

**ACCESS OVER OWNERSHIP: A GENERATIONAL ANALYSIS**

Tiago Miguel Pereira Fortunato

Dissertation submitted as partial requirement for the conferral of  
Master in Management

Supervisor:

Prof. Dr<sup>a</sup> Susana Henriques Marques, Assistant Professor, ISCTE Business School,  
Marketing, Operations and General Management Department

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**Abstract**

This study aims to identify what are the main motivations of millennials in their objective use of sharing economy as well as the establishment of an approach that traditional businesses can use to take on sharing economy as a concept. Firstly it was established a knowledge base in Literature Review which had the purpose to define what are the most significant theories and authors regarding the topic of sharing economy. Adding to this, an online survey was conducted, resulting in 103 valid participants that addressed the objectives of this study, evaluating the possible motivations of the use of sharing economy by millennials and the proposal of approaches for traditional businesses to increase proximity with the millennial generation.

The results displayed that (1) sharing economy, as a concept originated for adaptation, managed to have the capacity to develop their qualities hand-in-hand to what is valued by millennials; (2) traditional businesses should develop integration measures for sharing economy, in their own businesses and (3) increasing efficiency of high-end assets using sharing economy, exploring sustainability, simplicity and an overall adaptation to a fast-paced lifestyle are key measures that traditional businesses could adopt.

The outcomes and analysis that were conducted in this study adds to the knowledge base regarding the interactions between millennials and sharing economy and introduced new possibilities on how traditional business could respond to this recent trend.

**JEL Classification:**M1; M5

**Keywords:** Sharing economy; adaptation; millennials; motivation

## **Resumo**

Este estudo tem como objetivo identificar quais são as principais motivações da geração millennial no seu uso objetivo da economia da partilha, bem como o estabelecimento de uma abordagem para que empresas tradicionais possam usar para assumir a economia da partilha como um conceito. Primeiramente foi estabelecida uma base de conhecimento no Capítulo 2-Definições que teve como objetivo definir quais são as teorias e autores mais significativos em relação ao tema da economia da partilha. Além disso, foi realizada um inquérito online, resultando em 103 participantes válidos que abordaram os objetivos deste estudo, avaliando as possibilidades de motivações do uso da economia da partilha pelos millennials e a proposta de abordagens para negócios tradicionais aumentarem a proximidade com a geração millennial.

Os resultados mostraram que (1) a economia da partilha, como um conceito originado para adaptação, conseguiu ter a capacidade de desenvolver as suas qualidades de mãos dadas com o que é valorizado pelos millennials; (2) os negócios tradicionais devem desenvolver medidas de integração dentro dos seus próprios negócios e (3) aumentar a eficiência de ativos de alto nível usando economia de partilha, explorar a sustentabilidade, simplicidade e uma adaptação geral a um estilo de vida acelerado são medidas-chave que as empresas tradicionais podem adotar. Os resultados e análises que foram conduzidos neste estudo aumentam a base de conhecimento sobre as interações entre os millennials e a economia de partilha e introduziram novas possibilidades sobre como os negócios tradicionais poderiam responder a essa tendência.

**Classificação JEL:**M1; M5

**Keywords:** economia da partilha; adaptação; millennials; motivações

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## **1- Introduction**

In the introductory chapter it will be presented the objectives and purpose of this study, having as reference a brief description of the impact and relevance of the influence that millennials had on sharing economy, along with the specification of the structure in what this study was developed.

### **1.1- Research GAP, objectives and purpose of the study**

Sharing economy, as a trend, had a very significant push in the recent decade, through internet, sharing has been made possible in a much larger scale than ever before and as an outcome of this it was not well accepted by companies that relied on ownership of their products and now they are being shared online which caused a big downfall of their business (Belk, 2014). Analysing research related with sharing economy and its concepts, this study identifies a research gap of empirical studies of what are the possible approaches of traditional businesses to this recent trend focused on sharing, having this factor into account, this study pretends to analyse the approach of traditional businesses to sharing economy, applied through a generational study on the millennial generation.

The main objectives of this dissertation are related with the confrontation of this particular market trend, the reasons why it exists, how can more traditional companies adapt to this shift and give an answer to the possible adaptations of this business model. The assessment of the generational changes and its reasons will be the initial approach of this study, it will serve as a basis for the dissertation, a grounded approach to a complex problem is essential to be able to create viable solutions, followed by an approach to what millennials attribute value to and what are their motivations to do so. As an outcome of this investigation, taking the previous analysis into account, is to determine a proposal of solutions for companies to face this new marketplace and be able to be flexible and nimble to adapt to a highly demanding generation.

The purpose of this study is connected to the gradual increase in the necessity of re-thinking the value of ownership, as well as the reasons why, the value of ownership, has been decreasing with time and rising its relevance as a complex concept in a business context. Business researches from several organisations found correlations between

technology, increase of mobility, sharing economy, value of experiences above possessions, living preferences and financial debt of millennials to their changing consumer preferences. Millennials are looking for a more minimalistic lifestyle, improved convenience factors (not having the burden of owning), better pricing and overall more focused on experiences, this results in a new generation of consumers that is unequivocally showing appetite for different ways of making business decisions and it is imminent the continuous exploration of these new challenges in order for companies to be able to position themselves in a culture able to adapt (Simões and Gouveia, 2008)

Millennials are the first generation to have their whole life inside the technological bubble, with this being said, a bigger sensation of community is inherited, the world feels smaller to them and the sense of ownership is simply becoming less necessary, the technology allows the possibility that just a few touches of our fingers on a screen and we can use a product for a pre-determined amount of time for a much lower price range than if we had ownership of it. With this being said, companies are struggling to adapt themselves to an entirely new generation, with different views of the world. Much of these companies, with a more traditional approach, are being confronted with two basic choices, the first one is refusing to “bow down” to new trends and keep trying to innovate in a more usual way or, on the other hand, face the change head on and embrace the diminishing of ownership as a concept.

In a business context, the landscape is constantly changing, so, the importance of being flexible and to be capable of changing old ways is a skill that is mandatory to be able to survive in an ever-changing landscape. Access is the new ownership for millennials and experience consumption is up surging, the amount of businesses that are having tremendous success and buzz as a brand using this concept are substantially increasing. Therefore, it is crucial for companies to adapt their products and welcome with open arms new challenges and use them as new ways of generating new revenue streams and ultimately transform today’s threat into tomorrow’s opportunity.

## **1.2- Structure of the study**

This present study is divided in five parts: introduction, definitions, theoretical framework, study approach and development and conclusions.

In the first chapter (Chapter 1- Introduction) the topic of the study is described along with the definition of the gap, objectives and purpose of the study at hand. A brief description of the structure of the study is also determined.

In the following chapter (Chapter 2- Definitions) it was established the major theories/research, reviewing the available synthesized data on the topics that are of most importance to the purpose of this area of study, displaying subjects such as sharing economy, millennial generation and sustainability and competition in sharing economy. Along with chapter 2-Definitions, in Chapter 3- Theoretical Framework-Value Co-creation it will be established theoretical models (e.g. Dart Model) to improve the understanding of the phenomena of sharing economy and adding to this factor, the theoretical framework will also have the purpose of challenging existing knowledge and supporting the theory of this study.

Chapter 4- Methodology and Chapter 5 – Results are the chapters responsible for the definition of the context and objectives, approach and design of the present investigation as this are crucial definition points for the structure of the study. Chapter 5- Results will display the results that were applicable to the sample that was defined followed by an analysis and discussion of the results obtained.

The last chapter (6- Conclusion) was divided into three parts, the final considerations of the study, the managerial contributions as well as acknowledging the research limitations and recommendations for future research.

## 2- Definitions

### 2.1- Sharing economy

Sharing economy is a term that is being widely used to describe particular ways of doing business, although the terminology used may be similar, the ways of exploring the concept of sharing economy differs greatly among business owners.

Frenken *et al.* (2015) defines sharing economy as” consumers granting each other temporary access to under-utilized physical assets, possibly for money”. This concept, in particular, has been on the rise among new business models, taking this into account, it is relevant that business that participate in this new trend have distinct ways of operating, affirming and applying what they consider sharing economy so that future investigation is considered appropriate.

Even though many definitions are given to the concept of sharing economy, it is still very hard to define a clear and solid definition due to its variance. This difficulty is due to the fact that the word “sharing” is used in several types of context, which is the main reason of the confusion and disparities that are often carried out when trying to define sharing economy.

With the presence of this confusion relating to the definition of sharing, various type of business ensures their participation in the sharing sector, Franken *et al.* (2015) affirms that internet platforms “want to be under the big tent of sharing economy because of the positive symbolic value of sharing”

Sharing economy has been on the rise for several reasons, but mainly it can be attributed to the internet-facilitated sharing, the ease to share information along with the growing sense of community that millennials acquired with global expansion of Web 2.0, Internet-facilitated sharing allowed an expansion on what was previously regional to a global trend, the association of sharing with taking advantage of a product usable life has granted users of the sharing economy different view point on owning products.

The basic act of sharing has been around since human beings populate the planet earth, nonetheless there is something new that the sharing economy created, and that is “stranger sharing” (Schor, 2014).

Sharing and typical market trades stand in opposite sides when it comes to exchange of products. Sharing, in a traditional point of view, was done mainly inside family walls and friends, the proximity allowed and encouraged the development of a personal relationship that included sharing as a way to mutually create a connection (Belk,2007).

The typical market trades take place in a frame of impersonality, a simple transaction that trades money for a particular product/service with no meaning in the trade beside the trade itself.

On the other hand, the basic act of sharing is a opposite type of exchange, it rejects the concept of private ownership. Belk (2007) defines sharing as an alternative to private ownership of a benefit, with this two or more people can enjoy it rather than differentiating what is mine and what is yours and instead defines it as ours.

Historically there was always a stigma around the ascension of sharing/collaborative consumption type of business compared to owning, up until the 21 centuries, ownership was by far the most used mode of consumption.

On the other hand, ownership is no longer the standard expression of consumer desire (Bruno & Faggini, 2017), it can be observed that the definition of new priorities in newer generations is changing the business landscape and with it, even conservative modes of consumption are being forced to adapt or die.

With the uprising of the sharing economy, there has been also an increase in studies and writings about sharing via internet (Belk, 2007). Some with positive analysis and others with doubts in relation to the way sharing economy presents itself.

The critics of sharing economy point out the main argument that sharing economy presents its concept has a socially progressive type of business, but in truth it is just a mixture of business that try to attach themselves to the name of sharing economy in order to get exposure. These critics view the positive rhetoric that follows sharing economy has a way of taking advantage of consumers.

While the real effects of sharing platforms are on the most part unknown due to its recent proliferation, it is hard to analyse the effects, will the platforms share wealth with the users? Will the platforms ensure widespread access? Will they provide decent livelihoods for providers? Will they continue to create value? (Frenken, 2017).

With this conflict between the concept of real sharing and pseudo-sharing is flourishing, Belk (2014) argues that the main difference between both concepts is “the presence of profit motives, the absence of feelings of community, and expectations of reciprocity”.

Pseudo-sharing is typically associated with a negative connotation of not being a community-based concept but a pure business relationship with the only purpose being profit motives, but adding to that, pseudo-sharing business typically use the concept of sharing and sharing vocabulary for the sake of influencing customers that it displays the habitual characteristics of a usual sharing-based business in the interest of profit reasons.

Belk (2014) defends the position of the existence of pseudo-sharing companies and gives several examples of situations that fit the description of said theory:

-Long-term renting-In this case of pseudo-sharing there is just an illusion of possession of the object that we are renting because it is long term, but there isn't any sense of mutual ownership.

-Short-term rental-On the other hand, short-term rental is classified as pseudo-sharing for different reasons than long-term, in this case, the main objective of short-term rental are utilitarian reasons rather than communitarian.

-Online sites that share data-It is classified as a type of pseudo-sharing due to its rhetoric of sharing on social media, with the sole purpose of obtaining data to sell to interested companies.

-Online-facilitated Barter economies-The deception of sharing is created as a result of not existing exchange of money, it is essentially a trade that has to be based on mutual needs of the participants.

These examples represent a reality that differs from what most authors describe as sharing economy, some authors have an argument of representation of an extension of the movement of sharing that improves the utilitarian efficiency and access-based trades.

On the opposite standpoint, real sharing is built on a basis of a real feeling of community, Belk (2014) refers that as a part of a group of others doing the same thing, you are very likely contributing to feelings of community, the expectation of reciprocity is non-existent, the sharing is done inclusively and not outwards.

The constant growth of the impact and significance of the Web has granted a platform for the development for both pseudo-sharing and real sharing, providing issues some relevant examples (Belk, 2014):

-Intentional online sharing of Ephemera-When sharing is done online with intention of being free of any compensation (Example: Sharing of knowledge on a blog; contribute to Wikipedia).

-Online-facilitated Offline Sharing-A community environment that gathers online to share between them goods that they no longer want/need. An exchange of ownership occurs but it is free of charge and inside a community that gets together to share” free to a good home”.

-Peer-to-peer online Sharing-Peers supporting each other in the constant sharing of various concepts, ultimately supporting each other.

-Online Facilitated Hospitality- “...person to person hospitality rather than the consumption of the “hospitality industry” which is an oxymoron and a form of pseudo-sharing”.

Taking this into account, Belk (2010) introduces the theme of sharing in versus sharing out, sharing in happens “when we incorporate those with whom we share within our aggregate extended self”, on the other hand, Russell Belk notion of sharing out is when” there is no sense of mutuality or community”.

With this in mind, it is safe to affirm that the up surging of internet-based companies has increased substantially the ascension of both sharing and pseudo-sharing type of business, being a recent concept, future changes have to be observed to be able to safely affirm the dominance of one concept over the other.

Most types of business that entitle themselves as collaborative consumption hold a middle ground between basic concept of sharing and the typical trade. In other words, collaborative consumption holds the ground for most of the “sharing economy” business types, Bardhi and Eckhart (2012) refer to collaborative consumption as the observation of instead of buying and owning things, consumers want access to goods and prefer to pay for the experience of temporarily accessing them.



With this being said, different authors/literature gives sharing economy a particular role/definition, being that most of them have in common the rejection of private ownership of products.

## **2.2- Millennial Generation**

The millennial generation is thought to be one of the major drivers of sharing economy, the close connections between sharing economy and the millennial generations is accepted by many authors (e.g. Godelnik,2017), while other authors (e.g. Belk,2014) defend the theory that sharing economy always existed but only now is being exploited in a more business focused theme.

With this being said, it poses the main question “Why are millennials trying to live a more minimalistic lifestyle?”. Some of these distinct ways of the millennial generation operating in society are reflected in the survey” Millennials in Adulthood: Detached from Institutions, Networked with Friends” by the Pew Research Center, 2014, and summarized by Drake, 2014.

- “Millennials have fewer attachments to traditional political and religious institutions” (Pew Research Center, 2014), there has been a definitive tendency for the millennial generation to disconnect and affirm their presence in the world in a distinct way from the previous generations. This reflects a trend of non-attachment that affects most aspects of the millennial generation life, including subjects such as politics and religion, that are considered more traditional and subsequently more despised by the millennial generation.

- “Millennials are more burdened by financial hardships than previous generations, but they’re optimistic about the future” (Pew Research Center, 2014). Millennials are entering the workplace in the middle of the great recession, with this being said it is an inevitable phenomenon that millennials have different shopping habits, not relying in the possession of goods to control their self-esteem, putting experiences over possessions and overall living a more minimalist lifestyle that causes several industries of business to adapt to these new trends of consuming.

- “Singlehood sets Millennials apart from other generations” (Pew Research Center, 2014). According to Pew Research Center “Just 26% of millennials are married”, this reflects a reactive reaction that is caused by a lack of financial safety that does not

assure the millennials the conditions that they think are needed to get married and live a stable life and on the other hand, the non-attachment to traditional ways of behaving in society that are unwanted by this generation. The Singlehood that sets millennials apart from other generations is a confirmation of what economist call delaying adulthood, marriage still holds some importance, but millennials do not prioritize it and prefer to do it later.

- “Millennials are the most racially diverse generation in American history.”- “43% of millennial adults are non-white, the highest share of any generation” (Pew Research Center, 2014), this is yet another indicator of the breaking from traditional ways of acting in the world and political liberation.

- “Millennials are less trusting of others than older Americans are.” (Pew Research Center, 2014). The millennials are one of the most unusual generation in relation to the aspect of questioning trust, “Just 19% of millennials say other people can be trusted”, the upbringing of millennials was heavily marked by the shrinking of the middle class due to economic forces that were felt in the major economies of the world and this fact associated with generational preferences (e.g.: social justice) results in a general less trusting generation.

- “Few Millennials believe that Social Security will provide them with full benefits when they are ready to retire, but most oppose cutting current benefits” (Pew Research Center, 2014), as a sign of mistrust, the millennial generation holds the thought that they won't have social benefits, or at least not fully.

Bearing these characteristics in mind of acting in society, the concept of sharing economy seems to naturally fit the millennial generation, (Godelnik, 2017) argues in his study that the sharing economy brings unequivocal benefits to this generation, illustrating the main motivation millennials engage with sharing economy as” economic reasons were by far the most common (77 activities), followed by social (30 activities) and environmental reasons (9 activities)” .

Informal sharing interactions were one of the projects most notable conclusions, although the consuming focused society is always present, informal sharing is one of the most significant part of being a human being, a crucial factor of the base and growth of any nation, from a pre-historic perspective to the nowadays.

With this being said, it was an “interesting finding” that it was one of the most popular aspects of informal sharing among the project, it reflects the significance that is still present nowadays (Godelnik, 2017).

Nonetheless, the perspective of owning is very present in millennials. The influence that previous generations had on the millennial generation is undeniable present, while the sharing economy, as we know it, may not be ideal for every situation, the proposal of owning a product, of having a protective circle of ownership, is still very attractive to millennials.

In a society based on consumerism there are several psychological factors that dictate the buying act, being the main premise defining yourself by the “stuff” you own and on the contrary, sharing economy is based on the premise of sharing and not having ownership.

The buy nothing new, share everything month project done by Godelnik (2017), although done in a small scale, it is certainly a good indicative of what is the present state of sharing economy.

On the other hand, not all the support is in on a positive basis, there are arguments that the sharing economy expansion that is observed, it is not due to factors such as not wanting to own products, but a mere economic factor.

Rebell (2015) affirms that taking into account that the millennial generation is taking longer than the previous generations to “get on their feet” it is only natural that due the diminished economic power sharing economy is much more convenient to them as a concept and means of consuming. As millennials are settling in their adulthood, they will start to gain economic power and follow previous generations footsteps of buying houses in the suburbs.

Humphries (2015) holds a similar opinion in respect to home purchasing by the millennial generation “The lack of home-buying activity from Millennials thus far is decidedly not because this generation isn’t interested in homeownership, but instead because younger Americans have been delaying getting married and having children, two key drivers in the decision to buy that first home,” and “As this generation matures, they will become a home-buying force to be reckoned with.”.

According to Winograd and Hais (2013), when the time comes for millennials, they will be big consumers, not fully abandoning the culture of shopping.

With this being said, the underlining question is whether the millennial generation will build and live under a sharing culture permanently or is it a mere adaptation to economic conditions. Although there is definitive links that explain the proximity of the relationship between sharing economy and the millennial generation, future research is needed to have the opportunity to leverage this relationship in growing ways.

### **2.3- Competing and Sustainability in Sharing Economy**

Sharing economy has caused controversy and misunderstandings in several industries since its arrival as a definitive concept. It still remains a question how far the sharing economy will go, on the other hand, it is undeniable the effect of the impact that it has had so far, mainly due to the increase of benefits directly obtained by the customers caused by the increase of intensity in competition between traditional business models and sharing economy, which ultimately results in improved services and gradual reduction of prices (Wallsten, 2015).

When it comes to competition in this industry there are two answers to the trend of sharing economy, the uproar of traditional business or the improvement of conditions to compete. In the article “The competitive effects of sharing economy” Wallsten (2015) focuses on the taxicab industry conflict with ride sharing, in which he theorizes that the competition between both industries assume two possibilities:

-Incumbents’ most prominent reactions have been to lobby regulators to slow the growth of ride-sharing...” ... However, regulations limit incumbents’ set of potential competitive responses. Prices are regulated and change infrequently while taxi drivers cannot, on their own, reduce prices or offer the frictionless payment systems ride-sharing services use.”

- “drivers might respond by trying to offer higher quality rides than they used to provide. Improved quality might take the form of, for example, being more courteous to passengers by turning off the radio, not talking on a cell phone while driving, and so on.”

The competition in the ride sharing industry has been intense in the rivalry of the taxi cab industry versus the car sharing industry. With this being said, it is necessary that

data from both “sides” is analysing and scrutinized to be able to get a clear view of what is happening in this industry. Unfortunately, car sharing companies are private, which means that little data is made public and therefore hard to obtain information to conduct a profound study on this topic.

The influence of sharing economy in this industry is undeniable, the ability of the recent technology to break down artificial regulatory entry barriers is one of the main reasons of the ride sharing platforms, (Wallsten, 2015).

Taking this into account, it was a natural occurrence when the trend of ride sharing started to increase exponentially, which caused consumers to direct their attention to ride sharing and the more traditional ride services assembled complaints to the regulatory services with the argument of disloyal competition.

Wallsten (2015) argues that one of the biggest differences between the past and now with the technology that is present, is that before the options were scarce when it came to the change from taxi to another provider of transportation, which meant that when customers would have the intention of changing the provider they would incur in extra costs.

In this new era of sharing economy, the option of switching provides to a more low-cost option is possible and very attainable and easy to do, which was the main cause of friction between traditional industry versus sharing economy.

Although it is still a recent phenomenon, there are possibilities to how do, the more traditional taxi companies, respond to this new industry of transportation. Incentives to compete are the primary factor to the constant increase in quality of the rides of the more traditional taxi companies but on the other hand, in this particular industry, it is difficult to provide an image of high-quality ride without incurring in significant costs.

According to Wallsten (2015) the results of his study on the competitive effects of sharing economy indicate that the outcomes of the study done in Chicago and New York City are consistent with the idea that the taxi industry is responding to new competition by improving the quality of its services, which causes benefits not only to those who explore the newer options of sharing economy but also to those consumers to enjoy the benefits from competition in staying in the more traditional providers.

Although this study has come to interesting conclusions about how the competition is unfolding in the era of sharing economy, Wallsten (2015) considers that further investigation needs to be done, with more rigorous information on the private sharing economy companies in order to come to definitive conclusions about the dynamics of competition in these industries.

In addition to the transportation sector, short-term accommodation has been one of the most influenced industries by the sharing economy expansion.

Zervas *et al.* (2017), gives us the growth influence of one of the most prominent and significant companies of the short-term accommodation strongly influenced by sharing economy. In this investigation, the authors conduct an analysis of the Airbnb entry on the state of Texas and its impact on the hotel industry.

This author arguments that the accelerated growth of the sharing economy is due to two main factors:

-The continuous technology innovation has been the main differentiating factor when it comes to the comparison between the sharing economy and the more traditional type of business, technology has enable a much more effortless and flexible way of entering the market and establish a presence as a concept and as a brand which results in an overall facilitated searchable listing for consumers and keeping transactions at overall low cost for companies that participate in sharing economy.

-Supply-side flexibility is also a key point in the expansion of the sharing economy, the accessibility that makes sharing economy very straightforward to interact is what encourages suppliers to add or remove themselves from this industry with ease and convenient without being a burden on the mind of consumers/suppliers.

