for a trusted intermediary (Swan, 2015), enabling trustless peer-to-peer transactions of swapping, borrowing and renting. Blockchain works like a distributed ledger where data about transactions is distributed among the participants in the network. In blockchain information about transactions is stored on many different nodes participating in the network, allowing people to create contracts without a trusted intermediary (Swan, 2015). As the sharing can be verified on the blockchain, the sharing platform will only need to provide a clean interface for users to interact with other users. Therefore blockchain has potential to disrupt the sharing economy industry. Projects such as Swarm.city aim to make this a reality.

Feasible implementation of such projects might be at least few years away however. At the moment consumers can share for example, unused storage space (e.g. Storj, Sia) and unused computation power for computational intensive tasks (Golem). However, to limit the scope of this thesis, these are not discussed further in this thesis.

This chapter has described the sharing economy phenomenon and explained some of the factors affecting the popularity of these systems. SEs are multi-sided platforms that require their users to be active participants. In the next chapter I will present motivation theories that will be used to understand motivations behind user behavior. In the third chapter I will introduce the concept of value co-creation which will help understand how customers are viewed as active participants in value creation, co-creators of value.

### 3 MOTIVATION THEORY

Motivation explains what drives people's action, what gives them energy to perform a task (Deci and Ryan, 1985). Quality of consumer contribution to value co-creation is dependent on their motivation (Roberts, Hughes, & Kertbo, 2014). Because sharing economies require its users to be active, it is important to know how people are motivated is relevant to this study. There exists many different theories on what drives people's action. This study will utilize self-determination theory and is based mainly work done by Deci and Ryan (1971; 1985; 2000).

#### 3.1 Self-determination theory

According to Self-determination theory (SDT), people perform an activity either because they enjoy doing it, or external factors push them into doing it (Deci, 1971). The theory divides motivational factors into extrinsic and intrinsic factors. When a person is not driven by external pressures to perform an activity but do it out of enjoyment or interest in the task, they are *intrinsically motivated* (Deci, 1971). This means that motivation emanates from the person themselves. Why something is intrinsically motivating relates to three psychological needs that have been identified in multiple psychology studies during past century (Ryan & Deci, 2000). The psychological needs that form the basis for self-motivation are the need for competence, relatedness, and autonomy (Ryan & Deci, 2000). Need for competence refers to people wanting to be able to interact with the environment. For example, being able to efficiently use an IT device. Need for relatedness refers to the psychological need to be connected to other people and belong to a group. Need for autonomy refers to a need to be master of one's own life, to have a free will. When an activity satisfies these needs, it is intrinsically motivating. Likewise, if an activity thwarts these needs, the activity becomes demotivating. (Ryan & Deci, 2000)

To get a person to do something that is not intrinsically motivating to them requires an *extrinsic motivation*. People can be motivated by offering a reward for performing it, they can be threatened, or they can be acting out of a personal commitment (Ryan & Deci, 2000). It has been noted that people who are intrinsically motivated to do a task perform better than people with similar skills who are extrinsically motivated (Ryan & Deci, 2000). To summarize, intrinsically motivated behavior is caused by interest in the activity itself and extrinsically motivated behavior is caused by some external influence.

Sub-theory to SDT (Deci & Ryan, 1985) places motivation on a spectrum with different levels of self-determination (Figure 1). At the far left is amotivation where a person lacks the intention to act. Complete lack of motivation results from either "not valuing the activity", "not feeling competent to do it", or not expecting it to "yield a desired outcome" (Ryan & Deci, 2000). Towards the right

on the spectrum, are “five classifications of motivated behavior” (Ryan & Deci, 2000). The extrinsic motivations vary on their level of internalization, or on the degree on which the motivations “emanate from the self (i.e. are self-determined)” (Ryan & Deci, 2000). For example, a person could be vegetarian because of a law that states that they must be, because they want to eat healthier food and lose weight, or because they care about animal rights. While these motivations are all classified as extrinsic motivations, in the last example the person has a lot more autonomy over their choice and is thus much more self-determined.

External regulation refers to a “carrot and stick” motivation where person is only performing the activity to get a reward or to avoid punishment. It is the least autonomous external motivator and thus least self-determined. Introjected regulation refers to a situation where people perform an activity in order to improve their self-esteem or their worth in the eyes of others. For example, person might be motivated to go to the gym in order to gain muscles and to look more attractive. Further on the spectrum, person is motivated by values or goals that the action will work towards. For example, person might be motivated to study because it will land a good job. While it is really close to intrinsic motivation, it is still considered extrinsic motivation because action is performed to attain a certain outcome rather than for its inherent enjoyment. Finally, in integrated regulation person has fully assimilated the regulations with their other values. For example, someone might be recycling because it is good for the environment and protecting the environment is in line with their values. In the far-right side of the spectrum person is motivated by intrinsic factors. They are performing the activity because it is fun, or it satisfies their needs. (Deci & Ryan, 1985)

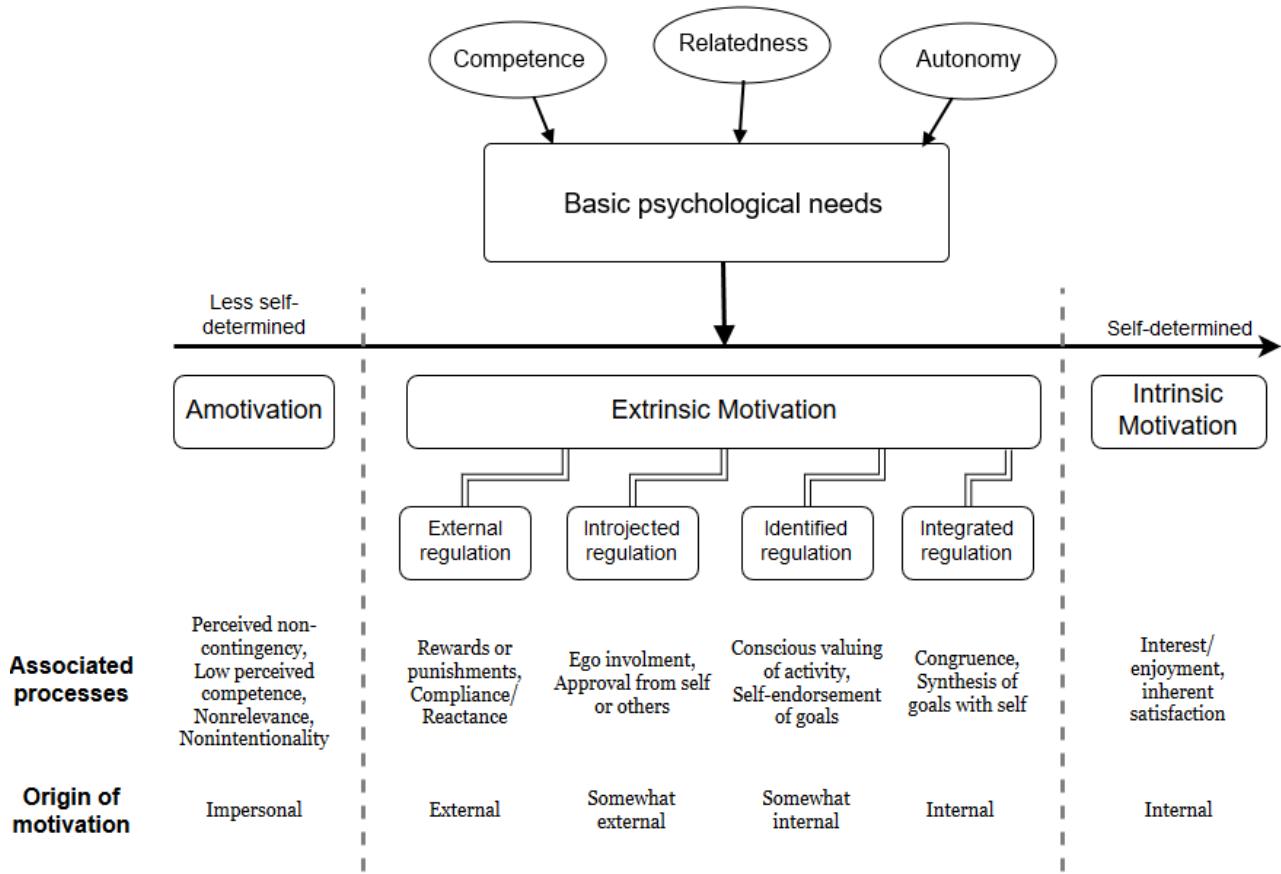


Figure 1: Self-determination continuum based on Ryan & Deci (2000)

The more internalized, or further on the right of the spectrum the motivating factors are, the better they perform (Ryan & Deci, 2000). While extrinsic motivation is useful for starting an otherwise uninteresting task, continued motivation should be driven by more self-determined motivation. SEs should motivate their users in a way that encourages internalization, where underlying values of an external regulations are “taken in” and become more autonomous and thus more self-determined (Deci & Ryan, 1985). For example, a user might be initially motivated to use SE by rewards but through using the platform takes in the sustainability values of the SE and continues its’ use because it is in line with their values.

### 3.2 Cognitive evaluation theory

Cognitive evaluation theory (CET; Deci 1971; Deci & Ryan, 1975; Deci & Ryan, 1980) is a sub-theory of SDT which suggests that external factors may affect the level of intrinsic motivation. CET suggests that external factors such as rewards, surveillance, and evaluations diminish the feelings of autonomy and thus undermine intrinsic motivation. The most interesting finding of the theory is that the use of extrinsic rewards may have unforeseen negative consequences. Deci (1971) presented a finding which pointed out that getting a monetary reward for some

activity that was previously intrinsically motivated decreased the overall level of motivation. After starting to receive a monetary reward for performing the task, the individual starts to feel that they are not performing the task because it is intrinsically motivating (i.e. fun or satisfying) but rather they begin to perceive that they are performing the task to get an external reward (or to avoid external punishment). This causes the origin of motivation to become external, leading to lower level of motivation (Deci & Ryan, 1980).

The level of intrinsic motivation depends on the person's feelings of competence, relatedness, and autonomy (Ryan & Deci, 2000). Changes in these factors affects the perceived internalization of motivation. If an external event causes person to feel less competent of their skills, it reduces their feelings of competence, and decreases their intrinsic motivation (Deci & Ryan, 1980). The opposite is true if a person feels more competent due to an external event (Deci & Ryan, 1980). This can be caused, for example, by getting praise complementing their skills for the task they have done.

Ryan (1982) provided an extension to the CET. According to the author, there are two types of external events affecting intrinsic motivation, controlling event and an informational event. In an event where a person gets an external reward for performing a task, they may feel that they are being controlled to obtain a specific outcome. External reward may cause a feeling of being pressured into acting in a specific manner and thus it reduces their feeling of autonomy. External reward or constraints are seen as controlling and something that reduces autonomy, thus decreasing intrinsic motivation. However, when the event is not seen as controlling, intrinsic motivation can be maintained or enhanced. For example, unexpected rewards do not have an impact on intrinsic motivation because they are not dependent on performing a task. Controlling events diminish feelings of autonomy and thus undermine intrinsic motivation. An informational event gives people information on how they are performing a task and can affect intrinsic motivation either positively or negatively. Giving positive verbal feedback increases intrinsic motivation. For example, telling that a person did a good job on some task. However, one needs to be careful in giving positive feedback for it can also be seen as controlling in some cases. For example, wording the feedback as "You are doing as you *should* be doing" implies control over the person performing a task and decreases intrinsic motivation. (Ryan, 1982).

When motivating an individual to perform a task, one needs to be careful not to exert control over the person performing the task. Otherwise their intrinsic motivation will be lowered and in result their performance will decrease. The findings of cognitive evaluation theory imply that to get someone to perform a task well, rewards from that task should not be linked to performing the task and to not be expected. Furthermore, positive verbal feedback should be given in a manner that does not imply control over the person. Ryan (1982) cite the reactance theory by Brehm (1966), noting that "when people feel controlled by some external agent they will react against the attempted control by doing the opposite".

## 4 SERVICE-DOMINANT LOGIC AND VALUE CO-CREATION

Exchange is transfer of value between two parties and a fundamental part of economics. There has been a shift in how marketing views exchange and value creation during the last couple of decades. Traditionally marketing has viewed exchange consisting of two distinct participating parties. In this interaction, one party is solely the producer of value, and the other is the consumer of value. This logic sees that company creates value by transforming raw materials to a usable product and delivers it to a consumer, who buys the product in exchange for money. According to this logic, company embeds value on a product as it is created, and the value of the product is defined in the exchange as the amount of money that the customer is willing to pay. (Vargo and Lusch, 2004)

According to this goods-dominant logic, the purpose of economic transactions is to make and distribute things that can be sold. Company is the sole creator of value in a form of a good which is exchanged for money on a marketplace and consumed by consumers. However, the recent marketing logic views exchange consisting of two active parties where both parties participate actively in value creation. This logic and how it views value creation is discussed in this chapter.

### 4.1 Service-dominant logic

In goods-dominant logic, services are simply viewed as a special case of good (Lusch and Vargo, 2006). However, modern marketing thought has moved towards a so-called “Service-dominant (S-D) logic” (Vargo and Lusch, 2004). Instead of considering a tangible good as the source of value, S-D logic views “applied, specialized skills and knowledge as the focus of economic exchange and one of the fundamental foundations upon which society is built” (Lusch and Vargo, 2006). According to this logic, value is created (or emerges, as Grönroos (2011) put it), during a service, which is defined as “applying operant resources

(i.e. knowledge, and skills) on operand resources (tangible resources) for the benefit of others or self" (Vargo and Lusch, 2004).

