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TESI DI LAUREA

Sharing Economy and Tourism: the case of Low-Cost Tourism

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INDEX

INTRODUCTION

"Uber, the world's largest taxi company, owns no vehicles. Facebook, the world's most popular media owner, creates no content. Alibaba, the most valuable retailer, has no inventory. And Airbnb, the world's largest accommodation provider, owns no real estate. Something interesting is happening" (Goodwin, 2015).

Starting from this quote, I developed my interest in the sharing economy system.

Since the spread of the subprime crisis in 2007-2008, this phenomenon has radically changed the world, influencing the whole economic network and its stakeholders. Its advancement is unequivocally connected to the development of Information and Communication Technologies, which cover integrant parts of our everyday lives. Based on personal experiences, I noticed the heavy presence of sharing economy services in the tourism field, especially with regards to low-cost and budget tourism; then, I tried to fulfil my curiosity by exploring the existent literature, various academic studies and further statistical reports, looking for interesting topics and perspectives.

In general, sharing economy platforms have influenced both positively and negatively the economic mechanisms, disrupting some social boundaries and redefining a new way of consuming goods and services. Through ICTs, collaborative consumption has boosted inclusivity and equality but, concomitantly, it has excluded people who do not have access to these technologies. Although it has reshaped the way business is done, introducing new models, identities and jobs, it also has raised significant ethical concerns and regulation issues.

The purpose of this work is to introduce the phenomenon, its weaknesses and strengths, its influence in the management of the tourism and transport industry and, in particular, to understand the relationship between the sharing economy and a specific segment of tourism, which is low-cost tourism. Hence, the intent is to find the profile of the base-budget tourist who uses sharing economy services.

The thesis, divided into four chapters, is structured as follows.

The first chapter, "The Sharing Economy" provides an introduction to the concept and characteristics of the collaborative economy, focusing on its vital connection with Information and Communication Technologies (ICTs). Moreover, some data concerning

users in the USA and Europe is delivered, together with intrinsic and extrinsic motivational factors, segmentation of users according to key categories such as customer participation and their level of engagement, and a brief paragraph on the dark side of the sharing economy.

The second chapter, "Sharing Economy and Tourism" can be ideally divided into two main parts: the first focuses on the business model of sharing companies, their marketing strategies and brand identities, followed by a section concerning the regulation of this "grey economy" with examples from cities all over the world; the second one analyses the impact of collaborative companies in the tourism industry and their influence on employment conditions.

The third chapter "Sharing Economy and Low-cost Tourism", analyses the specific phenomenon of budget and low-cost tourism, focusing on its characteristics, perceptions and benefits, concluding with a brief analysis on budget tourist profiles and backpackers.

Finally, the fourth chapter focuses on the analysis and results of the "Sharing economy and budget tourism" quantitative survey. The primary purpose of this inquiry was to investigate the relations between sharing economy services and low-cost tourists. The 33-question survey was submitted online for 8 months and was divided into 4 sections: Trips, Budget Trips, Contact with Locals and Personal Information. Over the past year, some faults and limits emerged; nevertheless, it was an opportunity to identify and fix these issues, and a challenge to carry on the study, concluding with obtaining interesting results.

In this regard, the output of this inquiry is a preliminary profile of the base user of sharing economy services that coincides with a female student backpacker, between 19 and 29 years old, more likely to come from Austria, Germany or France. Moreover, this type of traveller is interested in interacting with the local inhabitants and learning more about their culture and traditions.

Generally, the overall results of this survey are in accordance with other researches on similar subjects like the one by Crowd Companies and Vision Critical on the users of collaborative services (2014) and the *Backpacker Identity: Scale Development and Validation* research by Chen et al. (2019). However, at the same time, such a complex issue deserves further investigation, just as the questionnaire could be modified to be

more indicative concerning the profiling of users of the sharing economy in the field of tourism and low-cost tourism.

1. The Sharing Economy

1.1 The concept and characteristics of sharing economy

After the worldwide economic crisis of 2008/2009, new business models have emerged, and a new type of economic interaction arose: the Sharing Economy.

Initially, the purpose of this system was to increase social interactions and promote more responsible and environmentally friendly consumption, by improving the use of goods. No company was involved; thus, both the provider and the consumer were individuals who simply wanted to share the non-used remaining goods.

Even though a universally accepted definition of sharing economy still does not exist, this rather new phenomenon, as we know it nowadays, can be defined as follows:

"It is an alternative social and economic movement that shares resources with others to reduce waste and contributes to the increase of common interests in society" (Belk, 2007, cit. in Sung et al., 2018: 1).

More precise is the "official" definition given by the European Commission: the term "Sharing Economy, also defined as collaborative consumption, refers to specific business models in which activities are facilitated by collaborative platforms, creating an open market for the temporary access to goods and services, often provided by private individuals. Generally, transactions within the collaborative economy do not involve a transfer of ownership, and can be operated either for free or for a fee".

There are many synonyms to the widely known term sharing economy. The more familiar are collaborative consumption, access-based consumption, access economy, peer-to-peer economy and on-demand economy, but also bottom-up economy, circular economy, connected consumption, crowd economy, empowering economy, gig economy, hippienomics, pay-as-you-use economy, people economy, platform capitalism, rental economy, shared capitalism, trust economy, uber economy, wikinomics and many others (Maggioni, 2017).

In particular, collaborative consumption (CC) is defined as: "a peer-to-peer-based activity of obtaining, giving, or sharing the access to goods and services, coordinated through community-based online services" (Hamari et al., 2015: 2047).

Or "An economic model based on sharing, swapping, trading, or renting products and services, enabling access over ownership. It is reinventing not just what we consume, but how we consume" (Botsman, 2013).

First, it is necessary to define the notion of Peer-to-Peer activities (abbreviated as P2P) which are "person-to-person marketplaces that facilitate the sharing and direct trade of assets built on peer trust" (Ibidem). It is also known as C2C, the abbreviation for Consumer to Consumer. This concept is different from B2C, an abbreviation for business-to-consumer, which "describes activities of businesses serving end consumers with products and/or services" (Nemat, 2011: 101).

Consequently, it can be said that the sharing economy can operate in both B2C (or B2P) and P2P (or C2C) contexts. Indeed, sharing economy networks can be distinguished into P2P and B2P platforms.

Moreover, two main categories of exchange may be separated: access over ownership and transfer of ownership (Hamari et al., 2015). The former is the most common mode of exchange, in which users share goods and services through P2P sharing activities, usually for a limited time and upon payment of a fee (e.g. Airbnb). Alternatively, the latter "passes ownership from one user to another through swapping, donating or purchasing of primarily second-hand goods" (e.g. ThredUp Thrift Store) (Ibidem: p. 2049).

Hence, the sharing economy system is characterised by several unique features (Sung et al., 2018; Hamari et al., 2015):

- the use of digital platforms to meet supply and demand;
- the presence of peer-to-peer transactions, with individual economic relations;
- the access to unused assets, human or physical;
- the temporary access and the occasional nature of each transaction;
- the existence of a reviewing-based system, useful for both the provider and the user.

To this extent, three categories of participants are involved (European Commission; Bonciu, 2016):

- the owners of products or services, who can be either professionals or private individuals;

- the clients/users;
- the internet-based platforms, which work as intermediaries between the two aforementioned.

This system of resource sharing is present historically in human nature considering that likewise, in the past, individuals in small communities could sell or trade excess goods to other people. Therefore, it is nothing radically new, but the interesting and innovative aspect is the use of ICTs.

1.2 Information and Communication Technologies (ICTs)

The socio-economic phenomenon of the sharing economy is growing much faster than other sectors, especially as a result of the employment of technologies in numerous work fields, and even more after the economic crisis that left people with insufficient revenues. In this new societal system of collaboration, the use of information and communication technologies (known as ICTs) is essential; thus, it can be considered a true technological phenomenon. Sharing economy development is necessarily linked to digital technologies since it uses exclusively internet-based platforms, both websites and mobile apps. Hence, ICTs are fundamental; however, it can be said that: "Firms that own and operate such online platforms do not control the actual sharing at all" (Wiertz and De Ruyter, 2007: 347).

Otherwise, social dynamics are crucial for the actual leading of sharing and collaboration. Social Commerce can be defined as a form of products and services exchange enabled by social media, which supports social interactions and user contributions, both online and offline (Botsman and Rogers, 2010).
The rapid progress in ICTs has empowered the spreading of collaborative web communities and social commerce; nowadays, sharing economy business networks are dominating the market in many key sectors. Examples of well-known collaborative online communities are Wikipedia (free collaborative encyclopaedia), content sharing sites like YouTube and Instagram, peer-to-peer file sharing websites like The Pirate Bay, P2P financing and crowdfunding services like Kickstarter, house-sharing apps like Airbnb, and car-sharing platforms such as Blablacar and Uber.

Figure 1: Collaborative web platforms

Source: modified from the original graph by Maggioni, Mario A. (2017). *La sharing economy (Farsi un'idea) (Italian Edition).* Società editrice il Mulino Spa, Edizione Kindle

Contrary to traditional networks, modern technologies employed into collaborative consumption business platforms assure very high dynamics and flexibility and enable instant adjustment to the changing consumer's needs. In particular, since these facilitating platforms aren't conceived to be the actual providers of goods and services, they promote transactions by sharing services through a two-sided market, in which users and providers meet and interact to exchange amenities and goods. Moreover, internet-based platforms include a review and rating system, essential to provide both parties with a credible and proven level of trust; the result is an entrusted and valuable platform and, as the economist Rysman explains:

[…] "the value of the platform increases with the size of the network. That is, the value of the platform to the service user depends on the service provider, and the value of the platform to the service provider is influenced by the service user" (Rysman, 2009, cit. in Sung et al., 2018: 2).

1.3 Users and motivational factors

Since the spread of the Internet and the sharing economy, scholars have been studying the phenomenon and its users.

Considering that collaborative consumption is a relatively new subject and, since it is based on the use of ICTs, the most relevant group of users is represented by the millennials, also called "generation Y" (25-40 years old). As numerous statistics show, in the US the 48% of users are young, between the age range of 18-35 years old. The 36-54-year-old group comes second reaching 33%, followed by the over-55 (19%) (Crowd Companies and Vision Critical, 2014).