Zervas *et al.* (2017) put a spotlight on peer-to-peer accommodation platforms, in particular Airbnb and what were the effects of its introduction on the state of Texas, this was done by conducting a monthly estimate of hotel revenue after the entry of Airbnb on the market with the hypotheses of this study being “some stays with Airbnb serve as a substitute for certain hotel stays, thereby affecting hotel revenue, and that this impact is differentiated by geographic region, by hotel market segment, and by season.”

The purpose of this study is to expand the knowledge of the influences of sharing economy on the more traditional markets and what were the practical effects of the accelerated growth of the sharing economy.

As the sharing economy was growing and gaining relevance in the marketplace, the much more established hotel businesses were dismissive of its power and sustainability, claiming it had in view a niche market and not a direct competitor of the hotel business and in this, sharing economy found room to expand their influence quickly and trademark their influence on the millennial generation.

In their work, Zervas *et al.* (2017) found that “As the size of the sharing economy has grown, so has the magnitude of its economic impacts”, with this being said, taking into account that this study is focused on the accommodation platform Airbnb, it is one of the first studies that have provided” empirical evidence that the sharing economy is significantly changing consumption patterns, as opposed to generating purely incremental economic activity.”

In their research, Zervas *et al.* (2017) estimated that the entry of Airbnb had a significant impact on local hotel room revenue in the state of Texas. With this being said, the primary response of hotel chains where Airbnb holds a strong influence was to lower their prices to be able to effectively compete with the accommodation platforms, this results in overall reduced revenue, but on the other hand it benefits greatly the customers who take advantage of the lower prices and various options in both industries of accommodation. The benefits of sharing economy were not only in providing substitute services to travellers, but also in generating “demand that previously didn’t exist”, which is the “formula” that sustains sharing economy as an evolving concept.

Sharing economy as a concept is undoubtedly raising questions and perspectives of approaching the market when it comes to developments in the sustainability industry. The nature of sharing economy provides a fitting perspective to study and explore the next level of sustainability development, mainly focused on a sustainable use of resources relating to environment sustainability problems. Changing economic environment as well as growing interest in sharing economy influenced organizations the need to analyse not only customer needs, but also to keep in mind how to receive value from providing new products and services in a more sustainable way (Hoskisson, E., Eden, L., Lau, M., & Wright, M. 2000).

Along with generality of the sharing economy and sustainable development aspects opens up a new research field of the sharing economy sustainability issues (Daunoriene, Asta *et al.*, 2015). As a recent business model, enhanced by technology, sharing economy brings different possibilities and problems for the market to approach which creates the opportunity for research fields to flourish exploring this concept.

Daunoriene *et al.* (2015) approaches sustainability of sharing economy business models having in mind the uncertainty of consumer requirements, changing markets, technologies and structures, which increases unpredictability but nevertheless does not weakens the potential that sharing economy has of being an ideal business model to explore and contribute to the sustainable development nature.

Although the impact of sharing economy in sustainable development perspectives is difficult to predict Daunoriene *et al.* (2015) proposes a framework created with basis on the Global Compact Cities programme” Circles of Sustainability” and scientific articles Akubue (2000) that suggest four sharing economy sustainable development perspectives:

-Economy- The economic is defined as an organizational domain that emphasizes the practices, discourses, and material expressions associated with the production, use, and management of resources (adapted from Circles of Sustainability, 2011). Perspectives examples: Production and resourcing, Consumption and use.

-Environment- The ecological is defined as an organizational domain that emphasizes the practices, discourses, and material expressions that occur across the intersection between the organizational and the natural realms (adapted from Circles of Sustainability, 2011: 10). Perspectives examples: Materials and energy, Emission and waste.

-Society- The social is defined as an organizational domain that emphasizes the practices discourses, and material expressions associated with the formal and informal processes; systems; structures; and relationships actively support the capacity of current and future generations to create healthy and liveable communities (adapted from McKenzie, 2004:12,13). Perspectives examples: Cultural Competence, Social responsibility.



-Technology- The technological is define as an organizational domain that support and enhance a “good life” for all of its employees, customers and society as well without compromising the Earth’s ecosystem or the prospects of later generations (adapted from Vergragt, 2006:7). Perspectives examples: Progressive, Alternative.

Due to fundamentally different way of creating and capturing value, the sharing concept benefits are: sustainable use of resources, flexible employment options for contractors, bottom-up self-regulating mechanisms, lower overheads leading to lower prices for consumers, and more closely tailored and customised products for users (Allen & Berg, 2014). Cohen & Kietzmann(2014) held an assumption that sharing economy has the potential to change global and local economies toward sustainability.

In the perspective of Botsman and Rogers (2010) they consider that future research connecting sharing economy with sustainability is of very high importance and has to approach objectively these dimensions:

-the relevance of materialist and post-materialist values related to consumer practices together with a reflection of new results of happiness research in this context

-the influence of environmental and sustainability awareness on changing consumer habits and practices;

-the broader debate on limits to (material) growth and new indicators of wealth and quality of life as the macro-political sibling of sharing economy practices;

-the disruptive development of information and communication technologies facilitating the sharing economy;

-the role of critical perspectives on capitalism and consumerism;

-the anthropological and socio-psychological discourse on *homo economicus* versus *homo collaborans* and the role of trust in human interaction.

This current buzz and attractiveness of sharing economy provides opportunities to explore alternative ideas, the potential for this umbrella concept is valuable, although there is still a lack of sharing economy sustainability empirical studies, sustainable science is equipped to contribute to research and explore the potential and possible answers that sharing economy possible has, obtained through new concepts and re-framing of older concepts.

### 3- Theoretical Framework-Value Co-Creation

In the past years, the approaches of sharing economy to the market have evolved in expansive ways, from a technological-focused type of business (e.g., Sharing websites) to a much wider scope that includes physical assets integrated as part of the Online to offline shift.

As a result of this all-embracing procedures, sharing economy has enabled an undeniable change in the producer-client relationship, empowering customers to have an active role in the creation of value which allowed substantial decreases in the cost of value co-creation. Before the sharing economy expansion, customers had an uninvolved role in production, leaving consumption and production as distinct subjects and because of it, a poorer power dynamic and feedback-based product development.

With the up surging of sharing economy, the customer takes on a more active role and, regularly, the shared products and services that identify in sharing economy are usually co-produced, the consumer and the firm meet to interact with the objective of concluding what to extract that holds value to both company and consumer in order to establish a beneficial relationship. Naturally, they co-create value but compete on the extraction of economic value (Ramaswamy, 2004).

Being this said, the co-creation of value in sharing economy business allows consumers not only to spend less money in a service/product but grants the opportunity to enjoy an experience that is specifically adapted to the sharing economy type business.

According to Brian Chesky, CEO of AirBnb “The stuff that matters in life is no longer stuff, it’s other people, relationships, and experiences.”, as experiences are more valued than material purchases, the co-creation of value in sharing economy type of business unify different types of value which grants sharing economy an evolving attractive business proposition.

According to Prahalad and Ramaswamy (2004), the journey of co-creation of value in sharing economy “...begins by recognizing that the role of the consumer in the industrial system has changed from isolated to connected, from unaware to informed, from passive to active. The impact of the connected, informed, and active consumer is manifest in many ways.” Prahalad and Ramaswamy (2004) exemplifies this theory with some example of these manifestations:

**“Information access-**With access to unprecedented amounts of information, knowledgeable consumers can make more informed decisions. For companies accustomed to restricting the flow of information to consumers, this shift is radical. Millions of networked consumers are now collectively challenging the traditions of industries as varied as entertainment, financial services, and health care.” Prahalad and Ramaswamy (2004).

**“Global view-**Consumers can also access information on firms, products, technologies, performance, prices, and consumer actions and reactions from around the world. Geographical limits on information still exist, but they are eroding fast, changing the rules of business competition. For example, broader consumer scrutiny of product range, price, and performance across geographic borders is limiting multinational firms' freedom to vary the price or quality of products from one location to another. “Prahalad and Ramaswamy (2004).

**“Networking-** “Thematic consumer communities”, in which individuals share ideas and feelings without regard for geographic or social barriers, are revolutionizing emerging markets and transforming established ones. The power of consumer communities comes from their independence from the firm. In the pharmaceutical industry, for instance, word of mouth about actual consumer experiences with a drug, and not its claimed benefits, is increasingly affecting patient demand, Thus, consumer networking inverts time traditional top-down pattern of marketing communications.” Prahalad and Ramaswamy (2004).

**“Experimentation-**Consumers can also use the Internet to experiment with and develop products, especially digital ones. Consider MIKA, the compression standard for encoding digital audio developed by a student Karlheinz Brandenburg and released to the public by the Fraunhofer Institute in Germany. Once technology-savvy consumers began experimenting with MP3, a veritable audio-file-sharing movement surged to challenge the music industry. The collective genius of software users the world over has similarly enabled the co-development of such popular products as the Apache Web server software and the Linux operating system.” Prahalad and Ramaswamy (2004).

**“Activism-**As people learn, they can better discriminate when making choices, and as they network, they embolden each other to act and speak out. Consumers increasingly provide unsolicited feedback to companies and to each other. Already, hundreds of Web

sites are perpetuating consumer activism, many targeting specific companies and brands. America Online's AOL Watch, for example, posts complaints from former and current AOL customers.” Prahalad and Ramaswamy (2004)

Furthermore, the co-creation of value significantly increases the consumer perceived value of sharing economy business, having as a basis a reciprocity concept between the created benefits of consumers and company. Progressively consumers learned that risks cannot be one-sided and taking that into account, the customer perceived value of sharing economy differentiates itself from the more generic business in several ways such as:

-Consumer Preferences: Relating to sharing economy, consumers take the route of establishing their preference on companies that have less rules and expand the sense of individualism when it comes to the product/service that is provided. These particular needs at an individual level is what ultimately grants sharing economy its uniqueness in consuming experience. With the more active and hands on approach of the consumer, it means that the responsibility is shared between both parties, to ultimately increase satisfaction in the service provided and maximize mutual benefits. Prahalad and Ramaswamy (2004)

-Socialized Experiences: When consumers engage in a sharing economy experience, they are expecting a new and unique experience, this is due to the peer to peer relationships that are distinct from more traditional business, sharing economy experiences are marked by individual personal style of exchange and overall a more complete bonding experience that comes with the engagement in sharing economy. Prahalad and Ramaswamy (2004)

-Convenience/Consumption: Sharing as a concept of interaction between humans has always existed, sharing economy takes this concept and incorporates recent technology. Operationally, sharing economy provides consumers a level of convenience that is unparalleled to other types of services, the on-the-go agility of the sharing platforms are ideal for the fast-pace lifestyles of millennials. Sharing economy is ultimately a handy and simplified solution to reduce costs and respond to every day challenges in a straightforward and uncomplicated way. Prahalad and Ramaswamy (2004)

Fundamentally, Prahalad and Ramaswamy (2004) had a crucial participation in the relationship of putting into perspective co-creation of value. These authors argued that

the relationship between the firm and its consumers, although demanding, is mandatory to create a deep understanding between both parties to conclusively provide the best product/service.

In order to provide guidance for this process, Prahalad and Ramaswamy created the DART model of value co-creation in order to establish key building blocks in the relationship between consumer and firm. According to Prahalad and Ramaswamy (2004) the building blocks of co-creation that constitute the DART model are:

**Dialogue-** Dialogue is the centre piece of co-creation, it implies interactivity, a trade of feedback between both firm and consumer, all having in view the establishment of a loyal community working hard to provide the best shared learning experience possible.

**Access-**The access aspect of DART co-creation model has proven to be one of the most difficult to implement in practical terms, when it comes to access, information and tools should be shared in order for the knowledge of what is being done is clear, but on the other hand it has the downside of information being accessed by competitors and therefore weakening the company power.

**Risk Assessment-** “Risk here refers to the probability of harm to the consumer”. Taking into account the participation of consumers in co-creation to continuously improve the service/product at hand, should they be responsible for risks as well? and if so, should it be implemented rules of open information about all the risks in all their aspects?

**Transparency-** Transparency has always been a key feature of differentiation in companies, Prahalad and Ramaswamy (2004) consider that transparency among companies and consumers can be improved to new levels by establishing clear information and asymmetry, providing guidance for the growth of the process of co-creation.

Although it is undeniable that advancing movements in value co-creation are being conducted and progressive engagement between consumers and companies is being improved, it is still a field that in practical terms lacks proper planning and execution. These new dynamics of co-creation challenges the fundamental characteristics of the traditional roles of companies and therefore the clear and precise interaction that is intended is difficult to achieve due to tension points between consumer and company, nevertheless value co-creation is the future way of creating business opportunities and

could be the answer for the new approach that companies need to reclaim their quota on the market.

### **Sharing economy business model**

As said in the Chapter 2.1, the sharing economy business model relies on "consumers granting each other temporary access to under-utilized physical assets, possibly for money" Frenken *et al.* (2017) therefore, for the sharing of resources to be possible and viable, the business model has to be supported by a system that holds as a key feature the establishment of trust. The real magic behind collaborative consumption like Airbnb isn't the inventory or the money, it's using the power of technology to build trust among strangers (Botsman, Rachel, 2010). The establishment of trust between companies and consumer is at the core of the sharing economy, this factor reflects the importance of value co-creation and the relevance of the Dart model as a feature of analysis, planning and execution.

### **Trust as the new currency**

The sharing economy business model must be based on various aspects that differ from traditional business models, being among them a willingness of consumers to take the lead, and, for this to be possible, companies have to encourage the engagement of loyal users in their brand and not be apprehensive of allowing them to shape the brand and their own liking.

According to Nielsen (2015) - Global Trust in Advertising survey, the two most effective choices for building trust in advertising in the European market are both word of mouth, the top choice is 78% from offline word of mouth and at the 2<sup>o</sup> position is online word of mouth with 60%. This data reflects that peer-to-peer recommendations are still the reining factor when it comes to amplify the trust of consumers, the survey adds "Passionate brand advocates can be powerful allies to amplify your message, but you need to give them a reason to talk. Evolve the relationship from a one-way sales pitch to a two-way conversation. And be transparent and accountable", although ways of advertising are evolving and becoming more creative as time passes, basic human instincts like establishing trust and a sense of community still, to this day, remain one of the most relevant points that any brand can possess.

Adding to trust, sharing economy manages to establish a sense of community which is also one of the most distinct features that differentiates the sharing economy business model from more traditional ones. The transactions that involve a broader spectrum of social interactions typically establish a deeper emotional connection with consumers, therefore, successful companies that take part in sharing economy tailor their experience design to be able to appeal for their easiness of use and build a relationship with the consumer based on an experience.

As companies that participate in sharing economy are having increasing success, it poses the question of how do companies that have always been supported by a generic/traditional business model, can adapt themselves to operate in a more open business environment. According to Matzler *et al.* (2014) traditional companies should view these changes as opportunities, sharing economy trends” ... allows conventional corporations and asset owners to rethink their revenue streams and to develop alternative business models that attract customers oriented toward collaborative consumption.”.

Convenience is also key feature that increases the attraction of millennials to sharing economy, the technology factor enabled digital platforms to have precision and an ability to connect that is unparalleled to other services, the demand becomes directly connect with spare capacity, shortening the matching of demand/supply and due to this, the concept goes hand in hand with the fast-paced lifestyle of millennials that prefer in-your-pocket solutions. On the other hand, high convenience also means that the cost of switching services is very low.

Furthermore, convenience also reduces friction mainly due the access over ownership theme of sharing economy. The cultural shift that can be observed in the millennial generation has been increasing its impact and causing a transformation in many aspects of life, including the aspect of owning a product versus just having access to it, for a limited amount of time at a lower cost.

According to PWC Consumer Intelligence Series “The Sharing Economy” 43% of consumers agree that owning today feels like a burden. These changes are influenced by several factors, being among them the technological advances, the global economic crisis and the effects of social media on transactions, all these elements shaped the ease to make transactions conveniently built on systems of trust and

reputation. Progressively, millennials are cultivating a cultural shift of “you are what you share” instead of “what you own, ends up own you”.

For companies that use a traditional business plan it is essential, from a strategic point of view, to understand the factors that go into the growing success of these sharing platforms. There are two ways generic companies can approach the changes that are being caused by sharing companies, embrace innovation or innovate themselves, in practical terms, this means that a company can expand their business with a new and disruptive initiative that embraces sharing economy as a concept or, on the other hand, simply be open to opportunities of sharing-related technology and plan how these sharing initiatives might fit in the business to potentiate a constant growth in the emerging market of sharing economy.

In the early-stages of sharing economy, one of the biggest conflicts of opinion was the acceptance or non-acceptance of sharing economy as legitimate concept, initially for a lot of companies making the consumer a part-time business partner was a proposition that they were not ready to implement. According to Brookings Report “The current and future state of the sharing economy” sharing economy will grow to 335 billion annual revenue by 2025, sharing economy is gradually becoming impossible to ignore and more traditional players should find a way to adapt, according to Cusumano (2015) “There is also nothing to stop traditional companies from becoming more like their sharing-economy counterparts”.

It is also essential to ensure that competition between sharing economy and traditional business should be on a level playing field. Regulation of sharing economy business has been one of the most talk about points in recent years, mainly due to the reason of more traditional companies putting in question the legitimacy/legality of the operating strategies of sharing economy business and accusing the sharing economy of having unfair advantages.

For sharing business, it is imperative to seek actively the solidification of regulation, the full legitimacy of the sharing business is dependent on regulation, future consumers are aware of the regulation issues that are present, and companies should promptly open communication with policymakers to develop adequate approaches to this growth barrier. Although regulation of sharing economy is difficult to fit into existing laws, the task of creating new laws for every single type of sharing economy



is unrealistic according to the “Journal of law and policy by Alexandra Jones, the laws should” reflect that the principles of sharing economy are based on and try to facilitate and safeguard the direct exchange of goods or services between individuals”.

Although this peer-to peer, access-driven business model has and is evolving as a concept, there is still a lack of studies confronting the aspects of what approaches traditional/rigid companies can do to adapt the growing sharing economy.

## **4- Methodology**

The methodology chapter will be the supporting framework of the empirical research used to tackle the study at hand, beginning with the context and objectives of the research, followed by the research approach, research design, research sample and the outline of questionnaire.

### **4.1- Context and objectives of research**

The consumer behaviour and their relationship with the marketplace has always been a constant change, having that fact in mind, the recent changes with massification of technology and the fight for planet sustainability are undeniably one of the strongest adversaries that traditional business must adapt and overcome. As sharing economy was exposed to the world as a promise of reducing transaction costs and enabling the younger generation to take part in services which previously, they were not able to participate, theories and been formulated to try to explain how the marketplace will react to these quick changes.

As a result of these hard to predict changes, the curiosity of how the traditional business models will react and sustain its value and relevance in the marketplace arose and therefore the intention of conducting this study was pending.

The research context of this study has in view the improvement of understanding of how the recent trends of sharing affect future economy and how generations will deal and interact with sharing economy. Having this in mind, the present research plans to re-think the value of ownership with support of quantitative data and secondary data sources, gathering this data, this study will propose differentiation ways of thought that can hopefully improve the understanding of such concepts.

This research has two main objectives, being that the first one is establishing what millennials give importance to and what motivates them to use sharing economy services. Adding to this factor, the research objectives are related to the approach of traditional business to the new evolving culture of the sharing concept and how to answer the persistent questions of how the sharing economy will interact and maintain or evolve its achieved value in the current business landscape.

## **4.2- Research Approach**

In regard to research approaches, there are three fundamental and adequate approaches: Qualitative approach, quantitative approach and a mixed approach. According to Creswell (2014) qualitative research is an approach for exploring and understanding the meaning individuals or groups ascribe to a social or human problem, quantitative research is an approach for testing objective theories by examining the relationship among variables and mixed methods research is an approach to inquiry involving collecting both quantitative and qualitative data, integrating the two forms of data, and using distinct designs that may involve philosophical assumptions and theoretical frameworks. The scientific procedures of the quantitative methods were developed having in view the increase of likelihood that the information that was gathered will be relevant to the objectives of the research at hand, unbiased and reliable, on the other hand, qualitative methods involve an interpretive perspective that attempts to make sense of the phenomena that is the focus of the research at hand.

The collected data was obtained and analysed using a quantitative approach, for this particular study we thought it would be most fitting obtaining numerical data and objective facts in regard to what the objectives of the study are. The study of sharing economy in the Portuguese market is still fairly recent and for that reason a quantitative approach has been used to tackle this to sample how the sharing economy is being received and what consumers think of the comparison of sharing economy business versus the more traditional business models. Additionally, to this, in the analysis of the main factors of attraction of millennials to sharing economy the analysis will be done with the assistant framework of Dart Model. The Dart model is a popular framework to integrate customer value co-creation and it holds four components as it's building blocks to its theory, being them Dialogue, Access, Risk Assessment and Transparency.

## **4.3- Research Design**

The present study is being conducted primarily through a quantitative empirical study, using a descriptive research design. Descriptive research differs from other research designs because it gives the proposition of accurately and in a more complete way, the description of "something", this has in view the drawing of conclusions of what exists and the frequency that it happens (Dulock,1993).

Taking these factors into account, using a descriptive research design was the fitting choice to establish what are the present characteristics of the millennials attraction to sharing economy and how can traditional business can bounce back. The gathering of data was done through an online survey that was conducted and designed with closed questions.

#### **4.4- Research Sample**

The aim of this study is to understand what factors triggered the evident change in consumer behaviour to sharing economy and what traditional business can do to mitigate the effects felt in today's business environment. According to (PWC, 2015) individuals that ranges from 25 to 34 years old are the most likely to be users and providers of sharing economy services, being that 18 to 24-year olds are the group that has the highest excitement when using sharing economy for the first time.

Taking these factors into account, to obtain appropriate data and conclusions of this study, we established that, for this study, the most fitting target would be individuals that range between the ages of 18-34 years old that have already had experiences with sharing economy and have something to discuss. Taking this into account, a purpose sampling is applicable and ideal to approach the intent of this particular study, a purposive sample will be used to match the aim of this study with the appropriate individuals that hold the characteristics that will allow us to reach our targeted sample quickly and with objective results. More specifically, this study, will fit in the definition of a homogeneous purposive sample, a sample "that is selected for having a shared characteristic or set of characteristics" (Crossman, 2018).

We accounted about 103 participants in the age range of 18-34 with experience in sharing economy. The participants are mainly composed by acquaintances and work colleagues who fit in the characteristics that the purpose of this study is trying to reach, which means that the results we have achieved apply to this particular group, having to acknowledge that different groups might have different results.

#### **4.5- Data collection method**

In the present study, it was used primary and secondary data sources. Wolf (2016) classifies secondary data as information in various forms that is collected by others and it is easy to access and inexpensive, on the other hand, primary data resources is the new

data that is collected by the researcher, specifically for the purpose of the study at hand. Being this said, in the present research it was used both primary and secondary research methods with the intention of providing a complementary analysis of direct and new research and information collected by other various authors to provide a solid foundation to the study at hand.

The primary data used in this research is a quantitative method, an online survey, that has the objective of collecting information from Portuguese consumers between 18-34 with sharing economy experience on what are the factors and motivations that attracts them to sharing economy services and what measures can traditional business take to compete with sharing economy. As secondary research methods, as shown in Chapter 2-Definitions, it was based on international journal articles, academic research, websites and studies done by consulting companies.