Just as goods-dominant logic views services as special case of a product, service-dominant logic view products as special case of a service. Exchange of goods is viewed as alternative to service provision (Lusch and Vargo, 2006); goods are seen as appliances which are used to perform a service. A hammer does not have value other than when it is used by an individual to nail a board, a car does not have value except in that it provides a transportation service or provides hedonic enjoyment to its owner. Furthermore, according to this logic, service is always traded for another service. A fisherman who applies his skills in fishing, is when buying a bread, exchanging their competences in fishing to another person's application of farming competences (Vargo & Lusch, 2004). Good does not have any inherent value but the value of a good is determined in use, when used to perform a service (Vargo, Maglio, and Akaka, 2008). The aim of a service is to create value for the customer. Value can be practical like getting from one place to another, or hedonic like enjoying a restaurant meal (Grönroos, 2011). To summarize in simple terms, value creation is "a process through which user becomes better off in some respect" (Grönroos, 2011).

According to Vargo and Lusch (2004), value is always co-created between the two parties making the exchange. When a company sells a service or a product, they provide a value proposition to the customer. Value then emerges as the customer is experiencing the provided service or using the product to perform a service. Value is therefore always co-created between the service provider and user and is always defined in use. According to this logic, the purpose of companies is not to find ways to embed as much value to a product as possible, but rather to assist customers as best as they can in their own value creation processes. (Vargo & Lusch, 2004)

Vargo and Lusch (2016) break the S-D logic down into five axioms that summarize the basic principles of the logic (Table 1). According to the S-D logic, the ultimate basis of activities is to provide service (Vargo & Lusch, 2004). Service is applying knowledge and skills on resources for the benefit of others (Vargo & Lusch, 2004) and the fundamental basis of exchange (Axiom 1). Goods have no value in themselves, but act as transmitters of service; with a tool a customer can perform a service and only then value emerges (Vargo & Lusch, 2004).

The main difference in S-D logic from traditional marketing logic is that customer is seen as an active participant. In G-D logic, value is delivered to a customer in the form of a good, who then consumes it. In S-D logic, service provider cannot deliver value, they can only deliver *value propositions*. Value always only emerges when the beneficiary uses the provided resources (a service, or a good which enables performance of a service). Therefore value is non-deliverable (Vargo & Lusch, 2016) and value creation always requires the beneficiary to act (Axiom 2). Service provider enables the customer to create value by delivering resources that "represent potential value" (Grönroos & Voima, 2013). This is closely related to Axiom 4 which states that value is always determined by the

beneficiary. Because every service context is different and requires “*a unique combination of resources*” (Vargo & Lusch, 2008), value cannot be predetermined. Value of a service is always dependent on the context. For some person, value from driving a car is created from getting from point A to B while to another person, value is created simply from the pleasure gained from driving around (Grönroos & Voima, 2013). Axiom 3 refers to the fact that value creation happens in a network with different providers. Service beneficiary integrates resources from different actors depending on their personal goals (Grönroos & Voima, 2013). For example, customer cannot get from one place to another with a car (create value) without fuel so they integrate resources by filling the tank with gasoline (Grönroos & Voima, 2013).

Final Axiom (5) was added by Vargo & Lusch in 2016 in order to take note of the context where value co-creation happens. Institution refers to the environment where actors co-create value. Institutions in this context refers to the rules and norms of the environment where actors co-create value. The institutional norms allow people to perform activities without thinking. As Vargo and Lusch (2016) put it, institutions provide the building blocks for “complex and interrelated resource-integration and service-exchange activities” in ecosystems with shared purpose. In a sharing economy, the institution refers to the rules and norms that dictate, for example, how users find each other or how payments are conducted.

Table 1: The five Axioms of S-D logic (Vargo & Lusch, 2016)

Axiom	Description
Axiom 1	Service is the fundamental basis of exchange.
Axiom 2	Value is co-created by multiple actors, always including the beneficiary.
Axiom 3	All social and economic actors are resource integrators.
Axiom 4	Value is always uniquely and phenomenologically determined by the beneficiary
Axiom 5	Value co-creation is coordinated through actor-generated institutions and institutional arrangements

## 4.2 Service-dominant logic and value creation

As defined in previous chapter, value creation is “a process through which user becomes better off in some respect” (Grönroos, 2011). According to the service-

dominant logic, value is always co-created between service provider and beneficiary. Value co-creation is a “reciprocal and mutually beneficial relationship” (Vargo et al., 2008). The role of a service provider is not to deliver value to the customer, but rather to enable the customer to create value for themselves (Prahalad & Ramaswamy, 2004). The value of a service is not pre-determined, it is defined when the customer uses it (Vargo & Lusch, 2004). According to S-D logic view on value creation, service providers only make *value propositions* and customer experiencing the service creates *value-in-use* (Vargo et al., 2008). This means that the value of the service is not defined in exchange. Instead, because customers have different goals and notions of what is valuable to them, value of a service is defined by the customer as they are experiencing it.

Because the value of a service is dependent on the beneficiary, he or she always co-creates value with the service provider (Vargo & Lusch, 2004). Customer creates value through two mechanisms, value co-production and value-in-use (Ranjan & Read, 2016). The customer can co-produce value by participating in the forming of the value proposition, such as its design or production. For example, service provider can provide a platform where the customer can design and order a custom colored sneaker (NIKEiD). By co-producing, both the service provider and the service beneficiary integrate their resources to create a value proposition (Ranjan & Read, 2016). In order to co-produce, the two parties need to interact and be willing to act (Prahalad & Ramaswamy, 2004). Value co-production is a set of activities “executed through collaboration and dialog to integrate mutual resources into value” (Ranjan & Read, 2016). Because the service recipient is involved in the process, co-creating value according to their needs, it allows creation of unique and personalized value proposal (Prahalad & Ramaswamy, 2004). While service provider and beneficiary act together to co-produce value, value-in-use is created independently from the service provider. Again, value of a service is not defined until the beneficiary experiences it (Vargo & Lusch, 2008). Thus the real value is created in use, when the beneficiary is experiencing a service or using a product. Value of the service is dependent on beneficiary's own evaluation and based on their unique use context (Ranjan & Read, 2016). Grönroos and Voima (2013) argue that value creation happens in three spheres (Figure 2).

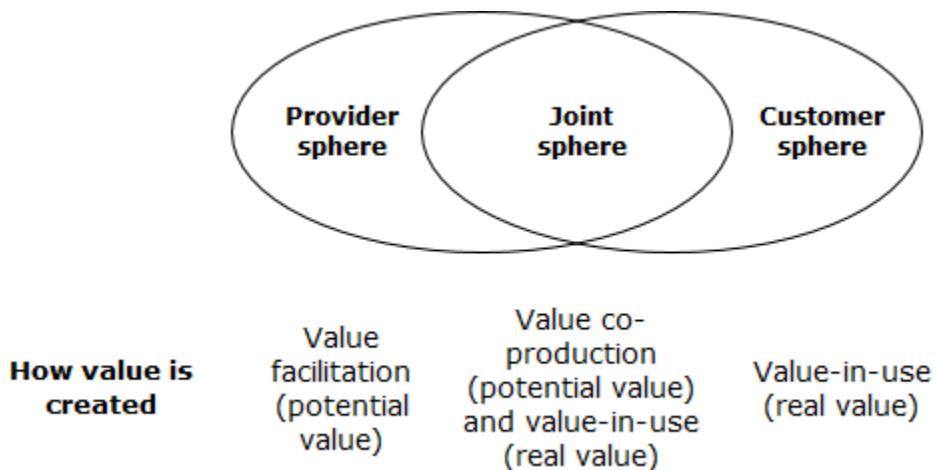


Figure 2: "Value creation spheres" (Grönroos & Voima, 2013)

The value creation spheres are the producer sphere, joint sphere, and customer sphere. In the producer sphere, service provider *facilitates* value creation by providing and delivering resources and processes for customer to use and create value with. In other words, they embed potential value to the value proposition. In the joint sphere, service provider and the customer interact, and value is created together. Customer can participate in the production of the value proposition (co-produce value) or the service provider can influence customer's creation of value-in-use. Through understanding customer's needs, the service provider can customize the service and change "from value facilitator to a co-creator of value". In the customer sphere value creation happens independently from service provider as value-in-use (Grönroos & Voima, 2013).

### 4.3 Value co-creation in Consumer information systems

As discussed in previous chapters, modern marketing logic has started to view consumers as active participants in service experience, and co-creators of value. Tuunanen, Myers, and Cassab (2010) argue that information system developers need to mirror this view in design of information systems as well. Traditionally developers of information systems have emphasized efficiency and effectiveness of the system, targeting IS to rational users in organizational context. During the last decade however, the IS has been developed increasingly more to consumers. Consumers have different value drivers that need to be taken into account. Therefore information systems developed for consumers need to be different to traditional IS. The term Consumer Information System (CIS) incorporates system development with the service-dominant logic and modern marketing view of consumers as active participants and co-creators of value. (Tuunanen et al., 2010)

As a MSP, SE relies on value co-creation as its core business model (de Oliveira & Cortimiglia, 2017). Tuunanen et al. (2010) define CIS as "systems that

enable consumer value co-creation through the development and implementation of information technology enabled processes that integrate system value propositions with customer value drivers". In other words, CIS facilitates consumer's value creation through an IT-enabled service (Vartiainen & Tuunanen, 2013). For example, geocaching involves an IT-enabled service which contains information about findable caches. Consumer then independently creates value from the joy that finding a cache provides. Value is therefore co-created in between the system and the user. In the case of SE, Airbnb hosts information about different rent options on the website. The service experience is co-created between interacting users, facilitated by the IT platform provided by the SE company. (Vartiainen & Tuunanen, 2013)

Tuunanen et al. (2010) present a framework for the development of CIS. The framework includes six elements that need to be considered in CIS development to enable value co-creation. According to the framework, value co-creation happens through an interplay between the system making value propositions to users, and users having values or goals that drive their behavior (Vartiainen & Tuunanen, 2013). The framework (Figure 3) divides value creation into two sections with three value propositions and three customer value drivers.

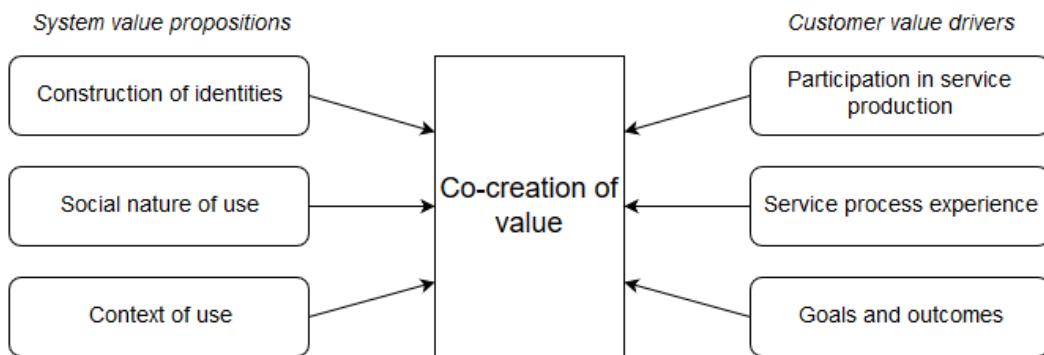


Figure 3: "Framework for value co-creation in consumer information systems" (Tuunanen et al., 2010)

#### 4.3.1 System value propositions

Value propositions of a system are the features that facilitate consumer value creation. The three value propositions in CIS are social nature of use, construction of identities, and context of use. The first two features enabling value creation are construction of identities and social nature of use, referring to Lamb and Kling's (2003) social actor theory. The social actor theory reconceptualizes IS users as actors. According to this theory, individuals do not act in isolation but the environment where they act, the interactions they have, and their affiliations, affect their behavior. The term actor encompasses the social factors that affect system use.

Furthermore, as technology we use is a part of our identity, we seek to customize it in order to express ourselves (Lamb & Kling, 2003). Actors seek to construct identities through IT use. For example, people pay real money to customize their virtual avatars, or attach stickers to the lid of their laptops to express themselves. Thus the first system value proposition is construction of identities. The social nature of system use is taken into account in the second system value proposition. As the social actor theory states, IS is rarely used in isolation and users (or actors) seek to interact and network with other users. The value of social interaction in CIS is demonstrated by the popularity of social media.

Another aspect of system to consider is the use context which affects user's requirements. Different use contexts produce different value outcomes. The authors provide an example of text messaging. Depending on context of use, it can be used for interacting with each other, for buying bus or train tickets, or to get access to services like weather information (Tuunanen et al., 2010). Consumers can create value with IS in surprising ways, especially considering that text messaging was originally intended only for service messaging purposes between cell towers (Tuunanen et al., 2010). Context where consumers use a system creates opportunities for technology. Context-aware systems can provide a service for various use purposes and provide consumers with information that is related to the task they are doing. Another important aspect of context is the cultural context where CIS is used. As Tuunanen and Kuo (2015) found out, culture affects requirements in IS, meaning that different cultures have different preferences for attributes. Flexible system that accounts to different use contexts and cultural contexts is the third value proposition in the model.

#### **4.3.2 Customer value drivers**

The customer value drivers are the drivers that motivate consumer's use of CIS and should be taken into account during the development process of CIS. According to the S-D logic, value is defined by the customer in use. User participation in service production leads to unique and personalized value propositions (Prahalad & Ramaswamy, 2004). Therefore customers should be participating in the service production in CIS as well. As Tuunanen et al. (2010) argue, customers expect more personalized experiences nowadays. Therefore, to ensure that the service proposition answers to customer's needs, it is beneficial to include them in the development phase of the value proposition. This is taken into account in the framework as the first value driver of CIS.

According to the second value driver of CIS, the service process experience can be a source of value itself. The authors refer to Holbrook et al. (1984) who use the term playful consumption which is consumption motivated by intrinsic hedonic aspects. People may be motivated to participate in the use CIS because its use is fun or satisfying. Traditionally, the success of an IS has been decided by the functional value it is able to bring to the user. For example, how effective it is in performing some task. However, CIS are used to create value other than perform a function. For example, video games are played simply for the joy that is

gained from playing them. Tuunanen et al. (2010) use the concept of flow in the model. Flow is a state where individual is intensively concentrated to a task and enjoyment is gained. Research into motivations behind SE participation has shown that some people are motivated to participate in SEs because the experience is fun (Bellotti et al. 2015).