In Europe, the figures are not directly comparable due to differences regarding the selected age ranges; regardless, the general portrait is similar. The most significant group of users is the 25-39-year-old segment (27%), the 15-24-year-old amounts to the 18%, while the baby boomer generation (40-54 years old) corresponds to the 22%, and the over 55 are the 10% (Ibidem).

In Italy the trend is similar as the most active users are the 35-44-year-old (28%), followed by the 25-35 group (24%) and the 18-24 (22%); the 17% is represented by the 45-54-year-old segment, while the 9% are over 55 (Tns political & social network, 2016).

In terms of users all around the world, millions of people are accessing collaborative services every day. In the US, according to calculations by emarketer.com conducted in 2016, 27 million people have used some sharing economy service (more than 10% of the population).

In Europe, according to an analysis completed in the same year by Tns political & social network, more than 15% of EU citizens have used at least one shared service; this figure soars to about 35% when only the subsample of young users, educated, and living in urban areas is examined.

Considering some specific European countries, data varies: in Italy about 53% of Internet users declared to have had access to some shared service; this figure is lower in the UK (35%), Germany (39%) and France (44%), while in Spain it increases to 55%.

Concerning the motivational factors, attitudes towards shared consumption have changed over the years: from the original ideals of freedom of exchange, altruism and communal trust, to the recent increasing concern over ecological, developmental and societal impact.

In particular, the access-based economy "has been regarded as a mode of consumption that engages especially ecologically and environmentally conscious customers" (Hamari et al., 2015: 2055).

Albeit the sharing economy has been expected to alleviate societal issues such as hyper-consumption, pollution and poverty, many further different factors drive people towards collaborative consumption (Ibidem).

First, altruistic and individualistic motivations can be identified, namely sustainability and economic benefits. In that case, "individuals are pushed by the inborn obligation to do good for other people and the environment, such as sharing, helping others and engaging sustainable behaviour" (Prothero et al., 2011: 31). Though, more appropriated is the distinction between intrinsic and extrinsic motivations (Lindenberg, 2001; Wasko and Faraj, 2005).

According to Lindenberg (2001), the former are related to enjoyment and the intrinsic value connected to the given activity, whereas the latter are correlated to external factors. Enjoyment and sustainability are deemed intrinsic motivations, whereas reputation and economic benefits are considered extrinsic.

As a major dimension of intrinsic motivations, enjoyment plays an essential role in sharing economy activities (Deci and Ryan, 1985, cit. in Hamari et al., 2015). It has a positive effect on the use of C2C platforms, as long as customers perceive a higher level of satisfaction, personalisation and emotional engagement; additionally, it provides an important way to interact with other members of the community. Generally, sharing economy consumers look for unexpected but positive events, which generate positive effects on the consumer attitude. This phenomenon, known as "Perceived Enjoyment", is an important factor as it contributes to attitude formation and intention to use (Ibidem: 2052). Furthermore, one of the primary features of collaborative consumption is the social relationship between consumer and provider, enabled by IT platforms. Hence, the desire to interact with local people and establish social relationships has a great impact on customer experience and satisfaction, and increases the overall value of sharing economy services and platforms (Sung et al., 2018). The access-based consumption economy can be viewed as a network that connects people: nodes are people while social connections are the links (Soltész and Zilahy, 2019). An example is Airbnb, the leading brand in sharing accommodation, whose business model and community are focused on

connecting people with travel experiences. Likewise, sustainability is a meaningful aspect that draws the attention of a large number of consumers. Participation in collaborative consumption is expected to optimise the environmental, social and economic consequences of consumption, thus it is assumed to be highly ecologically sustainable and deemed intrinsic motivation (Luchs et al., 2011, cit. in Hamari et al., 2015). Sharing goods, services and lifestyles will contribute to improving social cohesion, minimise resource and energy usage, interrupt excessive consumerism and therefore lower the negative impact on the environment.

Contrarily, extrinsic motivations are deeply related to external factors and, to the same extent, are valuable determinants of online collaboration activities. For instance, reputation is an important external influence, and it has been shown that gaining influence among like-minded people motivate sharing in online communities and open-source projects (Parameswaran and Whinston, 2007). A further strong extrinsic motivation in open source development is the potential future reward, as economic benefits (Hars and Ou, 2001, cit. in Hamari et al., 2015). The financial aspect is more characteristic of younger users and, generally, people with low income; anyway, it is relevant for both customers and providers. For many consumers, monetary saving is a reasonable motivator, especially after the recent financial crisis; likewise, various academic studies have proven that a wide number of Airbnb hosts use the platform for the main purpose of making money.

Figure 2: Intrinsic and extrinsic motivations
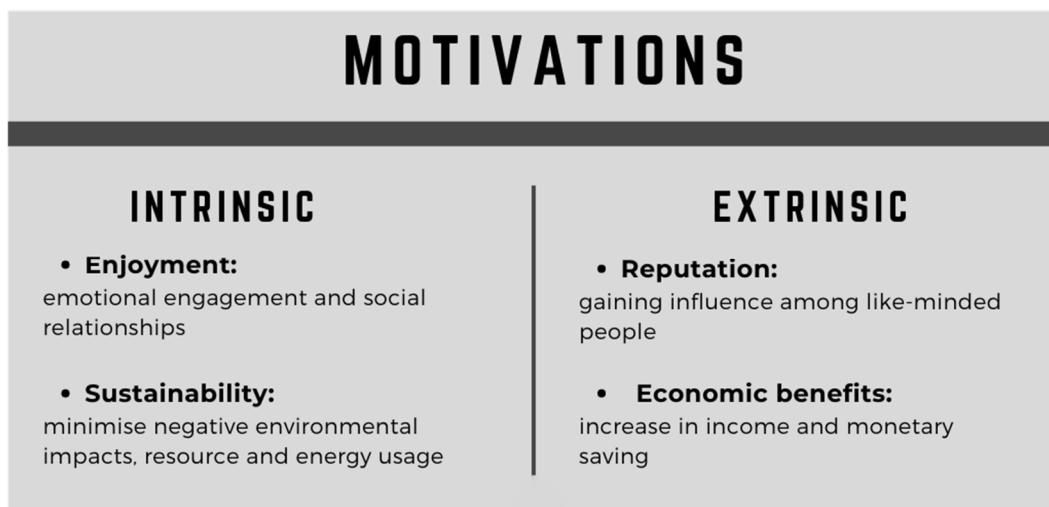
Users' perspectives also differ between consumer and provider, hence the motivations (Stollery and Jun, 2017). From the customer mind-set, intrinsic factors such as enjoyment, trust and utility are crucial; significant is also the perception of local authenticity and familiarity, the social and unique experience and its perceived value, which cannot be expressed in monetary worth.

From the provider perspective, the increase in income and social influence are both important, but the main motives are personal as the enjoyment in sharing unused spaces, social interactions and experiences. The sharing experience goes beyond material rewards, increasing personal, cultural and social interactions, and producing an emotional connection with the environment (Botsman and Rogers, 2010: 30).

Figure 3: Consumer and provider motivations
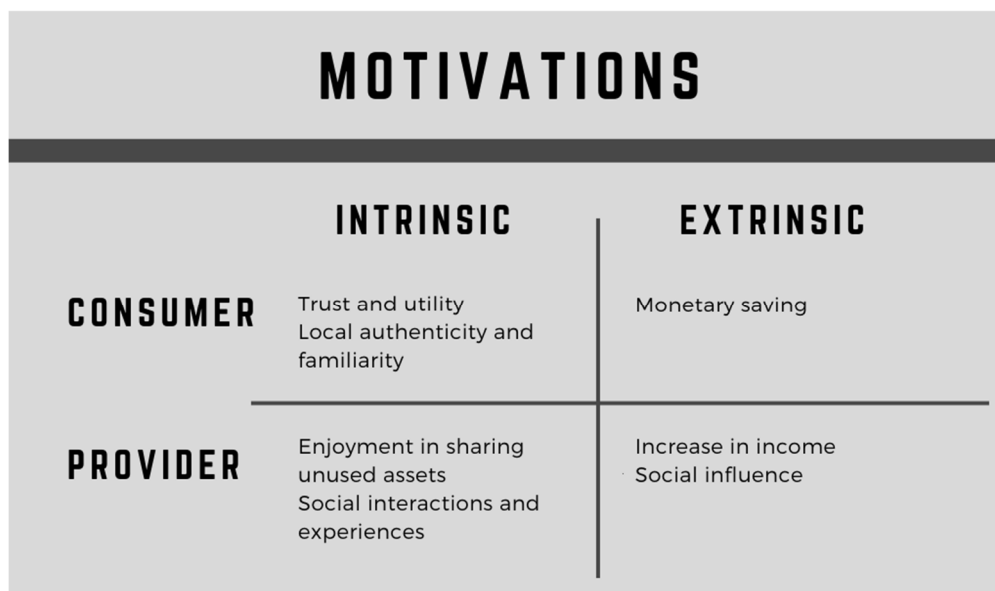
Indeed, the sharing economy business model induces a change in consumers' relationship to objects and the materialistic lifestyle (Alonso-Almeida, 2020); thus, a new categorisation of consumer materialism can be identified. It distinguishes itself from traditional materialism, in which the enjoyment and the emotional components derive from the property and accumulation of material goods, as well as the social status and the sense of security they provide. Thus, materialism is evolving, and the classical system is losing importance. A hybrid model, in which property of goods coexists with the enjoyment of experiences, is emerging and becoming increasingly more important; to this extent, consumers achieve a greater consumption awareness leading to positive economic

and social changes. The new materialism is driven by several factors, including the recent economic crisis, social networks development, and better consumption alternatives (Ibidem). Ownership has nowadays become a burden; thus, consumers are looking for new forms of enjoyment of material goods combined with emotional components and intangible benefits. The result is a mix of unique elements and emotions (like the moment, the place, the people…) which convert them into a meaningful experience for the person. Therefore, the new materialism seeks to accumulate experiences beyond the static vision provided by the mere ownership of goods (Alonso-Almeida, 2018).

1.4 Segmentation of sharing economy users

An interesting but still unexplored field of study within the role of the sharing economy is the segmentation of users. This analysis is useful for both researchers and managers of such sharing companies, as it provides a better understanding of consumers, their degree of engagement and their segment membership.

