

Impact of Motivation in the Sharing Economy and Perceived Security in Attitude and Loyalty toward Airbnb

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Abstract. The current study regarding the rapidly developing sharing economy businesses based on ICT explored how motivation for the sharing economy and perceived security affect both attitude and loyalty toward one of the sharing economy businesses, Airbnb. The results from the structural equation modeling analysis showed that enjoyment and reputation had a positive effect on attitude toward Airbnb, whereas other motivation aspects such as sustainability and economic benefits seemed not to have any significant effect. In addition, mobile users' security perceptions of Airbnb, which were found to be significantly influenced by governmental regulations and Airbnb's security policy, were likely to positively contribute to the attitudes toward Airbnb. Finally, the paper stressed the growing importance of consumers' security perceptions for building a successful business based on the sharing economy while at the same time articulating the drivers that motivate enjoyment and reputation.

Keywords: Sharing economy, Perceived security, Sustainability, Enjoyment, Reputation, Motivation, Attitude, Airbnb

1 Introduction

Recently, the South Korean government has declared “activation of the sharing economy” as one of the new driving forces of industrial growth and has named Airbnb as an example of a business that promotes the sharing of accommodations [1]. Up to now, sharing accommodations has been prohibited in South Korea, so this rapid adjustment in governmental attitude may cause incremental changes not only in related industries but also in consumer behavior. Surprisingly, Airbnb, which has only been in business since 2007, has now reached 900 million dollars in revenue [2]. The concept of the sharing economy has become successful in sustainable as well as in economic ways due to active application of information and communication technology [3]. Traditionally, the sharing economy was considered to have an ethical base in consumption and the purpose of universal sustainability. Also, since there has not been much institutional support or personal benefit in the business, it would seem to

be difficult for these businesses to spread within the general consumer market. But the advances in ICT have made it easy for consumers worldwide to take part in the online platforms of the sharing economy such as in Airbnb due to expectations of economic benefit as well as universal sustainability.

However, this rapid advance in the sharing economy activated by ICT has raised significant security issues. In the era of Web 2.0, where all the devices are networked to form an enormous data stream, concerns about security of data, including users' privacy information, have been growing [4]. In particular, users of online sharing economy services may be exposing their personal information to other users as well as to service providers such as Airbnb. Nevertheless, academic efforts to study consumer behaviors related to the sharing economy are rare because of the short history of this phenomenon. Thus, this study has tried to explore how motivations toward the sharing economy and the perceived security of Airbnb have influenced attitudes toward Airbnb in particular.

2 Literature Review

2.1 Airbnb and the Sharing Economy

The newly developed concept of the sharing economy, which is used interchangeably with "collaborative consumption", is defined as "the peer-to-peer-based activity of obtaining, giving, or sharing the access to goods and services, coordinated through community-based online services" [3]. With a foundation in self-decision theory, consumption motivation, both extrinsic and intrinsic, may have an influence on attitude and behaviors [5]. Hamari and colleagues conceptualized four dimensions of motivation for participating in sharing economy: sustainability, enjoyment, reputation, and economic benefit [3]. Users' internal motivations comprise users' enjoyment driven by the activities themselves in Airbnb, for example, and a sustainability that has both public and universal benefits. Users' external motivation includes economic benefits, meaning the financial profits assigned to personal users as well as the social reputation among other users of Airbnb and society. Thus, the hypotheses among the multiple dimensions of motivation toward Airbnb and attitude toward Airbnb are given below.

H1-1~1-4. Both intrinsic motivation, such as sustainability and enjoyment, and extrinsic motivation, such as reputation and economic benefit, seem to have positive influences on attitude toward Airbnb.

2.2 Perceived security

At the early stage of online shopping, researchers focused on issues of perceived risk in situations where users pay for a purchase without seeing what they are buying as well as without seeing a salesperson or service provider. With the rapid penetration of e-commerce, academic discussions on users' perceived risk have focused on the security of personal information with service providers or on third parties having fraudu-

lent purposes. Several researchers who cover online service quality have suggested security as one of the important aspects that determines user satisfaction [6] [7]. However, it is often the case that the perceived security of personal information has not been accepted as a significant determinant of user satisfaction when compared to reliability, responsiveness, ease of use, and so forth [7]. Now that the importance of security is recognized, personal information flow between users and service providers has become among users, service providers, and others. With recognizing the importance of perceived security, Wirtz and colleagues researched perceived security in users' privacy along with reliability of governmental regulations and service providers' privacy policies [8]. Thus, the current study hypothesized that perceived security in governmental regulations, Airbnb's policies, and Airbnb's online services all seem to affect attitude toward Airbnb in both direct and indirect ways. Lastly, a generally accepted relationship between attitude toward Airbnb and determination of loyalty toward Airbnb has been suggested. The conceptual framework of the study is described in Figure 1.

H2-1&2-2. Perceived security in governmental regulations seems to have a positive influence on perceived security in Airbnb's policies and perceived security in Airbnb's services.

H2-3. Perceived security in Airbnb's policies seems to have a positive influence on perceived security in Airbnb's services.

H2-4. Perceived security in Airbnb's services seems to have a positive influence on attitude toward Airbnb.

H3. Attitude toward Airbnb seems to have a positive influence on loyalty toward Airbnb.