The final driver that motivates users to participate in value co-creation are the goals and outcomes of a customer. In other words, what the customer gains by participating in value co-creation. In SE, there exists clear outcomes from the value co-creation process; interaction revolves around getting access to a resource for the service beneficiary and getting a financial compensation as the service provider. This exchange of resources happens between the two groups on the SE platform with the SE facilitating the interaction. As it was previously discussed, use of CIS can provide hedonic utility besides functional utility. These outcomes are not as straightforward. While there exist models that measure the functional utility that a system provides, such as efficiency and perceived usefulness, measuring the hedonic value that CIS creates does not have such metrics. For example, for a guest using Airbnb for accommodation, the outcome of using the CIS might be hedonic utility through an enjoyable vacation but there is no quantitative model to measure the value of that outcome.

The first research question in the study aimed to study how value co-creation emerges in SE. Value co-creation is an outcome of joint process between consumer and the service provider. Value co-creation in SE happens through interaction between the service beneficiary and service provider, facilitated through an IT-enabled service. The framework for value co-creation in CIS answers how value is co-created in this environment. Value is co-created by integrating system value propositions with customer value drivers. Value propositions include construction of identities and social nature of use, which allows users to build their own identity on the platform and interact with other users. Third value proposition, context of use, also allows using the system for different use purposes. Customer value drivers include participating in the service production, service process experience itself, and goals and outcomes achieved from using the system. Next chapter will answer the second research question of what motivates users to participate in value co-creation in SE.

## 5 RESEARCH METHODOLOGY

Objective of this study is to determine how value is co-created in sharing economies and what motivating factors drive people to participate in value co-creation. The research questions presented in the beginning of this study were to examine how value is co-created in SE, as well as study what motivates people to motivate in value co-creation. This chapter introduces and justifies the research methodology used to answer these questions.

### 5.1 Research approach

One of the most common distinctions between research methods is between quantitative and qualitative research methods (Myers, 1997). Quantitative methods were originally developed to study natural phenomena and emphasize objective measurements. In social sciences, quantitative methods are utilized through e.g. surveys (Myers, 1997). Qualitative research methods were developed to enable researchers to study social and cultural phenomena (Myers, 1997). Because of the social nature of the research question, qualitative method will be used. Orlowski and Baroudi (1991) divide qualitative research into three categories based on the underlying assumptions the researcher has. These three categories are positivist, interpretive, and critical approach. The philosophical assumptions are independent from the specific research method that was chosen. For example, case study research can be positivist, interpretive, or critical (Myers, 1997).

According to the positivist philosophy, reality can be viewed objectively and can be described with measurable properties (Myers, 1997). Positivist studies usually attempt to test a theory to “increase the predictive understanding of phenomena” (Myers, 1997). Critical studies can be seen as social critique (Myers, 1997). Critical studies aim to expose the contradictions in status quo and bring to light restrictive and alienating conditions (Orlikowski & Baroudi, 1991). Walsham (1995) argues that all knowledge is subjective and that there is no objective

truth in world. Interpretive research assumes that access to reality is only through social constructs such as language and shared meanings (Walsham, 1995), and “attempt to understand phenomena through the meanings that people assign to them” (Myers, 1997). This thesis adopts the interpretive philosophy

The most common qualitative method used in IS studies is case study research (Myers, 1997). Myers (1997), citing Yin (2002) defines case study as an empirical inquiry that investigates a contemporary phenomenon within its real-life context. Case study is especially used in explorative phase of research, to answer “how” and “why” questions (Benbasat, Goldstein, & Mead, 1987). The objective of this study is to explore how value is co-created in sharing economies and to identify motivational factors that drive people to participate in value co-creation in sharing economies (“why”). With case study, this study can be conducted in a natural setting. The results from this study will discover motivational factors and help SE companies assess which features are important for their users and the reasons why users find them important.

## 5.2 Case company

The aim of this study is to identify what motivates people to participate in value co-creation in sharing economies. The study will be conducted as a case study by interviewing users of a specific SE service. This study will study the users of peer-to-peer hospitality service Airbnb. The selected service is perhaps the most well-known and successful SE platform. Because of the success of the platform, it is easy to uncover rich data about the users of the platform. The author is also personally familiar with the way the platform operates, being able to interview more effectively.

Airbnb operates on an MSP business model and relies on one of its customer groups to deliver services to its other customer group. Therefore, value co-creation is a key mechanism on which the business model of Airbnb is built (de Oliveira & Cortimiglia, 2017). Value is created by users interacting on the IT platform. Users work together to produce a value proposition, hospitality service. Users can take a role of a guest or host in different instances depending on their needs.

The service process starts by the host listing their apartment available for rent on the service. Airbnb participates in the production of the value proposition by offering a free photography service for the host and by giving them tips on how to decorate the apartment and what to include in the apartment description. Guest uses various search features to find an apartment that suits their needs. Guest then needs to send a reservation request to the host. Host then has 24 hours to either approve or reject the guest. Hosts are incentivized to answer quickly; hosts who answer quickly are promoted on the platform. If the host accepts the reservation, money is transferred from the linked credit card of the guest to Airbnb. Airbnb keeps hold of the money until the guest has finished their stay to avoid scams. If the host does not show up or apartment is not as advertised, the

guest will get their money back. After the stay, Airbnb will automatically transfer the money to the host, keeping a small portion of it. Both the host and guest are asked to review each other service builds trust between users by encouraging users to review each other after the encounter. Reviews that other people give are visible on the user's profile.

### 5.3 Case study participants and recruiting

Airbnb has two roles, host (service provider) and guest (service beneficiary). Both have different incentives to participate in value co-creation. This study included people who had used the service in either way. 16 of the interviewees (n=24) had used the service only as a guest. 7 had used the service both as a host and as a guest, and one had used the service solely as a host. Participants who had used the service as both a guest and a host, provided answers both from the point of view of a guest as well as a host.

Participants were selected for the interview using a snowball sampling. After contacting people known to be active users of Airbnb, the interviewees were asked to give a suggestion of another participant to the interview. This allowed the interview to include a large enough sample with few initial participants. Snowball sampling is widely used especially in cases where it is hard to find participants, or potential sample is reluctant to come forward (Goodman, 1961). With snowball sampling, the interviewer needs to know only a couple of initial participants. As the participants suggests other subjects, and those subjects suggest more subjects, the "snowball grows" and a sufficient sample size is reached. The main advantage of this method is that the researcher will find participants more easily. Because the participants were asked to suggest people who are active users of the service, the participants also are likely to provide deep insights about the motivational factors. The main disadvantage of this sampling method is sampling bias. Because the participants are people that the other participants know well, they are likely to be similar to the other participants. Therefore the sample might not be representative of all the users of Airbnb.

The participants were contacted through a messaging app or an email. The participants were mainly keen to participate in the study. Of 26 contacted people, it was possible to schedule an interview with 24 people. Most of the interviews were conducted face-to-face. However, due to location or difficulty in scheduling, some of the interviews had to be completed through a video call. 13 (~54%) of the participants were female, 11 (~46%) were male. Almost all of the participants either had a university degree or were working towards one. This is due to the sampling method used, resulting in a sample of similar people. The average age of participants were 26 years old, youngest ones being 23, and oldest participant being 42 years old. Full list of participants can be seen on TABLE 2. While the sample is quite homogeneous, it represents the largest user base of Airbnb, young adults (Bustamante, 2017). The gender distribution also lines up with Airbnb user statistics.

Table 2: Case study participants and selected stimuli

ID	Gender	Age	Education	Role	Stimuli
1	Male	24	BSc (econ)	Guest	6, 2
2	Female	25	MSc (econ)	Guest	3, 4
3	Female	25	BSc (econ)	Both	6, 5
4	Male	23	High school	Both	5, 6
5	Female	26	M.Phil.	Guest	2, 1
6	Female	42	M.Phil.	Guest	2, 6
7	Male	23	BSc (econ)	Guest	4, 6
8	Female	24	BSc (econ)	Both	3, 6
9	Female	24	BA	Both	3, 6
10	Male	25	BA	Guest	3, 6
11	Male	24	BSc (econ)	Both	3, 4
12	Male	26	BSc (econ)	Guest	6, 3
13	Female	24	BSc (econ)	Both	6, 2
14	Female	23	BSc (econ)	Both	3, 5
15	Female	24	BSc (econ)	Guest	6, 4
16	Female	28	MA	Guest	4, 6
17	Male	27	BSc	Guest	6, 3
18	Female	25	BA	Guest	4, 1
19	Female	25	BSc (econ)	Host	6, 4
20	Female	23	BSc (econ)	Guest	6, 4
21	Male	25	High school	Guest	3, 6
22	Male	28	MSc (econ)	Guest	1, 5
23	Male	24	High school	Guest	6, 4
24	Male	26	MSc (econ)	Guest	2, 6

#### 5.4 Previous research on motivations to participate in sharing economy

Why people are inclined to share has been studied before. Motivating factors to participate in sharing economies has been studied and identified in previous studies (e.g. Böcker & Meelen, 2017; Lan et al., 2017; Hamari et al., 2016; Lampinen & Cheshire, 2016; Bellotti et al., 2015). Monetary compensation has been usually identified as the most obvious motivator. However, as SDT suggests, monetary compensation as sole motivator is not ideal. According to the theory, receiving monetary reward for action is seen as controlling and thus reducing feeling of autonomy, causing intrinsic motivation to decrease. People who are more intrinsically motivated, are more motivated overall and perform better. Therefore it is important to identify and cultivate other motivating factors.

Previous studies have identified several other kinds of motivators but they vary between studies. Social factors such as status and meeting new people can be motivating (Böcker & Meelen, 2017; Lampinen & Chesire, 2016; Hamari et al., 2016; Bellotti et al., 2015). Couple of studies have also identified internalized motivations such as feeling good about oneself, altruism, amusement, and sustainable values (Lan et al., 2017, Bellotti et al., 2015). Belief in one's abilities in dealing with a situation (i.e. self-efficacy), as well as sense of duty, were identified by Lan et al. (2017). According to findings in the study by Lan et al. (2017), the longer the users participate in the SE, the more active value creators they became. The authors explain this with increased self-efficacy and the users internalizing the SE values. According to Hamari et al. (2016), intrinsic factors such as enjoyment and sustainability were found to be important aspects affecting attitude towards use. Study by Böcker and Meelen (2017) showed a high variance in motivations between different SEs. For example, while ride sharing was shown to be motivated by environmental values, in other SEs, economic (financial benefits) and social factors, played a larger part. Tussyadiah (2015) proposed that sustainability (i.e. "traveling more responsibly and reducing negative impacts on the environment"), community (i.e. "developing meaningful social connections"), and economic benefits (i.e. "getting more value with lower cost") were the most important drivers motivating participation in accommodation sharing. The author also identified lack of trust, efficacy, and economic benefits as important deterrents towards use.

There has been lots of variance between studies and no definitive answer to what motivates people to participate in SE. However, it is clear that people are motivated to participate with other motivators than financial rewards. By using S-D logic and theory of self-determination as lenses, this study will examine motivational factors to participate in value co-creation in SE using a qualitative study. Next chapter will justify the research method used in this study.

## 5.5 Data collection method

Critical Success Chain (CSC) is a methodology developed by Peffers, Gengler, and Tuunanen, 2003). CSC can be used to find out what features IS users want and why they prefer them. The methodology is based on Critical Success Factors (CSF) and Personal Construct Theory (PCT). CSF analysis has been widely used in decision-making. CSF refer to the most important objectives on which firm depends on. Use of CSF ensure that projects which support the most vital strategic goals are supported (Peffers, Gengler, and Tuunanen, 2003).

PCT was developed by psychologist George Kelly (1955), with the aim to understand how individuals understand and view the world differently. People view the world through the lenses of their personal constructs, understanding how the world works differently. The personal constructs cause people to see relationships (attributes) between events differently, which has impact (consequence) on their individual values. Figure 4 by Peffers, et al. (2003) represent the

generic relationships of PCT. According to the theory, a person uses their own constructs to build expected consequences on certain attributes. The consequences in turn have certain values for the person (Peffers, et al., 2003).

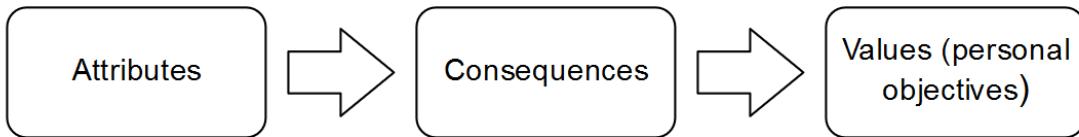


Figure 4: Personal construct theory according to Peffers et al., 2003

The authors argue that decision makers in organizations using CSF for planning use a similar model as PCT. Managers assume that development of certain IS attributes will lead to certain outcomes (consequences), which will lead to achieving important firm goals (values). Thus the authors apply PCT to extend the CSF methodology, resulting in the CSC. CSC models the reasons why particular IS features are favored by modeling relationships between IS attributes, the consequences of said attributes to CSF performance, and the individual or organizational objectives or values that the consequences support (Peffers et al., 2003). The relationships between the different levels can be seen in Figure 5.



Figure 5: Critical success chains (Peffers et al., 2003)

Because CSC is based on PCT, one can use the same data collection and analysis methods that have been successfully used in PCT studies for decades. Data-gathering methods based on PCT aim to elicit information about how people differentiate among stimuli (Peffers et al., 2003). One such method is “laddering” method which will be used in this thesis. Laddering is an interview technique used to discover means-end hierarchies that consumers construct (Reynolds & Gutman, 1988). It follows the means-end theory by Gutman (1982) which assumes that consumers use product attributes (means) to achieve consequences that fulfill their personal values (ends). The theory explains why the consequences of using certain attributes of a product or service are important in the form of personal values. According to the theory, people’s consuming habits are driven by the need to achieve these end-state values.

