

What Makes the Sharing Economy Successful? An Empirical Examination of Competitive Customer Value Propositions

Last Modified on 02/07/2019 2:41 pm CEST

Authors: Tingting Zhang, Huimin Gu, and Melissa Farboudi Jahromi

Date published: 13 March 2018

Research commissioned by: Beijing International Studies University and the University of Central Florida

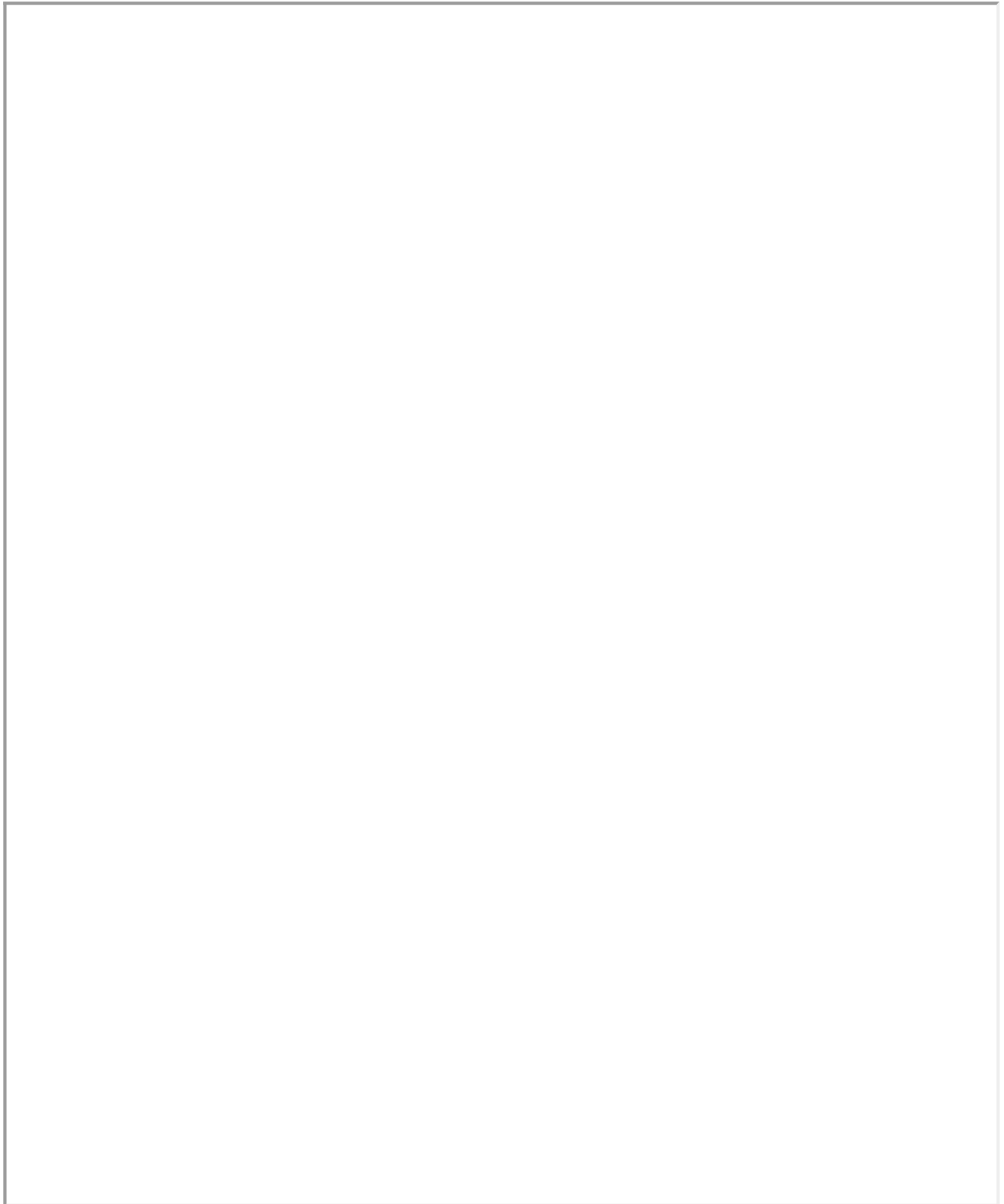
Why did we select this research?

Since its emergence in 2008, the sharing economy has experienced rapid growth because of today's fast-paced social media-driven society and changes in social needs. Nowadays, the sharing economy is no longer a niche trend. Instead, it is a large-scale activity that involves millions of users and constitutes a profitable trend that has lured many entrepreneurs to invest in it. This paper contributes to the existing body of literature about the sharing economy, both theoretically but it also proposes a conceptual framework for CVPs for the sharing economy. Last, this study helps entrepreneurs in the sharing economy to identify different types of value created by their services based on customers' perceptions.

Key findings

- The findings indicate that four economic, social, emotional, and technical values are identified through a qualitative approach. Results show that social and emotional values are more highly valued than technical and economic values in terms of CRI with sharing economy services.
- Social and emotional values have equal roles in driving customers to revisit a peer-to-peer business, and there is no difference between technical and economic values to serve as significant drivers of CRI.

- When developing a sharing economy business pattern, practitioners are advised to consider the economic, emotional, social, and technical values in the products/services in order to be competitive. Managers of sharing economy businesses should create a pleasant social interaction with customers, define emotional needs and values for target customers, as well as price their products/services competitively and provide functional facilities and technical support



References

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