The Sharing Economy: Promises and Challenges

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Sharing is ingrained in the fabric of society. Efficient access to goods and services constitutes a major force driving much of the economic activity today. The greater connectivity brought about by the proliferation of internetworking technologies allows individuals to circumvent spatial and temporal barriers during interactions, giving rise to a novel Sharing Economy that is structured around the disintermediation of conventional channels of commerce in the exchange of both tangible and intangible resources. The sharing economy (named alternatively as access economy) has gained notable attention within mainstream media as a new economic paradigm that harnesses peer-to-peer technological platforms to facilitate the exchange of resources among individuals who are joined via fluid relational networks. Almost overnight, numerous peer-to-peer platforms—in the likes of crowd-funding (e.g., Indiegogo and Kickstarter), crowd-ideation (e.g., Mindmixer, Quirky, Social Innovator), crowd-searching (e.g., Crowdfynd, CrowdSearching), crowd-voting (e.g., California Report Card, Threadless), and crowd-working (e.g., Amazon Mechanic Turk, Didi, Freelancer, and Uber)—have sprung up to facilitate resource pooling by individuals and organizations alike.

Although the sharing economy has been proclaimed by many to be a game-changer for how organizations and society function, there are also a number of detractors who questioned the potentially disruptive and uncertain future brought about by such peer-to-peer exchanges. Critics have painted a dismal picture of the sharing economy, seeing it as a means for individuals and/or firms to dodge proper regulations or live beyond their means, which may in turn contribute to massive job displacements and detrimental spending habits. In light of the opportunities and challenges posed by the sharing economy, there is a clear urgency for a systematic and thorough scrutiny of how value creation and appropriation can take place within such economic environments while minimizing its negative impact.

The aim of this special issue of *Internet Research* is to sensitize both academics and practitioners to the latest trends and developments in the sharing economy. It offers a venue for scholars to present research that identifies and addresses knowledge gaps in how emergent technologies are shaping the access and sharing of resources within online peer-to-peer communities. In this special issue, we present ten articles that not only cover diverse topics related to the sharing economy, but also examine the phenomenon across multiple contexts, through distinct theoretical lenses, and from a myriad of methodological approaches. Together, these ten articles paint a diversified but vibrant research landscape of sharing economy.

The first article entitled “Sharing Economy: Seeing Through the Fog” gives an overview of the current state of research into the sharing economy and advances a framework for differentiating sharing economy businesses. A review of 114 published articles reveals three focal themes emerging from contemporary research into the sharing economy, namely consumers’ motivations, socio-economic impact and revenue models. The article concludes with a framework for distinguishing sharing economy businesses based on whether assets are new or re-used and whether transactions are permanent or temporary. The article also uncovers gaps between academic research and business practices that could direct future research efforts.

The second article entitled “Collaborative Innovation in the Sharing Economy” attempts to develop a classification model to profile social actors based on their motivations to participate in co-innovation activities within the sharing economy. A mixed methods research design, comprising a combination of case study and survey, was employed to identify and classify the motivations of social actors. Results point to three classes of social actors based on motivational differences: Ideators (who are motivated to share new ideas), Collaborators (who are motivated to share experience and/or knowledge), and Networkers (who are motivated to share connections and network).

The third article entitled "Building Customers' Trust in the Ridesharing Platform with Institutional Mechanisms" explores how legally-binding (e.g., driver certification and payment security) and market-driven (e.g., customer feedback and price surge signals) institutional mechanisms affect consumers' trust in ridesharing platforms. The authors administered an online survey on 307 consumers of DiDi, China's largest ridesharing platform, to empirically validate their research model. They discovered that both legally-binding and market-driven institutional mechanisms are deterministic of consumers' trust towards the platform as well as their subsequent intention to continue utilizing it.