Laddering is an in-depth interview technique used to understand how consumers translate attributes of products or services into “meaningful associations with respect to self” (Reynolds & Gutman, 1988). In other words, how consumers think that the product or service helps them achieve their personal values. Laddering is defined by use of “why”-questions. The interviewees are asked why

certain product or service attributes are important to them, usually revealing consequences of those attributes. The same question is repeated for consequences, until underlying motivators or personal values are reached. Resulting from this probing is an association network, ladder, between product attributes, consequences, and values. The attribute-consequence-value ladders uncover the reasons why certain attributes or consequences of a product or service are important to the consumer (Reynolds & Gutman, 1988).

Using the CSC as the framework personal construct chains can be analyzed in the context of CIS. By utilizing the CSC and adapting laddering technique as data gathering method, this thesis allows to answer the question of why certain features in a SE platform are preferred. In this case the study will be conducted as a case study on the accommodation SE sector using Airbnb as case company. The study will identify the underlying values and objectives that motivate people to participate in the use of Airbnb. With a large enough sample of Airbnb users ( $n=24$ ), the resulting chains from different interviews can be aggregated to produce a network model of how users associate the constructs in this context as a whole.

## 5.6 Data gathering

To create a comfortable environment and allow interviewees to speak as freely as possible, the interviewees were able to select the place where the interview was held. The participants were informed that the interview would be recorded to help in interpretation but that it would not be shared with anyone else and the data would be handled anonymously. The interviews were conducted in Finnish, except for 3 interviews which were held in English. The Finnish interviews were translated to English during data analysis. Before each interview, the participants were presented a short summary of the purpose of the study and about the meaning of value co-creation in this context.

This interview aimed to find out the most important features in Airbnb, or features that users would like to see implemented, as well as the reasoning behind the features. By utilizing the laddering technique, the underlying motives of users can be uncovered by identifying what are the important personal values and objectives that users are aspiring to fulfill through the use of those features.

Before beginning the actual interview, each interviewee was presented with a list of stimuli. The stimuli were based on the CIS framework by Peffers, Myers, and Tuunanen (Figure 2) that presents the different instances of value co-creation in consumer information system context. The stimuli were used to prompt the participants to think about features that are important to them in Airbnb. The participants were then asked to select two of them that they considered most important or interesting. Frequency of choice can be seen in Table 3. Full list of stimuli and their description can be found in Appendix 1.

Table 3: Frequency of stimuli choices

<b>Stimuli name</b>	<b>Frequency of choice</b>
1. Construction of Identities	3
2. Social Nature of Use	5
3. Context of Use	9
4. Participation in Service Production	4
5. Service Process Experience	8
6. Goals and Outcomes	15
7. Something else	0

The interview was conducted for both of the selected stimuli. The participants were first asked to name a couple of ideas that are important to them in regard to that stimulus. Usually these represented features that were most important for them while using Airbnb or features they would have liked to see implemented. Participants were usually able to provide 3-4 ideas for each stimulus.

For each attribute that was named, following Peffers et al. (2003), the participants were asked "Why is this important for you?" to identify the consequences of those features. The interviewee was probed again why the consequences were important to them until underlying value was reached. Interviewee's answers were recorded to Microsoft Excel where each spreadsheet contained chains belonging to one of the selected stimuli. Each chain was recorded in a separate column to illustrate the reasoning of the interviewee, starting from an attribute (A) to various consequences (C) and finally to a particular value (V). If the interviewee gave multiple distinct answers to any of the "why" questions, each of the reasons were divided to sub-chains originating from the original chain. The sub-chains were treated as their own chain in the data analysis phase. Example of the notes made during the interviews can be seen in TABLE 4.

Table 4: Example of interview notes

Interview: 3 Stimuli name: 4. Participation in Service Production			
<b>Chain</b>	<b>Attributes</b>	<b>Consequences</b>	<b>Values</b>
1	A Host is a local	C Trustworthy tips of what to do C Can sample local food C Can live like a local	V Authenticity V Sensation seeking
2a	A Chat	C1 Interacting with a person instead of a system C Don't have to follow strict processes C Easy to arrange things	V Flexibility V Save effort
2b	A Chat	C2 Get a quick response C Easy to arrange things	V Save time and effort

At the end of the interview, the participant was asked to confirm the interpretations made by the researcher. The data collection from the 24 interviews resulted in a total of 277 individual chains. After coding the results, 271 individual chains remained. The coded chains contained 1463 individual statements.

## 5.7 Data analysis

This study followed a two-step, qualitative, thematic approach in data analysis, following the example in previous study by Tuunanan et al. (2006). The data from the interviews spread across 24 spreadsheets were first collected to one master sheet. The raw data was first standardized and simplified. Similarities were coded under same coding results. For example, statements using different words but with similar meaning, were given the same label. The audio records from the interviews were referenced to understand the meaning behind ambiguous interview notes.

Common patterns regarding the underlying values between chains were identified during the analysis process. Five themes were created to span common values. Each chain was grouped into a relevant theme during the coding process. To generate meaningful results from the interviews, the research set to turn the raw interview data into graphical presentations. Following example in a study done by Tuunanan et al. (2006) with the same research method, network maps for each theme was created. The maps illustrate how interviewees understood how value is co-created in Airbnb and the important personal values and objectives that motivate the participation in value co-creation.

Common patterns regarding the underlying values between chains were identified during the analysis process. Five themes were created to span common motivating values behind chains. During the coding process, each chain was grouped into a relevant theme. The themes that were identified are listed with the number of chains that were associated with the theme in Table 5 below.

Table 5: Interview themes

<b>Theme name</b>	<b>Description</b>	<b>No. of chains</b>
Hedonic values	Chains motivated by comfort and enjoyment derived from using the service.	56
Authenticity values	Experiencing the local culture, looking for authentic experiences, “wanderlust”	65
Safety values	Assuring safety and creating peace of mind during the service experience	52
Social values	Chains motivated by meeting new people and being able to help others	30

Utilitarian values	Seeking a practical end from the benefits and outcomes derived from the service	74
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After all the chains were assigned into themes, following example set by Tuunanan et al. (2006), an individual map was created for each theme. The resulting five theme maps are presented in following chapter.

## 6 THEME MAPS

The resulting maps contain the features or attributes of the service on the left, the consequences of the features in the middle, and the underlying values and personal objectives behind the consequences on the right. The items are linked like they were linked by the participants in the interviews. The maps illustrate how interviewees understood how value is co-created in sharing economy in the accommodation sharing sector and the important personal values and objectives that motivate the participation in value co-creation. As Tuunanan et al. (2006) notes, links in the maps reflect the associations of the participants, and do not reflect the analyst's rationale. The authors note that the reader should not seek causality or particular logic from the linkages.

### 6.1 Hedonic values

This theme arose from participants looking for comfort and enjoyment through their use of the service. Total of 55 chains arose pertaining to this theme.

**Attributes:** The interviewees appreciated that the service has a large user base as it leads to large selection of apartments on the service (8 chains). Participants valued that living at a home (8). Different filter options and search features helped guests to find the right apartment on the platform (7). Description and pictures of the apartments were also important for guests (5). Guests valued that the listed apartments are otherwise empty, and they could be alone in the apartment (5). Guests also valued that hosts were peers and they could have more informal relationship with them (5). Chat was found to be a good way to interact with the other person (4). Good UI (5) and review feature (5) also arose as important attributes allowing participants to reach their hedonic personal objectives (4).

**Consequences:** Large selection of apartments made it easy for participants to find the right apartment to fulfil their needs. Couple of the participants also reported that they enjoyed the search process itself, describing the feeling of finding the right apartment as joy of discovery. The participants mentioned different features which made the search process and comparison of apartments easier. This led to guests being able to make a more informed decision (11) and get best possible experience. Another point raised of the search and comparison process was that it allowed the guests to vicariously live the trip in their minds (5). Few of the participants found the UI of the platform visually pleasing which lead to pleasant user experience (5). Reviews allowed participants to find out what the apartment is like, with one participant emphasizing that verbal reviews allowed them to get assurance on things that were important to them. Because the reviews are so important, hosts are also “forced” to be as nice as possible (2).

The inherent feature of the service is that guests are able to live at someone's home. Guests appreciated the amenities of home and homely surroundings. This led to participants to feel at home during the vacation (6). Guests appreciated that they could be alone in the apartment and did not have to share amenities (4). Guests also appreciated that they did not have to follow some external schedule and could go as they pleased (6). Incentive for the hosts to answer quickly and the instant booking feature allowed guests to get an apartment fast (4). Chat was also found as a way to easily reach the other person and arrange things (2).

**Values:** Fun and enjoyment arose as the most important value in this theme. Vicariously living the trip through pictures of apartments, enjoyment from visually pleasing UI, and finding the best apartment for needs created enjoyment among participants (25). Being alone in the apartment with home amenities allowed participants to fulfil their personal objective of comfort (16).

“ I'm on vacation and I want to use my time best possible way. That's why I want to find a best possible apartment [...] to give me the best experience.” – Female, 23 (interview 8)

Participants valued the freedom from being able to go as they please (10). They valued that it was easy to interact with the host and make special arrangements. Living alone in the apartment meant that the participants could come and go as they please, allowing respondents to be flexible with their schedule.

“The relationship I have with an Airbnb host is much more familiar than one with a hostel receptionist. [...] [Informal relationship] makes settling things much easier so I can be more flexible”. -Male, 23 (interview 4)

Quick reservation process allowed guests to be spontaneous (4). The theme map is visually illustrated in Figure 6.

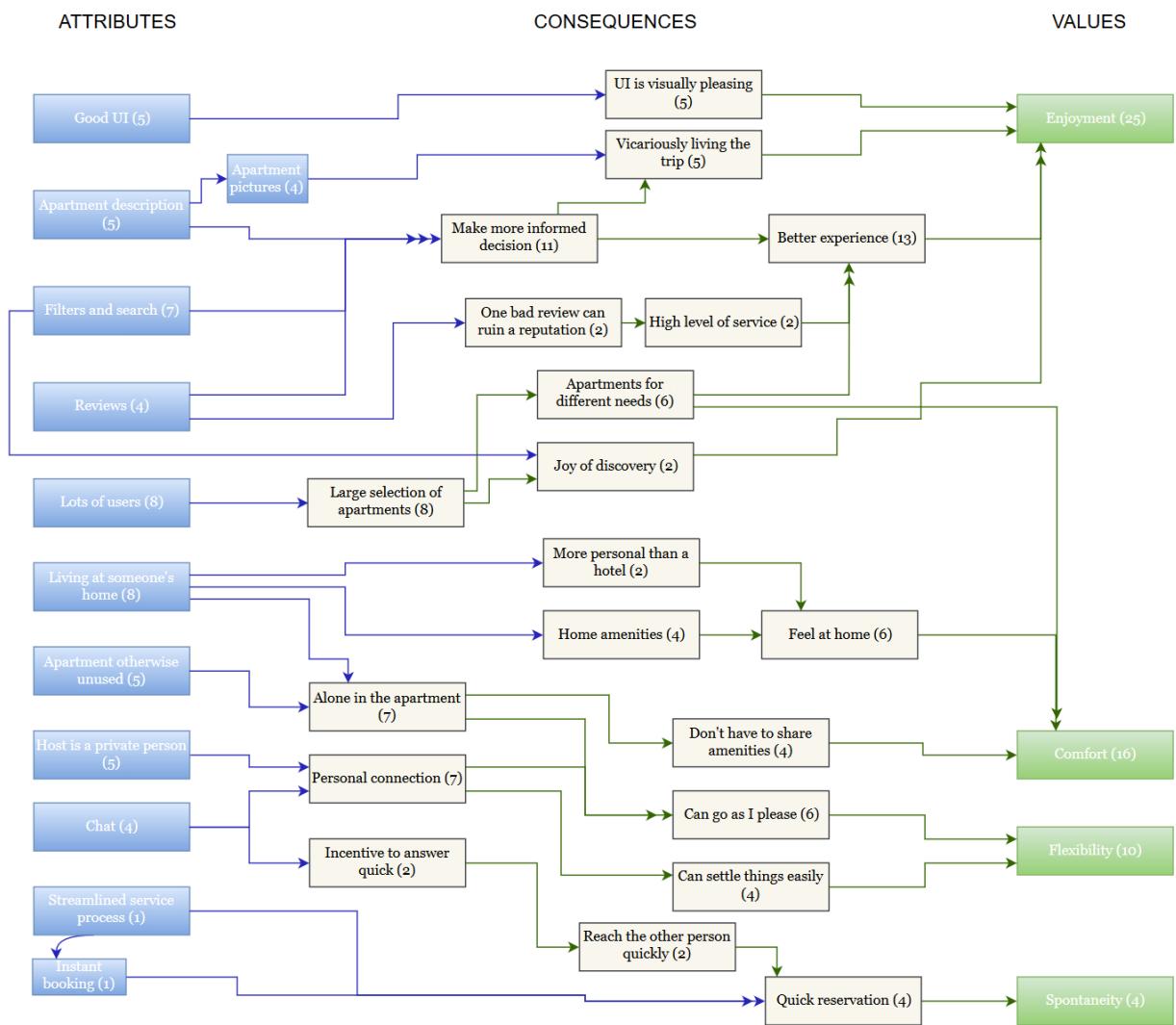


Figure 6: Theme map for hedonic values

## 6.2 Authenticity values

Number of participants valued authentic experiences. Participants wanted to experience new and memorable experiences instead of “going from one attraction to another”, as interviewee 2 mentioned. Total of 60 chains arose pertaining to this theme.