#### **4.6- Survey Layout**

Online surveys have the increased advantage above other research methods of having the ability to access groups and individuals with a level of specification that other research methods are not capable of doing in a short amount of time and resources. The present survey was done using the online platform Survey planet and it was shared in social networks and email to facilitate the accessibility of participants (Wright, 2017).

The survey is divided into three topics of study, the first one is a classification of the participants to ensure that the profile of the participant goes hand in hand with the profile that this research is proposing to study. The second part is an exploration of what are the motivations and factors that influence millennials to participate in sharing economy and the third part of the survey reflects on the possibilities of competition of traditional business and sharing economy

##### **4.6.1- Survey Structure**

###### **Introduction Questions (5)**

This survey is part of a Master dissertation at ISCTE Business School, it proposes that ownership is no longer the standard expression of consumer desire and studies the approach of traditional business models to this factor.

The survey consists of a series of statements that you should answer with the response that you consider is the most adequate from your perspective. The survey takes approximately 5 minutes, please answer all the questions.

Sharing economy is defined as” consumers granting each other temporary access to under-utilized physical assets, possibly for money”- Frenken et al. (2015)

1-Age (Divided by age groups)

2-Gender

3-How many times per month do you use sharing economy?

4-Where did you first heard about sharing economy?

Option A: Blogs; Option B: Influencers; Option C: acquaintances D: Other

5-Which of the following Sharing economy sectors have you previously used?

Option A: Transport Sharing; Option B: Accommodation Sharing; Option C: Co-working Spaces Option D: Other

**2<sup>o</sup>part (Affirmations that are classified by (Strongly Disagree; Disagree; Undecided; Agree; Strongly Agree)**

**Millennial Psychology factors (5 Questions)**

6-I consider that my possessions are a relevant indicator of who I am

7-I feel the need to do fulfilling work that builds a better community

8-The idea of living a minimalistic lifestyle is appealing to me

9- Considering all factors, I would rate experiences over possession

10-Sharing economy feels like less of a burden and makes life more convenient and efficient

**Ratings Influence (5 questions)**

11-I study the ratings before considering using a sharing economy product/service

12-When checking ratings, my decision is influenced by their content

13-My friends and family evaluations influence me choosing/not choosing a service/product in sharing economy

14-The recommendation of my acquaintances has relevance in my decision

15- I consider cooperation more enjoyable than non-group activities

**Trust establishment and Sustainability in Sharing Economy (5 questions)**

16-Knowing something about the person of whom I am acquiring a service gives me the sense of personal safety

17- Having the choice between co-operation and individualism when, I would choose co-operation due to the reason of establishing new relationships or being a part of a community

18-Before using a new sharing economy service I read reviews from other members and check the reputation of the company in the sharing platform

19-Having an active role in sustainability strategies is a crucial characteristic in my interest of a particular service/product of a sharing economy company

20-I consider that sharing economy provides a fitting perspective to explore the next level of sustainability

**Possible Adaptations of Traditional Business models (10 questions)**

21--I think that traditional companies would gain back a lot of buzz, making their services and products more entertaining

22-As a first line of defensive I think that traditional business models should ensure that sharing economy business should be legitimized by current laws

23-Although traditional companies are still very relevant, I think traditional business models should invest in re-evaluation and refreshing their practices according to what is considered to improve brand value nowadays

24-Traditional companies that are still dabbling in corporate social responsibility should take advantage of sharing economy to fulfil that concept in their organizations.

25-Traditional business models should be able to willingly break tradition to become flexible and nimble, achieving more adaptability in today's rapid changing markets

26- Sharing economy could create new revenue streams in traditional business models and potentiate taking advantage of assets that are being used below their capacity

27-Sharing economy could leverage the use of high-end products of traditional companies

28-The fitting of sharing economy characteristics on traditional business model means more retained talent of the millennial generation

29- An adaptation of traditional sales channels and the creation of access-based channels could create a strong synergy effect on traditional companies

30- A combination of simplicity, re-evaluation of consumer experience, adaptation to a fast-lifestyle and sustainability would greatly affect most traditional business models in a positive way

**Will the sharing economy hold value in the future? (5 questions)**

31-I believe that sharing economy is too big of an opportunity for traditional business models not to take advantage of

32-I believe sharing economy and traditional business model approach cannot coexist in the same company

33-As future generations are being born into the tech-age I believe sharing economy will sustain its value and pre-millennials generations will adapt to this new economy

34-Considering that sharing economy is an adaptation to economic factors, it could lose its value as world economies thrive

35-Considering all factors, I consider sharing economy an evolving and sustainable concept able to continuously evolve its value in the marketplace

**Conclusion**

Your answers will be anonymous and confidential. If you have any questions you can email [tmpfo-iul@iscte.pt](mailto:tmpfo-iul@iscte.pt), thank you for your participation



## **5- Results Analysis**

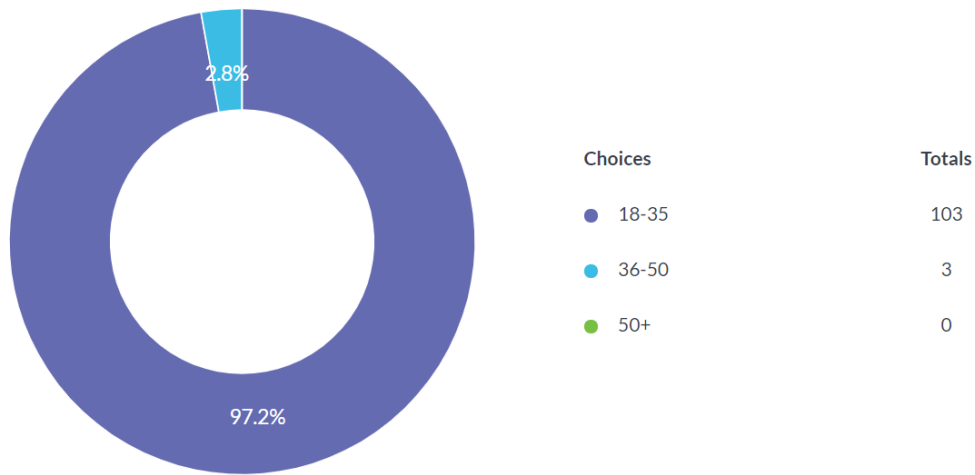
In this present Chapter 5, we will proceed with the analysis of the sample characterization, the integration of the DART model in the analysis of the main factors of attraction of millennials to sharing economy and collecting the information to suggest possible alternative avenues for traditional business to face this trend of sharing economy.

### **5.1- Sample Characterization**

The data that will be presented below was gathered between October and November of 2018, collecting a total of 108 surveys being that 106 were complete surveys. There were 103 online surveys that were complete and in the scope of this study according to Age-Group, the sample characterization will be made according to this division of the survey.

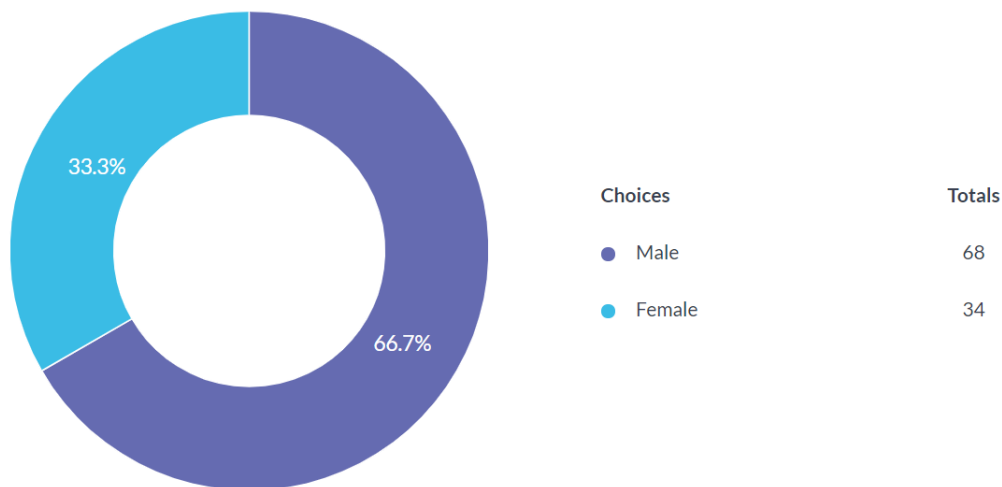
When it comes to participants Age-Groups there are 106 participants that fulfilled this question. Being that only 103 participants (97.2%) are in the scope of what this study is tackling, as previously indicated, the remaining 3 participants (2.8%) surveys were excluded from this study with the objective of maintaining frame on the scope of the study.

According to Chapter 2- Literature Review, millennials are the most relevant Age-Group to approach this gathering of data, this generation is the most exposed and motivated to take part in technology innovations, being that they are considered the main driver of sharing economy. Taking this into account and being that this study is focused on the millennial generation, the surveys completed by the Age-Groups with ages between 18-35 were the only ones considered relevant for this study.



Graphic I- Participants Age-Group

As for the distribution of genders we can observe a majority of the male gender 66.7% and a presence of 33.3% of female participants. In the present study there was no preference or aim to focus on a specific gender, it was of relevance to obtain participants from both genders in order to have the complete range of genders in the millennial generation that this study proposes to approach.

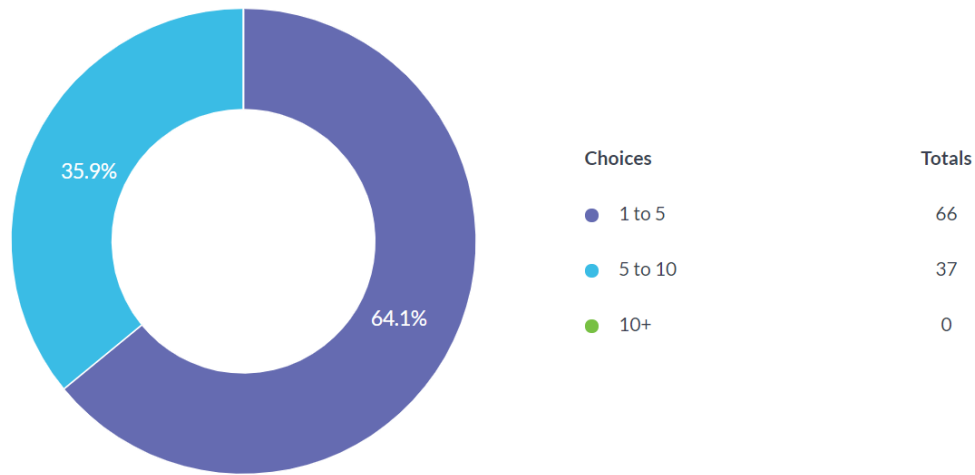


Graphic II-Gender

As previously mentioned, along with the age-group, one of the premises of this survey was the previous experience of sharing economy services. This definition of requirements for the participants of this survey had in view the simplicity and focus on the precise aspects that we found relevant and appropriate to approach in this study.

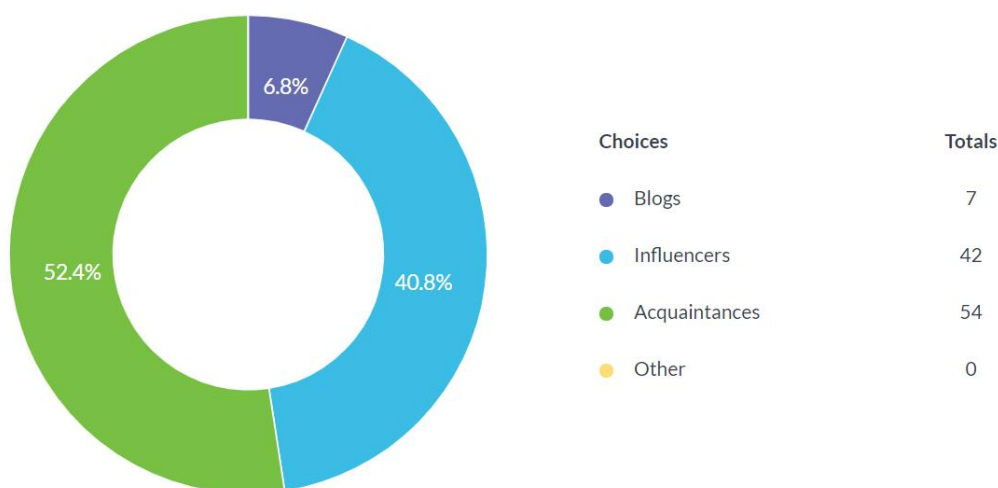
According to this premise, the frequency of use of sharing economy was one of the topics of interest and useful to characterize the sample that was collected. We can observe that, according to this sample, the most common frequency of use is 1 to 5

times per month with 64.1 % and the second most common is 5 to 10 times per month with 35.9%. As for the sample collected, the occasional use is the most common practice.



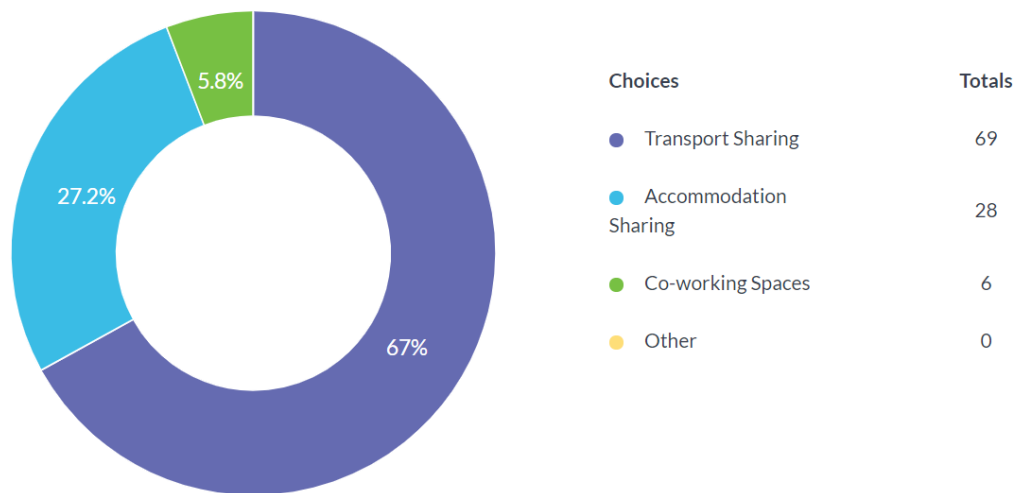
Graphic III- Frequency of use of Sharing Economy

As marketing of sharing economy is very varied in its operating ways, it was useful to this study to know where the participants first heard of sharing economy as it was considered relevant to complete the sample characterization. The most prevalent option was Acquaintances with 52.4% and the second most common aspect was Influencers with 40.8%. With these statistical data, we can observe that the majority of participants first knew about sharing economy thanks to word of mouth of sharing economy services and the influence of social media personalities on the millennial generation



Graphic IV- Where did participants first heard of sharing economy

As established beforehand, one of the premises of this study was the use of sharing economy services, and therefore it was required to establish what type of sharing economy services were used previously to this study, as it influences the perspective of sharing economy experiences that will be a part of the survey in further questions. As for the of what sectors of sharing economy the participants had previously used, we can observe that the vast majority had previously used Transport Sharing with 67% and Accommodation Sharing with 27.2% as these types of sharing economy as considered the most mainstream alternatives to traditional providers.



Graphic V- Most common Sharing Services used by participants

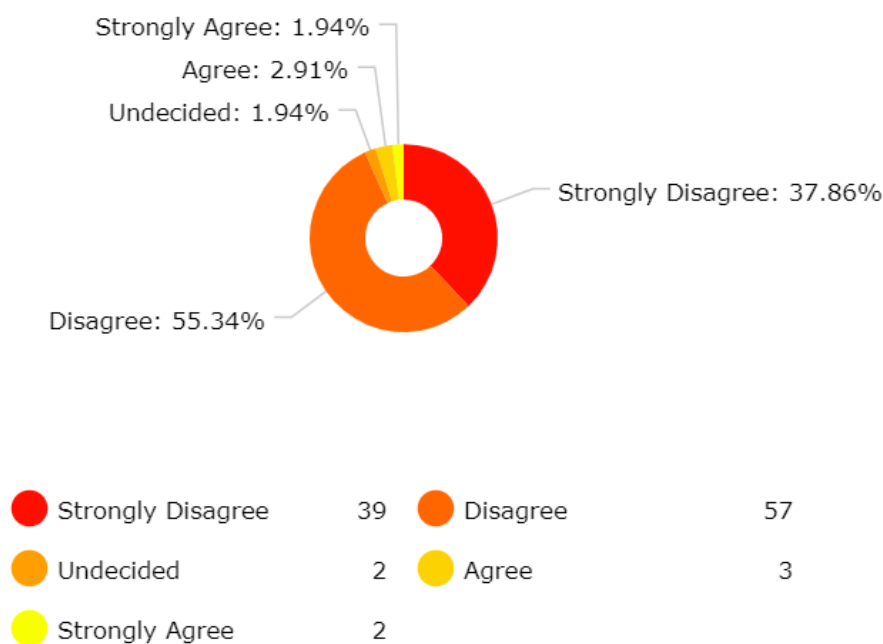
## 5.2- Results analysis

As mentioned on the previous chapter, the survey was divided and conducted into three separate topics of study, firstly it was the characterization of the participants which was done in chapter 5.1. This second part of the survey will approach questions regarding the motivations that influence the millennial generations to embrace sharing economy services with open arms, this data will be approached in 3 parts, the Millennials Psychology Factors, Ratings influence and the Social Importance and Sustainability in Sharing Economy using the lenses of the DART Model, where applicable, for gaining deeper understanding. The third and final topic that is tackled in this survey are a series of reflections of possibilities that traditional companies have to compete with sharing economy, in their own market. Adding to this, the second and third divisions of the survey that will be further analysed are answered in affirmations that are classified by five type of answer Strongly Disagree, Disagree, Undecided, Agree and Strongly Agree.

### 5.2.1- Millennials Psychology Factors

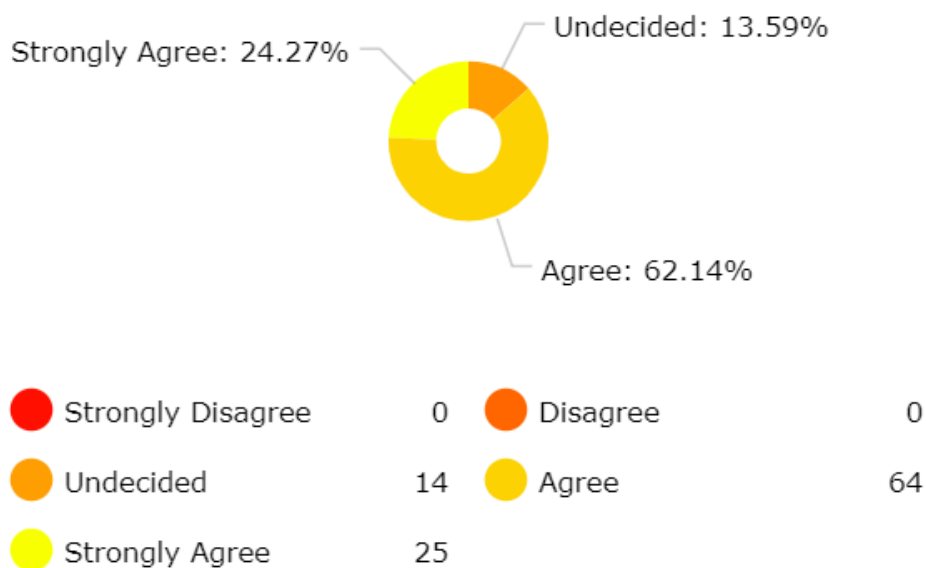
As it was referred in Chapter 4, the factors that motivate the millennial generation are of interest to this study, as a component of confirmation of what was previously investigated in Chapter 2 and as a base to propose strategies for traditional companies. Therefore, in this survey we proposed affirmations of the most common explanations that were found in the literature review as the main factors that influence millennials to take part in sharing economy.

Proposing this, we conducted 5 questions that appeal to the main psychological factors that we found to be, in the literature review, the most significant differences in the millennial mindset, initiating with a question that, expresses the relationship between owning and self-confidence. As we can observe, the majority of participants answered the affirmation “I think my possessions are a relevant indicator of who I am” with Disagree, counting with 55.34%, Strongly Disagree with 37.86% and a much smaller segment with agree and strongly agree, respectively with 2.91% and 1.94%. As owning is still valued by some millennials, the aspect that relates owning with high self-esteem is considered an old-fashioned concept nowadays and as shown, largely accepted that it is no longer a factor in this aspect.



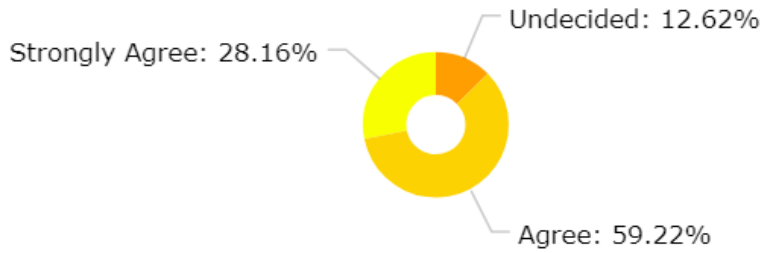
Graphic VI- Affirmation “I think my possessions are a relevant indicator of who I am”

Millennials are a generation increasingly involved in corporate social responsibility, being that said, as an example, colleagues working for a shared goal can have positive effects on the company culture. As a confirmation of this aspect, we proposed the affirmation “I feel the need to do fulfilling work that builds a better community” in the survey, the majority of participants answered Agree with 62.14%, Strongly Agree with 24.27% and a significant presence of Undecided participants with 13.59%. Fulfilling work is a component of motivation in the workplace for millennials that companies should be continuously aware of, taking into account the rotation of employees that organizations that are significantly populated by millennials are noted for.



Graphic VII-Affirmation “I feel the need to do fulfilling work that builds a better community”

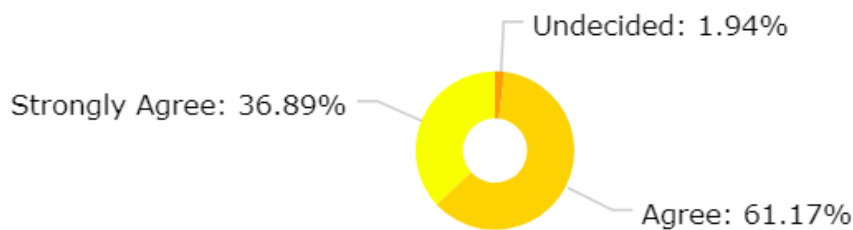
The main argument of millennials not wanting to own “stuff” is directly connected with the proposal that this particular generation is hard wired to live increasingly minimalist lifestyles. This minimalistic lifestyle, as indicated in Chapter 2, maybe connected with several factors, among them experiences over possessions, economic reasons, but mainly the factor that ownership is simply increasingly not necessary. The affirmation that was designed “The idea of living a minimalistic lifestyle is appealing to me” confirms this argument as 59.22% of participants agreed, 28.16% Strongly Agreed and 12.62% are undecided.



