Consuming Collaboratively: Examining the Motivations For P2p Renting

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Peer-to-Peer (P2P) renting is becoming an increasingly viable form of collaborative consumption. This research presents the results of a study which examined the obstacles and drivers to this form of exchange, in order to understand the factors which may facilitate greater numbers of consumers to undertake this practice.

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INTRODUCTION
Many consumers live in a clutter, entrapped by their extensions of self (Belk 1988), avariciously finding more pleasure from products alone than their use (Belk 2001). In extreme cases, some become so attached to their possessions that even after becoming homeless they still pay for storage units to preserve their treasures (Clayton 2003). This is one of many hoarding examples in the popular media (Lepselter 2011), where materialism becomes embedded in social disorders (e.g., Maier 2005) and the emerging traits of nongenerosity and envy become associated with consumer unhappiness (Belk 1984). In the case of the Great Pacific Garbage Patch where waste runs 30 meters deep (Moore, Lattin, and Zellers 2005), inefficient consumption also ends up hurting the environment. Against this backdrop, there has been a movement towards green marketing, sustainable lifestyles and aspects of anti-consumption to address the environmental and social repercussions of overconsumption (e.g., Prothero, McDonagh, and Dobscha 2010). Following recent sustainability trends to improve not only the quality of consumption but also the quantity consumed (e.g., Kilbourne and Mittelstaedt 2012), there has been a socioeconomic revolution brewing in the popular press, and Rachel Botsman has been instrumental in the mission to make sharing “cool.” Coining the phrase Collaborative Consumption, the term describes the “cultural and economic force away from ‘hyper-consumption’ to re-invented economic models of sharing, swapping, bartering, trading or renting that have been embedded by advances in social media and peer-to-peer online platforms” (Anonymous 2011).

This research explores a reinvented form of renting: peer-to-peer (P2P), as opposed to traditional B2C/B2B rental transactions where there is a plethora of existing literature using terms such as ‘product service systems’ and ‘use-oriented services’ (e.g., Behrendt et al. 2003; Mont 2002). As consumers often possess items that they do not use all of the time – known as idling capacity (when these possessions are not in use) – they hold an inventory of items which could bring social, financial, and altruistic benefits to both themselves and others by allowing other consumers to make use of those items through rental transactions (Botsman and Rogers 2010). P2P renting allows consumers to rent to and from strangers. Traditionally, this would be difficult to coordinate without technology, as for example, trying to find someone who needs a chocolate fountain or has a spare gorilla suit would be a time-consuming search process. However, P2P renting is made possible by broker websites which act as a ‘bridge’ (Granovetter 1973) that transfers this information between peers. As this is a new practice, there is little extant research exploring users’ involvement with P2P renting. The purpose of this study is to understand both the motivations and deterrents for this re-invented model of exchange.

METHODOLOGY
Purposive sampling provided eleven participants from four types of users: three Renters and Providers (Two-Way users), one Renter, five Providers, and two Non-Users (those who had signed up but had not yet participated). Participants were recruited online through five P2P rental companies (Rentoid, Ecomodo, Snapgoods, Rentalic, and Open Shed) and were based in high-density urban areas, geographies including Sydney, Los Angeles, New York and London.

In-depth semi-structured interviews were conducted online via Skype. Discussion topics encompassed motivations and deterrents for renters and providers, reasons providers chose only to rent out their products, reasons renters chose only to rent products in, obstacles inhibiting non-users from using the system, and factors that may facilitate greater usage.

Transcripts were subjected to thematic analysis, whereby common themes were identified by recurrence, forcefulness and repetition (Keyton 2011). Coding was theoretically-driven as the literature revealed that reasons for and against sharing are embedded in social and cultural constraints (Hirschl, Konrad, and Scholl 2003; Mont 2004). Similar to Andreasen (2002), three categories of facilitating or inhibiting factors were identified: (1) Personal Influences (e.g., anticipated outcomes unique to the individual), (2) Societal Influences (e.g., social norms, cultural movements), and (3) Structural Influences (e.g., physical or legal barriers, situational factors).
FINDINGS