**Attributes:** Participants valued that the service allowed them to live at a local’s home, in a local’s neighbourhood (22). Participants also mentioned that as a guest they liked the fact that they are dealing with a peer instead of a business during the service process. Additionally, participants valued that the host is a local who knows the neighbourhood. The participants mentioned that this allowed them to both form a more personal connection with the host and could lead to unexpected experiences. Participants liked learning how locals live. Apartment description was mentioned as a tool to see in what kind of apartments the locals lived (5). Hosts also reported that it was a way for them to create a positive image of their home town. Filters and sorting made it possible for guests to find an authentic neighbourhood and avoid touristy places (4).

**Consequences:** Participants found hotels to be boring and predictable. The most important consequence in this theme that regularly was brought up in the interviews was the opportunity to live like a local (30). This was achieved by interacting with the local host and by living in local neighborhood.

“Even though the host was running the apartment kind of like a hostel, was the experience still more authentic than that. We lived in between the furniture and stuff, feeling closer to the local culture. And interacting with the host allowed us to learn about the locals and the area”. - Female, 28 (interview 16)

Because the host is a peer instead of a business, apartments were found to be more personal and exciting. Another consequence of that was that guests felt that they could get trustworthy good tips of things to do from them (11). This allowed the guests to avoid touristy places and experience better and more authentic experiences. Hosts enjoyed giving tips because it created a positive image of their home town (2). Guests reported that they enjoyed interacting with the host because it allowed them to learn about the local culture and learn the local language (5). Participants appreciated the unique experiences that the use of Airbnb made possible. Browsing the selection of apartments was also a way to satisfy curiosity and learn how locals live (2). Because the apartment would otherwise be unused, participants found the service to be good value for money, which allowed them to travel longer and experience more (4).

**Values:** Sensation seeking, or “wanderlust” as some interviewees described it, (31) was the most important value of this theme. Guests were often motivated to use the service in order to experience new and unique experiences and being able to live like a local allowed them to experience them. Interviewees also valued authentic experiences by being in close interaction with the local culture (14). At the same time, guests also appreciated learning about other cultures or learning another language and expanding their world view (11). One participant also mentioned that the use of sharing economy was in line with their values. From the point of view of hosts, in three separate interviews they reported being motivated to be a good host for the guests in order to create a positive image of their hometown (3). The theme map is visually illustrated in Figure 7.

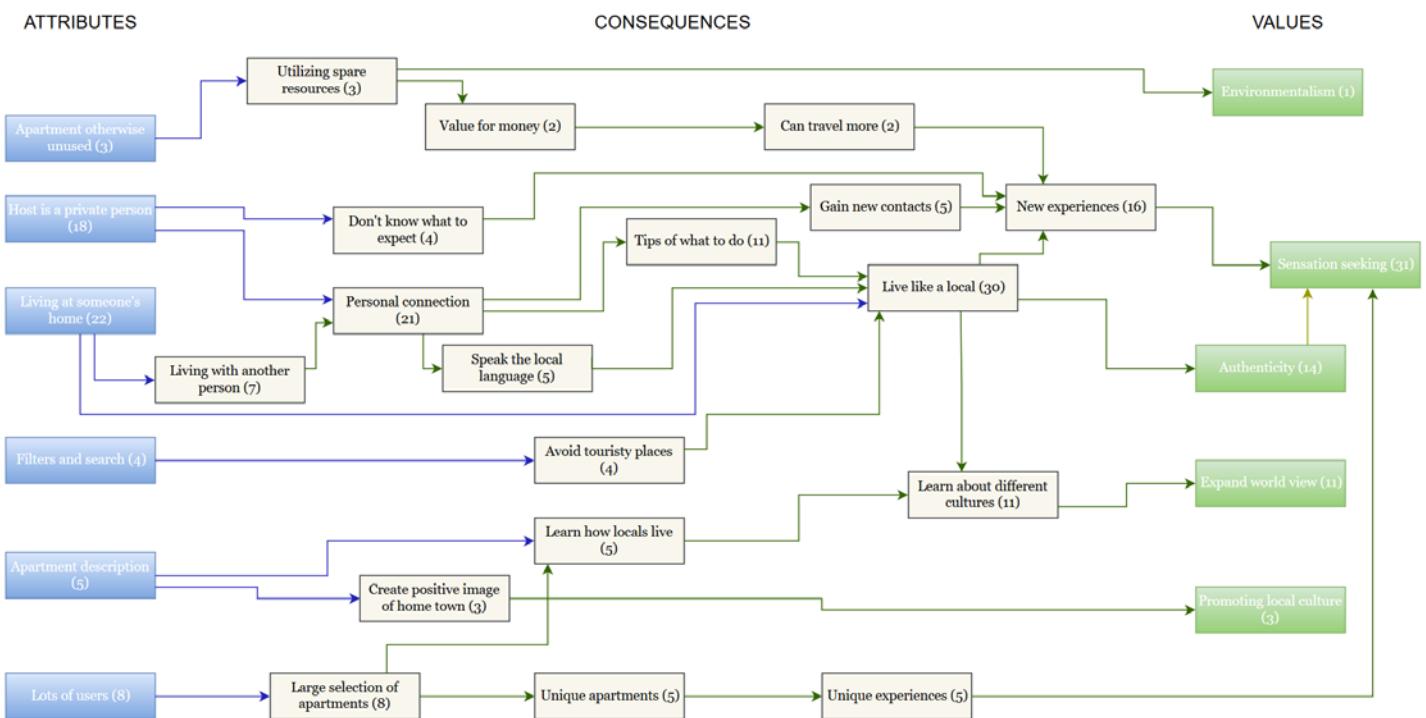


Figure 7: Theme map for authenticity values

### 6.3 Safety values

Participants wanted assurance from the service. Because they were either living in a stranger's home or giving their home to a stranger, participants valued features that made them feel safe and ensuring peace of mind. Total of 52 chains arose pertaining to this theme.

**Attributes:** Reviews were found important feature in building assurance (11). Participants found reviews to present an objective view of the person they were interacting with. Couple of participants emphasized that especially verbal reviews were a very useful tool in order to find a trustworthy host. Chat was found to be a quick and easy way to reach the other person and resolve issues (7). Because the apartments are otherwise unused, guests could be alone in the apartment (6). Profile information containing a picture and personal information of the other person also built assurance (5). Guests could also know what to expect through the apartment description. Besides having a time saving effect, respondents felt that good UI and a clear and consistent service process was a sign of a trustworthy service (5). This included receiving a confirmation email after completing the reservation and interacting with another person when requesting a booking. Airbnb having a moderating role created a feeling of safety and peace of mind among the hosts. This included insurance damages caused by guests and punishing people who misuse the service.

**Consequences:** Reviews allowed respondents to get objective information about the other person and understand what they are like, building trust (8). Good reviews allowed hosts to choose who to host and get trustworthy guests (4). Interviewees noted that because guest reviews carry over from guest to acting as a host, hosts who have not acted as a host before could have decent reviews and choose who to host. Good reviews motivated the hosts to treat their guests well. Kind gestures from the hosts made guests feel welcome which made them feel more at ease and built assurance (2). The interviewees found visually clear UI and streamlined reservation process to be a sign of a trustworthy service, building assurance (5). With the chat feature, the other person could be reached quickly (3). Participants also felt that interacting with another person instead of having to deal with an information system made resolving matters easier (2). As the interaction happened on the Airbnb platform, participants did not need to share personal information to reach the other person (2). Additionally, messages were saved to a third party server, allowing any potential conflicts to be resolved. A large selection of apartments and an incentive for the hosts to answer quickly ensured that users always found a place to stay on the platform (4).

"There is so much to choose from so I'm pretty much always ensured to get at least some place to stay." -Male, 24 (interview 11)

Apartment description and pictures of the apartment allowed guests to know what to expect from the apartment (2). Interviewees also valued being alone in the apartment (4). Participants felt that this meant that they could leave their belongings unsupervised and be on their own.

**Values:** Participants found knowing what the other person is like, reaching the other person quickly, leaving belongings unsupervised, as well gaining assurance from various features creating peace of mind (30).

"With the review feature, I can get a feel of the person who owns the place and of the quality of the place. [...] I can have a peace of mind. – Male, 26 (interview 12)

Not having to share personal information, resolving emergency situations, and being able to choose who to host caused participants to feel safe while using the service (18). Privacy was also a found as a motivating personal objective (4). The theme map is visually illustrated in Figure 8.

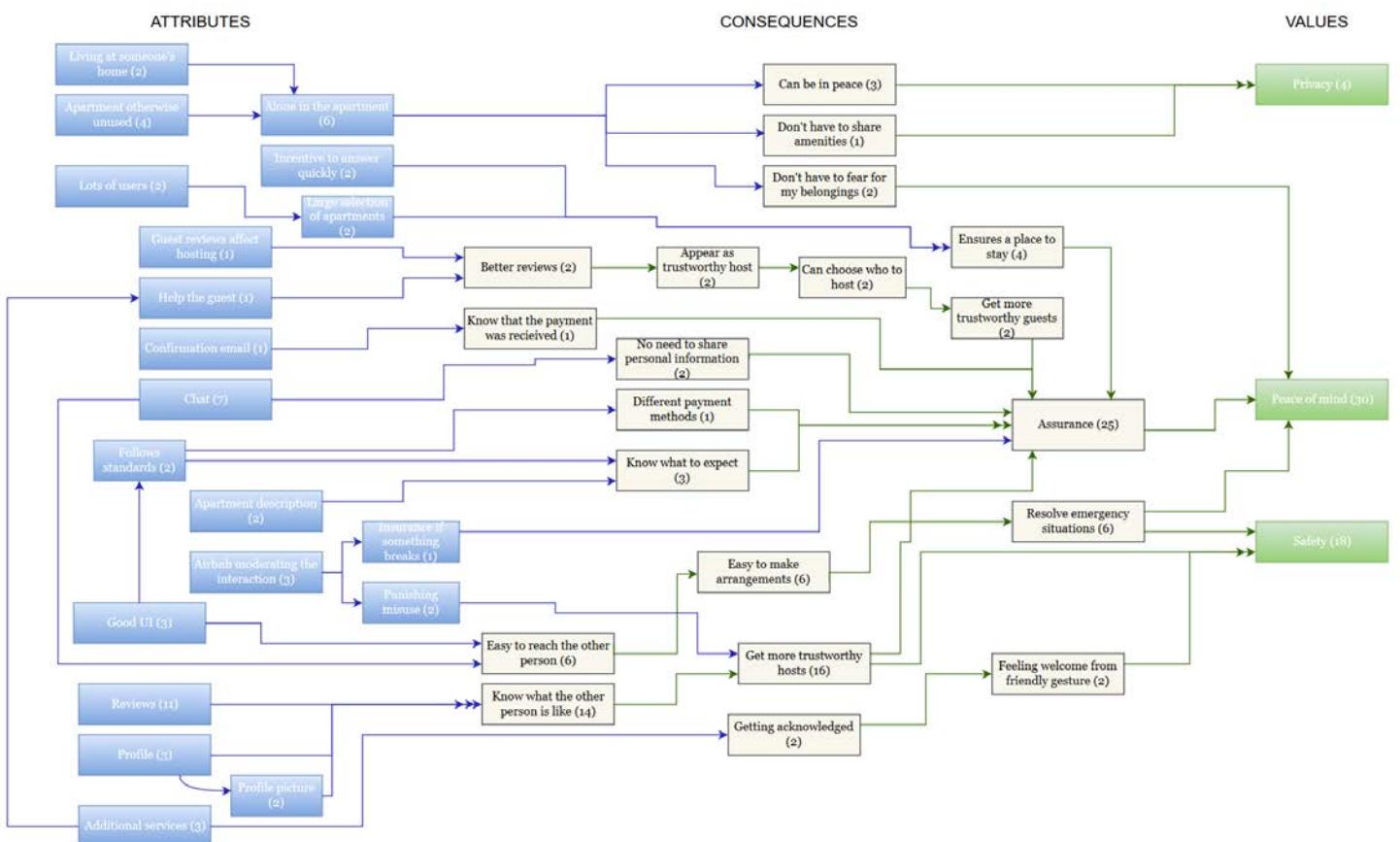


Figure 8: Theme map for safety values

## 6.4 Social values

Participants liked using the service because it allowed them to meet new people and form new contacts. Total of 30 chains emerged from the interviews relating to this theme.

**Attributes:** The most important feature in Airbnb regarding this theme for guests was interacting with their local hosts. The participants described living at someone's home when it is not used a win-win situation. Participants liked that they were able to help the locals. Other guests in the apartments made it possible for guests to meet new people. Guests wanted to find nice hosts. Review feature was mentioned in 4 chains to help guests achieve this goal. Chat feature was also mentioned as an easy way to interact with the host and get to know them before the trip. One participant also mentioned integrating likes from Facebook to Airbnb was proposed as a new feature idea to find a host with similar interests. Finally, couple of participants valued the active Airbnb community.

**Consequences:** Living at someone's home made it possible to form a personal connection with that person (9). Participants felt that the interaction was deeper than with people in other accommodation options.

"Contacts from hostels are very superficial. Because I am living with just one person, I can get to know them better. [...] Social relationships bring joy to my life." – Male, 24 (interview 1)

Interviewees also appreciated that the interaction occurred between peers and was therefore informal (5). Because the apartments in the platform were otherwise unused, participants felt like it was a win-win situation and benefited the host as well (3). Meeting new people and gaining new contacts were mentioned as important consequences in 11 chains. Couple of hosts mentioned the importance of good reviews. One reported that getting good reviews made them feel good, another mentioned that it attracted more people, allowing them to meet new people. One guest also liked the review system because it allowed them to save others from negative experiences. Participants wanted to find nice hosts with similar interests (8). This could be achieved by talking to them before the trip, looking at their reviews, and seeing their likes on Facebook.

**Values:** Participants valued gaining new contacts and making new friends by forming a personal connection with their host and meeting new people (20). Participants also described feeling good from being able to help others (8). Guests reported feeling good from supporting locals instead of big hotel businesses. Hosts noted feeling good from providing someone in need a place to stay. Two chains also ended in a sense of belonging in the Airbnb community from the interviewee. The theme map is visually illustrated in Figure 9.