<span style="color: red;">●</span> Strongly Disagree	0	<span style="color: orange;">●</span> Disagree	0
<span style="color: orange;">●</span> Undecided	13	<span style="color: yellow;">●</span> Agree	61
<span style="color: yellow;">●</span> Strongly Agree	29		

Graphic VIII- Affirmation “The idea of living a minimalistic lifestyle is appealing to me”

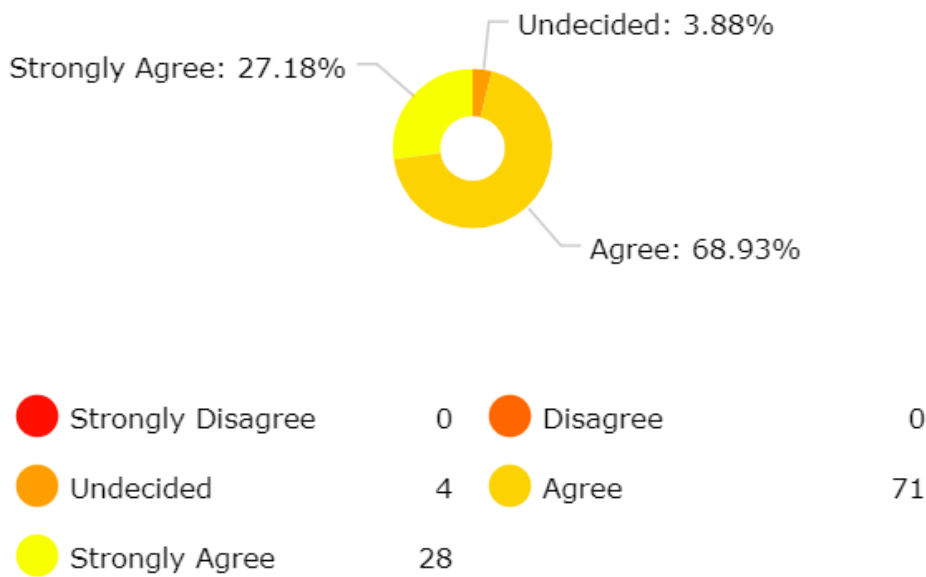
As previously mentioned, one of the crucial factors for the winning formula of sharing economy is the trend of experiences > possessions, the possession of good is continuously disassociated with the increase of happiness. The statement” Considering all factors, I would rate experience over possessions” does not interfere with the exchange of money, just an adaptation that decreases the aspect of owning the product exclusively. The answers to this affirmation attest to this argument, 61.17% of participants Agree, 36.89% Strongly agrees and a very small percentage of 1.94% is undecided.



<span style="color: red;">●</span> Strongly Disagree	0	<span style="color: orange;">●</span> Disagree	0
<span style="color: orange;">●</span> Undecided	2	<span style="color: yellow;">●</span> Agree	63
<span style="color: yellow;">●</span> Strongly Agree	38		

Graphic IX- Affirmation” Considering all factors, I would rate experience over possessions”

As conclusive statement of the Millennials Psychology Factors topic that is a part of this study, it was proposed the affirmation “Sharing economy feels like less of a burden and makes life more convenient and efficient”. The millennial generations takes the feel free and delaying adulthood way of life with seriousness, coupling this factor with the economic conditions that millennials grew up in it bundles all together in a burden-free mentality when it comes to consumer products. The results corroborate this theory, taking into account the 68.93% that classified the answer as Agree, 27.18% as Strongly Agree and 3.88% as Undecided.



Graphic X- Affirmation “Sharing economy feels like less of a burden and makes life more convenient and efficient”

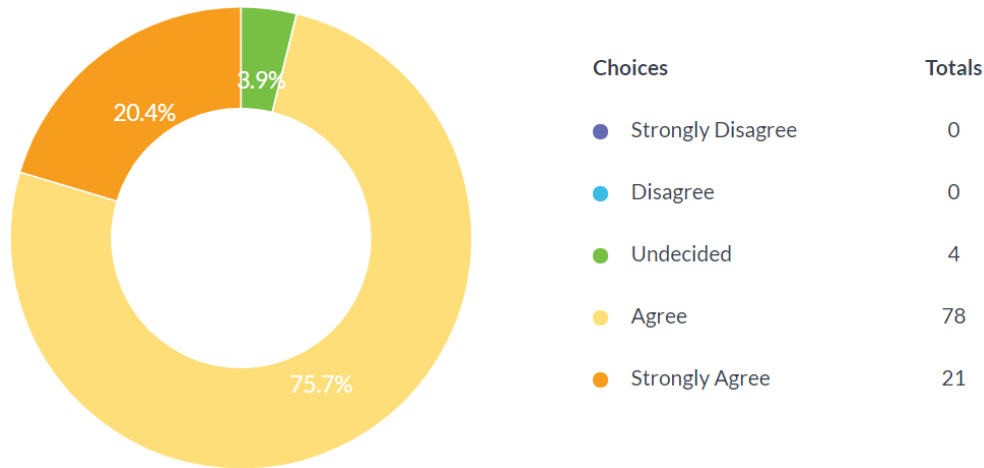
**5.2.2- Ratings influence**

The influence and importance of dialogue between consumer/business and consumer/consumer is of interest to this study. The representation of higher levels of interactivity in sharing economy is thought to be directly linked to its success among millennials and this aspect will be explored and validated using DART framework lenses. DART framework as a concept of co-value is considered an underdeveloped area, the process of co-creation and more specifically the consumer-company interactions are the focal point of this chapter 5.2.2.

Taking this into account, we proposed five affirmations that explore the importance that the ratings systems that sharing economy services are known for and explore them as a concept of co-value that is widely used to reinforce the importance of dialogue and

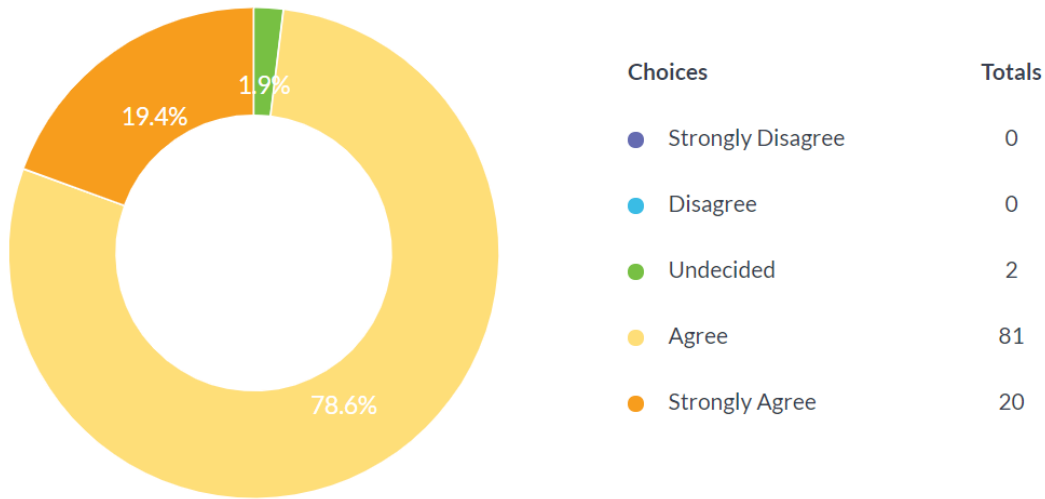


transparency. The affirmation “I study the ratings before considering using a sharing economy product/service” was designed to check if it is a common practice to consult the opinions of other users that have used the service, the majority of participants Agreed 75.7%, 20.4% strongly agreed and a minor percentage of 3.9% are undecided. These factors attest to the relevance of the transparency component of the DART framework, the majority of users of sharing economy use the means available to investigate what service they might be using and take that into account.



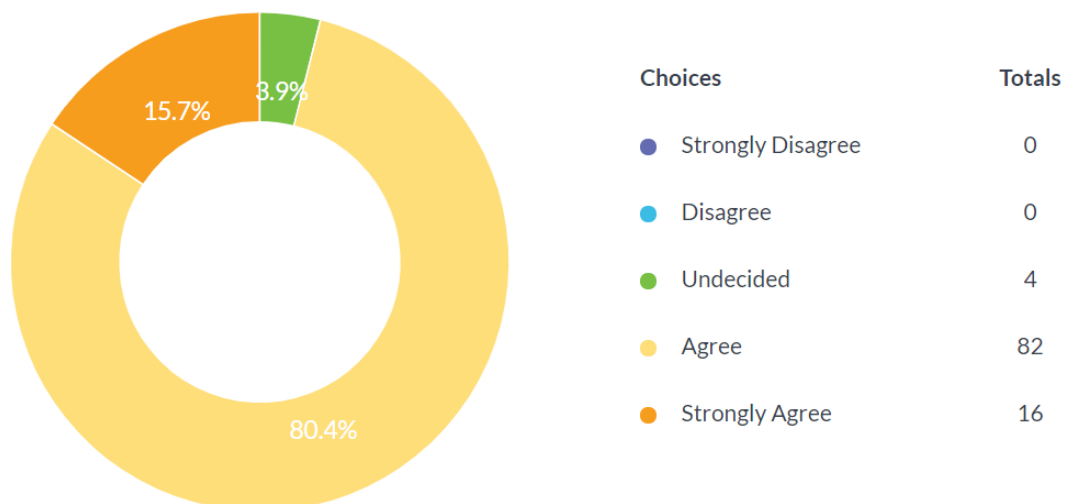
Graphic XI- “I study the ratings before considering using a sharing economy product/service”

As it was validated by the previous affirmation, millennials take advantage of the feedback and interactive services that sharing economy platforms provides, nevertheless it is important to recognize to what extent is this feedback being used and in what way it is intended to be taken into consideration. Being this said, the affirmation “When checking ratings, my decision is influenced by their content” was intended to verify if the feedback that is received by the analysis of the ratings is taken into account when making the decision of using this specific sharing economy service, which it was concluded in an affirmative way since 78.6% of the participants agreed with the statement , 19.4% strongly agreed and a minor percentage of 1.9% are undecided.



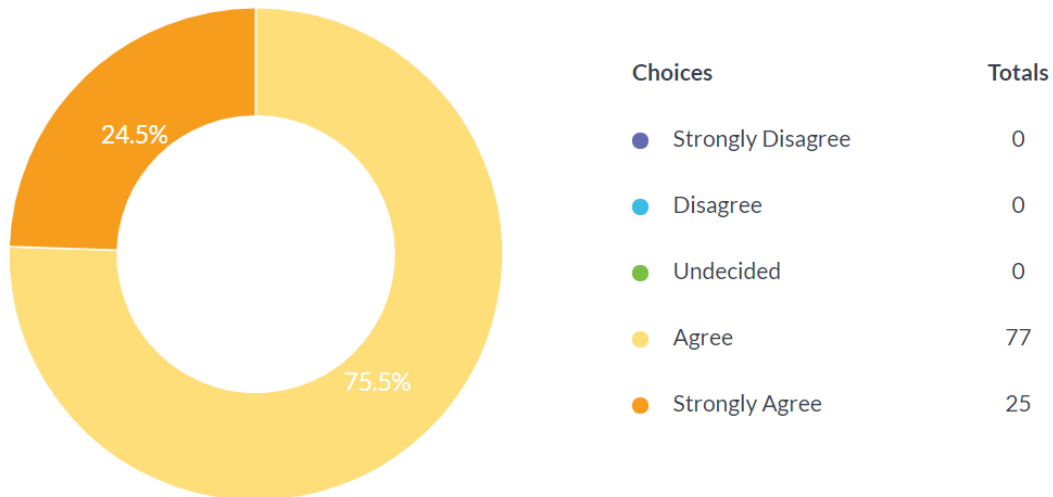
Graphic XII- “When checking ratings, my decision is influenced by their content”

According to the results of the previous affirmation, the decisions of the participants in sharing economy are influenced by rankings that were provided by previous users of said service. Taking this into account, most of the sharing services that provide a ranking system, also permits the creation of a profile of the user and connect with our friends and family to establish a network. As a result of this establishment of relationships we suggested the affirmation “My friends and family evaluations influence me choosing/not choosing a service/product in sharing economy “which had very positive feedback, 80.4% agreed and 15.7% strongly agreed, with the small percentage of 3.9%.



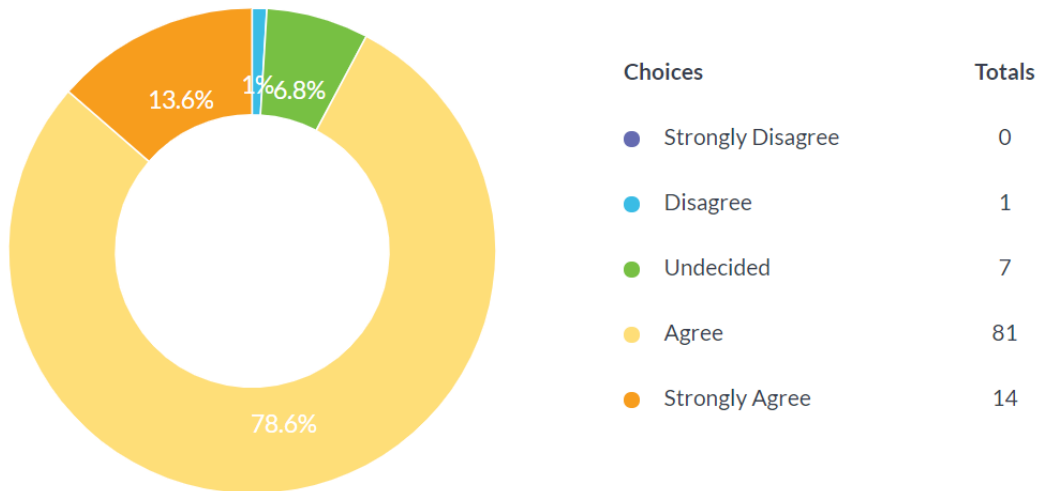
Graphic XIII- “My friends and family evaluations influence me choosing/not choosing a service/product in sharing economy”

As trust is one of the strongest establishment points of sharing economy, as a concept, it is important to define if the recommendation of an acquaintance for a specific sharing economy service is taken into account to the point where a decision is made from it. The results show total confirmation of this aspect, being that the vast majority (75.5%) of participants agreed with the statement and 24.5% strongly agreed.



Graphic XIV- “The recommendation of my acquaintances has relevance in my decision”

As a conclusive statement, we decided to propose the affirmation of cooperation vs non-group activities, as the previous questions in this chapter have focused on the effect of transparency and dialogue, use of ratings and their influence on the participants of sharing economy, these are all considered cooperation activities, companies that use this feedback loop to their best knowledge, end up having constructive criticism to improve their brand and the positive feedback improves the ratings which, has indicated by previous statements, enhances their reputation and as a result of this, more clients. As for the consumers of sharing economy services, one of the main compelling aspects of sharing economy is the establishment of trust, which can be more easily established when you assure that the ratings are taken into account and consumers feel a sense of co-value and that they helped build the brand to the strongest version. According to our survey, 78.6% of the participants classified the affirmation with Agree, 13.6% Strongly Agreed and 6.8% are still undecided. The results corroborate what was concluded in previous statements, millennials are more prone to cooperation and affirm the importance of the DART framework as a system applicable for sharing economy companies, as a concept of co-value.



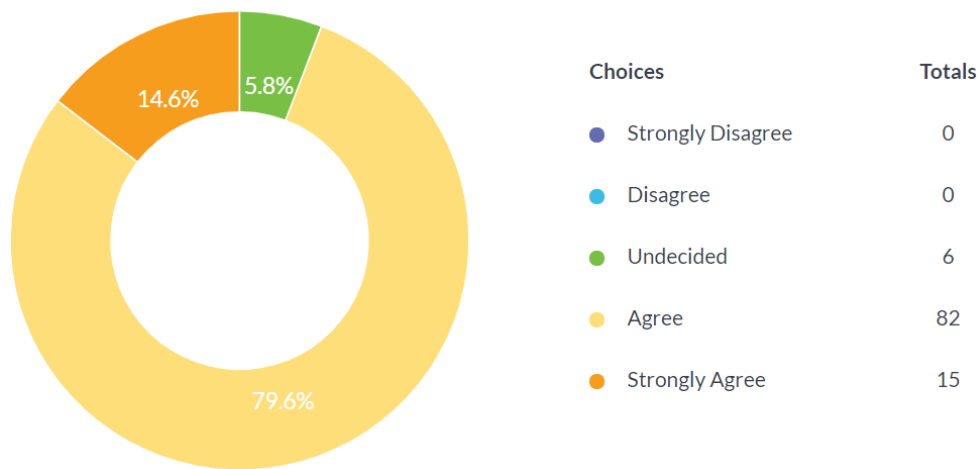
Graphic XV- “I consider cooperation more enjoyable than non-group activities”

### 5.2.3-Trust Establishment and Sustainability in Sharing Economy

The social importance and sustainability that sharing economy services provide, was identified in the Chapter 2- Definitions as one of the motivators of the use of sharing economy by millennials. As mentioned before, sharing economy brings a differentiating perspective in its approach to sustainability and social responsibility, it has the crucial advantage over traditional business of having a sustainable use of resources due to a fundamentally different way of creating and capturing value (Allen & Berg, 2014). Having this in mind, future research that studies the hypotheses of sharing economy and sustainability awareness is of very high importance. In this study we proposed these specific affirmations connecting sustainability in sharing economy and the millennial generation to search for connections and possible avenues for traditional companies.

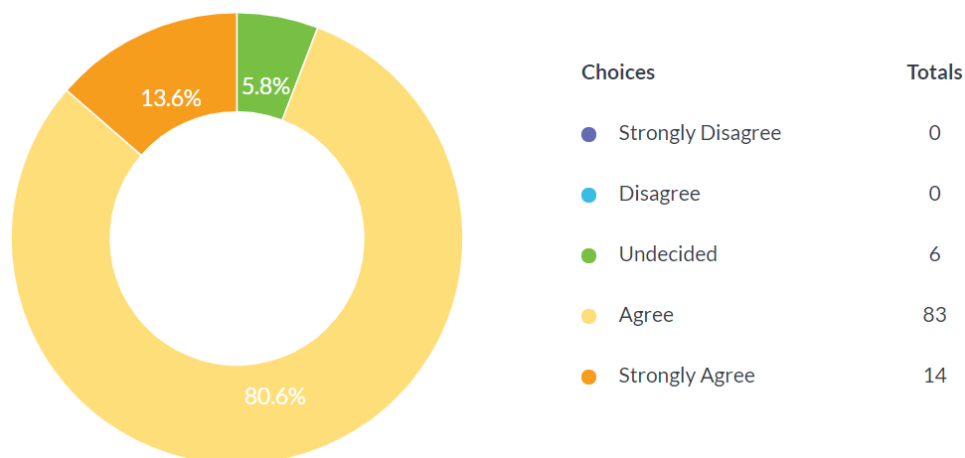
Trust, more specifically, the establishment of trust is one of the main barriers for possible first-time users of sharing economy. Being that said, in most cases, the companies that win at sharing economy are not the ones the best services, but the ones that manage to establish trust as one of their core values. We composed several affirmations to establish what were some reasons that helped establish trust between consumer-company as a concept. The affirmation “Knowing something about the person of whom I am acquiring a service gives me the sense of personal safety” was design with the basis of identity identification that is required by some sharing economy services, and according to the classification of this affirmation by participants, they are indeed useful in establishing trust, being that, 79.6% of users agreed with the

affirmation, 14.6% strongly agreed and 5.8% of participants in the survey are undecided.



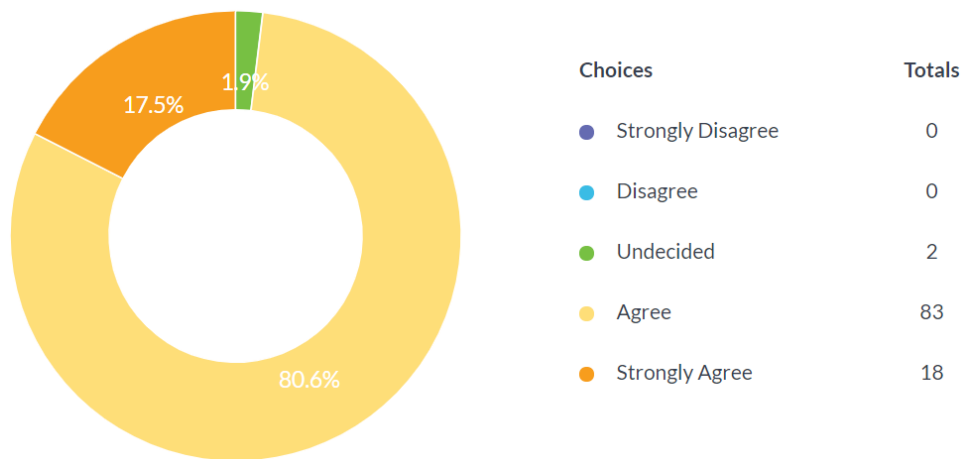
Graphic XVI- “Knowing something about the person of whom I am acquiring a service gives me the sense of personal safety”

Having establish in question 15 of this present survey that participants, for the most part, select cooperation activities over individualistic activities, this segment of the survey takes on the premise of why cooperation is linked to trust establishment. In this affirmation we proposed two reasons why cooperation is more attractive as a concept linked to sharing economy, being among them the establishment of new relationships and the sense of being part of a community , being that the affirmation had very positive feedback, including 79.6% of participants agreed with the statement, 14.6% strongly agreed and 6% did not linked cooperation with the reasons for its success, that were proposed.



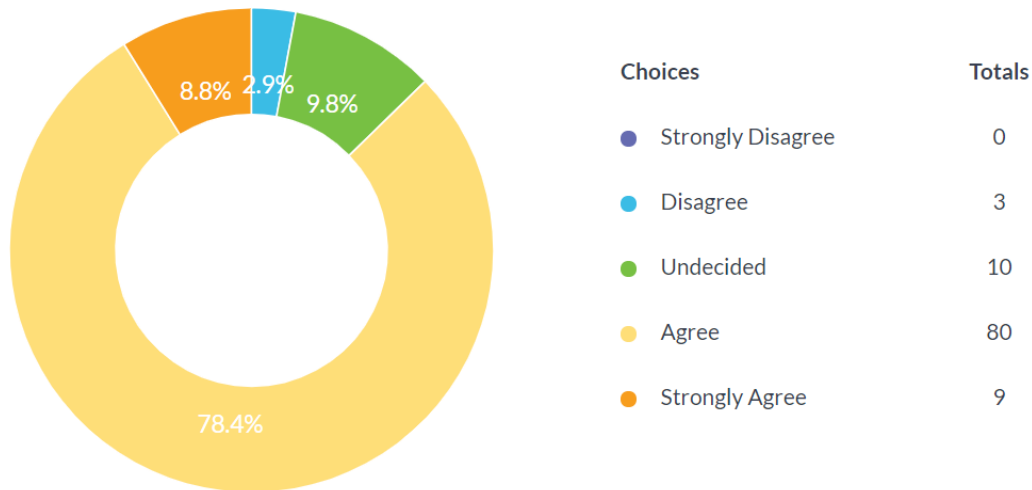
Graphic XVII- “Having the choice between co-operation and individualism when, I would choose co-operation due to the reason of establishing new relationships or being a part of a community”

In the affirmation shown in Graphic 18, we propose that as a pre-requisite, users of sharing economy do an analysis of said service, using the resources that are available, including classification or raking of the specific service and written reviews from other users. These are the most common ways of establishing trust, if, the service in question has good rankings that are classified by users with honest reviews. The affirmation had very positive feedback in the survey, 80.6% of participants agreed that these characteristics reinforce trust in using the new sharing economy service, 17.5% strongly agreed and 1.9% are undecided, there is no presence of disagreements with this statement.