Generally, the actual consumer segmentation studies divide users and non-users into homogeneous groups according to demographic criteria such as age, gender, profession and income. Alternatively, consumers are clustered into market segments based on travellers' motivations, destination choice or accommodation (Lutz and Newlands, 2018). Nevertheless, it is worthwhile to switch from these perceptions acknowledging that there exists a strong heterogeneity within the consumer base of individual sharing services (Ibid).

In literature, there are still limited researches that have looked at the segmentation of sharing platform users in this sense. In particular, these few focus on the users of Airbnb (e.g. Lutz and Guttentag) in the US, creating distinct consumer segments based on both demographic and behavioural criteria. Researchers have found that "experiential attributes such as authenticity and interpersonal relationships, rather than practical attributes, seem to matter more to guests" (Lutz and Newlands, 2018: 188), especially concerning home swaps, bed-and-breakfasts, homestays and hostels. Engagement can be stimulated by a variety of factors such as social and amusement reasons, as well as economic incentives and the intrinsic desire to share, seek social interaction and meet people.

According to Professor Daniel Adams Guttentag (2018) from the Ryerson University of Toronto, different motivations push certain groups of users towards Airbnb.

In his studies, he identified five key motivating factors:

- Interaction, associated with communicating with one's host or other locals;
- Home Benefits, focused on items related to staying in a home;
- Novelty, based on the four elements of the novelty-seeking scale: change from routine, thrill, adventure, and surprise;
- Sharing Economy Ethos, which includes the three topics "money to locals," "environmentally friendly," and "philosophy of Airbnb";
- Local Authenticity, which combines an authentic local experience item with a non-touristy neighbourhood item.

Accordingly, he divided the respondents to his study into five categories: money savers, home seekers, collaborative consumers, pragmatic novelty seekers, and interactive novelty seekers.

Money savers (19%) are mostly attracted by low cost; they are young and generally not travelling with children.

Home seekers (23%) are older, well-educated and less likely to be backpackers. They are especially motivated by a homely feel and most likely to be on long trips staying with a partner and children.

Collaborative consumers (19%) are older, less affluent and international; they are strongly motivated by moral, sustainability and sharing economy ethos, as well as the opportunity to interact with locals and live authentic experiences.

Pragmatic novelty seekers (22%) are generally young and travelling with other guests. They are attracted to Airbnb by a combination of Novelty and Home Benefits (Guttentag et al., 2018), focusing on the perceived excitement, uniqueness and looking for a homely experience.

Interactive novelty seekers (17%) are more likely to be backpackers and stay in shared accommodation; they are used to travelling on relatively short trips, alone or with few guests and are principally motivated by novelty and social interaction.

Figure 4: The Motivation-Based Cluster Solution

	Money savers	Home seekers	Collaborative consumers	Pragmatic novelty seekers	Interactive novelty seekers
General characteristics					
Low cost	5.67	5.01	5.28	5.16	5.04
Convenient location	5.17	4.91	4.88	5.03	4.93
Home benefits					
Household amenities	4.36	5.52	4.18	5.04	4.20
Homely feel	3.13	5.05	4.66	4.54	4.51
Large space	3.64	5.20	3.53	4.37	3.64
Local authenticity					
Authentic experience	3.23	4.47	5.08	4.56	4.96
Non-touristy neighborhood	3.26	4.39	5.11	4.61	4.18
Novelty					
Unique experience	2.77	4.35	4.81	4.91	4.88
Exciting	2.88	3.66	4.17	4.78	4.89
New and different	2.86	3.46	4.23	4.85	4.86
Experience to talk about	2.43	2.96	3.47	4.15	4.08
Unpredictable	2.17	2.23	2.32	2.93	3.62
Sharing economy ethos					
Philosophy of Airbnb	3.11	4.17	4.56	3.87	3.79
Money goes to locals	2.86	3.76	4.77	3.58	3.51
Environmentally friendly	2.57	3.30	3.93	3.36	2.97
Interaction					
Local information/tips	3.09	3.92	4.88	3.03	4.78
Interact with host/locals	2.44	3.19	4.76	2.57	4.59

Source: Guttentag D., Smith S., Potwarka L and Havitz M. (2018). *Why tourists choose Airbnb: A motivation-based segmentation study,* p. 350

Considering the heterogeneity of consumer preferences, the demand for sharing experiences varies consequently across different categories of consumption (Sands et al., 2020). Consumers who use the sharing economy seek economical rewards, such as better deals, quality and variety, as well as satisfying increasing concerns over ecological, societal, and developmental impacts (Ibid). Moreover, the sharing economy appears democratised since in a wide variety of consumers, regardless of gender or earnings, there are no significant differences in the access possibilities (Ibid).

Regarding the different sharing categories, Sands et al. (2020) identified four key sharing categories which are mobility, retail, tourism, and finance. Mobility platforms currently have the most active customer participation while finance sharing platforms have the lowest level of engagement.

According to Sands et al. (2020), by deconstructing consumer perceptions, attitudes and purchasing behaviours, there exist "three clear segments of sharing consumers: the mobility-focused sharer, the diverse-platform sharer and the power-platform sharer".

Mobility-focused sharers see the sharing economy as an opportunity of accessing goods and services by being more sustainable, for instance reducing waste generation and greenhouse gas emissions.

Diverse-platform sharers join different sharing platforms, especially in connection with mobility and tourism.

Power-platform sharers perceive the sharing economy as a strong representation of their social identity, reflecting a high level of engagement across all key sharing platforms.

1.5 The dark side of access-based consumption

As with any new phenomenon, the sharing economy presents both positive and negative effects. Certainly, this phenomenon is seen as a democratised means to access goods and services. Nevertheless, the other side of the coin has to be analysed.

According to Buhalis et al. (2020), the dark side of the sharing economy is defined as the undesirable effects produced with the introduction of collaborative platforms; those outcomes concern three main aspects: social life, environment and economy. In particular, the access-based economy negatively influences the tourism and mobility sector. As cited in the chapters above, the most disruptive companies are undoubtedly Airbnb and Uber, which have deeply modified the way business is done in the hospitality and automobile sharing sector: both introduced new realities for users and stakeholders, classified by Buhalis et al. (2020) in "value co-creation" and "value co-destruction". Exploring value co-creation and value co-destruction enables "a deep understanding of the interests and limitations of each stakeholder through their motivations and expectations" (Ibidem: 700). The first cluster includes all benefits introduced by the sharing economy divided per type of stakeholder; the second one depicts the negative effects divided accordingly.

Concerning "value co-creation", it is primarily represented by monetary value-added for home hosts, meaning additional income useful to afford financial obligations related to the owning of the home. With regard to the social aspect (as explained in chapter 1.3),

the sharing practice can be the opportunity to meet new people, find companionship and tackle loneliness; moreover, it is a means to take pride in providing hospitality and showing location and culture (Ibidem: 693). With reference to the housing factor, the practice of hosting people can boost the lodging sector, renovating degraded houses and increasing the value of properties, producing subsequent governmental investments in the area and revitalisation of regions. This mechanism produces considerable benefits for the residents too, consisting of a general improvement in the quality of life and better service supply. Following those initial investments, the formal hospitality industry benefits as well, considering that there is an improvement of the attractiveness of the area and, consequently, an increasing tourist demand. Alternatively, the sharing economy provides users with the opportunity to live authentic local experiences while staying in informal accommodation. Furthermore, it provides cheaper accommodation and comfort facilities, especially for groups, while offering flexibility, safety and security.

Switching to the analysis of the undesirable effects, "value co-destruction" matters are equally central. For hosts and accommodation providers, the sharing system can cause pressure due to the high levels of service expectations by the guests, the constant reception of requests, the following cancellations or changes of plan. Hence, this stressful context can create concerns that there could be damages to the properties or that rules might not be respected, leading to problems with neighbours. Concerning the issues with residents and locals, the incessant presence of guests can produce noise and overcrowding, both in buildings and outside, pollution, traffic and parking issues, causing thereby antisocial behaviour. In relation to monetary matters, the massive presence of Airbnb hosts can cause inflation in prices of products and services and a consequent increase of rents, given that accommodation is being used only for sharing economy purposes. As far as competitors and hoteliers are concerned, the presence of sharing economy providers creates unfair competition, prices collapsing, along with the inability to adapt to the continuous changes in the market and to compete with new and flexible facilities.

Taking into consideration both sides, it is fundamental to remember that "these platforms attract new visitors and create new, positive social dynamics, inspiration and enjoyment that come with collaborative engagement between locals and tourists" (Ibidem: 690). Hence, it is important to find methods to optimise value co-creation while seeking to prevent value co-destruction. According to the results of the analysis carried out by

Buhalis et al. in 2020, a solution can be the elaboration of a "balancing act" to ensure value co-creation for all stakeholders requiring intervention, regulation and legislation by local authorities.

Figure 5:

Towards well-being and value balance in the sharing economy: lessons from Airbnb
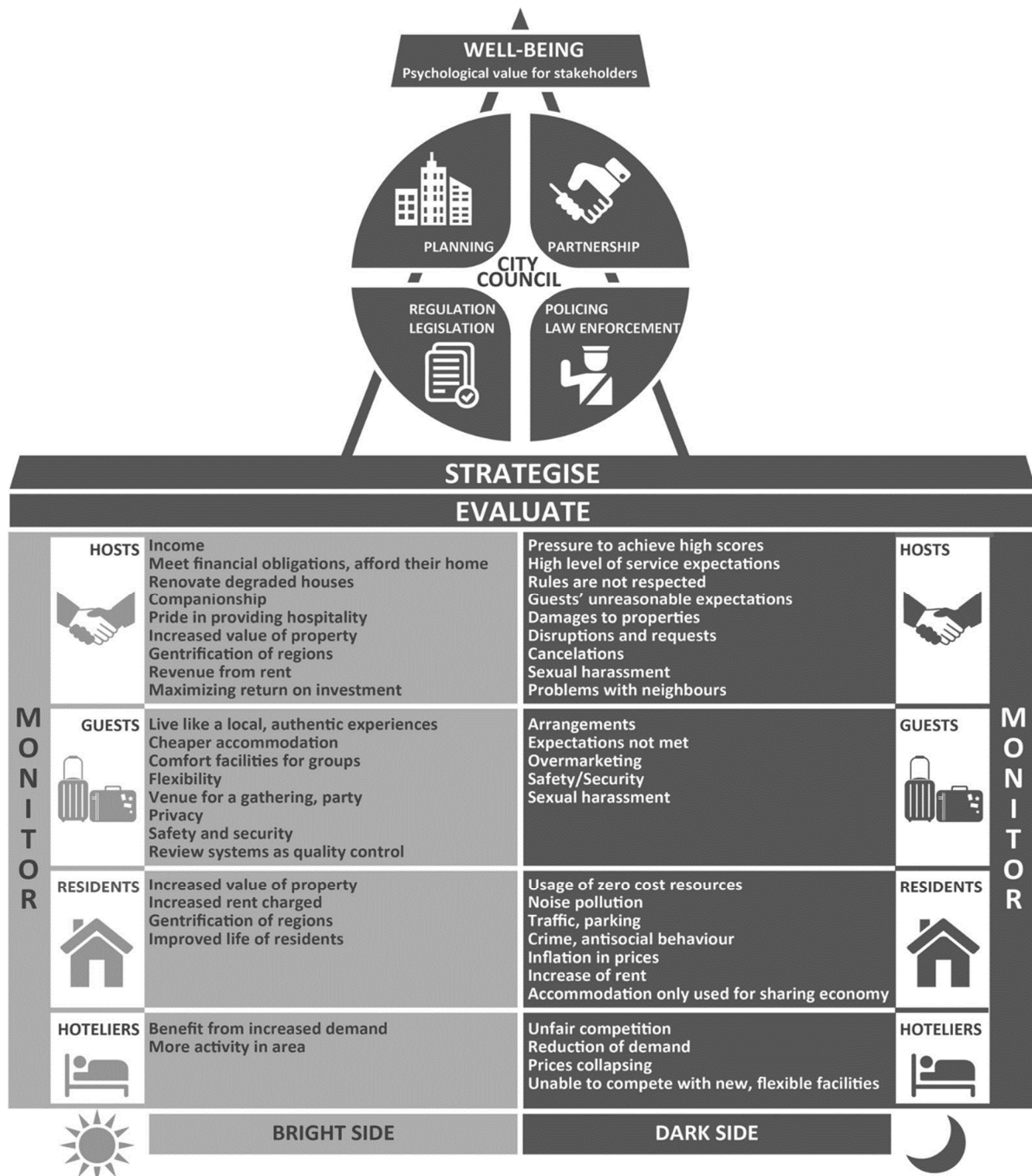
Source: Buhalis et al. (2020). *The dark side of the sharing economy: Balancing value co-creation and value co-destruction,* p. 699

The balancing act should address stakeholder interests, perceptions and behaviours by covering the four key priorities: planning, regulation/legislation, partnership, and law enforcement/policing (Ibidem).

Among the first cities which implemented a balancing act, Barcelona is one of the most successful examples. In 2017, the Special Urban Plan for Tourist Accommodation (PEUAT) came into effect. The city council regulated the sharing economy through strict policies, including the introduction of a mandatory licence, the detection of illegal accommodation, new regulatory measures, administrative cooperation, and sanctions. To provide support to both residents and visitors, a website was created to verify the authenticity of any accommodation licence. Moreover, the council established close collaboration and dialogue with the main sharing platforms such as Airbnb, HomeAway, Booking, TripAdvisor, Rentalia, and Apartur (Ibidem).

The strategy of Barcelona manifests its effectiveness thanks to the thorough works of inspection and detection of illegal tourist flats, eliminating advertisements of unlicensed properties and almost neutralising the illegal activity.

2. Sharing Economy and Tourism

2.1 Role and impacts on the rental economy

As a successful leading economic model, the sharing economy is being employed in different sectors. At the same time, hundreds of million dollars are invested into related start-ups, since investors regard the phenomenon as the new mega-trend (Alsever, 2013).

Back in 2013, the American business magazine Forbes estimated that revenue flowing through the sharing economy directly into people's wallets would have surpassed $3.5 billion, with growth exceeding 25%. In 2014, the global collaborative economy market value was estimated to be approximately $15 billion, and it is projected to increase over $300 billion by 2025 (see Figure 1) (Vaughan, R., & Hawksworth, J., 2014, Cit. in Bonciu, 2016).

Figure 6:

The growth potential of sharing economy in comparison with traditional activities
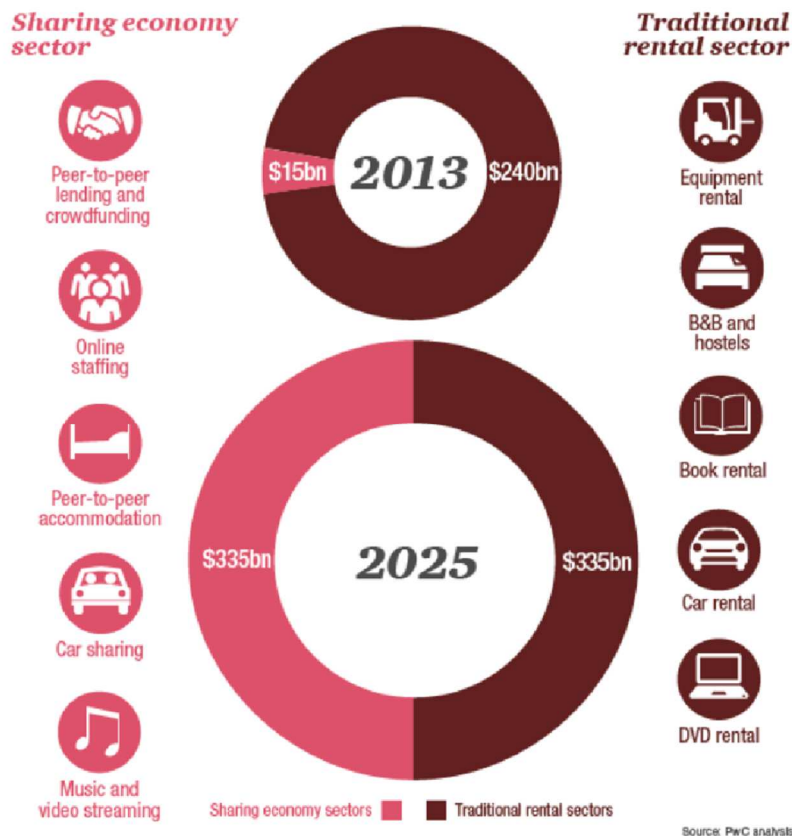
Source: Vaughan, R., & Hawksworth, J. (2014), Cit. in Bonciu (2016). *Impact of the Sharing Economy on the Labour Market*

Diverse are the positive consequences of collaborative consumption and considerable is its potential compared to the traditional system (Ibidem). Not only individuals benefit from it, renting goods directly from each other, but also companies, which can rent machines or offices easily through the Internet, generating new business. Moreover, this economic model can be applied to a variety of sectors, from housing and interior design to transport, to renting fields or camping spaces.

One of the most influenced is certainly the tourism and mobility industry, with representative and widely known platforms such as Airbnb, Couchsurfing, HomeAway, Blablacar, Uber, Woof and House Sitting. Each of these web companies' backbone is built on 3 key elements:

1. they offer resources through online-based platforms,
2. they provide access to resources over a period of time,
3. they offer peer to peer services, thus generally customers and providers are interchangeable (for instance, using Airbnb hosts can be also clients when travelling).

The sharing economy is a way of providing better, easier and cheaper solutions, compared to traditional accommodation options, and these are important aspects to consider while travelling. Generally, online occasional renting is economically advantageous than buying goods, or even than renting from a traditional provider, as the internet makes it easier to aggregate supply and demand. Also, web platforms are safer in terms of monetary transactions as they grant verified payment systems; moreover, they provide rating recommendation systems that help to establish trust among users based on reciprocal reviews. These benefits created a generation of sharers that are more willing to take risks facing them as challenges, for example, trust people known on the Internet, rent their house, ride in a stranger's car.

The sharing economy can be compared to online shopping as at first users were worried about security and making safe purchases. Nowadays, people feel way more safe buying on Amazon than elsewhere. Similarly, it works using Airbnb or Blablacar for the first time. Another example is eBay, started as a peer to peer marketplace, now it is dominated by professional sellers; the same may happen with the collaborative economy (The Economist, 2013). As online shopping, the sharing economy will not completely replace traditional business as we consider it, yet it will be an important complement to it. A new

model in which the two economies will be mixed is arising. It is expanding, touching every day new companies and customers, employers and employees, providing new opportunities. For instance, the collaborative system enables an increase in welfare as, "lowering prices, consumers gain a non-monetary benefit called consumer surplus which can be used for the purchase of other services" (Greenstein and C. McDevitt, 2009: 10). "The sharing economy is expected to continue to grow for the foreseeable future, and it will be challenged by public ethical concerns as sustainability and environmental issues" (Sung et al., 2018: 3). Thus, in order to consolidate the collaborative system, promoting energy-efficient consumption and environmentally friendly behaviours, there should be higher incentives, deregulations and clarifications about taxation, clear safety rules and support for online service providers.

2.2 Sharing economy business model and hub and spoke pattern

During the last decades, alternative modes of consumption have arisen and temporary access to goods over ownership has increased its value; this is the most significant feature of the sharing economy system, which has been enabled by the rapidly evolving Web 2.0 technologies. Since the broadening of the Internet in the early 2000s, digital sharing platforms have appeared and the peer-to-peer (P2P) sharing model became widespread among web companies and apps, both monetised and not, related to any economic sector and activity.

In the tourism and hospitality sector, every aspect of business performance and service production process has been modified by innovative ICTs and Internet technologies. The general trend of sharing economy is leading toward the establishment of a digital communication channel (e.g. web platforms and smart devices) for the continuous exchange of information (Roblek et al., 2016). The management in the tourism industry has to incorporate technological innovations in their business models while granting high-security systems for their customers and partners. It will be crucial to accept the web transition as a challenge, investing in modern ICT tools and innovative technologies to implement guest-oriented business strategies. Numerous leading companies all around the world are based on ITs; as mentioned above, concerning the tourism industry the most valued are Airbnb, Home Exchange and Couchsurfing referring to accommodation, Uber,

Lyft and Blablacar concerning transport, Booking.com and Expedia in terms of reservation tools, TripAdvisor as for the reviewing system, and so forth.