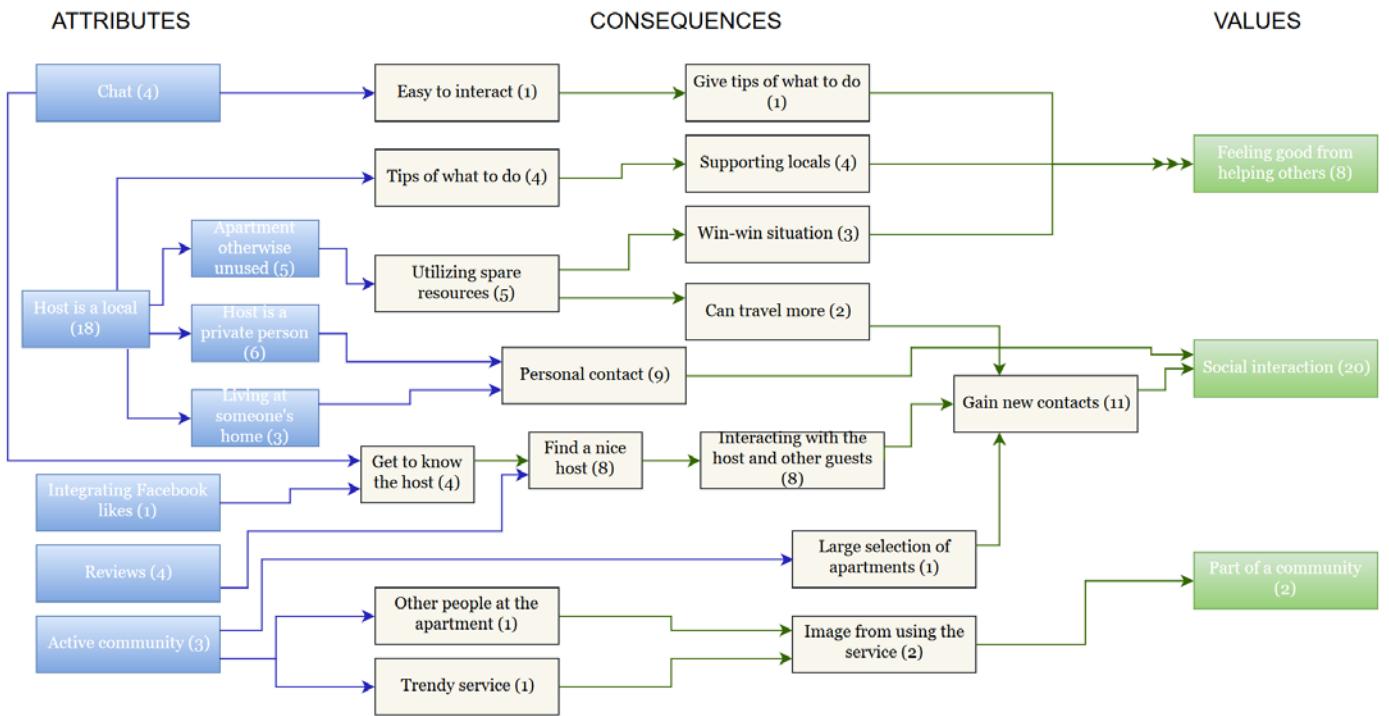


Figure 9: Theme map for social values

## 6.5 Utilitarian values

Most of the participants mentioned practical outcomes derived from using the service. Many participants felt that Airbnb was a cheaper accommodation option or found the rewards attractive. These usually arose early during the interviews, with other motivators arising after further questioning. Total of 74 chains arose regarding this theme.

**Attributes:** Interviewees liked the user interface and the usability of the platform (30). They found the UI of Airbnb clean and similar to other applications that the interviewees had used. Participants also valued a good search feature with filters and sorting (4). Another important feature regarding usability was the map view displaying prices of apartments on a map (5). Finally, chat was found as a quick way to reach the other person (4).

In addition to features concerning usability, participants valued that users could act as both a guest and as a host in the same service and did not have to register for different services (3). Large userbase lead to a very large selection of available apartments for many different needs (7). Another important attribute for the guests was the possibility to live at a home, with the facilities of home (5). The importance of reviews was brought up in this theme as well. Couple of hosts liked that the reviews from acting as a guest were visible in their profile when they were acting as a host, so that they could appear as more trustworthy hosts. Hosts looked to maximize the time that the apartments were rented out. This was achieved with easy to use booking calendar feature, co-hosting, and as a new idea, having Airbnb let guests in the apartments.

**Consequences:** Saving money was brought forward by the guests often during the interviews. Because the apartment is otherwise unused, and host is a private person and not a business, interviewees found the service to be good value for money (12). Because the guests were staying at a local's home, they could cook in the apartment, and save money that way (4). The guests found the homes to be in good locations as well, saving money from commuting. An important point raised of the service for the users was that it was easy to use and did not require lot of effort (27). A respondent mentioned that she would have not finished the first reservation process if it had been difficult to use or inconsistent:

"I am used to using technology that works so if I am using something that does not work, I become frustrated. [...] That leads me to have a negative view of the company and I would stop using the service". – Female, 24 (interview 19)

Good usability and features like instant booking allowed reservation process to be completed quickly. Guests also saved time from commuting because they felt that apartments on the service were in good locations. Hosts looked for maximizing the utilization of resources. Features that made it able to rent the apartment as much as possible and to make more money (10). Good reviews for the host led

to more hosting opportunities. Therefore, hosts also looked for ways to gain better reviews with e.g. extra services. Hosting opportunities was also assisted because putting the apartment on the service was easy especially if the host had already used the service previously as a guest. Hosts found the compensation for small amount of work to be good value.

**Values:** The most often mentioned value for the participants in this theme was saving time and effort (41). Most important consequences leading to this value were that the UI of the service was easy to use. Participants also found the reservation process to be hassle-free. Additionally, participants mentioned that the service supported different use contexts. Users could message each other and handle reservations in one place. In addition, the service contained apartments for very different needs. Compared to other accommodation possibilities, participants also found Airbnb to be good value for money. Saving money was present in 23 in the interviews and mentioned by most of the participants as an important objective. Hosts also appreciated ease of use but usually looked to maximize utilization of their apartments and get as much money as possible. Monetary gain was the underlying value in 10 chains. The theme map is visually illustrated in Figure 10.

## ATTRIBUTES

## CONSEQUENCES

## VALUES

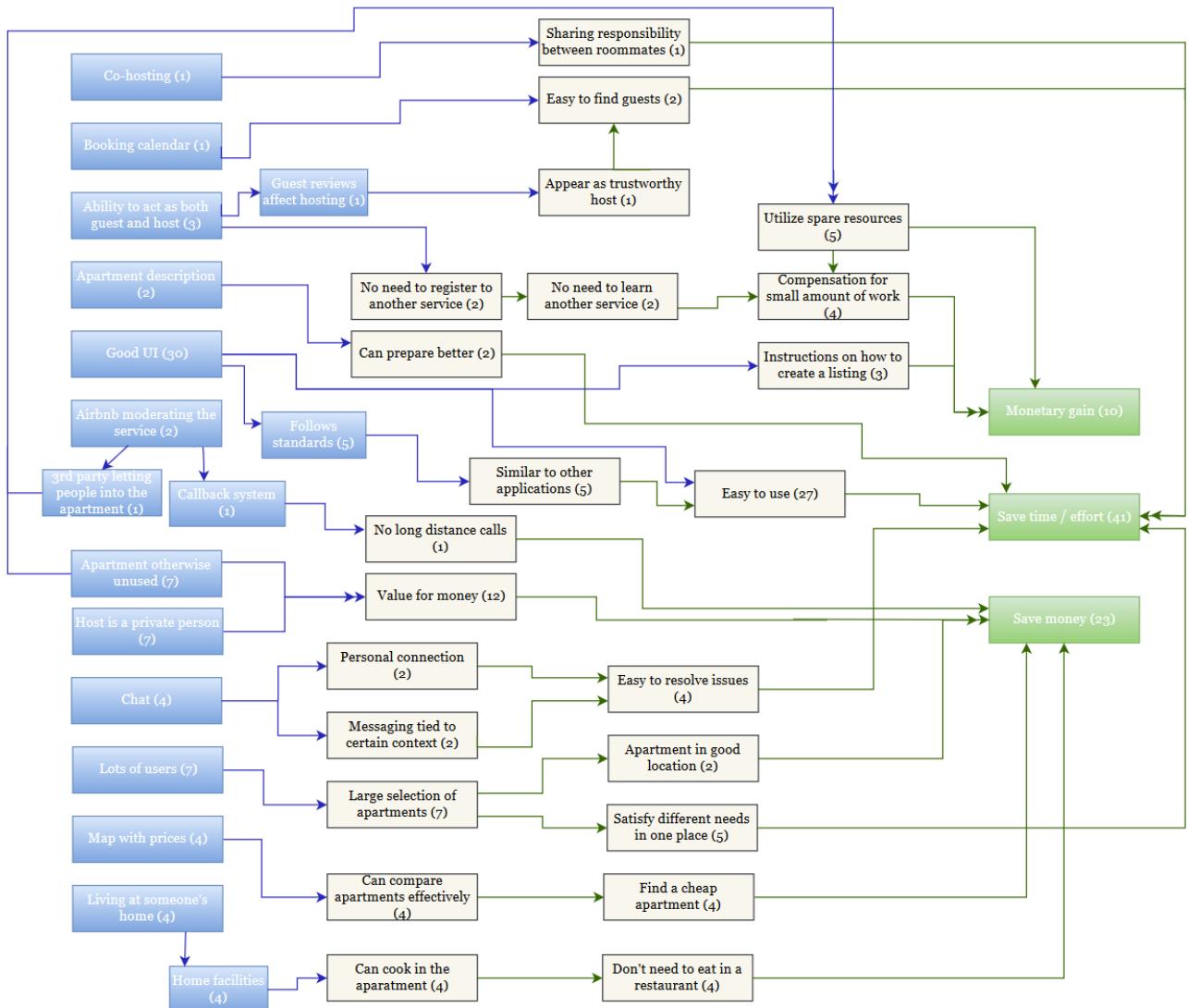


Figure 10: Theme map for utilitarian values

## 7 DISCUSSION

In this chapter the findings of the study are discussed and the research questions laid out in the beginning are answered. The chapter will also discuss the implications for research and practice.

### 7.1 Answering the research questions

The goal of the study was to analyze the motivations to participate in value co-creation in sharing economies. The study was conducted using Airbnb as case. The research question introduced in the beginning of this study was:

- *What motivates sharing economy users to participate in value co-creation?*

To assist in answering this research question, an additional research question aimed to answer:

- *How is value co-created in sharing economies?*

To answer the additional research question, framework for value co-creation in consumer information systems was used. Value co-creation in SE happens through interaction between the service beneficiary and service provider, facilitated through an IT-enabled service. More specifically, value is co-created by integrating system value propositions with customer value drivers. Value propositions include construction of identities, social nature of use, and context of use. The first value proposition refers to users building their own identity on the platform. Social nature of use refers to the system enabling people to interact with other users. Third value proposition, context of use, refers to the system enabling different use purposes. Customer value drivers include participating in the service production, service process experience itself, and goals and outcomes achieved from using the system.

According to the interviews, users of Airbnb were able to construct identities on the platform through various features. Mainly this was achieved through the user profiles. Users of the platform can upload a photo and a description of themselves. For hosts, apartment description and giving tips for the guests was a way to express themselves and their interests. Social nature of use emerged in the platform through the service enabling social interaction between users. The users could talk with each other with a chat feature. Review feature was seen as a way to thank the other person for a pleasant experience. Couple of participants also felt good from being able to help others. The platform was also found to be flexible for different use contexts. Guests appreciated that they could use the same platform to reserve the apartment, as well as interact with their host. Users also liked that they could act as both a guest and a host in the same service without having to learn another service and having to build reputation in there.

Regarding the customer value drivers, guests could interact with the host and participate in service production. This way the two could create a customized service experience if the guest required some extra arrangements. The service process itself was also found to be a source of value. Couple of participants reported experiencing joy from visually pleasing UI. Few interviewees also reported enjoying the process of simply browsing apartments. Finally, the participants found use of the service to offer clear goals and outcomes. Guests found that using the service they could get an accommodation that is good value for money. Hosts were motivated by receiving a financial compensation for renting their apartment.

To answer the second research question of what motivates people to participate in value co-creation in SE, laddering technique was used. Laddering technique first asks participants what are the most important features to them in a service. After identifying a few important features, participants are asked to provide a justification for each one. This helped to uncover the consequences that the features help users achieve. By continuing the inquiry and asking why these consequences are important to participants made it possible to uncover the underlying personal objectives that motivate participants to aim for these consequences. The results from the study allows identifying features people value most in Airbnb, and the rationale behind them. The resulting attribute-consequence-value chains can be used to analyze the personal objectives that motivate users to participate in value co-creation in Airbnb. Similarities between the uncovered chains were identified during the data analysis phase. Five themes emerged from the results and each chain was grouped under a relevant theme (Table 5).

Financial benefits of Airbnb were usually among the first motivators that participants mentioned, with other motivators usually being uncovered after further probing. Guests in Airbnb found the listed apartments to be good value for money. Saving money was the underlying personal objective for guests in a total of 23 chains. Hosts found the compensation to be good for the small amount of work that they had to do. Hosts were also motivated to behave well because it

meant better reviews, which in turn lead to more hosting opportunities. This notion is supported in study by Teubner, Hawlitschek, and Dann (2017) where good reputation lead correlated with financial gains. Overall, financial benefits were discovered to be important to users of Airbnb which is in line with previous studies. Lampinen & Cheshire (2016) argued that financial benefits are a good way to motivate people to initially use SE and act as a gateway to other motivators. Future studies could test this hypothesis by studying whether other motivators become more important the longer people have been using SE.