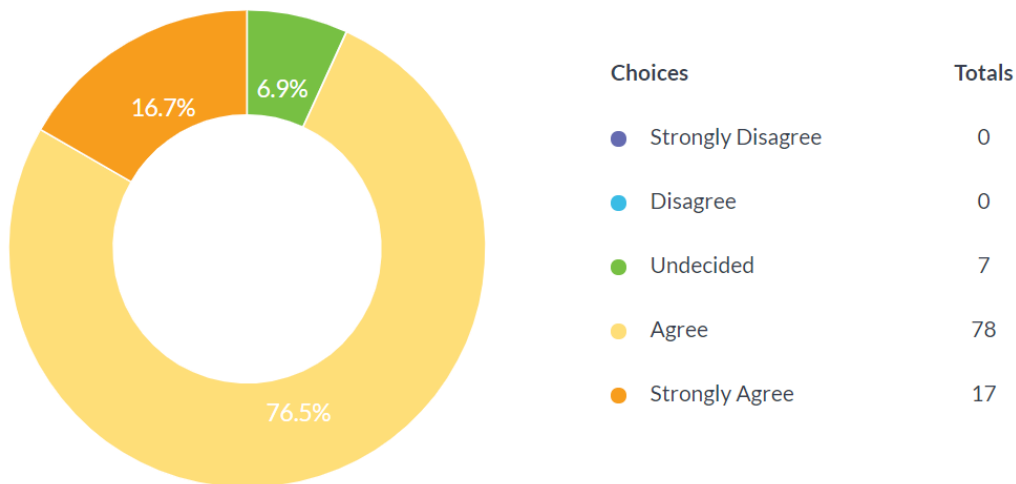
Graphic XVIII- “Before using a new sharing economy service I read reviews from other members and check the reputation of the company in the sharing platform”

As previously mentioned, the millennial generation is considered more environmentally conscious when compared to previous generations, but there is still a missing link when it comes to the connection between millennials and the use of sharing economy due to its sustainability capabilities. For that reason we suggested the affirmation “Having an active role in sustainability strategies is a crucial characteristic in my interest of a particular service/product of a sharing economy company” to compliment this research, being that is had mixed results, the majority(78.4%) of participants agreed with the statements, 8.8% strongly agreed, but on the other hand, a significant 12.7% of participants were undecided or disagreed with the statement. When compared to other motivators to use sharing economy, although it had a very positive feedback, sustainability was not the most significant.



Graphic XIX- “Having an active role in sustainability strategies is a crucial characteristic in my interest of a particular service/product of a sharing economy company”

According to (Hoskisson *et al.*, 2000) , sharing economy has the possibility to create new avenues and new possibilities when it comes to using resources in a sustainable way. The affirmation that was proposed in Graphic 20 reflects this idea, the explorations of sustainability in sharing economy. A very significant 16.7% of the users strongly agreed with the affirmation, 76.5% agreed and a minor 6.9% is still undecided.



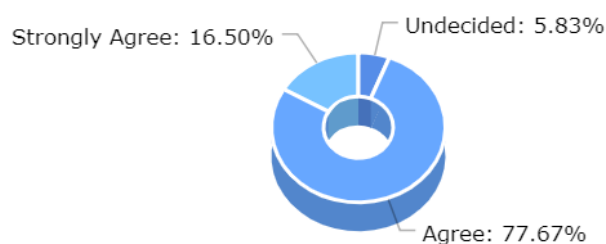
Graphic XX - “I consider that sharing economy provides a fitting perspective to explore the next level of sustainability”

#### 5.2.4- Possible adaptations of Traditional business models

The purpose of this study was divided in two separate components, both having in common, the final goal of re-thinking the value of ownership. Firstly, it was crucial that in this study, through the literature review and the results of the research, the main

motivators of millennials to take part in sharing economy were established. Secondly, through the feedback from literature review and identified notions of the motivators that cause attraction of millennials to sharing economy concepts, gathering this information propose suggestions of what traditional business can do to cope with the trend of sharing economy, taking their strengths and apply it to their business.

Being this said, this chapter of the study, will propose possible adaptations of traditional business models. These adaptations have in mind the continuous improvement of the understanding of sharing economy and differentiation methods for companies that have traditional business models that were based on the strong points of sharing economy companies. As a starting statement, we proposed the affirmation “I think that traditional companies would gain back a lot of buzz, making their services and products more entertaining”, the evaluation of this statement was decisive, 77.67% agreed, 16.5% strongly agreed and 5.83% are undecided. The overall positive feedback of this affirmation is undeniable due to the connection between sharing economy and massification of technology, millennials have a much more varied approach in doing business in sharing economy than in services from traditional companies, therefore they consider it much more stimulating or in other words, consider the nature of traditional services “Boring”. Being this said, the effort of developing more entertainment associated with the services of traditional companies might be valued among the millennial generation.



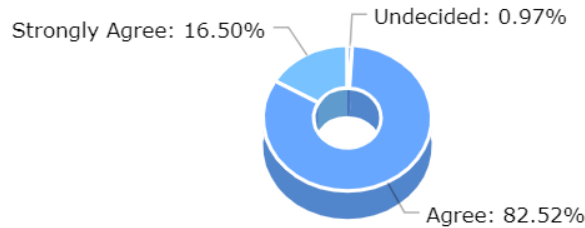
● Strongly Disagree	0	● Disagree	0	● Undecided	6
● Agree	80	● Strongly Agree	17		

Graphic XXI- “I think that traditional companies would gain back a lot of buzz, making their services and products more entertaining”

The affirmation “As a first line of defensive I think that traditional business models should ensure that sharing economy business should be legitimized by current laws”



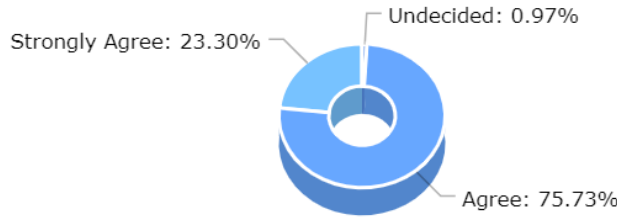
was designed to ensure that first and foremost, traditional companies have the duty of fighting for a level playing field when competing with sharing economy companies. The feedback from this affirmation was almost entirely positive, 82.52% agreed 16.5% strongly agreed and 0.97% are undecided, being this said, as a general and initial measure, assuring the legality of sharing economy is undoubtedly a viable measure.



● Strongly Disagree	0	● Disagree	0	● Undecided	1
● Agree	85	● Strongly Agree	17		

Graphic XXII- “As a first line of defensive I think that traditional business models should ensure that sharing economy business should be legitimized by current laws”

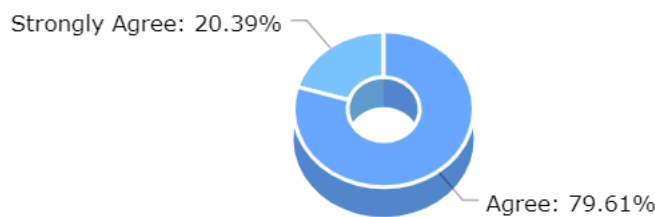
The statement “Although traditional companies are still very relevant, I think traditional business models should invest in re-evaluation and refreshing their practices according to what is considered to improve brand value nowadays” was devised in the perspective of investigating if millennials consider that the methods that traditional companies use are up to the standards of recent generations or if on the contrary a revamping is necessary to boost brand excitement. Interpreting the results, 75.73% agreed 23.20% strongly agreed and a small percentage of 0.97% are undecided, taking this into account, it is unquestionable that millennials consider traditional business models as old fashioned compared to the sharing economy users that are designed to technology-savvy users, being that a refreshing of the practices taking as basis typical sharing economy measures of operating the market, might a suggestion that results in a high return on investment.



● Strongly Disagree	0	● Disagree	0	● Undecided	1
● Agree	78	● Strongly Agree	24		

Graphic XXIII- “Although traditional companies are still very relevant, I think traditional business models should invest in re-evaluation and refreshing their practices according to what is considered to improve brand value nowadays”

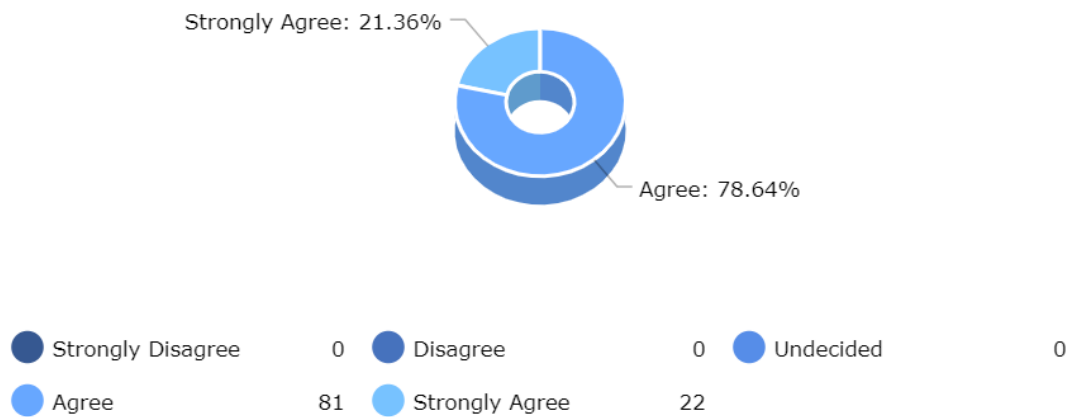
As discussed before in Chapter 2 and 5, sharing economy might be a very interesting platform for various kinds of sustainability measures. The statement - “Traditional companies that are still dabbling in corporate social responsibility should take advantage of sharing economy to fulfil that concept in their organisations.” Questions millennials if they think that sharing economy might be a viable option to explore sharing economy, to companies that are looking for measures to explore this concept. The results show total unanimity in the approval of the statement, counting with 79.61% Agreed and 20.39% strongly agreed, millennials have knowledge of the possibilities of sharing economy and think traditional companies should capitalize on the opportunity of integrating sharing economy principles in their business to potentiate sustainability.



● Strongly Disagree	0	● Disagree	0	● Undecided	0
● Agree	82	● Strongly Agree	21		

Graphic XXIV- “Traditional companies that are still dabbling in corporate social responsibility should take advantage of sharing economy to fulfil that concept in their organisations.”

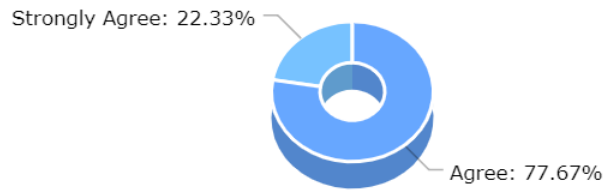
As sharing economy is known for being easily adaptable to a fast-pace lifestyle, we design the affirmation “Traditional business models should be able to willingly break tradition to become flexible and nimble, achieving more adaptability in today’s rapid changing markets” This affirmation had in mind , the appeal of adaptability that is very much valued by millennials as results show 78.64% agreed and 21.36% strongly agreed, no presence of negative opinions. Lack of willingness to break tradition was one of the biggest impediments to growth of traditional companies. In its early days, sharing economy, for the most part, was not taken seriously by many sectors, labelled as a non-competitor and a typical temporary success trend. These beliefs were quickly shattered as sharing economy had a continuous growth and longevity.



Graphic XXV- “Traditional business models should be able to willingly break tradition to become flexible and nimble, achieving more adaptability in today’s rapid changing markets”

As it acknowledged in previous statements, millennials are of the opinion that a change in traditional business models is needed, the fluidity and fast pace that characterizes the heavily technology influenced generation poses a challenge that should not be taken lightly. The proposal of the affirmation “Sharing economy could create new revenue streams in traditional business models and potentiate taking advantage of assets that are being used below their capacity” had in mind, for companies not to face sharing economy as threat, but on the other hand, take advantage of sharing economy advantages and integrate sharing measures on its business model. As for the results, the entirety of participants recognized this affirmation as plausible, being that 77.67% classified it as Agree and 22.33% as strongly agree.

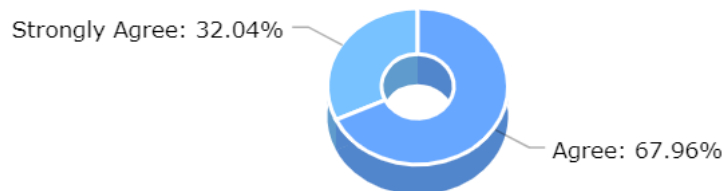
ACCESS OVER OWNERSHIP: A GENERATIONAL ANALYSIS



● Strongly Disagree	0	● Disagree	0	● Undecided	0
● Agree	80	● Strongly Agree	23		

Graphic XXVI- “Sharing economy could create new revenue streams in traditional business models and potentiate taking advantage of assets that are being used below their capacity”

As an addition to the previous affirmation and the subject of combining sharing economy in the traditional companies, we proposed the affirmation - “Sharing economy could leverage the use of high-end products of traditional companies”, which had no disagreeing feedback, 67.96% agreed and 32.04% strongly agreed. One of the many differentiation points of sharing economy is the possibility to access products that users cannot own to their name, mainly for economic or convenience reasons, having this in mind, high-end products that are difficult to sell can be shared and therefore maximize their production as it is increased the alternative means that companies can expand revenue and brand value.

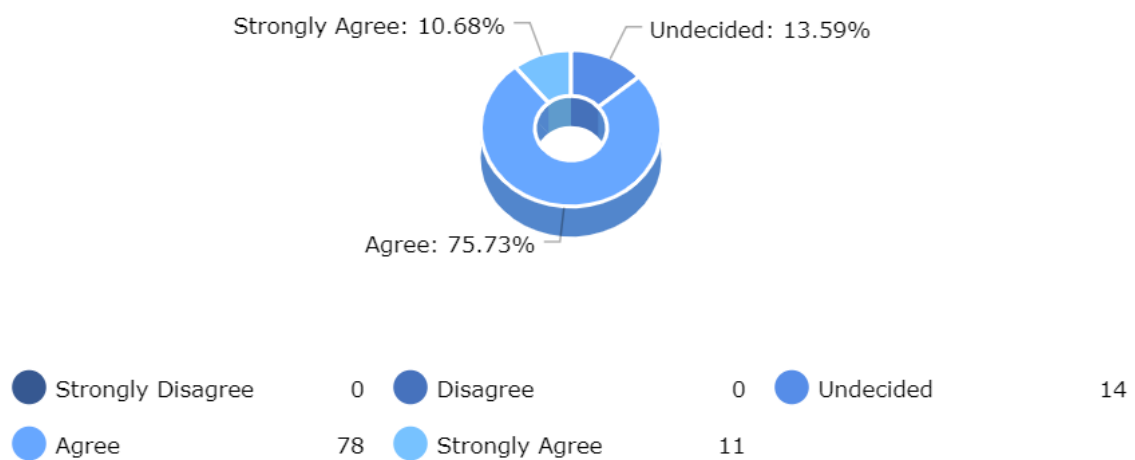


● Strongly Disagree	0	● Disagree	0	● Undecided	0
● Agree	70	● Strongly Agree	33		

Graphic XXVII- “Sharing economy could leverage the use of high-end products of traditional companies”

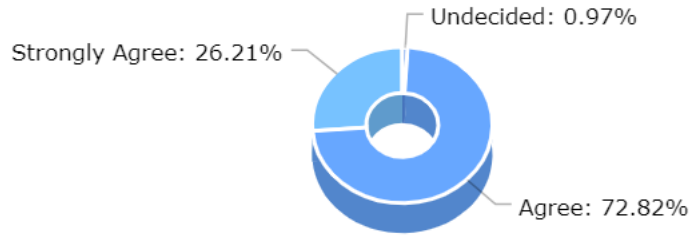
The affirmation “The fitting of sharing economy characteristics on traditional business model means more retained talent of the millennial generation” was designed to confront the fact that millennials have a highest turnover rate between companies that

any other generations. This affirmation counted with 13.59% undecided participants, 10.68% strongly agree and the majority of participants agreed this affirmation, more specifically 75.73%. Through these circumstances, millennials are reinforcing the importance of what can companies do for their millennials workers as flexible hours, remote work and a clear career path in view. According to our study, and more specifically, the affirmation proposed, validates that the integration of sharing economy in a traditional business, might be a valid way of reducing turnover rates among millennials, if along with the integration of sharing economy it is ensured that sharing economy premises are also integrated.



Graphic XXVIII- “The fitting of sharing economy characteristics on traditional business model means more retained talent of the millennial generation”

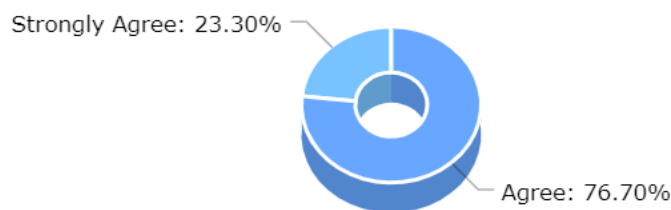
The affirmation “An adaptation of traditional sales channels and the creation of access-based channels could create a strong synergy effect on traditional companies” is a sum up of the previous affirmations that suggested the harmonious combination of sharing economy integration in a traditional business. The proposal of this synergy relationship had undeniable positive results, being that millennials think that it is a viable option as 72.82% classified it as Agree, 26.21% classified as strongly agree and minor participation of 0.97% are undecided. As traditional businesses are undeniably still are of major importance in the market place, millennials agree that take advantage of the integration of sharing economy channels might be a viable option to raise excitement of said companies.



● Strongly Disagree	0	● Disagree	0	● Undecided	1
● Agree	75	● Strongly Agree	27		

Graphic XXIX- “An adaptation of traditional sales channels and the creation of access-based channels could create a strong synergy effect on traditional companies”

As a conclusive statement of the chapter 5.2.4, we suggested the affirmation - “A combination of simplicity, re-evaluation of consumer experience, adaptation to a fast-lifestyle and sustainability would greatly affect most traditional business models in a positive way”, that is in its essence a condensed and general proposal of the previous suggestions that traditional companies can study to improve their market. As for the results, the sample that was composed by 103 millennials that agreed with the statement in a dimension of 76.70% and 23.30% strongly agreed. The conclusions that were collected in the present online survey, take into account that they draw general suggestions which have to be adapted to each sector/company itself. Nevertheless, although these factors are known to most companies, their importance and relevance does not diminish and required investment and open mindedness.



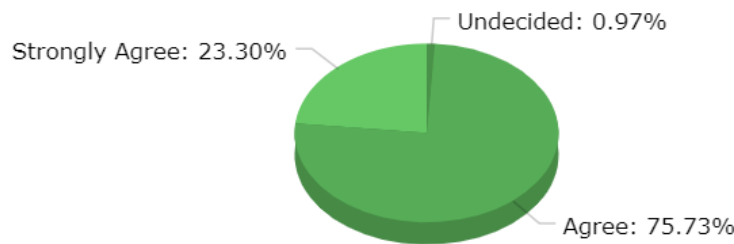
● Strongly Disagree	0	● Disagree	0	● Undecided	0
● Agree	79	● Strongly Agree	24		

Graphic XXX- “A combination of simplicity, re-evaluation of consumer experience, adaptation to a fast-lifestyle and sustainability would greatly affect most traditional business models in a positive way”

**5.2.5- Conclusive Statements- Will Sharing economy hold value in the future?**

As conclusive statements, this study devised 5 affirmations to question millennials opinions about the concept of sharing economy and more specifically if it is considered a concept strong enough to be sustained by a long period of time, being as its own player in the marketplace or its integration in traditional business models. These affirmations consist of more direct and simplistic questions that sum up the previous statements in order to draw definite conclusions of the millennial generation opinions.

As the first questions of this chapter 5.2.5 we suggest the affirmation “I believe that sharing economy is too big of an opportunity for traditional business models not to take advantage of”, this questions sums up the opinion of the participants, questioning directly if they think that, in general, traditional business should integrate sharing economy channels in their business, as the results show a definite agreement with the affirmation ,being that 75.73% agreed, 23.30% strongly agreed and a small percentage of 0.97% participants are undecided.

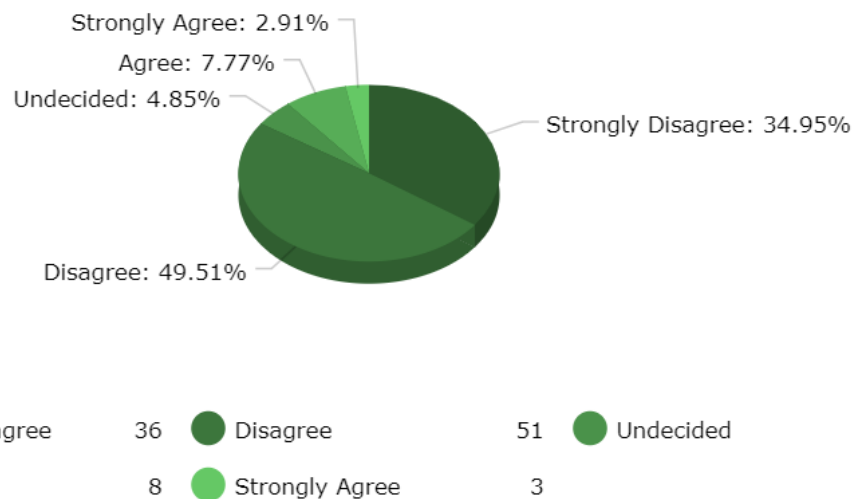


● Strongly Disagree	0	● Disagree	0	● Undecided	1
● Agree	78	● Strongly Agree	24		

Graphic XXXI- “I believe that sharing economy is too big of an opportunity for traditional business models not to take advantage of”

Taking into account the input from the previous statement, we can conclude that most of the participants are of the opinion that traditional business models should take input from what distinguishes sharing economy as a strong force and implement it in its business. Following this conclusion, this study proposes the affirmation “I believe sharing economy and traditional business model approach cannot coexist in the same company” which takes the input from the previous statement and puts forward the question of total integration of sharing economy as a concept in a typical traditional

business. As far as the results, majority of participants disagreed with the statement, or in other others, agree that sharing economy can be integrated in a typical traditional business, counting with 49.51% disagree, 34.95% strongly disagreed, 4.85% are undecided, 7.77% agree and 2.91% strongly agreed. Most of the participants disagreed with the statement, nevertheless the results were varied, not all the participants agreed that sharing economy can coexist as a concept, or it is not easily adaptable in a traditional business model.