Figure 7: Peer-to-peer model

Source: Roblek V., Meško Štok Z. and Meško M. (2016). *Complexity of a sharing economy for tourism and hospitality,* p. 383

The sharing economy business model succeeds when the entire process becomes more effective through technology; indeed, these companies' strategies are grounded on mobile technologies including the development of apps, the usage of QR codes, and the ease of making purchases and transactions directly through those applications, which allow flexibility in time and space and lead to the growth of interactive marketing tourism services in real-time (Ibidem).

The definition of a business model varies but fundamentally it describes how a company creates and captures value; thus, it is a system whose various features interact to determine the company's success (Kavadias et al., 2016: 2). Normally, a business model reflects the ideal combination of two basic elements: the strategy, conceived at a general level, and operations, which refer to specific actions.

Figure 8: Business models connect strategy and operations
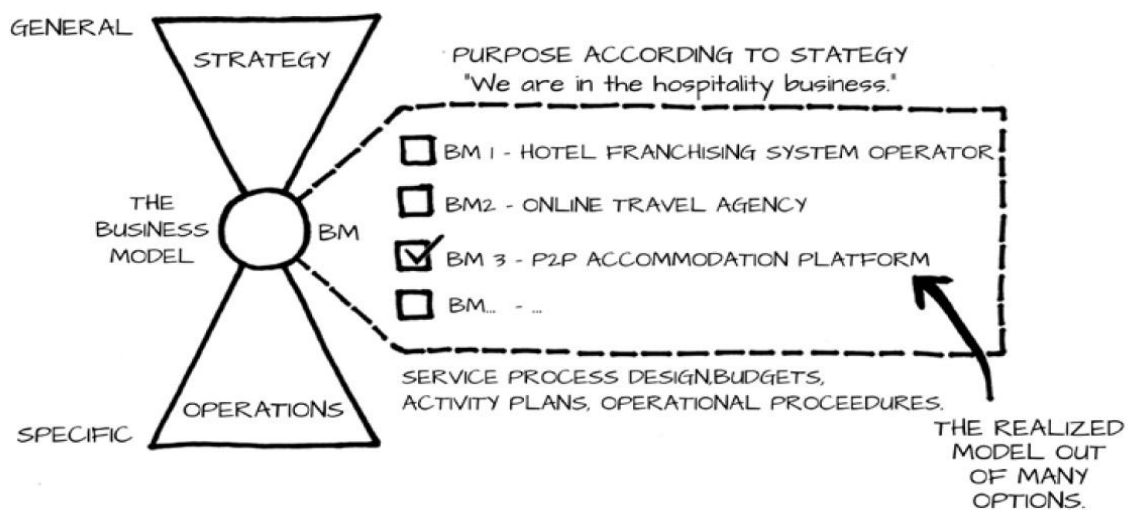
Source: Dolnicar, S. (2017). *Peer-to-peer accommodation networks: Pushing the boundaries,* p. 28

Its components differ depending on the considered paper, the analysed case studies and the researchers, due to the lack of empirical research works; however, some basic elements are common. The prevailing is the value proposition which is "the bundle of benefits a company offers and are of some value to the customer" (Bashir et al., 2016: 2597). Secondly, the assets and capabilities of a firm are defined as the people who are working for the organisation, the technology, equipment and machinery which such organisation possesses, information channels, partnerships and the brand (Ibidem). A further basic component is the revenue and pricing model, also called economic logic or revenue logic, which includes monetary features of providing services, the various procedures which are used for payment, the revenue and pricing strategies (Ibidem). Conclusive is the value network which usually includes suppliers and coalitions which are required in delivering and creating value for customers (Ibidem).

Since today's context and IC technologies are evolving rapidly, companies are required to rethink what consumers expect and desire, incorporating smart technologies into their business concepts. Thus, the basic business model can be improved and adapted thanks to "six keys to success": the more of these six features a new business model has, the greater its potential to transform a given industry should be (Kavadias et al., 2016). For instance, the worldwide successful car service Uber ticks at least 5 components out of 6. Transformative business models include three or more of these features (Ibidem):

1) personalisation,
2) a closed-loop process,
3) asset sharing,
4) usage-based pricing,
5) a collaborative ecosystem,
6) an agile and adaptive organisation.

According to this model, innovations are successful if:
- their products and services are tailored to the consumer's needs;
- the costly assets are shared;
- there is a collaborative ecosystem improved by technology, in which business risks are allocated appropriately and cost reductions are possible;
- the organisation is agile and adaptive, which can make real-time decisions to better adapt to market needs.

"The result is greater value for the consumer at less cost to the company" (Ibidem: 4).

Figure 9: Linking Technology and the Market
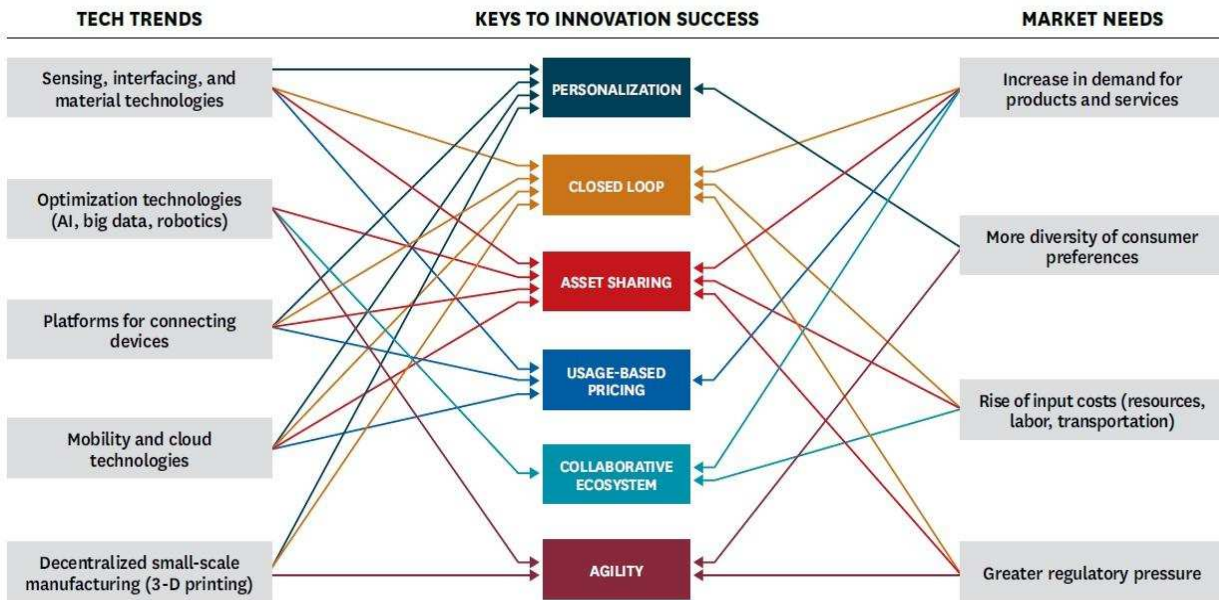
Source: Kavadias S., Ladas K. and Loch C. (2016). *The Transformative Business model: how to tell if you have one* in Harvard Business Review October 2016, p.4

Examples of successful transformative business models are Uber and Airbnb. The accommodation sharing company defines itself as "a social website that connects people who have space to spare with those who are looking for a place to stay" (Bashir et al., 2016: 2598). Its business model is simple: the platform operates as intermediary connecting hosts and travellers through its website and smartphone application, enabling safe transactions without owning any of the rooms in itself (Ibidem). The parties establish their rules and terms while the company grants the payment process charging its costs to guests and hosts. The big challenge in this simple model is to build trust and grant successful bookings; to face this problem the company has implemented a rating system that encourages guests and hosts to review each other.

In relation to the collaborative business model, diverse sharing economy companies are built on the hub and spoke model of services. The hub and spoke scheme was pioneered by the transportation sector, especially in the aviation field, but it has been adopted by companies in every industry. Fundamentally, this business model works from a central hub out of which several routes branch, like the spokes of a bicycle wheel (Gaille, 2015).

Centralisation is the basis: instead of implying multiple departments to do the same work, this model allows the creation of a hierarchy of control that leads to an optimal level of efficiency to reach the end result. Orders come straight from the hub through the spokes, thus the policies and procedures of an organisation can be implemented with greater accuracy (Ibidem).

Figure 10: Hub-and-Spoke business model
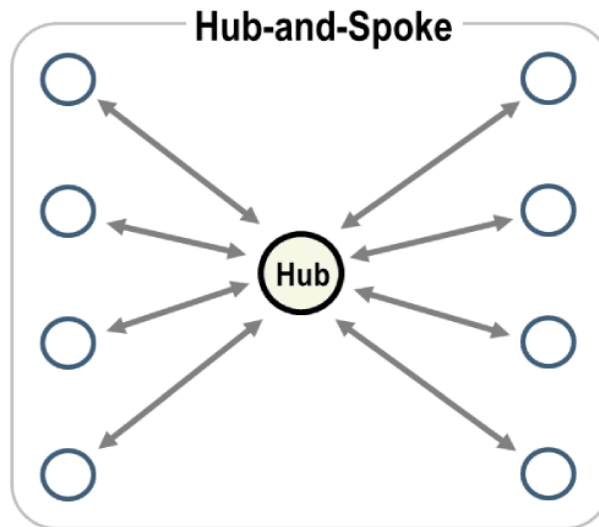
Source: Gaille, Brandon (2015). *Explanation of the Hub and Spoke Business Model*

In this sense, the predominant advantage of this peculiar model of services is that everyone is equal: "there are different spokes with different roles but, in the end, everyone is on the same wheel that is spinning" (Ibidem: 1). This benefit implies that the hub and spoke model must rely on perfection. Being equal, each branch acts individually carrying out its functions and responsibilities: if everyone works in harmony together, the entire system is efficient; on the contrary, if just one spoke disagrees with a decision and does not implement the centralised commands, the model weaknesses will outrightly disrupt the supply chain and the functionality of the system. A breakdown at the centralised hub could potentially create an instant collapse of the business since it supports the entire weight of the organisation (Ibidem). To deal with this risk and avoid problematic situations, diverse businesses started to implement a so-called multiple hub system. In this model, the central headquarter still controls the activity, but the lower level hubs have the authority to issue commands within their spokes as necessary to keep the overall business operational (Ibidem).