Personal Influences
Nearly all participants highlighted the financial benefits of P2P renting. Providers sought extra pocket money, while renters hoped to save money by avoiding the wasteful purchase of items they would rarely use; a finding consistent with Bolton and Alba (2011) who examined consumer aversion to unused utility. The behavior of some renters was also reflective of the findings of Locander and Hermann (1979), in that they described how they sought to trial products before making a high involvement purchase. This dissonance avoidance by ‘renting before buying’ is similar to the findings of Ozanne and Ozanne (2011) with sharing in toy libraries, and Lawson (2011) with reasons for renting from organizations. Many providers liked to think of P2P renting as a new form of disposition or recycling, where they no longer felt guilty about having “unused piles of stuff.” Some participants (irrespective of user type) stated that they signed up to meet new people around the area, giving examples of friendships gained, similar to findings of Ozanne and Ballantine (2010) and Ozanne and Ozanne (2011).

Providers who chose only to provide (and not rent from others) indicated they perceived the act of renting as a waste of money, mirroring the results of Durgée and O'Connor (1995) with their exploration on renting behavior. All participants held a varying degree of mistrust when it came to fears of liability, risk and non-commitment, but the predominant hindrance to P2P renting emerged when participants reflected that it was not worth the time and effort. Renters found the inflexibility and limited access typically associated with renting (e.g., Tukker 2004) to be inconvenient, while providers complained about the arduous task of managing their stuff (e.g., posting product information, meeting the renter for both the drop-off and pick-up of an item, ensuring that damage did not occur, and “jumping through the hoops” of payment methods). Perceived inconvenience also diminished with the item’s worth, as many participants stated they perceived P2P renting as being too much of a hassle for “smaller ticket items,” with only more expensive items being worthwhile.

Societal Influences
Nearly all participants noted how P2P renting was a more sustainable option than traditional consumption practices which focus primarily on private ownership. This finding is supported by research on non-ownership which has found that environmentalism is a prominent reason for renting from organizations (Lawson 2011) and sharing communally (Ozanne and Ozanne 2011). Although participants claimed some form of ‘green’ beliefs, the existence of an attitude-behavior gap (e.g., Moraes, Carrigan, and Szmigin 2012) was observed in this study, as many participants indicated that these motivations and influences were “added bonuses.” It has been found that for sustainable consumption to be successful, motivations need to be embedded in personal gain. Specifically, people who participate in environmentally friendly alternatives do not always do so for environmental reasons, but instead for reasons of self-interest, including factors such as price, convenience, and a sense of community (Ozanne and Ballantine 2010).

No societal influences were raised as being deterrents throughout the interviews. Although some authors (e.g., Bosson, Prewitt-Freilino, and Taylor 2005) have highlighted how some types of consumption behavior can be negatively typecast as being ‘hippie-ish,’ participants in this study often spoke about how they viewed P2P renting as being more ‘hip than hippie,’ in that it was “a more valid commercial option” and that “it just [made] sense.”

Structural Influences
Many participants perceived P2P rental sites as hyper-local communities, where trust was easily given due to users describing themselves as demographically similar, and therefore trustworthy. Renters indicated that high urban density created the need for space saving, saying that opting to rent from others solved the issue of an overflowing closet. Indeed, the inclination to avoid such burdens of ownership (Berry and Maricke 1973) has been found to be a contributing motive for consumers to prefer renting (Moeller and Wittkowski 2010).

Frequent constraints included system inconvenience (e.g., too many clicks, poor organization of items) and western lifestyles (e.g., busy schedules, ingrained shopping habits, cheaper to buy than to rent). Providers complained that because of the ubiquitous nature of ownership and consumerism they often did not need to rent from others because they already owned everything they needed or wanted. Non-users were particularly constrained by structural influences, as potential providers complained that no one had yet requested their items, while would-be renters were disappointed by the site’s lack of browsing and ‘window shopping’
capabilities, as well as the limited number of items available to rent. Indeed, attracting rental customers has often been deemed difficult in the literature because they are so accustomed to ownership and are hesitant to shift towards non-ownership without prior experiences with this form of consumption (Rexfelt and Ornäš 2009).

CONCLUSION
This ‘consumer behavioral revolution’ deserves a chance to prosper and grow. As one two-way user stated, “it’s all in a perfect world and I know the world’s not perfect, but we can certainly work towards making it more perfect.” By identifying three categories of facilitating or inhibiting factors which contribute to our understanding of P2P renting, this paper provides direction to stakeholders interested in this emerging groundswell of consumption behavior.

REFERENCES
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