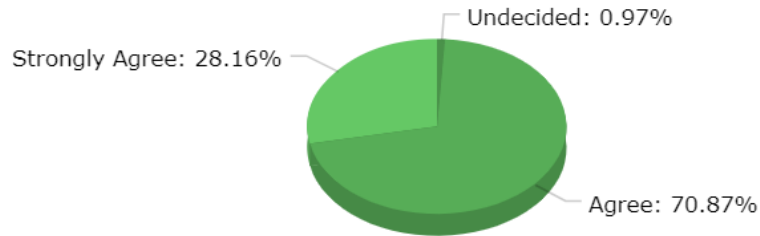


Graphic XXXII- “I believe sharing economy and traditional business model approach cannot coexist in the same company”

One of the most threatening questions that sharing economy can face, as any other trend, is its sustainability as concept. It is undeniable the current and continuous success that sharing economy is having, but as any other revolutionary concept, the amount of time that it will sustain its value. The affirmation “As future generations are being born into the tech-age I believe sharing economy will sustain its value and pre-millennials generations will adapt to this new economy” suggests that the sustainability of value is directly connect to the millennial generation and questions if the value will be held among future generations. The results show that most participants agree with the statement 70.87%, 28.16% strongly agreed and a small percentage of 0.97% is undecided. Being that sharing economy is heavily supported by the massification of technology, future generations that are born in the tech-age will certainly find sharing economy a very easily adaptable concept. Pre-millennial generations have the added challenge of continuous adapting to the trends of technology, being that sharing



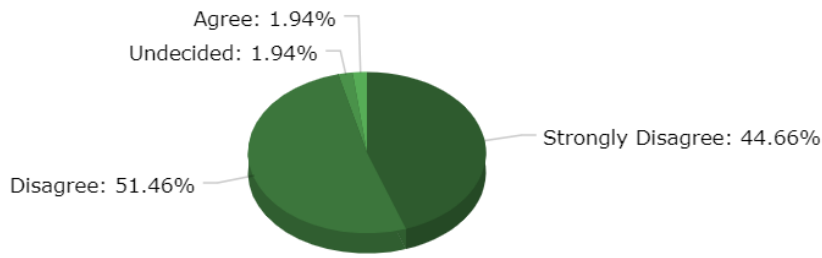
economy should evolve as a concept together with technology and continuously improve access to goods.



● Strongly Disagree	0	● Disagree	0	● Undecided	1
● Agree	73	● Strongly Agree	29		

Graphic XXXIII- “As future generations are being born into the tech-age I believe sharing economy will sustain its value and pre-millennials generations will adapt to this new economy”

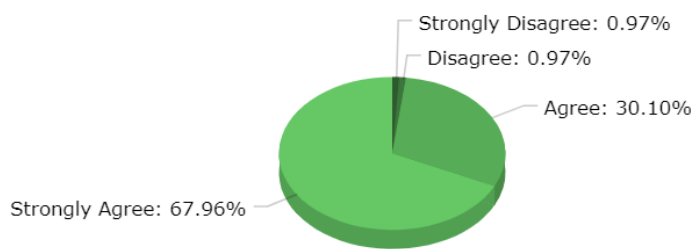
One of the most significant arguments of naysayers of sharing economy, is that sharing economy is a mere adaptation of the economic conditions that are faced by millennial generation. There is no denying that economic conditions are one of the influential factors that cause millennials to live a more minimalist lifestyle when compared with previous generations, but on the other hand, sharing economy is a cocktail of factors that cause generations that are familiar with the power of technology to invest in access-based companies that allow them to experience rather than own. The affirmation that was proposed “Considering that sharing economy is an adaptation to economic factors, it could lose its value as world economies thrive” was in majority answered with disagreement 51.46%, 44.66% strongly disagreed and a minority of participants classified the affirmation as undecided 1.94% and 1.94% agreed. Analyzing the results, most of the millennials that were part of the sample of this study, did not agree that sharing economy is a common adaptation and will lose when economic conditions improve. Taking this into account, it is safe to say that sharing economy is attractive to millennials for various reasons, not reliant of bad economic conditions.



● Strongly Disagree	46	● Disagree	53	● Undecided	2
● Agree	2	● Strongly Agree	0		

Graphic XXXIV- “Considering that sharing economy is an adaptation to economic factors, it could lose its value as world economies thrive”

As a conclusive statement for the chapter 5.2.5, we formulated the affirmation “Considering all factors, I consider sharing economy an evolving and sustainable concept able to continuously evolve its value in the marketplace” as a succinct representation of previous statements in this chapter. The results of the answers of this statement were very significant, being that almost 70% (67.96%) of participants classified the statement as strongly agree, 30.10% agreed and a lesser percentage of 0.97% disagreed and 0.97% strongly disagreed. Sharing economy is influenced by many factors and has different interpretations of its concepts and its usefulness, nevertheless, it is undoubtedly considered a solid concept that has not reached its peak and will continuously increasing its value in the marketplace.



● Strongly Disagree	1	● Disagree	1	● Undecided	0
● Agree	31	● Strongly Agree	70		

Graphic XXXV- “Considering all factors, I consider sharing economy an evolving and sustainable concept able to continuously evolve its value in the marketplace”

## **6 -Conclusion**

In this present chapter the final considerations of this study will be presented along with the managerial contributions. At the end of the chapter it will be provided suggestions for future research.

### **6.1- Final Considerations**

Sharing economy, as previously defined in chapter 2, has become a growing phenomenon in Portugal. As in other geographies, sharing economy in Portugal has been an evolving concept, being that nowadays it has established itself as a legitimate competitive concept and a viable method for sustainable consuming. This study intended to explore sharing economy and connect it to millennial approach to consuming as both concepts are undoubtedly related. Based on the main findings, taking into account the input that the investigation method provided, 3 key points were found as to influence the millennial generation attraction to sharing economy businesses.

First and foremost, sharing economy, as a concept, has established itself as a viable alternative choice for consuming goods. In our analysis, we investigated the connection of millennials psychology factors and their use of sharing economy, focusing on 3 main characteristics, a minimalistic lifestyle, convenience and experience over possession. These factors were collected in Chapter 2- Literature review and put to the test in our investigation. The results corroborated what was collected in the literature review chapter, the millennial generation is highly engaged when it comes to a fast-paced lifestyle and sharing economy provides an ideal answer in its burden-free interacting ways. As convenience and reduced costs play a big part in millennials choosing factors of services, the availability and extremely efficient sharing platforms provides this generation an on-the-go solution.

Secondly, this study approached the intense use of the ratings systems that sharing economy is known for and used the input from the DART value co-creation model for its analysis. As sharing economy, due to its nature, it's highly reliant on trust, its success had to be connected with the establishment of systems that influenced and establish trust between consumer and the business. The ratings systems were without a doubt a success

point of sharing economy, in our study we concluded that the majority of millennials that participated in this study, use the ratings systems before and after using the service and are influenced and influence other consumers when they participate in the loop of feedback about that service. DART framework was used to integrate and conceptualize these flexible communication measures that were created with the primary use of empowering consumers and help sharing economy businesses to receive real input in order to continuously improve. Both parties are aware of the reciprocation basis of this relationship and it is what makes the DART framework value co-creation applicable and allow mutual benefits for both consumers and sharing economy businesses.

The third and final consideration is the sustainability factor in sharing economy and the establishment of trust in the various forms. Trust, as indicated previously, is the biggest challenge that sharing economy faces, and it is up to the sharing economy platforms to build systems that connect the user and the business in such a way, that the transactions between strangers' feels as familiar and safe as possible. As explored in Chapter 2- Definitions, active forms of sustainability measures can be explored in new possibilities if considered that sharing economy is a recent business model, that has as its core, technology. The outcome of this present study indicated that the millennials take genuine interest in sustainability and have the expectation that sharing economy can provide improved answers when it comes to the sustainability challenges.

## **6.2- Managerial contributions**

The theoretical and initial approach of this study served as a basis of input to understand what the prominent millennial generation values are and what are their preferences of consuming in a fast-paced lifestyle. Having collected this information, this study intended to propose two main directions for managerial application, the enhancement of measure to businesses that are already imposing sharing economy as part of their business model and the proposal of integration measures for businesses who do not follow the sharing economy model of doing business, taking into account the inputs of what made sharing economy successful as a starting point for a strategy planning.

For businesses that are receptive of sharing economy and have started to integrate sharing economy in its business model, they have to be aware of the evolving practices

of sharing economy. Our investigation concluded that traditional businesses that are already taking part in sharing economy also have to define coping strategies when interacting with millennials. Although these businesses understand the concept and focal points of sharing economy, it is mandatory that a constant update of consumers preferences is conducted, being that sharing economy is not stagnate and demands high-levels of flexibility of the businesses that want to integrate it. Being this said, our investigation concluded that traditional business that are integrating sharing economy measures in their businesses have successfully overcome the first barrier, the willingness to break tradition and subsequently, our study indicated that maintaining a strong synergy effect between traditional and sharing economy businesses models will be the best approach to the marketplace. Adding to this factor, this study explored two supplementary recommendations that traditional business that participate in sharing economy could add, as previously explained, the exploration and conclusions of the impact of sharing economy on sustainability are still fairly unexplored, nevertheless, the results obtained in this study have shown that millennials are increasingly worried about sustainability measures and they are of the opinion that businesses should take advantage of sharing economy to explore new avenues of sustainability. Another possible recommendation that this study explored is the possibility of using sharing economy as a measure to analyse and determine an improved way of using high-valued assets. The core characteristic of sharing economy is the exploration of new possibilities of consumers that cannot own certain high-value products to their name and therefore can have the possibility of use in a “sharing” way for a period of time. Improved ways of using high-valued assets are a win-win situation for both businesses and the consumer. The consumer can have access to an asset that was not previously possible, and the businesses can leverage and potentiate the lifespan and production of said high-valued assets.

Having in mind the continuous improvement of the understanding of the impact of sharing economy and how can traditional businesses cope with these trends, this study proposed two approaches, that can be combined, for traditional businesses that can affect in a positive way the interactions with the millennial generation. Firstly, this study has concluded that on a first level basis, traditional businesses should ensure the legitimization of current laws for sharing economy, as well as acknowledge the

continuous updates that sharing economy requires as flexibility and willingness to break tradition are key components of the strategy that composes the primary aspects of sharing economy. Along with the constant update of what is being considered valuable by millennials that sharing economy requires, traditional businesses that intended to take part in the evolving culture of sharing economy, should equally consider establishing a synergy relationship between access-based channels and traditional channels, ensure a bigger focus on connectivity and flexibility and as previously mentioned, using sharing economy capabilities to take advantage of assets that are being used under their capacity and explore new concepts of sustainability.

Overall, this study concluded that increasing the efficiency of high-end assets, exploring sustainability, potentiation of simplicity, revaluation of consumer experience and an overall adaptation to a fast-paced lifestyle would greatly beneficiate traditional businesses in their quest to revamp their participation in the marketplace

### **6.3. Research limitations and future research recommendations**

Sharing economy, taking into account that it is still a fairly recent trend, research on this topic has had a steady increase due to the success of this trend, but nevertheless it is still considered a topic with limited research. In this study, the purpose was to re-think the value of ownership with the support of theoretical background and quantitative data, establishing what motivates millennials to use sharing economy over traditional businesses and what measures can traditional businesses adopt to improve their appeal to millennials.

In this study, it was identified three potential research limitations that might have an effect on the objectives defined for this investigation. The 3 potential research limitations are sample size, lack of prior research and generational bias. As this study was designed to be developed with a quantitative methodology the sample size becomes increasingly relevant and, although the sample size that this study obtained is relevant, a higher number of participants in this quantitative study would allow a more consolidated investigation and stronger relationships between data. Sharing economy, as previously mentioned, is still considered a recent trend that has a significant amount of studies yet to be made, for it to be considered an established concept and with ingrained

characteristics. As for the generational bias, in the conclusion of this study it has to be recognized the possible generational bias that may have affected the results of the investigation, this study was designed to be developed within the millennial generation that may have more prominent characteristics, but nevertheless may not be applicable for all generations and their participation in sharing economy.

This study determined two future research recommendations that were identified in the development of the investigation. Firstly, the density and solidity of studies of how sharing economy interacts with users and other companies is still a gap to be fulfilled, that being said it was the primary reason of the development of this study. Lastly there is a definite lack of studies that connect sustainability with sharing economy, as explored in Chapter 4 of the present study, sharing economy provides sustainability with a unique platform which the possibilities are still unexplored, that being said, future contributions are needed for the development of sharing economy.

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## **Appendix**

### **Appendix 1- Online Survey**

#### **Introduction Questions (5)**

This survey is part of a Master dissertation at ISCTE Business School, it proposes that ownership is no longer the standard expression of consumer desire and studies the approach of traditional business models to this factor.

The survey consists of a series of statements that you should answer with the response that you consider is the most adequate from your perspective. The survey takes approximately 5 minutes, please answer all the questions.

Sharing economy is defined as” consumers granting each other temporary access to under-utilized physical assets, possibly for money”- Frenken et al. (2015)

1-Age (Divided by age groups)

2-Gender

3-How many times per month do you use sharing economy?

4-Where did you first heard about sharing economy?

Option A: Blogs; Option B: Influencers; Option C: acquaintances D: Other

5-Which of the following Sharing economy sectors have you previously used?

Option A: Transport Sharing; Option B: Accommodation Sharing; Option C: Co-working Spaces Option D: Other

**2ºpart (Affirmations that are classified by (Strongly Disagree; Disagree; Undecided; Agree; Strongly Agree)**

#### **Millennial Psychology factors (5 Questions)**

6-I consider that my possessions are a relevant indicator of who I am

7-I feel the need to do fulfilling work that builds a better community

8-The idea of living a minimalistic lifestyle is appealing to me

9- Considering all factors, I would rate experiences over possession

10-Sharing economy feels like less of a burden and makes life more convenient and efficient

**Ratings Influence (5 questions)**

- 11-I study the ratings before considering using a sharing economy product/service
- 12-When checking ratings, my decision is influenced by their content
- 13-My friends and family evaluations influence me choosing/not choosing a service/product in sharing economy
- 14-The recommendation of my acquaintances has relevance in my decision
- 15- I consider cooperation more enjoyable than non-group activities

**Trust establishment and Sustainability in Sharing Economy (5 questions)**

- 16-Knowing something about the person of whom I am acquiring a service gives me the sense of personal safety
- 17- Having the choice between co-operation and individualism when, I would choose co-operation due to the reason of establishing new relationships or being a part of a community
- 18-Before using a new sharing economy service I read reviews from other members and check the reputation of the company in the sharing platform
- 19-Having an active role in sustainability strategies is a crucial characteristic in my interest of a particular service/product of a sharing economy company
- 20-I consider that sharing economy provides a fitting perspective to explore the next level of sustainability

**Possible Adaptations of Traditional Business models (10 questions)**

- 21--I think that traditional companies would gain back a lot of buzz, making their services and products more entertaining
- 22-As a first line of defensive I think that traditional business models should ensure that sharing economy business should be legitimized by current laws
- 23-Although traditional companies are still very relevant, I think traditional business models should invest in re-evaluation and refreshing their practices according to what is considered to improve brand value nowadays
- 24-Traditional companies that are still dabbling in corporate social responsibility should take advantage of sharing economy to fulfil that concept in their organisations.
- 25-Traditional business models should be able to willingly break tradition to become flexible and nimble, achieving more adaptability in today's rapid changing markets

26- Sharing economy could create new revenue streams in traditional business models and potentiate taking advantage of assets that are being used below their capacity

27-Sharing economy could leverage the use of high-end products of traditional companies

28-The fitting of sharing economy characteristics on traditional business model means more retained talent of the millennial generation

29- An adaptation of traditional sales channels and the creation of access-based channels could create a strong synergy effect on traditional companies

30- A combination of simplicity, re-evaluation of consumer experience, adaptation to a fast-lifestyle and sustainability would greatly affect most traditional business models in a positive way

**Will the sharing economy hold value in the future? (5 questions)**

31-I believe that sharing economy is too big of an opportunity for traditional business models not to take advantage of

32-I believe sharing economy and traditional business model approach cannot coexist in the same company

33-As future generations are being born into the tech-age I believe sharing economy will sustain its value and pre-millennials generations will adapt to this new economy

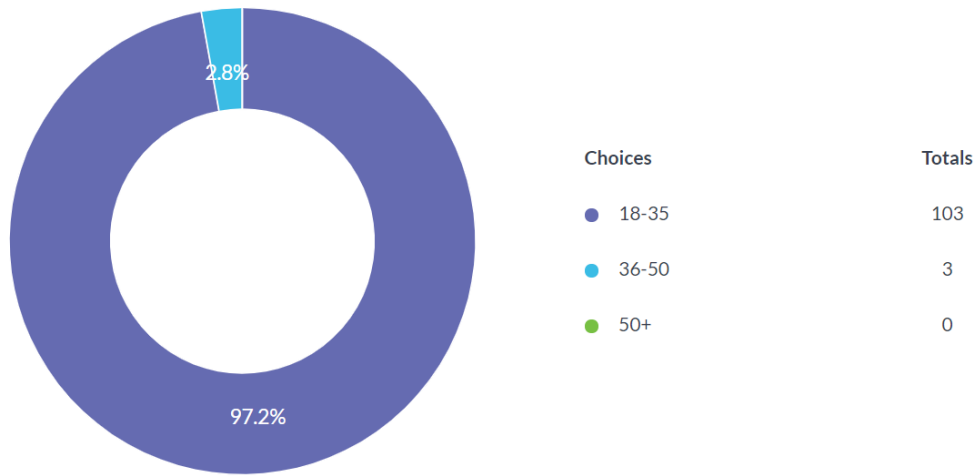
34-Considering that sharing economy is an adaptation to economic factors, it could lose its value as world economies thrive

35-Considering all factors, I consider sharing economy an evolving and sustainable concept able to continuously evolve its value in the marketplace

**Conclusion**

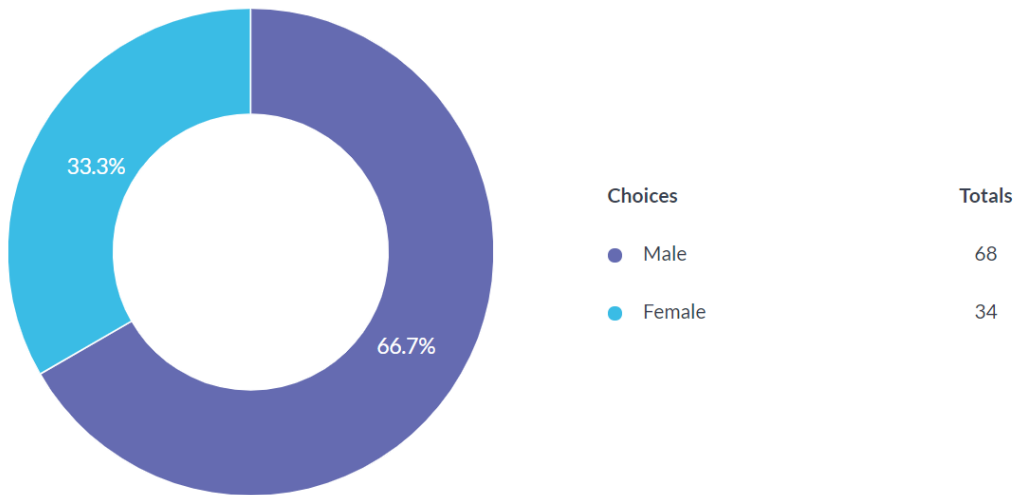
Your answers will be anonymous and confidential. If you have any questions you can email [tmpfo-iul@iscte.pt](mailto:tmpfo-iul@iscte.pt), thank you for your participation

### Appendix 2- Participants Age-Group



Graphic 1 – Participants Age-Group

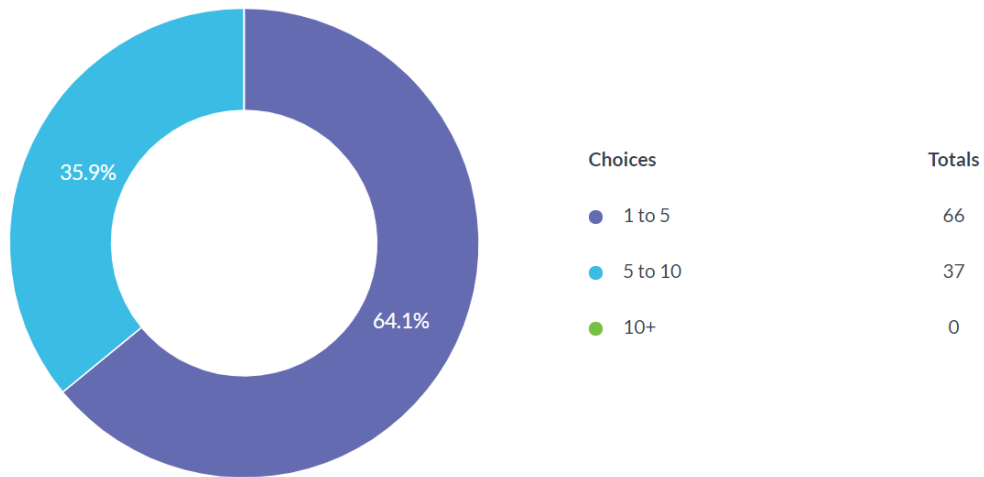
### Appendix 3-Gender



Graphic 2-Gender

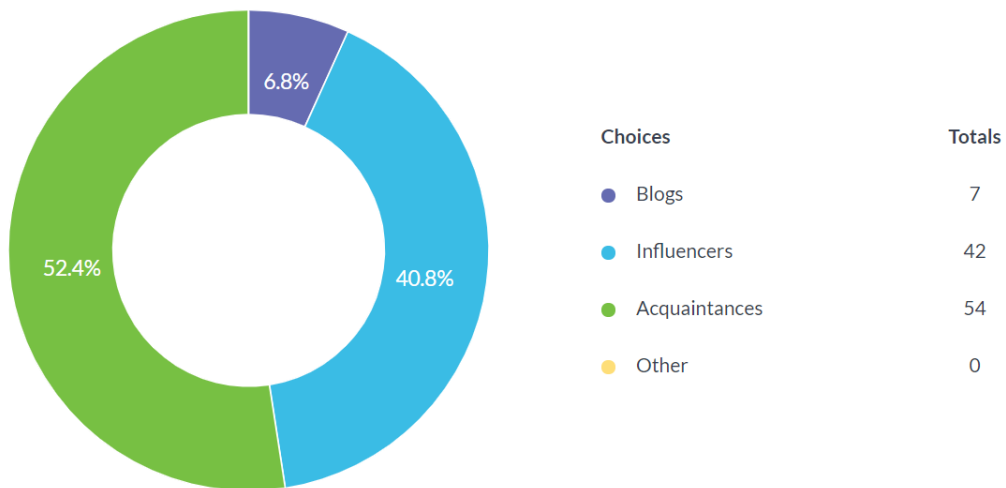


**Appendix 4-Frequency of use of Sharing economy**



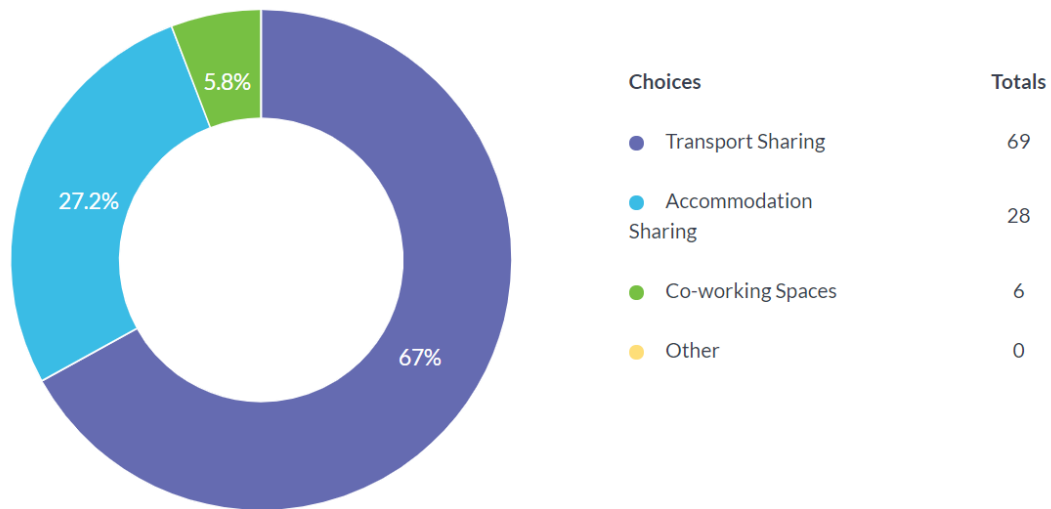
Graphic 3- Frequency of use of Sharing Economy