A good user interface was found to be important to participants. Participants valued that the UI of Airbnb followed usability standards, was consistent, and similar to other applications they had used. Easy to use UI helped achieve multiple goals. First, participants highly valued saving time and effort. This was the most often mentioned personal objective, present in 41 chains. Secondly, good UI made the service seem more trustworthy and built assurance among the participants.

Importance of trust has been identified before in studies by Yoon and Lee (2017) as well as Lampinen and Cheshire (2016), where perceived trust supported the intention to use peer-to-peer accommodation service. This included trust in the platform itself as well as the other person that the user was interacting with. As Yoon & Lee (2017) note, there exists inherent risks in sharing economy. In the case of Airbnb, users need to trust a stranger with their own home or live with a stranger. Therefore the service needs to inspire confidence and mitigate risk between interactions. In Airbnb, trust between strangers is mainly built using reputation systems, where users review the interaction experience after the encounter. This was found to be an important way to ensure peace of mind in the interviews. Yoon and Lee (2017) point out that people are willing to sacrifice some privacy to gain a more secure sharing experience. One participant (interview 5) noted that it is assuring that in Airbnb people are not anonymous. It means that misuse may lead to consequences. In Airbnb, guests may need to provide identification document like a driver's license before renting an apartment if host so chooses. Many interviewees wanted Airbnb to have an active role as a trusted middleman and moderate interactions in case any conflicts arose. This included punishing misuse and insuring apartments against damages caused by guests. Chat was also a feature that built assurance in the participants. Guests and hosts did not have to share personal information with each other before meeting each other but could use the chat to interact. If something did not go as planned, users found the chat an easy way to reach the other person and settle things. Participants also appreciated that messaging happens on Airbnb, so messages are saved to their server and can be used to verify information in case any conflicts arose. Finally, users found Airbnb to ensure peace of mind by having a large selection of apartments on the platform. Lampinen and Cheshire (2016) noted that many Airbnb hosts "expressed initial reservations about becoming a host but felt that the assurances of the exchange made the initial leap of faith viable". As discovered from the interviews, building trust was found to be very important in order to get guests to use the service as well. From this we can determine that building

assurance is a key factor for SE platforms to get users to initially start using the service.

Being able to enjoy the company of others and make new contacts has been identified important element of sharing economies (Bellotti et al., 2015), especially company with people who share one's values. Interviewees showed that they wanted to find a host who would be pleasant to be around with and someone who shared similar values to them. As interviewee 1 mentioned, unlike in hostels, in Airbnb one is interacting with only one person. The interviewee felt that this allowed forming a deeper connection with the other person. Being part of an Airbnb community was also mentioned. One participant liked being part of an active and trendy community because it created a trendy image of himself and made him feel like he was part of a community. Bellotti et al. (2015) note that sharing economy service should "support easy and positive social experiences with clear social benefits for their system users, especially experiences consistent with the needs the service addresses ". Their study also noted that social interactions also enables access to other kinds of benefits. That notion was echoed in this study as well as many participants mentioned that social interactions also enabled access to other kinds of benefits like additional services, tips of what to do in the city, and experiencing local places. People also reported being motivated by altruism. Hosts valued being able to provide a place to stay for people, and guests valued being able to support local people instead of big businesses.

Something that has not been emphasized in previous studies was the unique experiences that Airbnb enables. Guests valued the authenticity of "living like a local" at a local's home, in the local's neighborhood. The interviewees wanted to see how locals actually lived and avoid touristy places. Many participants found hotels to lack personality. Participants wanted to experience new experiences instead of "going from one attraction to another". From hosts' point of view, in three separate interviews hosts reported that they wanted to break stereotypes of their home town and create a positive image of the local culture. Tussyadiah (2015) describes accommodation sharing not as a low cost alternative to other options, but as a new form of travelling. Many users were motivated by the new experiences that the use of the service enables.

As consumers are becoming more aware of environmental issues, people are driven to use resources more efficiently (Tussyadiah, 2015). Environmentalism has been identified as an important motivator motivating people to participate in SE. (Bellotti et al., 2015; Lan et al., 2017; Tussyadiah, 2015). However, perhaps surprisingly, this value arose in only one of the interviews.

Finally, users also found hedonic joy from using the service. Interviewees felt that the service allowed them to live comfortably like at home, away from home. A few participants found the reservation process to be enjoyable. They found joy from simply browsing the selection and seeing what kind of apartments the locals lived in. One participant also enjoyed the feeling of finding the perfect apartment, describing it as "joy of discovery "(interview 24). Large selection allowed guests to be spontaneous. The guests could decide to go on a trip

and very quickly find a place to stay on the platform. Interviewees also appreciated that the interaction happened with another person and was informal. Because the users are dealing with peers, participants found negotiating and settling things to be much easier.

According to Lampinen & Cheshire (2016), and Yoon and Lee (2017), hosts require assurance and monetary compensation to motivate them initially to start sharing resources in Airbnb. As they have used the service more, more internalized motivators may arise as well. These more self-determined motivators identified in this study include feeling good from helping others, promoting the local culture, and gaining new contacts. Guests also wanted assurance and financial benefits from their interactions. Other benefits of Airbnb were also identified from the interview results. Airbnb was found to be a new way to travel with other benefits which include social, hedonic, and utilitarian benefits. Participants also found usability of the service important because it saved them time and effort. The identified factors are mostly in line with previous research. However, the importance of sensation seeking behavior for users of Airbnb has not been emphasized in many studies except by Tussyadiah (2015). Implications these findings have for research and practice are discussed in following chapters.

## 7.2 Implications for research

Intrinsic motivation and internalization of values of an activity requires the activity to satisfy the three basic psychological needs of competence, relatedness, and autonomy. If an activity thwarts these needs, the activity becomes demotivating (Ryan & Deci, 2000). If people feel competent in their skills to perform a task, they become more intrinsically motivated. SE platforms should make sure that the service is easy to use, and users feel that they are competent while using the service. If the service is too difficult to use, users might become frustrated and demotivated. If people feel less competent of their skills, it reduces their feelings of competence, and decreases their intrinsic motivation (Deci & Ryan, 1980). According to the interview results, good usability was found to be very important to the users. Easy to use service makes people feel competent in their skills to use the service, increasing intrinsic motivation. Second psychological need refers to the need for relatedness. People want to feel part of a community. Inherent feature of Airbnb is meeting new people and being part of the Airbnb community. Airbnb is dependent on users to interact and settle things, requiring a personal contact between a host and a guest. This was supported in the interviews as interviewees valued meeting new people through the service and the personal contact that the service enabled. Couple of participants also raised being part of an Airbnb community as important to them.

The third psychological need is the need for autonomy. Users need to feel that they are in control of their own fate. If the users have lot to choose from, they are more intrinsically motivated. According to the interviews, large selection al-

lowed users to be more flexible and spontaneous. Participants also wanted assurance from the use of service and this arose as one of the themes from the data. Assurance can also be seen as supporting feeling of autonomy. People want assurance in that their choice is right and that they are capable of making choices. Elimination of risk from the interaction means that people are free to make a choice that they want, increasing their feeling of autonomy.

SDT continuum (Figure 1) identified other extrinsic motivators as more self-determined than others (Deci & Ryan, 1985). The extrinsic motivations vary on their level of internalization. The more internalized a motivation is, the more autonomously driven it is. Extrinsic motivations vary on their level of internalization, or on the degree on which the motivations “emanate from the self (i.e. are self-determined)” (Ryan & Deci, 2000). External regulation is least autonomous external motivator and thus least self-determined. As the name suggests, the origin of motivation in external regulation is from some external influence. When a person is motivated by external influence, they are performing an activity in order to get a reward or to avoid punishment. Hosts reported financial rewards as important motivators for them to share their resources. Airbnb also punishes misbehaving users, so people are required to behave well to avoid consequences. Negative reviews can also be seen as punishment, and as one participant noted, hosts are thus “forced to be nice”.

Introjected regulation is somewhat external motivator where people perform an activity in order to improve their self-esteem or their worth in the eyes of others. One participant noted that they found users of the service trendy and they felt that by using the service they could seem trendy as well. Few of the hosts were also conscious of the image that their guests had of their home town. Hosts wanted to make sure that guests did not have any negative stereotypes of their home town and country. They were motivated to create a good experience in order to promote positive image of their home town.

Identified regulation is a form of extrinsic motivation where origin of motivation is somewhat internal. In identified regulation, people are motivated by goals that an activity helps achieve. They may not enjoy the activity itself but feel that the outcomes of the activity are important to them. Guests appreciated that by using Airbnb, they could experience new experiences, learn of other cultures, and develop as a person. Saving money can also be seen part of this motivation as through saving money people can pursue other goals.

In integrated regulation, origin of motivation is internal. Person who is motivated this way might not gain enjoyment from an activity but performs it because it is in line with their values. Environmentalism arose as a personal objective motivating the use of Airbnb in one of the interviews. The participant found that the sharing of resources allowed more efficient utilization of resources which was in line with his values. Environmental concerns have been identified in previous studies as well. Users who value sensation seeking find Airbnb a service that is good for them because it allows them to experience new experiences. While the most autonomous of the extrinsic motivations, integrated regulation is

still classified as one because a person is not acting due to enjoyment or interest in an activity.

When people are motivated by intrinsic motivation, they are performing the activity because it is fun, or it satisfies their needs (Deci & Ryan, 1985). This is the most useful motivator as people who are intrinsically motivated are performing the activity for its own sake and do not need extrinsic motivation to perform an activity. People who are intrinsically motivated also perform better. Many of the participants found using the service enjoyable and living at home to be comfortable. Motivating factors identified in this study have been placed on the continuum in Figure 11.

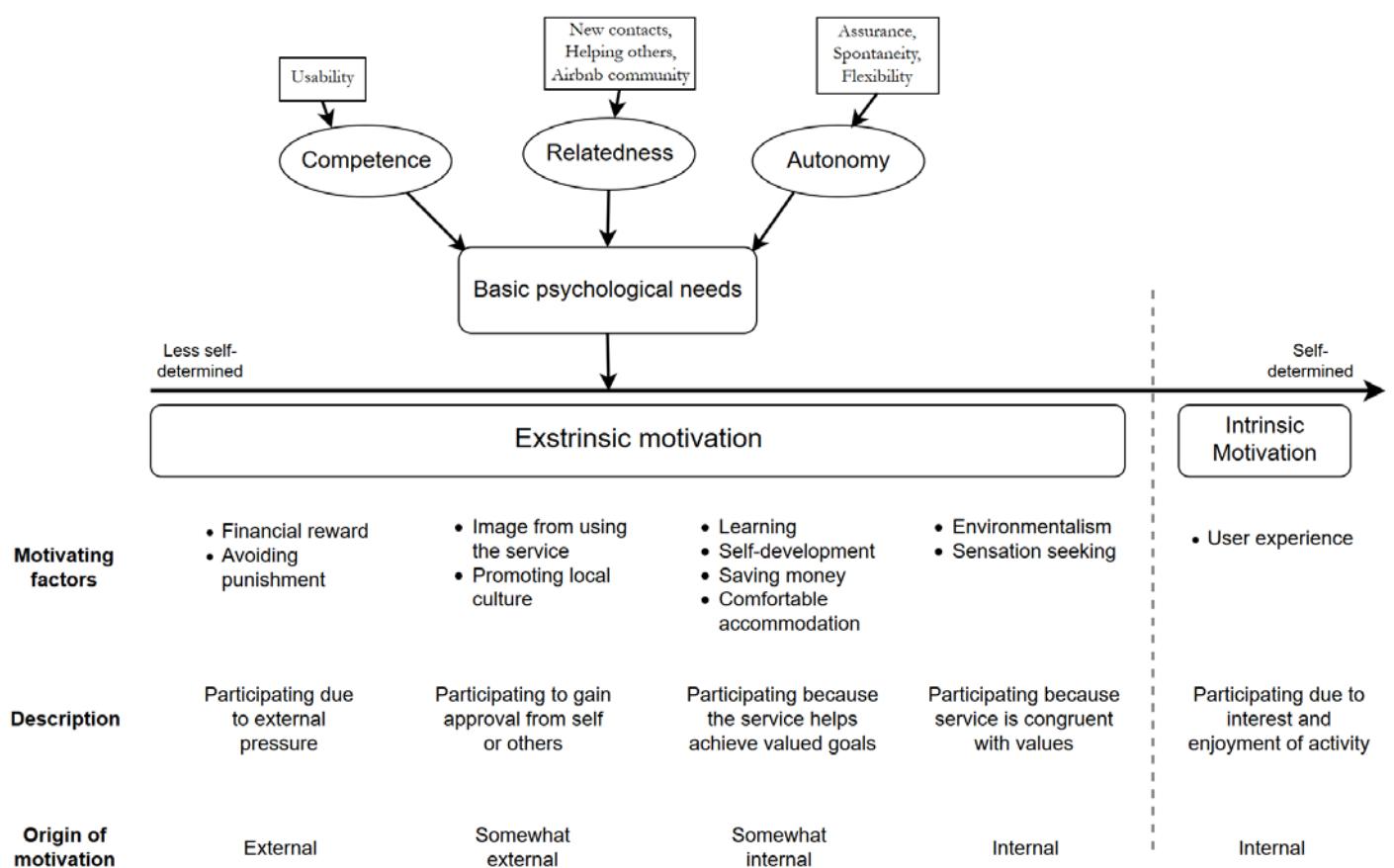


Figure 11: Factors motivating participation in value co-creation in Airbnb

The figure represents the uncovered motivating factors and the researcher's interpretation of their origin. In the beginning of the study it was discussed that the results of this study would help SE companies to design their services so they motivate users to participate in sharing activity. The practical implications of this study are discussed in the next chapter.