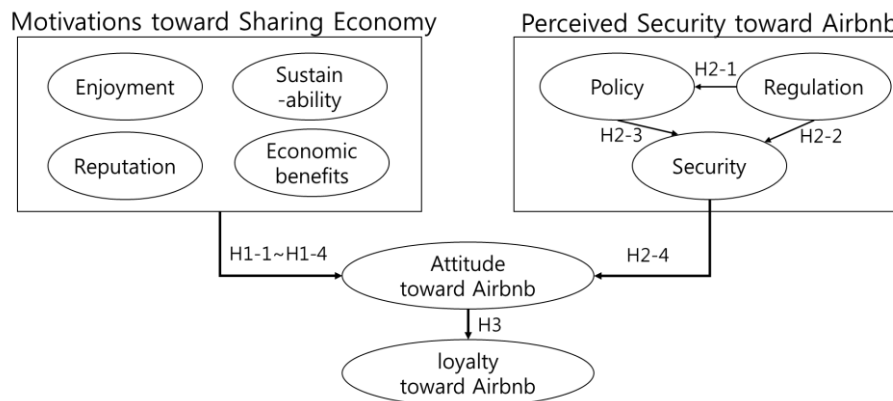


Fig. 1. Proposed Model And Hypotheses

3 Methodology and Analysis

The survey includes motivation toward the sharing economy from Hamari et al. (2015)'s study [3]. Also, perceived security in governmental regulations and Airbnb's

policies were extracted from Wirtz et al. (2007) [8], while security in Airbnb's services was taken from Yang et al. (2004) [7]. Finally, items measuring attitude and loyalty toward Airbnb were adopted from Ajzen (1991) [9]. All the items above scored 5 on a Likert scale.

Airbnb is a type of accommodation reservation system based on the sharing economy. This system is accessed mainly through personal computers or mobile devices. Even though the business started throughout the world in 2007, Airbnb based on the sharing economy is a new accommodations culture in South Korea. The official service of Airbnb was launched in 2013 with a branch in South Korea. We asked university students taking marketing related courses to download Airbnb's mobile application onto their mobile phones and surf the mobile website for at least ten minutes. After this experience of Airbnb application, a url directing survey, which is designed to work on mobile devices, was given to the students. A total of 294 students completed the survey. Fifty-two percent of them were male, and the average age was 22.45 years (S.E. = 2.28). Also, about 50% of the participants answered that they had had experience with Airbnb applications before the survey.

The potential variables included in the conceptual model were tested for reliability using Cronbach's α as well as convergent validity using AVE (Average Variance Extracted). As a result, all the variables turned out to be relevant for analysis using SEM (structural equation modeling) and were within acceptable ranges. The results of the analysis of SEM are shown in Table 1. As suggested in the literature on SEM, various model fit indexes were considered such as χ^2/df , CFI, TLI, and RMSEA (GFI=.817, CFI=.901, TLI=.90, RMSEA=.06). Among the multiple motivations toward the sharing economy, only enjoyment ($\beta=.401$, $p<.001$) and reputation ($\beta=.18$, $p<.001$) were shown to be likely significant influencers on attitude toward Airbnb. In addition, perceived security in governmental regulations turned out to have a significant effect on perceived security in Airbnb's policy ($\beta=.436$, $p<.001$) as well as on Airbnb's overall service ($\beta=.323$, $p<.001$). Also, Airbnb's policy appeared to have a significant impact on users' perceived security in Airbnb's online services ($\beta=.462$, $p<.001$). Lastly, attitude toward Airbnb was found to be a positive and powerful determinant of loyalty toward it ($\beta=.835$, $p<.001$), as expected.

Table 1. Results of structural equation model

Structural paths		Standardized Coefficient	S.E.	t
H1-1	Economic Benefit → Attitude toward Airbnb	0.078	0.094	1.021
H1-2	Enjoyment → Attitude toward Airbnb	0.401	0.084	5.512***
H1-3	Reputation → Attitude toward Airbnb	0.18	0.062	2.696***
H1-4	Sustainability → Attitude toward Airbnb	0.046	0.081	0.613
H2-1	Regulation → Policy	.436	.051	5.500***
H2-2	Regulation → Security	.323	.046	4.488***
H2-3	Policy → Security	.462	.087	5.270***
H2-4	Security → Attitude toward Airbnb	.340	.072	5.846***
H3	Attitude toward Airbnb → Loyalty toward Airbnb	0.835	0.07	11.987***

** $p<.01$, *** $p<.001$

5 Discussion and Implications

According to the current study, enjoyment and reputation turned out to be significant antecedents of attitude toward Airbnb rather than sustainability and economic benefit. Generally speaking, sustainability and economic benefit are more likely to be inborn motivations for the sharing economy, whereas enjoyment and reputation tend to be personal drivers for all kinds of consumer behaviors. Considering that Airbnb is in the early adoption stage in the South Korean market, marketing strategies that take into account personal motivation such as enjoyment and reputation seem more efficient for penetrating the market. Surprisingly, perceived security in Airbnb's online services is a more powerful antecedent of attitude toward Airbnb than significant dimensions of motivation toward the sharing economy, such as enjoyment and reputation. The important role of perceived security in forming attitude toward Airbnb implies that practitioners starting up a sharing economy business in the relatively new market need to prepare a strong privacy policy based on governmental regulations.

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