Generally speaking, the hub and spoke system, as any other business model, presents strengths and weaknesses. Firstly, it is cost-effective and cheaper than most other models: since everything is centralised, different tasks are assigned to each spoke, hence there is no need for duplication throughout the entire supply chain. Moreover, the costs of maintenance are low: the centralised location of power allows for consistent training and oversight of skills, which is crucially important in the long term in order to enter well-trained people in the respective branch. Nonetheless, the hub and spoke model is not equally applicable to every business, but some of its elements can be retained. For instance, by centralising, being consistent and reducing organisational delays many companies would benefit and see some cost savings as a result.

Concerning the sharing economy, numerous web professionals are employing the hub and spoke model, or at least some of its components, to improve their businesses. This system integrating the collaborative consumption services creates a more seamless user experience and generates new business for sharers (Zhuo, 2015). In this sense, new ideas are being implemented in view of obtaining new websites or apps which will work as "hubs" to provide shared services. For instance, it would be possible to get a dinner reservation, but to also order an Uber, buy flowers and book an overnight stay, all in one tool (Ibidem: 1). Some examples of this model already exist: for instance, the reservation section on TripAdvisor, introduced in 2012, or the "experiences" on Airbnb. The latter, which recently expanded also to online experiences, enables people who are looking for accommodation to plan "what to do" in their destination and how to feel more included in the local culture. Recently, during the Covid-19 pandemic, the online experiences section has been added in order to involve people even maintaining social distancing and avoiding contagion. The mentioned innovations have been conceived not only to improve the quality of the platform and the variety of the provided services but also to increase customer satisfaction and attract potential new users. Consequently, they can be considered as veritable marketing strategies.

2.3 Viral web marketing and network effects

In a sharing economy, the emerging digital platforms have a tremendous influence on the changes in the tourism supply chain. Through the expanded web and social media technologies, customers have the opportunity to search and compare offers and amenities

from a variety of tourist service providers; thus, the processes of knowledge management are increasingly dependent on the ability of each company to search, collect, process and evaluate data and information. In this perspective, online-based companies have developed and implemented a peculiar kind of marketing plan called collaborative marketing or viral marketing, characterised by cost-effective promotion tools applied to this evolving industry. According to the e-commerce consultant Dr Ralph F. Wilson, "viral marketing describes any strategy that encourages individuals to pass on a marketing message to others through Web 2.0 technologies, creating the potential for exponential growth in the message's exposure and influence" (Wilson, 2005: 1). The user becomes the marketer who influences the reputation of something via expressing his opinion; off the Internet, the phenomenon is commonly known as "word-of-mouth" or "network marketing", while online, data transfer is made via email, social media (Facebook, Instagram, YouTube, Twitter…), blogs, and evaluators of websites. (Roblek et al., 2016: 385).

In particular, a powerful collaborative marketing strategy should encompass "The Six Simple Principles of Viral Marketing" (Wilson, 2005): the more elements it embraces, the more powerful the results are likely to be.

Accordingly, a strategic viral marketing plan:

1. gives away products or services: most online marketing programs give away valuable products or services to attract attention as "free" is the most effective word in a marketer's vocabulary to quickly attract attention;

2. provides effortless transfer to others: the marketing message must be simple, easy to transfer and quickly replicable, to be instantly shared through the digital means of communication such as email, social media and websites. Like viruses, they only spread when they're easy to transmit;

3. scales easily from small to very large: the viral model and the transmission method must be built in scalability, to be rapidly conveyed from small to very large;

4. exploits common motivations and behaviours: the marketing strategy must be built on common human motivations and behaviours for its effective transmission;

5. utilises existing communication networks, to rapidly multiply its diffusion;

6. takes advantage of others' resources: the most creative viral marketing plans use others' resources to get the word out (Ibidem).

The "6 basic Elements of a Viral Marketing Strategy" model can improve significantly the collaborative marketing system of sharing economy businesses; in particular, in the tourism field the use of viral communication applied to sharing platforms can be helpful in different ways: it improves the interaction between consumer and provider, enhances the impact of positive reviews and leads to the maximisation of network effects (Sung et al., 2018).

The Internet is a notable example of how the network effect works: essentially, the phenomenon consists of increasing the number of participants in a network to improve the value of its goods and services through two-sided platforms. Thereby, if more consumers make the software platform more valuable to developers, more developers make the software platform more valuable to consumers (Ibidem). In the case of the Internet, it was initially of little value and reachable by a few people. In the following years, as more users gained access, it evolved and attracted an increasing number of people to connect and do business with each other. Thus, as the Internet experienced traffic increases, it offered more value and features, more websites and engagement as well as new products and services, leading to a successful network effect (Banton, 2019).

Generally, the network effect leads to an improved experience as more people participate and can be a useful tool to encourage new participants as they look to benefit from the network (Ibidem). At its core, significant network effects are obtained whether the required number of users, called the critical mass, is attained. Thereafter, networks gradually offer more benefits to consumers, improved goods and services in view of attracting new users. However, if too many people use a good or service, congestion can occur, leading to a negative network effect (Ibidem). To prevent this matter, providers must ensure that the network capacity is increased sufficiently in order to accommodate all users.

On the Internet, network effects often benefit a variety of services-for-hire apps and websites (Ibidem). Since technology has reduced transaction costs, sharing assets is now cheaper and easier than ever before, and this is possible on a much larger scale (The Economist, 2013). Before the World Wide Web, renting activity already existed but usually, it was more trouble than it was worth. In this sense, nowadays, the more efficient an online platform is, the more its sales increase, thanks to the chain-network effects.

Collaborative platforms and e-commerce sites grew in popularity as more users joined those marketplaces and offered their products to consumers who embraced online exchange. For instance, the success of web companies like eBay, Uber and Airbnb depended also on reaching a critical mass of users and services, and on the perceived network effect (Sung et al., 2018): it consists on increasing the positive impact people have while using a platform, through the implementation of different tools such as secure systems for financial transactions, or a reciprocal review mechanism to create a trusting community.

In the framework of the tourism and mobility sector, network effects also played a central role in the advance of accommodation websites and ridesharing services. Companies such as Uber and Lyft evolved and grew through the support of participants and the creation of positive and efficient network effects (Banton, 2019). As more drivers became part of the systems, the two brands gained market value (Ibidem). Nowadays, these leading ride companies are present in more than 70 countries and 600 cities all around the globe. The same mechanism worked for Airbnb and other accommodation platforms like HomeAway or Booking.com.

Even though web-based companies have similar business models, corresponding marketing plans and related network effects, each one of them has its own different brand identity and values. In this regard, it is essential to adapt the business activity to better meet the consumers' needs and expectations.

2.4 Brand identity, UGBs and the trust component

"The introduction of Web 1.0 and 2.0 has changed the way consumers interact with companies, and most importantly the ways brands can be created and managed by online communities" (Yannopoulou et al., 2013: 89).

Considering the numerous peer-to-peer accommodation platforms, different typologies exist. As the figure displays, they can be synthesised according to their characteristics, as to whether they are profit-oriented businesses or non-profit platforms, host-centred or not.

Figure 11: A typology of peer-to-peer accommodation network facilitators
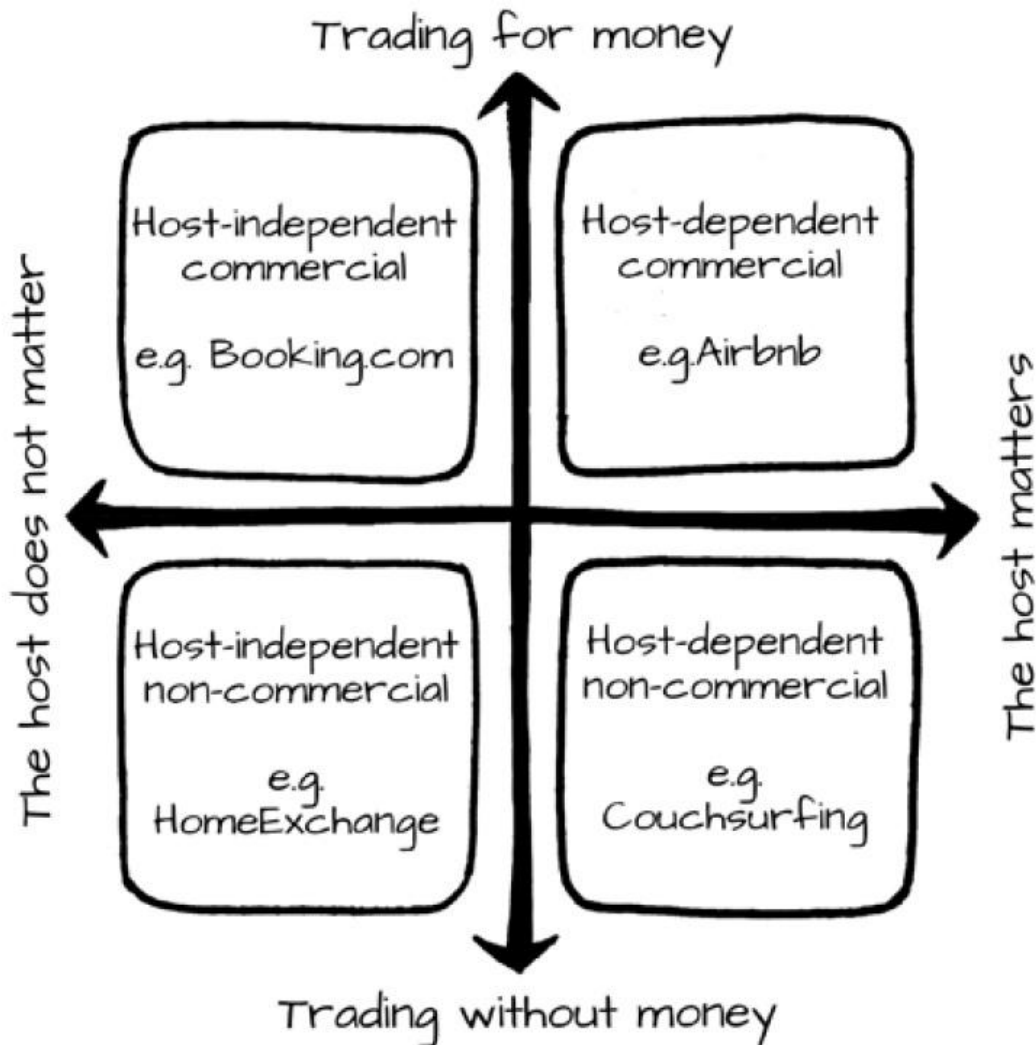
Source: Dolnicar, S. (2017). *Peer-to-peer accommodation networks: Pushing the boundaries,* p.68

However, before using any platform, the potential user wants to feel safe, trust the company and the online networking resources. For the consumer, this is a crucial aspect of the sharing economy system, together with the intrinsic sense of belonging to the online community. In this respect, companies want to convey a strong message of safety, human dimension and personal care; for instance, this purpose can be achieved through the construction of a strong brand identity, in particular very effective are UGBs (user-generated brands). It can be defined as the strategic and operative management of brand-related UGC (user-generated content) to distribute voluntarily created personal brand messages created by non-marketers in a computer-mediated environment (Arnhold, 2010, Burmann, 2010).