### 7.3 Implications for practice

According to a report by PwC, 69% of consumers do not trust sharing economy companies until they are recommended by someone they trust (PwC, 2015). Therefore the SEs need to build trust with their users and it may be hard to disrupt big players like Airbnb that have managed to build their brand and appear trustworthy to its users (Montali, 2017). As it has been discussed before, trust and financial benefits are important to initially get people to start sharing on the platform. Therefore, SE platforms should pay close attention to build trust the first time a user lands on their web site and ensure peace of mind during the service process.

According to SDT, people who are intrinsically motivated perform a task better than people who are extrinsically motivated. When people are intrinsically motivated, they are performing an activity because they enjoy it, and the activity satisfies their three basic psychological needs of competence, relatedness, and autonomy (Deci & Ryan, 2000). When people feel competent in their skills to perform a task, they become more intrinsically motivated (Deci & Ryan, 1980). SE platforms should make sure that the service is easy to use, and users feel they are competent while using the service. People also need to have a sense of belonging with other people. Airbnb requires users to be in close communication with each other. Meeting new people and being part of the Airbnb community arose as important consequences of using the service in the interviews. Other SE platforms should seek to encourage interaction between its users. Finally, users need to feel that they are in control of their own fate. This can be achieved by giving the users more options to choose from. In SE, this benefits services that have been around a long time and have managed to establish an active user base and thus have a large selection of items to offer.

Intrinsic motivation can be achieved by designing the service process to be enjoyable. Number of interviewees reported enjoying the reservation process of Airbnb. They enjoyed browsing different apartments and looking at photos of other people's apartments. SE platforms should aim to make use of their service enjoyable. This could be achieved through gamification, for example through an achievement system that would reward users with badges in their profiles. As it was noted in the interviews, a visually pleasing UI was also found to be a source of enjoyment. However, while many of the participants in this study found the service process enjoyable, it never was the only motivation that the participants had but supported other extrinsic motivations that they had.

SDT views certain extrinsic motivators better than others. The more internalized an extrinsic motivator is, the more self-determined the person is and better performs a task. Previous studies have noted that internalized motivators become more important in SE as users use the service more. SE platforms should seek to cultivate these more internal motivators. Aforementioned gamification could work in this context as well. SE could design the platform so that users may receive badges for positive activity on the platform which may rise their value in

the eyes of others. Another way to internalize motivation is to make the users feel like they are doing something valuable. When a person is given a meaningful reason for otherwise uninteresting activity, it supports their internalization of those values (Ryan & Deci, 2000). For example, SE based on car sharing should emphasize the environmental benefits of using the service. Airbnb could emphasize the fact that users can learn of other cultures and grow as a person. Ideally those values would become part of the person and that person would become motivated by these factors.

Lastly, SE companies should note that external rewards may undermine intrinsic motivation. Financial compensation is a dangerous motivator because it can be seen as controlling and thus reduce feeling of autonomy (Ryan, 1982). If a user starts receiving rewards for some activity that was previously intrinsically motivated, they become less interested in performing the activity. For instance, Couchsurfing should not start giving money to people for providing a place to stay as it could lower their feeling of autonomy.

Intrinsic motivation and internalization requires an activity to satisfy the three psychological needs. Therefore, SE companies should make sure that the use of their service satisfies the three needs. The service should be easy to use so that users feel competent, enable people to socialize with each other, and make the user feel like they are in control. SE can support integrated regulation of their users to participate in value co-creation by making them feel like they are doing something valuable. Lastly, the use of the service should be enjoyable. When users are doing something that they enjoy, they are intrinsically motivated and do not require other motivators to act.

## 8 CONCLUSION

This chapter presents the conclusion of the thesis. First, the outcomes of the study are summarized and compared with the research objectives. Additionally, limitations of the study are acknowledged, and suggestions for future research are discussed.

### 8.1 Summary of the study

The objective of this study was to study what motivates people to be active users of sharing economies. This study adopted S-D logic and modern view of consumers as active participants in service experience, and as co-creators of value. Thus the study aimed to study what motivates sharing economy (SE) users to participate in value co-creation. Sharing economy was defined as a digital multi-sided platform that facilitates peer-to-peer renting of otherwise underutilized assets. The rise in popularity of SE can be attributed to five general trends in economy. They include the servitization of products, empowerment of consumers and consumers looking for personalized value offerings, the development of ICT, and increased environmental consciousness. To understand what motivates people to participate in value co-creation in sharing economies, it was needed to first understand how value is co-created in SE. The consumer information system framework was adopted to understand how value co-creation emerges in SE. Self-determination theory (SDT) and cognitive evaluation theory were used as lenses to understand how people are motivated to perform an activity.

Modern marketing logic views services as basis of all exchanges. Value co-creation is an internal part of this service-dominant logic. According to S-D logic, value is always co-created between the service provider and user and value is always defined in use. This means that the value of the service is not defined in exchange. Instead, because customers have different goals and notions of what is valuable to them, value of a service is defined by the customer as they are experiencing it. The term Consumer Information System (CIS) incorporates system

development with the service-dominant logic and notion of consumers as active participants and co-creators of value. CIS facilitates consumer's value creation through an IT-enabled service. Co-creation of value is integral to business model of SE. In SE the service experience is co-created between interacting users, facilitated by the IT platform provided by the SE company.

In order to understand the value co-creation process in SE, a framework for value co-creation in CIS was adopted (Figure 3). Value co-creation in SE happens through interaction between the service beneficiary and service provider, facilitated through an IT-enabled service. Value is co-created by integrating system value propositions with customer value drivers.

To understand what motivates users to participate in value co-creation in sharing economies, a case study was conducted on the users of the most widely adopted SE, Airbnb. In the case study, this study adopted the Critical success chains (CSC) methodology. CSC models the reasons why particular IS features are favored by modeling relationships between IS attributes, the consequences of said attributes to CSF performance, and the individual or organizational objectives or values that the consequences support. The study used PCT-based data collection method, laddering, to discover means-end hierarchies that consumers construct from a product or a service. Resulting from the interviews were system attribute-consequence-value chains. The data collection resulted in total of 271 chains from 24 interviews, with 1463 individual statements.

While analysing the chains, five themes emerged from the reported values. The emerged values were hedonic values, authenticity values, safety, social relationships, and utilitarian values. During the data analysis phase, each chain was assigned to a theme. After each chain was coded and assigned a theme, the theme data was aggregated. As a result of the data analysis, five theme maps were illustrated. The theme maps present the attribute-consequence-value chains of the participants, grouped and aggregated for each identified theme. The maps illustrate how interviewees understood how value is co-created in Airbnb and the important personal values and objectives that motivated them to participate in value co-creation. The maps were presented in chapter six.

Good usability of the service was found to be a key feature of the service. The benefits of good usability are two-fold. Participants valued the hassle-free service process and that it saved them time and effort. In addition, the participants found service with good usability to be more trustworthy. Besides saving time and effort, good usability built assurance among the participants. Using the self-determination theory, one can conclude that easy to use service made people feel competent in their skills to use the service, increasing their intrinsic motivation. The need for assurance arose from different features as well. As there exists inherent risks in sharing economy, the service needs to inspire confidence and mitigate risks. Features such as review, chat, and profile information made the service seem more trustworthy for the participants.

Another key finding of the study was that participants of the study valued the authenticity from living like a local. As Lampinen & Cheshire (2016) noted, Airbnb can be seen as an alternative form of travel. Participants of this study were

looking for new and authentic experiences. Being able to live at a local's home motivated users of Airbnb to be active participants in value co-creation. Monetary compensation and saving money were also important motivators to participate in value co-creation. According to SDT, the origin of these motivations is external and people who are motivated by monetary compensation perform worse than people motivated with more self-determined motivators. However, as Lampinen & Cheshire (2016) argued, financial benefits are a good way to motivate people to initially use SE and act as a gateway to other motivators. The identified motivators were compared with the self-determination theory and placed on the continuum (Figure 11).

According to the SDT theory and findings of this interview, SE platforms should make sure that the service satisfies the three psychological needs of their users. The service should be easy to use so that users feel competent, enable people to socialize with each other, and make the user feel like they are in control. Additionally, SE companies can support internal motivators of their users to participate in value co-creation by making them feel like they are doing something valuable and by supporting other motives where the origin of motivation is more internal. SE companies should also try to design the use of their service to be enjoyable. This can be achieved with e.g. aesthetically pleasing UI and through gamification.

## 8.2 Limitations of the study

The selected case platform in this research was the most popular and well-known one, Airbnb. However, the findings only represent the opinions of users in the accommodation sector of SE. As Böcker and Meelen (2017) note, motivators among different sharing economies can differ quite a lot. For example, the authors found in their study that accommodation sharing was motivated more by economic and social factors than by environmental factors.

The stimuli may have been interpreted wrong by either the researcher or the interviewees as they were translated by someone who is not an expert in the field. However, the stimuli meant to only act as a catalyst to get people to think what features are important to them in SE so one cannot necessarily draw conclusions of most important stimuli. However, all the stimuli were selected at least once so it can be argued that all of them were found to be important by the participants.

While the sample size of 24 is quite large for a qualitative interview, it is in the lower end of the suggested sample size of 20 to 60 participants (Peffers et al., 2003). Because of the relatively small sample size as well as the snowball sampling technique, the selected participants for the interview represent only a part of the user base of Airbnb. For example, since most of the participants were students, they may find economic benefits more important than others. Because of this, some features and values may be over-represented in the results. Differences between motivations to use SE among different socio-economic groups have

been identified before (Böcker & Meelen, 2017). Airbnb has two user groups, guest and the host. The sample in this research consisted mainly of the former group. This study contains the value chains of both user groups but guest point of view is quite dominant. It would have been interesting to hear more from hosts about their motivations to participate in value co-creation. On the other hand, most of the users on Airbnb platform act solely as a guest so the sample and results reflect this.

Finally, the analysis of the interviewee's reported value chains is based on researcher's own interpretation of the answers. Therefore the conclusions presented in discussion chapter represent the subjective view of the researcher and are not scientifically exact. To get a clear view of what are the most important motivations to participate in value co-creation in SE, a quantitative study of multiple different SE services is needed. Suggestions for future studies are discussed in the next chapter.

### 8.3 Future research

To expand upon this research, to develop understanding of what motivates people to participate in sharing economies, and to acknowledge the aforementioned limitations of this study, further research is needed.

While some authors in previous studies have argued that people participating in SE are mostly motivated by economic benefits, it is clear that other motivators also exist based on the results of this study. This study has uncovered a number of motivators, which have been discussed in previous chapters. Due to the explorative nature of the study, one cannot draw conclusions whether some motivators are more important than others. However, the results of this study may act as a starting point for future studies. Chapter 7.1 offered a framework which placed the identified motivators on the self-determination continuum. It would be of interest to test this framework and to further develop it with a quantitative study. Quantitative study with a large and diverse sample size could identify which motivators are the most important for Airbnb users.

As the motivators may differ quite a lot among different SE sectors, it may not be possible to generalize the results. Different motivators may exist in other sectors of the sharing economy. Therefore a similar explorative study may be needed in other sectors of SE as well. This would assist in finding similarities among the motivators between different SE sectors.

Another interesting research theme which emerged from this study is internalization of motivations. According to SDT, motivations differ between their origins. The more a person is motivated by internalized motivation, the better they perform an activity. Motivating factors identified in this study which are of more internal origin include e.g. sensation seeking, environmentalism and learning of other cultures. As Lampinen and Cheshire (2016) argued, financial compensation is required to get users to start sharing on the platform and other motivators may

arise later. Thus one can deduce that external motivations should be more important for new users of the service, before they have had a chance to internalize the values of the service. It would be interesting to study if the level of internalization vary among the users of SE based on how long they have used the service. Previous research seems to support this notion. The results in a study by Lan et al. (2017) seem to suggest that SE users internalize an activity and become motivated by more internal motivators the longer they have used a SE service, becoming more active value creators in the process. Two hypotheses are offered for this future research.

*H1: Externally regulated motivations are more important for new users of SE*

*H2: Internally regulated motivations are more important for experienced users of SE*

According to this study, internally regulated motivators in the accommodation sector of SE include enjoyment, environmentalism, learning and self-development, saving money, comfort, and sensation seeking. According to SDT, internally regulated motivation requires an activity to satisfy the three basic psychological needs of competence, relatedness, and autonomy. If an activity thwarts these needs, it becomes demotivating. Therefore, for a service to be motivated by self-determined motivators, it needs to satisfy these needs. SE companies should make sure that their platforms support these needs so that users can internalize the regulation of activity. SE companies can use the results of this study to design their services to help users reach their important personal objectives and facilitate the internalization of motivations.

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## APPENDIX 1

Stimuli name	Stimuli description
<b>1. Construction of identities</b>	Construction of identity refers to the ways user is able to construct and express an identity on the platform. This can be achieved through e.g. a user profile. Reviews from other people can also highlight what kind of a person a user is and how they behave. Sharing economy may be in line with the values of the customer and they want to express that through the use of the service.
<b>2. Social nature of use</b>	Using Airbnb allows interacting and developing relationships with people around the world. Social nature of use means the ways guests and hosts are able to communicate with each other during the service experience before, during, and after the service experience.
<b>3. Context of use</b>	Context of use means the ways how one can satisfy different use purposes on Airbnb. For example, users can act as guests or hosts in particular cases and one can find appropriate accommodation services depending on their needs. Furthermore, the platform can be used in different ways; e.g. for booking a place as well as a messaging platform between guest and host.
<b>4. Participation in service production</b>	This means the opportunity to participate and influence the outcome of the accommodation service. For example, the host and guest can agree on special arrangements and construct a personalized service experience.
<b>5. Service process experience</b>	The service process has been designed to be pleasant and interesting. The service process is simple, and the platform is easy to use. User may also enjoy simply the experience of browsing different apartments on the platform.
<b>6. Goals and Outcomes</b>	This means all the goals, values, and objectives that a user has, and Airbnb is able to fulfill. For example, Airbnb provides a guest a way to find an affordable place to stay during vacation.
<b>7. Additional theme</b>	Is there something else that is essential in Airbnb?