The fourth article entitled "Antecedents and Role of Individual Sociability on Participation in Mobile Collaborative Consumption" endeavors to elucidate the effects of individual psychological and sociability factors—including altruism, embarrassment, enjoyment, reputation, social connection and trust on individuals' intention to participate in mobile collaborative consumption. An online survey was administered on individuals who had experienced a mobile collaborative consumption campaign conducted by the researchers. Empirical findings demonstrate that hedonic and social factors exert significant impact on individuals' participation in mobile collaborative consumption.

The fifth article entitled "The Conditioning Function of Rating Mechanisms for Consumers in the Sharing Economy" sheds light on how bilateral rating mechanisms on sharing platforms shape emotional labor norms among sharing economy consumers. A mixed methods research design, comprising a combination of survey and focus group, was employed to comprehend interdependencies between rating mechanisms and consumers' emotional labor. Empirical findings allude to the instrumental role of bilateral ratings as a mechanism for encouraging expressive emotional labor on the part of sharing economy consumers while acknowledging the potential negative outcomes of such a rating mechanism (e.g., annoyance, coercion, and frustration).

The sixth article entitled “The Sharing Economy Ideal” illustrates how the implementation of organization-sponsored sharing platforms come to be interpreted as a Corporate Social Responsibility (CSR) program for their stakeholders. The authors conducted semi-structured interviews with participants of Zimride by Enterprise, an interorganizational ride sharing platform. Through analyzing the interview data, the authors were able to unearth the two organizational sensemaking processes of sensegiving and sensebreaking as micro-mechanisms underlying how Zimride come to be deemed as a CSR program.

The seventh article entitled “Policy Compliance and Deterrence Mechanism in the Sharing Economy” illuminates the rationale behind why service providers of sharing platforms indulge in policy non-compliance. The authors first conducted interviews with 21 service providers on an accommodation sharing platform, Airbnb Korea, to elicit the reasons for policy non-compliance before administering an online survey on 251 service providers from Airbnb Korea to validate their proposed research model that incorporates the reasons influencing policy non-compliance as derived from the interviews. The authors found that policy non-compliance for most service providers are driven by their belief of a low risk of detection.

The eighth article entitled “Does More Crowd Participation Bring More Value to Crowdfunding Projects? The Perspective of Crowd Capital” scrutinizes the effects of fundraisers’ crowd capability and the level of crowd participation, in the form of funding pledges and on-site communication, on crowdfunding success. To empirically validate their proposed research model, the authors analyzed data extracted directly from Kickstarter on all crowdfunding projects from June 2012 to April 2013. The authors found that funding pledges has an inverse U-shaped relationship with the level of project success while project updates, reward levels, and on-site communication positively affect the degree of project success with the exception of funding goal, which exerts a negative impact instead.

The ninth article entitled “Analyzing Campaign’s Outcome in Reward-Based Crowdfunding” investigates the effects of social capital dimensions on goal accomplishment in crowdfunding campaigns. Analyzing data retrieved from Fondeadora.mx, one of the largest crowdfunding platforms in Mexico, the authors show how social interactions through a wide social network (structural dimension), shared vision and values among entrepreneurs and their potential funders (cognitive dimension), as well as the development of trustworthiness within the campaign (relational dimension) boost the probability of achieving crowdfunding goals. Empirical findings proffer practitioners with insights into how to appraise social capital and attain desired objectives.

The tenth and final article entitled “Dealing with Initial Success versus Failure in Crowdfunding Market” dissects the role played by entrepreneurs’ previous crowdfunding experience in shaping subsequent crowdfunding performance, especially with respect to the effects of initial success vs. failure on serial crowdfunders’ explorative vs. exploitative behavior. Analyzing data retrieved from the Indiegogo crowdfunding platform, the authors observe that even though serial crowdfunders with initial success are more likely to target a new market or a new crowdfunding category, those with initial success tend to engage in more exploitative decision making (e.g., by lowering the target capital for the subsequent crowdfunding in the same category).