Several papers show how, generally, brands are suffering a loss of authenticity and growing fragmentation due to changes in the competitive branding landscape and sometimes negative perceptions. In this regard, it is crucial to increase brand loyalty and relevance, influencing the brand image as well as brand identity. UGBs can impact brand perception by both external and internal stakeholders, granting the company and the consumer's empowerment. Two key UGB approaches can be identified: sponsored and non-sponsored UGBs. The latter consists of "handling the natural brand-related UGC without the interference of the marketer" (Burmann, 2010: 2). Contrarily, sponsored UGB is based on active consumer contributions undertaken through different forms of campaign such as blogs, photos, videos and contests. UGCs and consequently UGBs can be regarded as real brand communication mix tools since they are extremely effective and efficient. Numerous are the advantages: considering the setting up cost, a UGB program website is cheaper than a traditional TV advertising campaign; furthermore, it enables immediate traceability of consumer contact, through quantitative and qualitative feedback regarding the program itself and the expressed brand concept. Moreover, user-generated brand messages affect the consumer's experience and expectations since they are regarded as strategic brand communication efforts. Sponsored UGB programs should be promoted as symbols of open brand communication, highlighting brand transparency and responsibility principles (Ibidem).

In the tourism industry, Airbnb is the most known example of a huge sharing economy platform, together with Couchsurfing. The two companies exist through consumers and social media which contribute to the creation and distribution of the brand value. Both business identities are strong and communicate the human dimension of the systems and the access to the private sphere. Considering Airbnb, the overall results of the platform are measured through indicators of success such as user engagement, value creation, transparency and authenticity; the focus of the company is on how to actively engage consumers and staff members in the same activities. Couchsurfing has a different focus since it is a non-profit organisation that "seeks to internationally network people and places, create educational exchanges, raise collective consciousness, spread tolerance and facilitate cultural understanding" (Rosen et al., 2011: 982). Both sharing platforms offer a new way for people to travel and find accommodation, posing a working model of

hybrid online-offline communities, changing the way people negotiate social trust and belonging across geographic and cultural boundaries (Ibidem).

A comparison between those two worldwide companies can be drawn, highlighting common elements and differences. Above all, it is fundamental to remember that the two companies differ in terms of the exchange of money for accommodation, since Airbnb is embedded in commerce, while Couchsurfing is based on free exchange. Both businesses are based on the concepts of 'exchange', 'authenticity' and 'access'. Customers taking part in both brand experiences define them as significantly different to mainstream consumption, somewhat alternative, since they go against many common social norms: "people are welcoming strangers into their private space and lives, and this is challenging in terms of human contact, meaningful life enrichment, access and authenticity" (Yannopoulou et al., 2013: 89). In particular, the core dimension of the Couchsurfing brand identity revolves around the notion of human relationships and cultural diversity, redefining the concepts of "stranger" and "friend". Indeed, "Couchsurfing.com is an online cultural exchange community in which members from around the globe locate accommodations while travelling by staying in the homes of other members" (Rosen et al., 2011: 982). Thus, the primary use of the platform is to connect people globally to find a free place to stay while travelling; however, the community's purpose is enriched with added functions in order to encourage users to meet local people, exchange information, share common interests and provide cultural exchanges. Taking part in the Couchsurfing brand experience provides the opportunity to explore the city, its culture and people from the point of a local resident living the ultimate authentic experience (Yannopoulou et al., 2013). Contrarily, in the case of Airbnb, the website emphasises the accommodation, the rooms available and the location rather than the host and its everyday life. Generally, the platform provides specific information about the offered facilities with high definition and professionally shot photographs, and the host can but do not need to interact with guests.

On Couchsurfing, hosts serve as anchor-points, becoming a source of knowledge and perhaps a free guide or travel companion (Zuev, 2008). The platform purpose is to get access to the place and the person while entwining them: the places are seen by guests through the eyes of local hosting residents, and particular places are experienced through

the host's social networks and their accumulated knowledge of the local scene or pertinent landscape (Ibidem).

In this perspective, some problems have arisen such as the eventual harm to social relations born through the internet and the level of trust in people. As it is generally thought, the internet is a dangerous place where nobody knows the people they will meet and their intentions; moreover, it could generate isolation and depression, as some researchers have hypothesised. Anyhow, "the internet is more beneficial than harmful to social relations and well-being" (Rosen et al., 2011: 984). It provides individuals with a tool for keeping in touch with family and friends that are in geographically dispersed locations, or when travelling and separated from support networks, while also facilitating the formation of new relations (Ibidem). "Travellers are often isolated and without connections; however, the Couchsurfing community may give its members the feeling that they have a social support network and friends in otherwise unknown locations" (Ibidem: 984).

Recent researches have specifically applied this concept to travel behaviour; the result is presented as "social activity travel". It proposes that an individual's travel activity is embedded in the social context allowing "people to locate and establish new social network ties in any geographic location" (Ibidem: 984). It happens on Couchsurfing, considered to be a strong and wide relational community in which individuals share values, interests, and an individual's sense of belonging and identification is created. The sense of community and involvement of people can be measured through four dimensions: group membership, needs fulfilment, influence and emotional connection. The four basic elements contribute to engaging people in the sharing economy system and to trust each other. Internet relationships, such as in virtual communities, involve the interaction of individuals who have never met or may never meet, creating the exchange economy of trust (Ibidem). Therefore, this concept plays an important role in the success of e-commerce websites, like Airbnb. The efficacy of gaining access depends on the degree of trust established between potential hosts and guests, also influenced by social media (Zuev, 2008). Considering the example of Couchsurfing, people can get to know each other before the actual meeting through online self-presentation. Several studies on the subject indicate that members feel a stronger sense of belonging when online interactions are augmented by offline elements such as collective gatherings or individual

meetings, reinforcing the social network element of online-offline communities. Moreover, results showed that trust increases as people host more: active members accumulate positive references and friends that represent trusting relationships embedded in their social networks (Rosen et al., 2011). Thereby, Couchsurfing offers different indicators of engagement such as verification, length of membership, hosting others, surfing (staying at another member's home), organising and attending gatherings. Through the evaluation of these objective criteria and the content-analysis of the potential host profile, it is possible to gain information about the individual's personality traits. Self-presentation on Couchsurfing must communicate trustworthiness and authenticity, and the analysis of the visual side of the profile gives a lot of information in this sense (Zuev, 2008). The presence of some photos and a brief description support the positive message of "being a trustworthy traveller", rather than an evidently manipulated profile or a grey silhouette set as the main photo. Likewise, a different level of trust is measured through the request: "generally members would be more inclined to consider a Couchsurfing demand if it is sent specifically to them" rather than published publicly or sent through group email, and if the message is customised and shows that the sender has already visited the host profile, knowing about his or hers interests and expectations (Rosen et al., 2011: 987). This happens because Couchsurfing is seen by users as an opportunity to exchange resources and information and to not *free-ride* just having free accommodation (Ibidem: 995); the idea is that resource exchange is beneficial for both parties, as positive exchange experiences. Since Couchsurfing is extremely rich in cultural diversity, it is conceptualised as a spatial practice that gives tourists access to a living place and the local knowledge about the destination travelled (Zuev, 2008).

Differently to Airbnb whose users profiles differ a lot, Couchsurfers can be more specifically identified. Generally, the latter are young people (the average age of the members is 26), geographically dispersed, and speak at least two languages. The great seven user-countries are the USA, Canada, Germany, United Kingdom, France, Italy and Australia, and the dominating language of users is English (Ibidem). On Airbnb, the user profile is broader as any age, country, cultural and educational background is present. Nonetheless, both platforms register a rapidly growing number of members. According to the available records, Airbnb users today are more than 300 million, while Couchsurfing is reaching about 12 million people. These huge figures represent a direct

effect of the positive perception the Internet has on people nowadays; the web is progressively developing, offering unique experiences, and gaining trust.

2.5 The grey economy and its regulation

The sharing economy is a very influential phenomenon and it is essential to consider both positive and negative aspects (as already mentioned in chapter 1.4).

It is part of the so-called informal sector also known as the "grey economy", which represents the area of the economy that is not monitored by any form of government and has segments of illegality. It employs a considerable share of the global workforce thus it is crucially important to regulate it including compliance with local legislation and the obligation to pay taxes. In this sense, it is useful to distinguish between regulation and deregulation. Regulation is the process of governments passing laws to control certain activities protecting the public from what is viewed as unethical or dangerous. Deregulation is the opposite process, consisting of governments removing restrictions that may be seen as detrimental to businesses or competition (legalbeagle.com).

The urgency of daylighting the sharing economy comes from the need to establish a compromise between granting businesses a right degree of freedom and restricting some harmful activities, guaranteeing safety for workers and users.

Within the framework of tourism, destinations should be able to benefit from this sector stimulating collaborative consumption's positive effects for the local industry, entrepreneurs, residents, and tourists while mitigating its negative impacts. Balancing the positive and negative externalities is not easy considering that they depend on a multitude of factors such as the context of the economic sector, the size of the city and the popularity of the destination, the established industry, the amount and concentration of tourism facilities (Niewland et al., 2018). Therefore, regulation is complex and has to consider these determinants. Moreover, different are the reasons why structured and complete regulation is needed. It is vital to regulate conflicts between sharing economy platforms and traditional services; in this case, a comparison between Airbnb and traditional hotels can be drawn. The sharing accommodation platform affects traditional markets in a way that can be regarded as disruptive under different perspectives (Vitktovic, 2016).