**Appendix 5- Where did participants first heard of sharing economy**



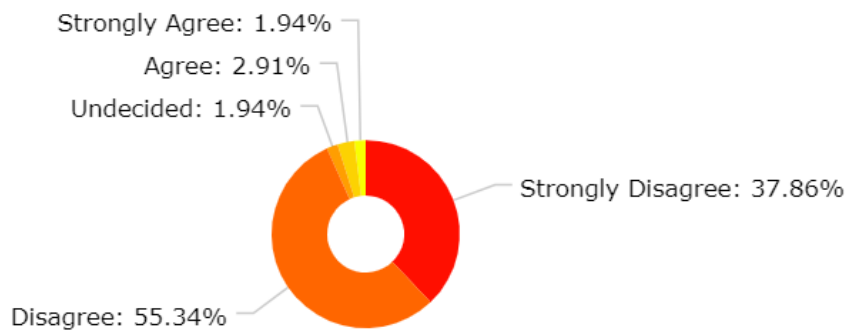
Graphic 4- Where did participants first heard of sharing economy

**Appendix 6- Most common Sharing Services used by participants**



Graphic 5-Most common Sharing Services used by participants

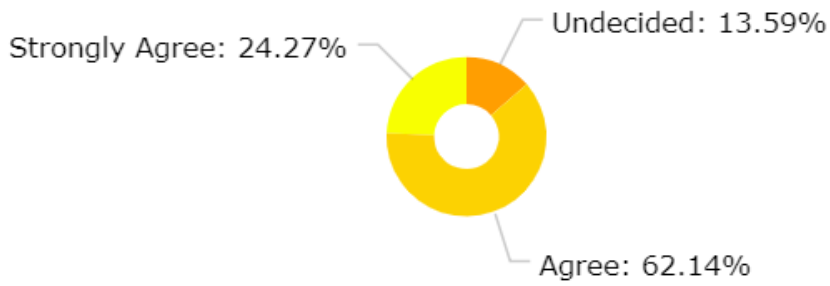
**Appendix 7- “I think my possessions are a relevant indicator of who I am”**



Strongly Disagree	39	Disagree	57
Undecided	2	Agree	3
Strongly Agree	2		

Graphic 6-Affirmation “I think my possessions are a relevant indicator of who I am”

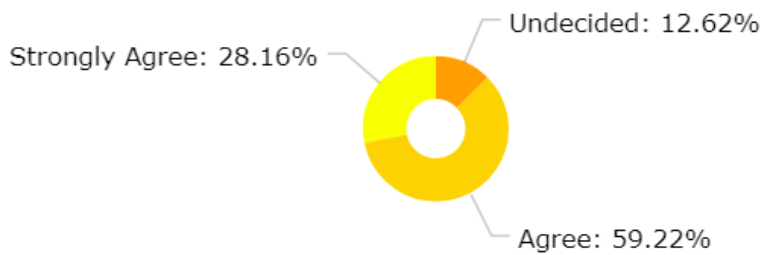
**Appendix 8- “I feel the need to do fulfilling work that builds a better community”**



<span style="color: red;">●</span> Strongly Disagree	0	<span style="color: orange;">●</span> Disagree	0
<span style="color: orange;">●</span> Undecided	14	<span style="color: yellow;">●</span> Agree	64
<span style="color: yellow;">●</span> Strongly Agree	25		

Graphic 7-Affirmation “I feel the need to do fulfilling work that builds a better community”

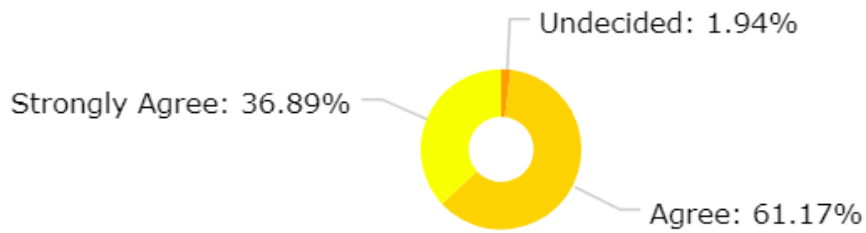
**Appendix 9- “The idea of living a minimalistic lifestyle is appealing to me”**



<span style="color: red;">●</span> Strongly Disagree	0	<span style="color: orange;">●</span> Disagree	0
<span style="color: orange;">●</span> Undecided	13	<span style="color: yellow;">●</span> Agree	61
<span style="color: yellow;">●</span> Strongly Agree	29		

Graphic 8- Affirmation “The idea of living a minimalistic lifestyle is appealing to me”

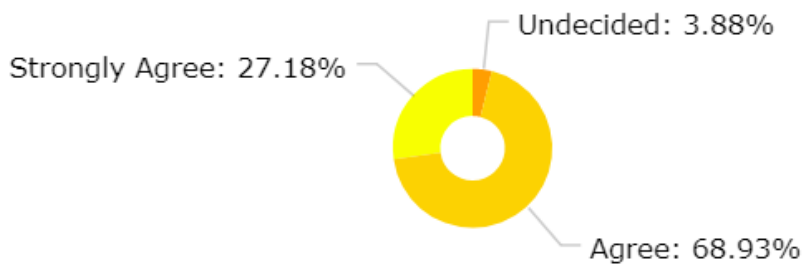
**Appendix 10- “Considering all factors, I would rate experience over possessions”**



<span style="color: red;">●</span> Strongly Disagree	0	<span style="color: orange;">●</span> Disagree	0
<span style="color: orange;">●</span> Undecided	2	<span style="color: yellow;">●</span> Agree	63
<span style="color: yellow;">●</span> Strongly Agree	38		

Graphic 9- Affirmation” Considering all factors, I would rate experience over possessions”

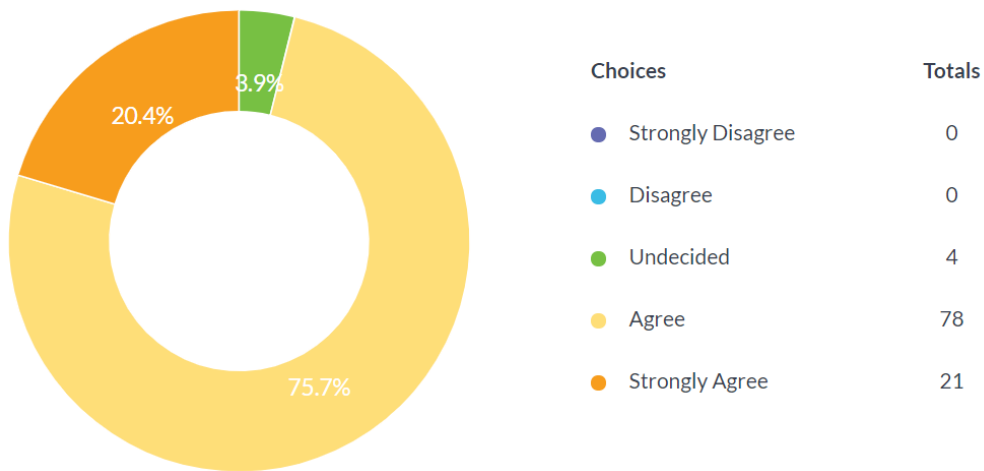
**Appendix 11- “Sharing economy feels like less of a burden and makes life more convenient and efficient”**



<span style="color: red;">●</span> Strongly Disagree	0	<span style="color: orange;">●</span> Disagree	0
<span style="color: orange;">●</span> Undecided	4	<span style="color: yellow;">●</span> Agree	71
<span style="color: yellow;">●</span> Strongly Agree	28		

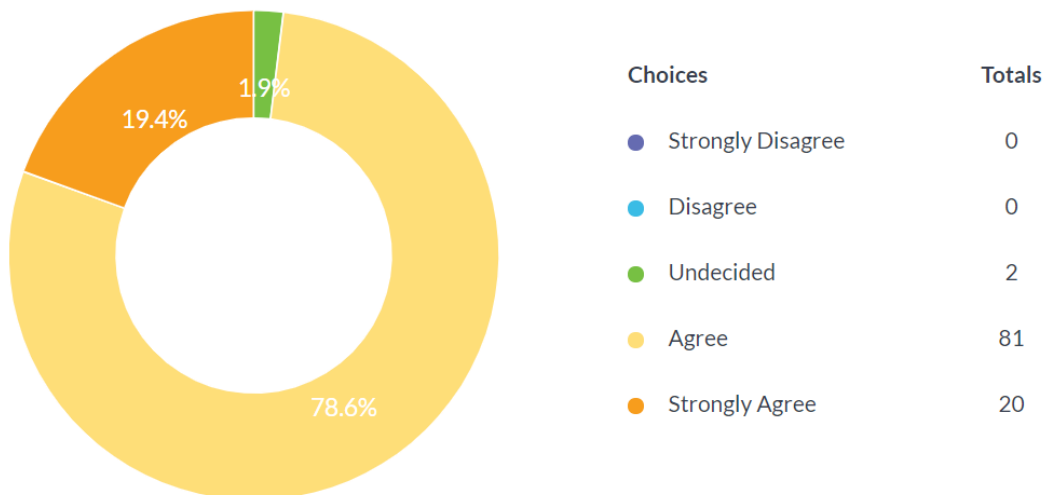
Graphic 10- Affirmation “Sharing economy feels like less of a burden and makes life more convenient and efficient”

**Appendix 12- “I study the ratings before considering using a sharing economy product/service”**



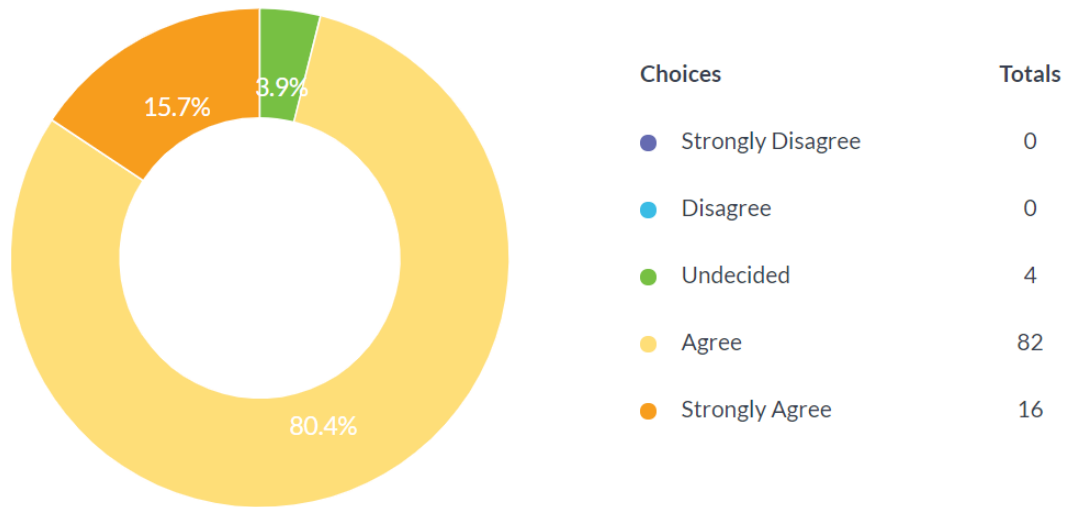
Graphic 11- Affirmation “I study the ratings before considering using a sharing economy product/service

**Appendix 13- “When checking ratings, my decision is influenced by their content”**



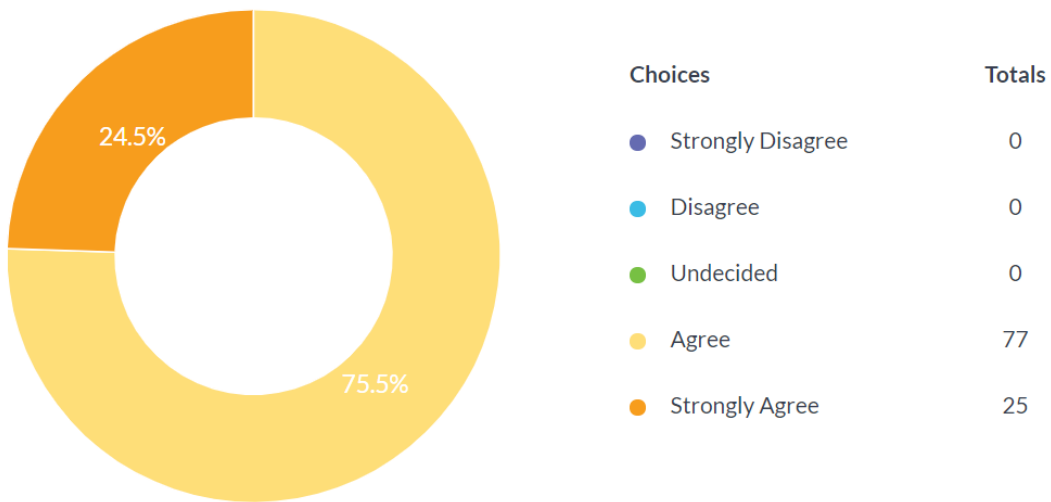
Graphic 12- Affirmation “When checking ratings, my decision is influenced by their content”

**Appendix 14- “My friends and family evaluations influence me choosing/not choosing a service/product in sharing economy”**



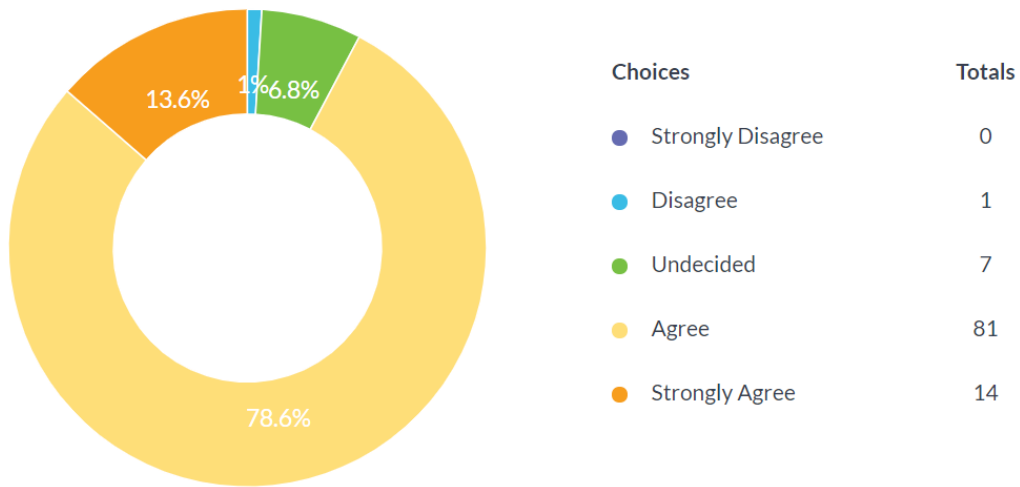
Graphic 13- Affirmation “My friends and family evaluations influence me choosing/not choosing a service/product in sharing economy”

**Appendix 15- “The recommendation of my acquaintances has relevance in my decision”**



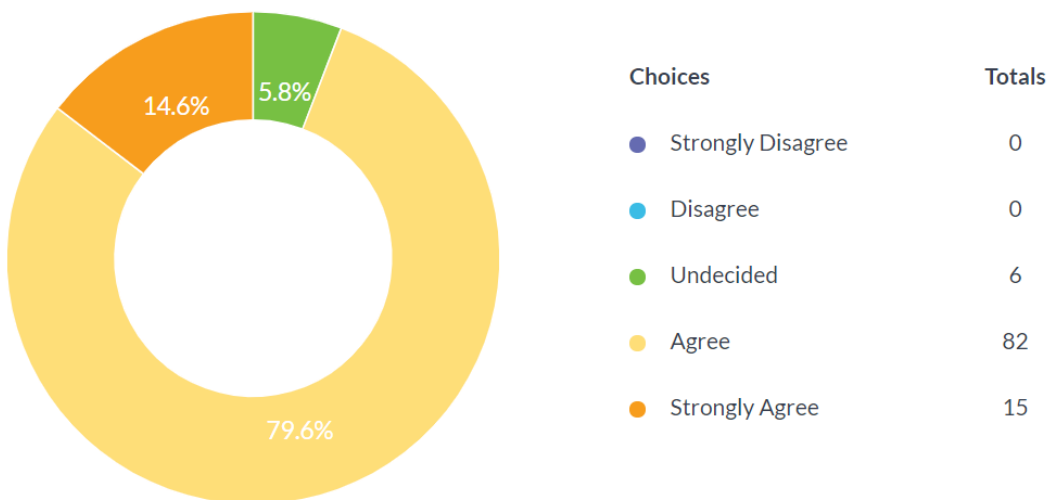
Graphic 14- Affirmation “The recommendation of my acquaintances has relevance in my decision”

**Appendix 16- “I consider cooperation more enjoyable than non-group activities”**



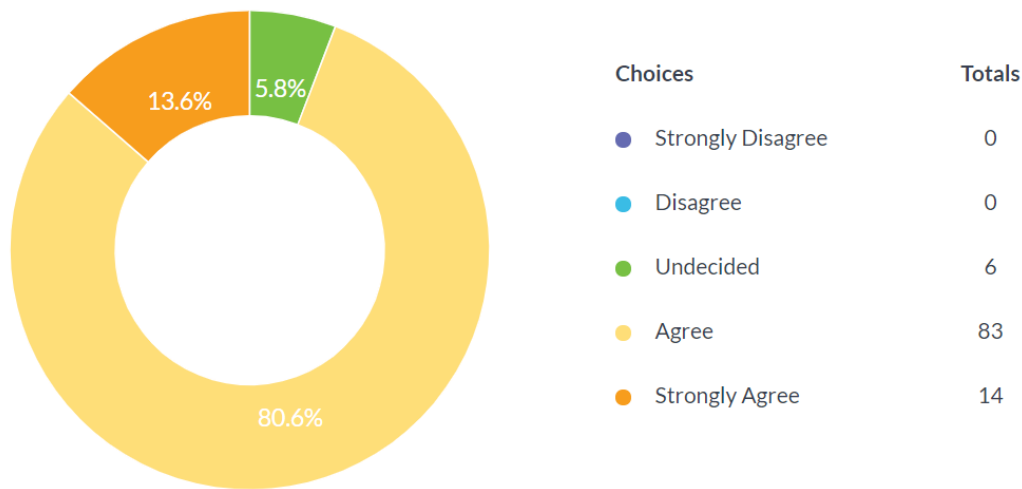
Graphic 15- Affirmation “I consider cooperation more enjoyable than non-group activities”

**Appendix 17- “Knowing something about the person of whom I am acquiring a service gives me the sense of personal safety”**



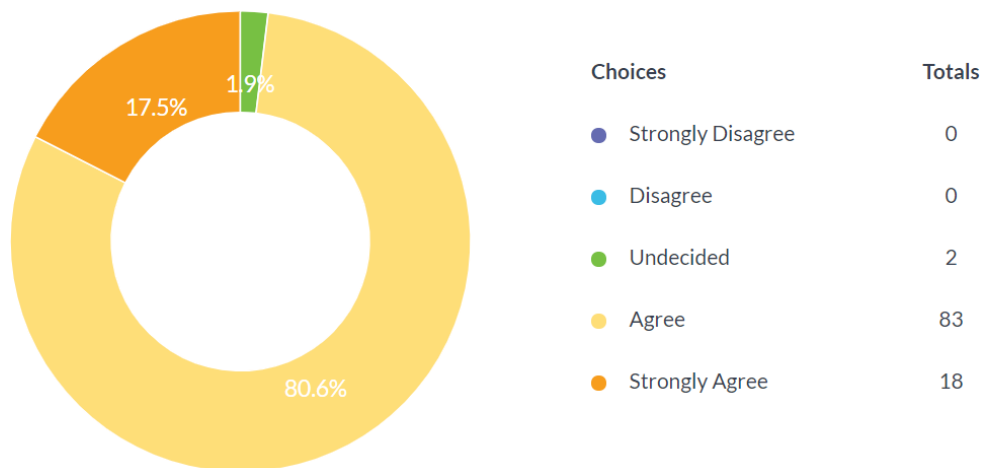
Graphic 16- Affirmation “Knowing something about the person of whom I am acquiring a service gives me the sense of personal safety”

**Appendix 18- “Having the choice between co-operation and individualism when, I would choose co-operation due to the reason of establishing new relationships or being a part of a community”**



Graphic 17- Affirmation “Having the choice between co-operation and individualism when, I would choose co-operation due to the reason of establishing new relationships or being a part of a community”

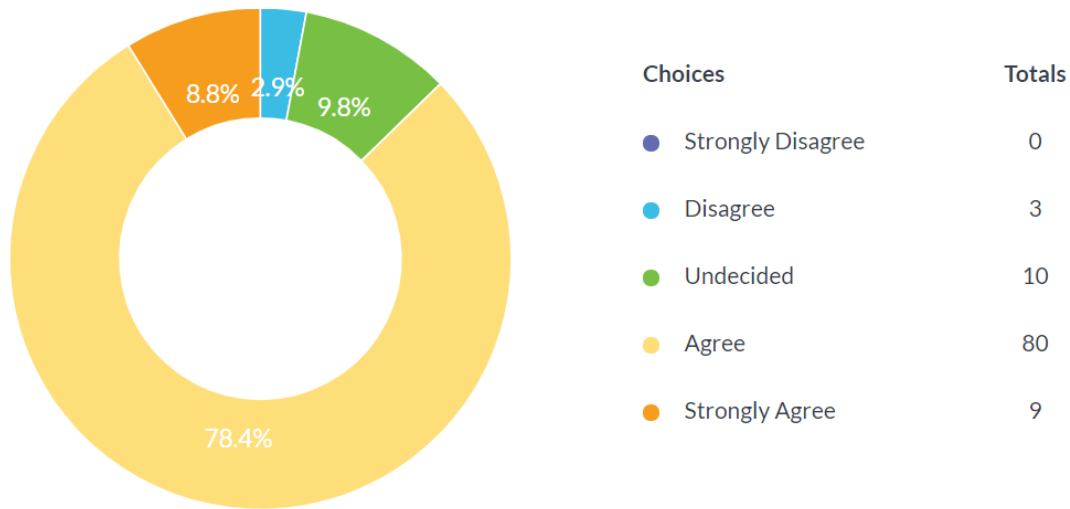
**Appendix 19- “Before using a new sharing economy service I read reviews from other members and check the reputation of the company in the sharing platform”**



Graphic 18- Affirmation “Before using a new sharing economy service I read reviews from other members and check the reputation of the company in the sharing platform”

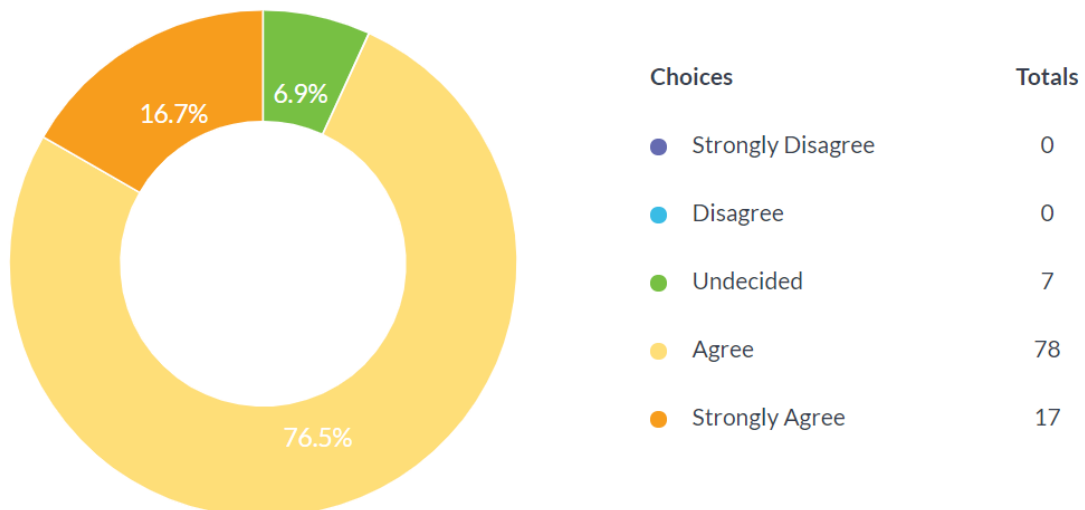


**Appendix 20- “Having an active role in sustainability strategies is a crucial characteristic in my interest of a particular service/product of a sharing economy company”**



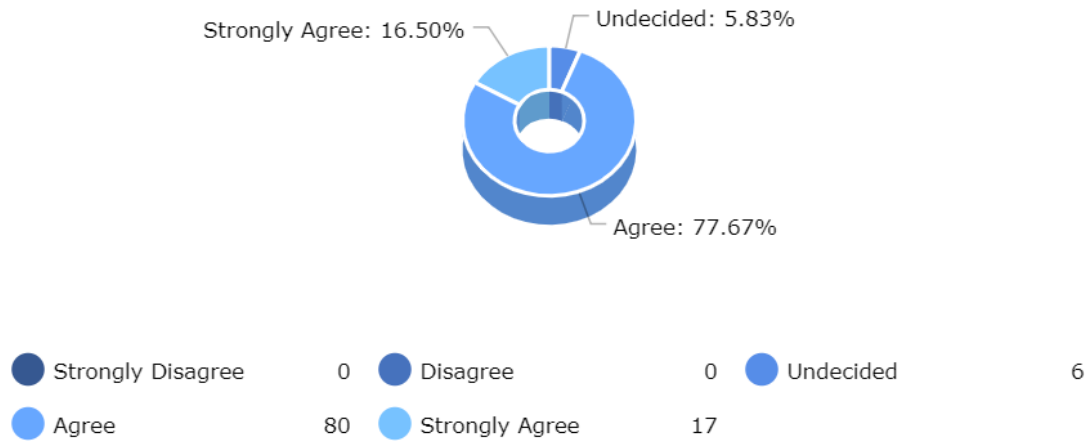
Graphic 19- Affirmation “Having an active role in sustainability strategies is a crucial characteristic in my interest of a particular service/product of a sharing economy company”

**Appendix 21- “I consider that sharing economy provides a fitting perspective to explore the next level of sustainability”**



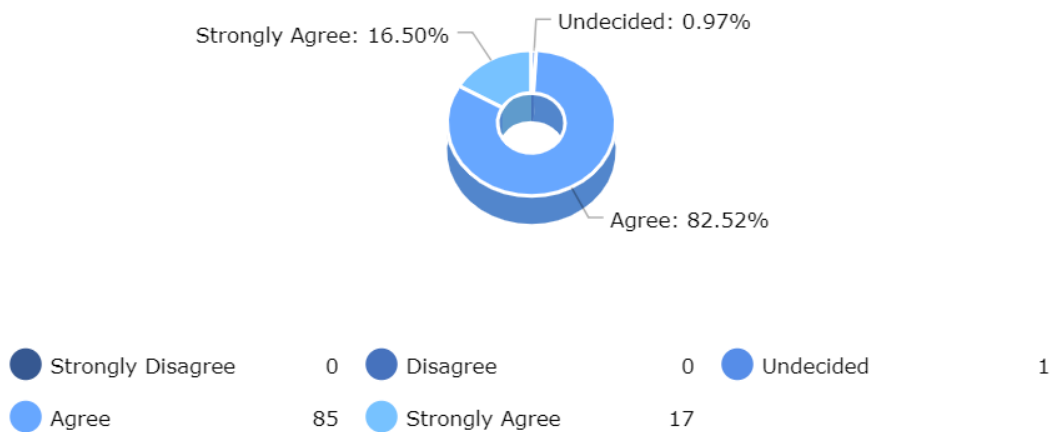
Graphic 20 -Affirmation “I consider that sharing economy provides a fitting perspective to explore the next level of sustainability”

**Appendix 22- “I think that traditional companies would gain back a lot of buzz, making their services and products more entertaining”**



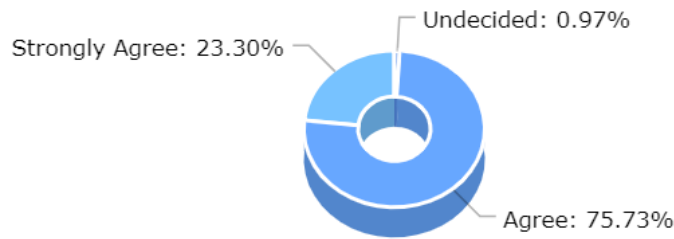
Graphic 21-Affirmation “I think that traditional companies would gain back a lot of buzz, making their services and products more entertaining”

**Appendix 23- “As a first line of defensive I think that traditional business models should ensure that sharing economy business should be legitimized by current laws”**



Graphic 22- Affirmation “As a first line of defensive I think that traditional business models should ensure that sharing economy business should be legitimized by current laws”

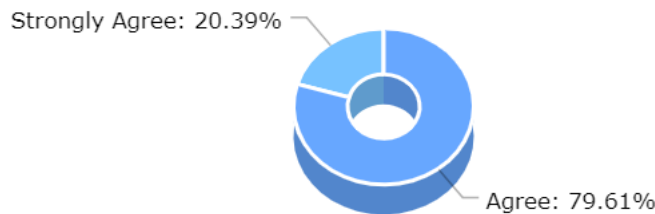
**Appendix 24- “Although traditional companies are still very relevant, I think traditional business models should invest in re-evaluation and refreshing their practices according to what is considered to improve brand value nowadays”**



● Strongly Disagree	0	● Disagree	0	● Undecided	1
● Agree	78	● Strongly Agree	24		

Graphic 23-Affirmation “Although traditional companies are still very relevant, I think traditional business models should invest in re-evaluation and refreshing their practices according to what is considered to improve brand value nowadays”

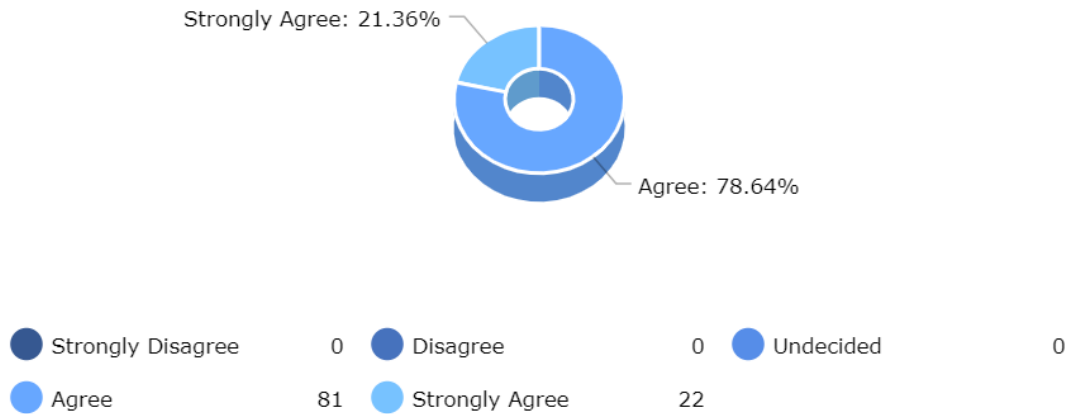
**Appendix 25- “Traditional companies that are still dabbling in corporate social responsibility should take advantage of sharing economy to fulfil that concept in their organisations.”**



● Strongly Disagree	0	● Disagree	0	● Undecided	0
● Agree	82	● Strongly Agree	21		

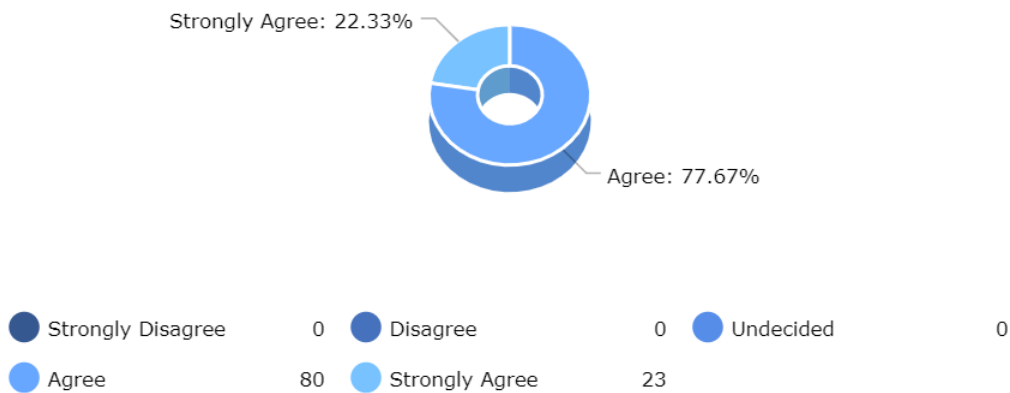
Graphic 24- Affirmation “Traditional companies that are still dabbling in corporate social responsibility should take advantage of sharing economy to fulfil that concept in their organisations.”

**Appendix 26- “Traditional business models should be able to willingly break tradition to become flexible and nimble, achieving more adaptability in today’s rapid changing markets”**



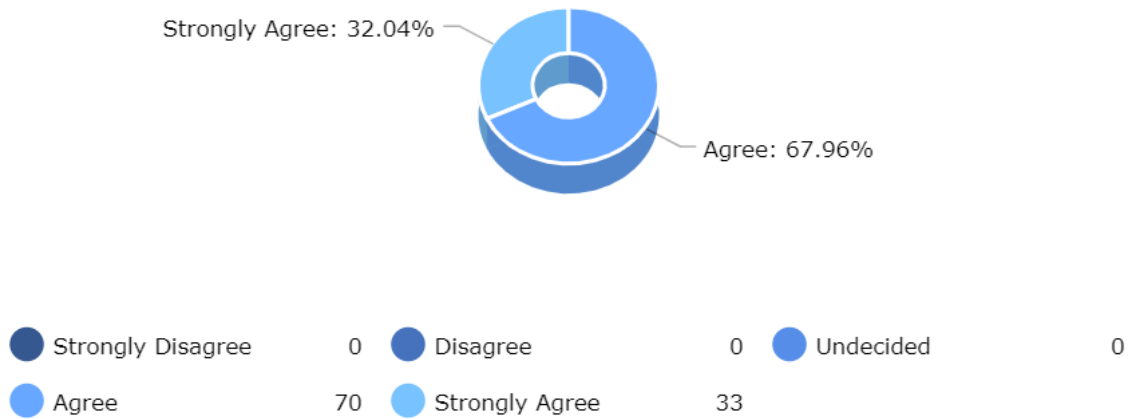
Graphic 25-Affirmation “Traditional business models should be able to willingly break tradition to become flexible and nimble, achieving more adaptability in today’s rapid changing markets”

**Appendix 27- “Sharing economy could create new revenue streams in traditional business models and potentiate taking advantage of assets that are being used below their capacity”**



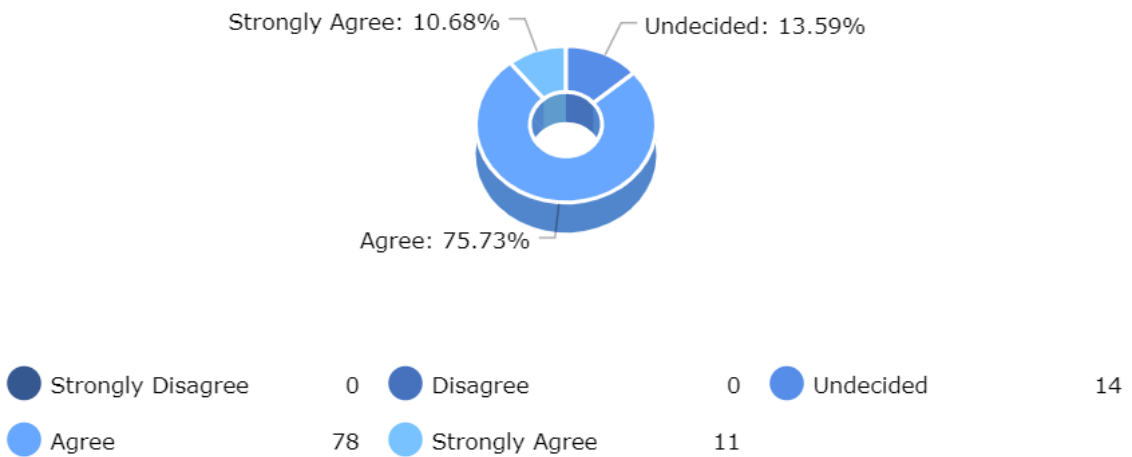
Graphic 26- Affirmation “Sharing economy could create new revenue streams in traditional business models and potentiate taking advantage of assets that are being used below their capacity”

**Appendix 28- “Sharing economy could leverage the use of high-end products of traditional companies”**



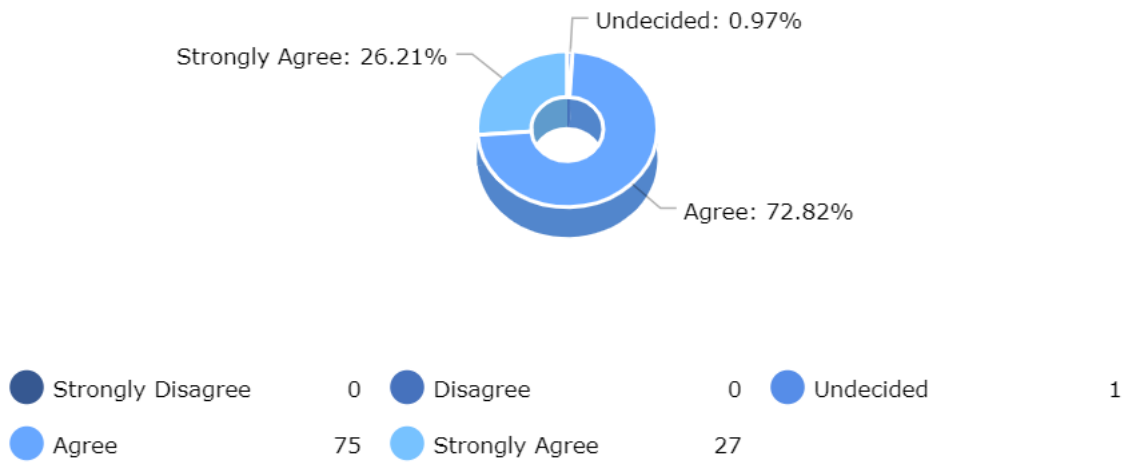
Graphic 27-Affirmation “Sharing economy could leverage the use of high-end products of traditional companies”

**Appendix 29- “The fitting of sharing economy characteristics on traditional business model means more retained talent of the millennial generation”**



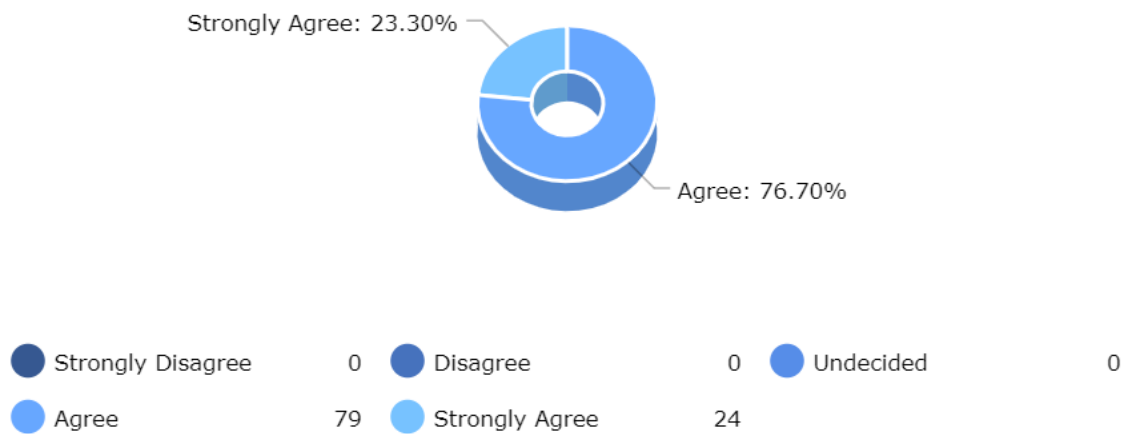
Graphic 28-Affirmation “The fitting of sharing economy characteristics on traditional business model means more retained talent of the millennial generation”

**Appendix 30- “An adaptation of traditional sales channels and the creation of access-based channels could create a strong synergy effect on traditional companies”**



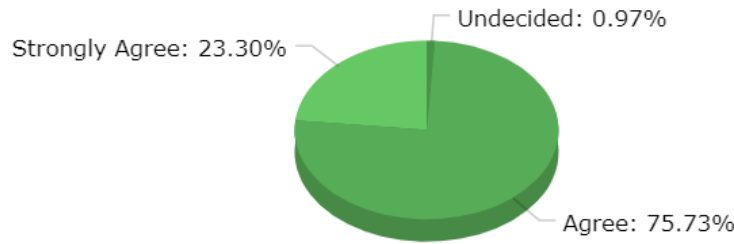
Graphic 29- Affirmation “An adaptation of traditional sales channels and the creation of access-based channels could create a strong synergy effect on traditional companies”

**Appendix 31- “A combination of simplicity, re-evaluation of consumer experience, adaptation to a fast-lifestyle and sustainability would greatly affect most traditional business models in a positive way”**



Graphic 30- Affirmation “A combination of simplicity, re-evaluation of consumer experience, adaptation to a fast-lifestyle and sustainability would greatly affect most traditional business models in a positive way”

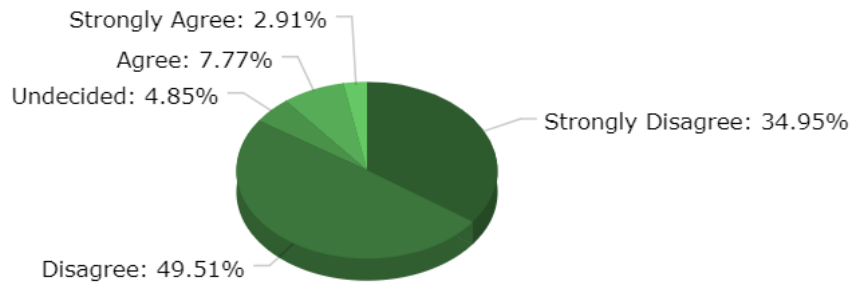
**Appendix 32- “I believe that sharing economy is too big of an opportunity for traditional business models not to take advantage of”**



● Strongly Disagree	0	● Disagree	0	● Undecided	1
● Agree	78	● Strongly Agree	24		

Graphic 31-Affirmation “I believe that sharing economy is too big of an opportunity for traditional business models not to take advantage of”

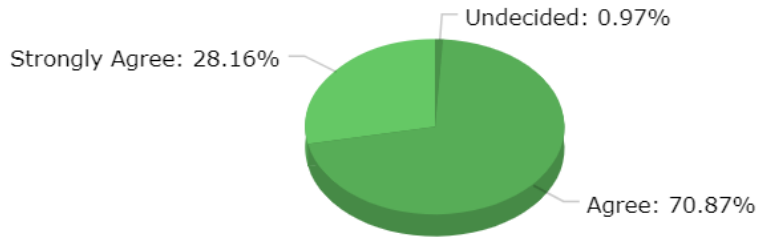
**Appendix 33- “I believe sharing economy and traditional business model approach cannot coexist in the same company”**



● Strongly Disagree	36	● Disagree	51	● Undecided	5
● Agree	8	● Strongly Agree	3		

Graphic 32-Affirmation “I believe sharing economy and traditional business model approach cannot coexist in the same company”

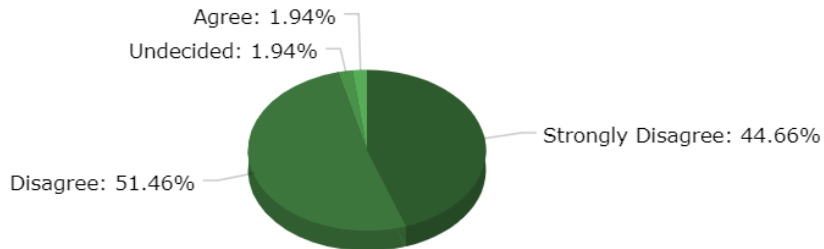
**Appendix 34- “As future generations are being born into the tech-age I believe sharing economy will sustain its value and pre-millennials generations will adapt to this new economy”**



● Strongly Disagree	0	● Disagree	0	● Undecided	1
● Agree	73	● Strongly Agree	29		

Graphic 33- Affirmation “As future generations are being born into the tech-age I believe sharing economy will sustain its value and pre-millennials generations will adapt to this new economy”

**Appendix 35- “Considering that sharing economy is an adaptation to economic factors, it could lose its value as world economies thrive”**

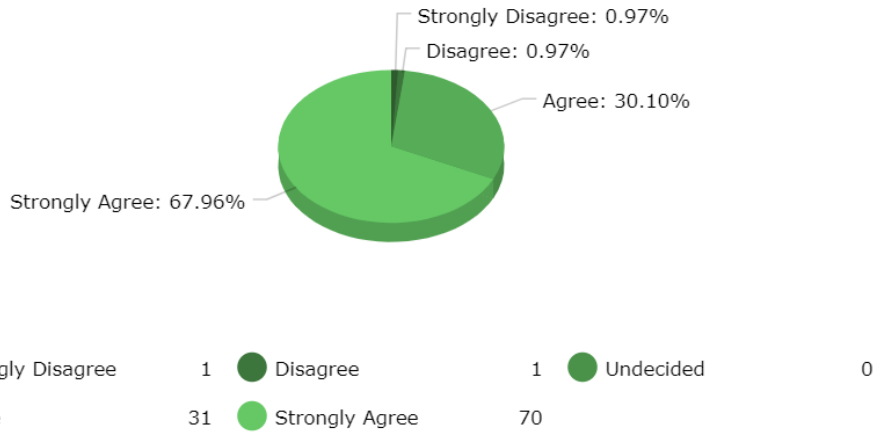


● Strongly Disagree	46	● Disagree	53	● Undecided	2
● Agree	2	● Strongly Agree	0		

Graphic 34-Affirmation “Considering that sharing economy is an adaptation to economic factors, it could lose its value as world economies thrive”



**Appendix 36- “Considering all factors, I consider sharing economy an evolving and sustainable concept able to continuously evolve its value in the marketplace”**



Graphic 35- Affirmation “Considering all factors, I consider sharing economy an evolving and sustainable concept able to continuously evolve its value in the marketplace”