Generally, collaborative platforms offer rooms at lower prices compared to traditional businesses in tourism, due to the absence of staff and customer service and the low fixed cost, like rent and electricity, which are already covered. Besides, they are not classified as traditional accommodation providers then they do not have to comply with many laws as their competitors: Airbnb hosts generally have no standardised health and safety systems nor any insurance requirements, and consequently they can avoid significant costs. Also, there is a lack of legal basis supporting this new type of hospitality and hosts are usually not taxed (Sung et al., 2018). Therefore, the sharing economy is seen as a "regulatory evasion". The mentioned factors provide Airbnb with a competitive advantage, disrupting underlying supply businesses and further deepening the unfair competition on the markets. Nowadays, the influence of Airbnb is huge: with over 3 million listings in 190 countries and 65,000 cities, it offers more rooms than major hotel chains like Marriott, Hilton and Intercontinental (Niewland et al., 2018).

"Yet, Airbnb does not only affect the hospitality industry, but it also influences residential neighbourhoods" (Ibidem: 811). As described in chapter 1.4, the use of sharing economy platforms allows residents to earn extra income by renting out part of their properties, leading to neighbourhood revitalisation. Usually, Airbnb travellers look for authentic and "off-the-beaten-track" experiences while staying with locals (Ibidem: 811); their stay is longer compared to traditional tourists and, consequently, they spend more money near the accommodation benefitting both the neighbourhood economy and the tourism industry. Though, complaints are frequent in particular concerning increasing rents for residents: since commercial investors are buying residential properties to turn them into shared accommodation, housing availability and affordability for residents has become an issue. Frequently, properties are taken off the market and rented to tourists; on the one hand, this turns into a valuable income for homeowners but, on the other hand, it causes a rise in property values, estimated around 6-11%, which is detrimental to residents who cannot afford the high rents and are driven out of the neighbourhood (Ibidem: 813). In this sense, sharing economy regulations are directed to mitigate the negative impacts but their enforcement is still difficult due to the STR (short-term rentals) market's dynamic nature and online practice (Ibidem: 811).

The existing regulatory framework is outdated and consequently unable to "effectively cope with the digital revolution the sharing economy is part of" (Vitkovic, 2016: 117).
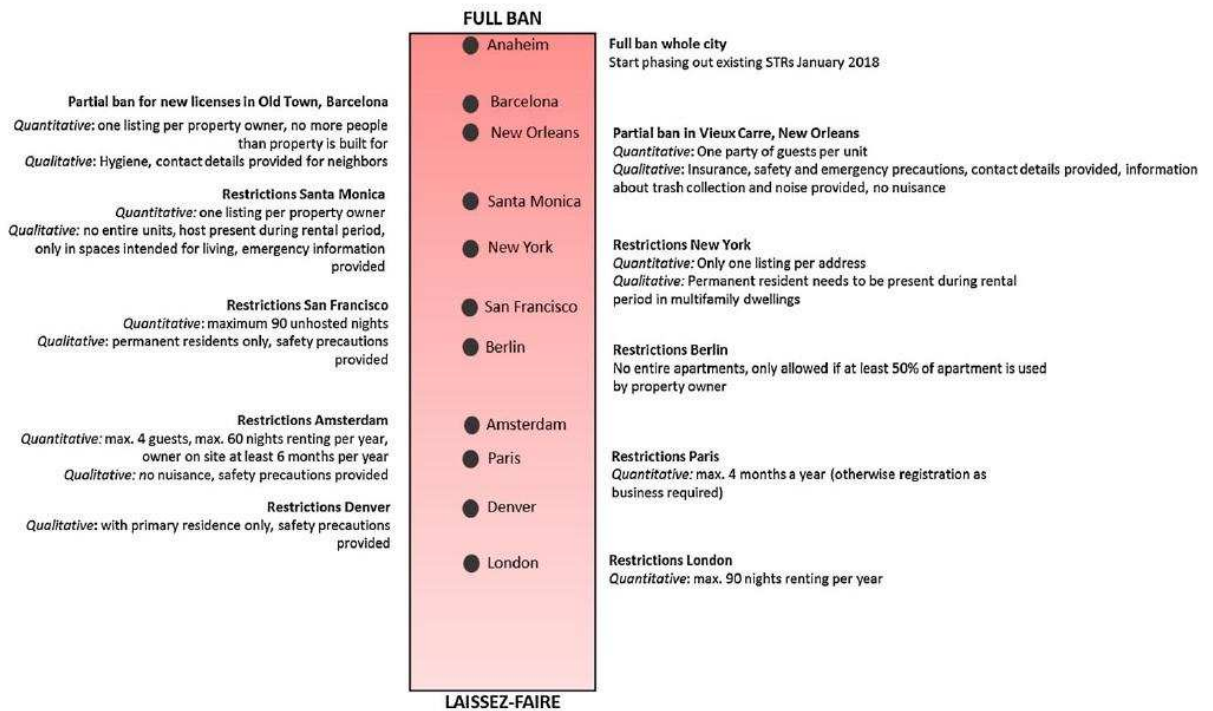
According to Vitkovic (2016), there are two main groups of proposals on how to regulate the collaborative sector. The first is calling for comprehensive governmental regulation, on a local, national, or supranational level. The alternative is proposing the introduction of a path of self-regulation, reallocating the regulatory responsibility to parties other than the government. Usually, it consists of agreements among groups of firms of a determined industry sector, called self-regulation organisations (SRO) whose task is to set rules to follow.

Considering the diversity of the sharing economy system and its constant innovation and evolution, different are the objectives to achieve, reachable by the implementation of mixed policy measures. In general, three regulatory approaches have been identified, which are laissez-faire, prohibition, and allowing sharing activities with certain restrictions (Niewland et al., 2018). Laissez-faire consists of avoiding the adoption of any measure to limit the sector thus, it is not considered as an actual regulation. Prohibition is the opposite approach and implies banning STRs altogether, in a certain region or city. Both approaches present negative externalities such as the creation of an illegal market or the missing tax revenues for local governments.

To date, a general uncertainty characterises the collaborative sector: a workable and global legal framework does not exist already, and regulators are struggling to adapt existing laws to sharing platforms (Vitkovic, 2016). However, different viable options have been adopted by different countries in their regulation systems, adapting the local legislation to factors like the geographic location, cultural differences, the popularity of the destination, the type of property which is rented out and the impact those platforms have on the cities and the tourism industry.

Generally, differences between American and European cities can be identified.

Figure 12: Regulatory approaches in 11 European and American cities

FULL BAN

Anaheim — Full ban whole city. Start phasing out existing STRs January 2018

Barcelona — Partial ban for new licenses in Old Town, Barcelona. *Quantitative:* one listing per property owner, no more people than property is built for. *Qualitative:* Hygiene, contact details provided for neighbors

New Orleans — Partial ban in Vieux Carre, New Orleans. *Quantitative:* One party of guests per unit. *Qualitative:* Insurance, safety and emergency precautions, contact details provided, information about trash collection and noise provided, no nuisance

Santa Monica — Restrictions Santa Monica. *Quantitative:* one listing per property owner. *Qualitative:* no entire units, host present during rental period, only in spaces intended for living, emergency information provided

New York — Restrictions New York. *Quantitative:* Only one listing per address. *Qualitative:* Permanent resident needs to be present during rental period in multifamily dwellings

San Francisco — Restrictions San Francisco. *Quantitative:* maximum 90 unhosted nights. *Qualitative:* permanent residents only, safety precautions provided

Berlin — Restrictions Berlin. No entire apartments, only allowed if at least 50% of apartment is used by property owner

Amsterdam — Restrictions Amsterdam. *Quantitative:* max. 4 guests, max. 60 nights renting per year, owner on site at least 6 months per year. *Qualitative:* no nuisance, safety precautions provided

Paris — Restrictions Paris. *Quantitative:* max. 4 months a year (otherwise registration as business required)

Denver — Restrictions Denver. *Qualitative:* with primary residence only, safety precautions provided

London — Restrictions London. *Quantitative:* max. 90 nights renting per year

LAISSEZ-FAIRE

Source: Nieuwland S. and Van Melik R. (2018). *Regulating Airbnb: how cities deal with perceived negative externalities of short-term rentals,* p.816

In some US cities, as well as in South Korea, peer-to-peer services have been banned after lobbying by traditional firms. Other American cities ban rentals of less than 30 days that have not been licensed and inspected, as well as Berlin where legislation prohibits short-term rentals of entire houses or apartments without a city permit, allowing only room rentals for non-city residents and restricting the numbers of nights a property can be rented out. Moreover, many cities enforce quantitative restrictions, often in combination with qualitative regulations such as the payment of taxes from income gained, hospitality charges, and the "zoning" of specific areas of the city where renting for tourism is permitted; others require compliance with primary residency requirements and security standards to ensure guests' safety such as smoke and carbon monoxide detectors, fire extinguisher and emergency contact information. In some cases, hosts can self-certify to be complying with these requirements through an entirely online licensing system. Denver, for instance, was the first city worldwide to have an effective online licensing system for STRs: in every announcement, STR operators are required to indicate their licence number to prove they are legally registered. To mitigate inconveniences in the neighbourhood, the system also demands hosts to provide guests with information about

39

parking, noise restrictions, and trash collection (Niewland et al., 2018). Lastly, sharing economy providers are required to pay a 10.75% lodging tax. However, enforcement is still difficult in practice. The collaborative market is very dynamic, and with hosts starting and quitting each month it is complicated to follow. "Violators first receive notification of non-compliance which can lead to fines from $150 to $999 a day or a complete withdrawal of the license if non-compliance continues after the notification" (Ibidem: 821).

Different is the context in Europe, where it is expected that the legal regulation will be harmonised within years. The European Commission and the European Parliament have not yet adopted uniform guidelines and directives for the operation and control of digital platforms even though the sharing economy represents a major economic, social and cultural shift. Rule enforcers are now beginning to realise how strong the collaborative marketplace is becoming and the revenues it is generating, hence they need to explore how they could facilitate its growth (Euro Freelancers, 2014).

Figure 13: The Collaborative Economy in the EU (2016)
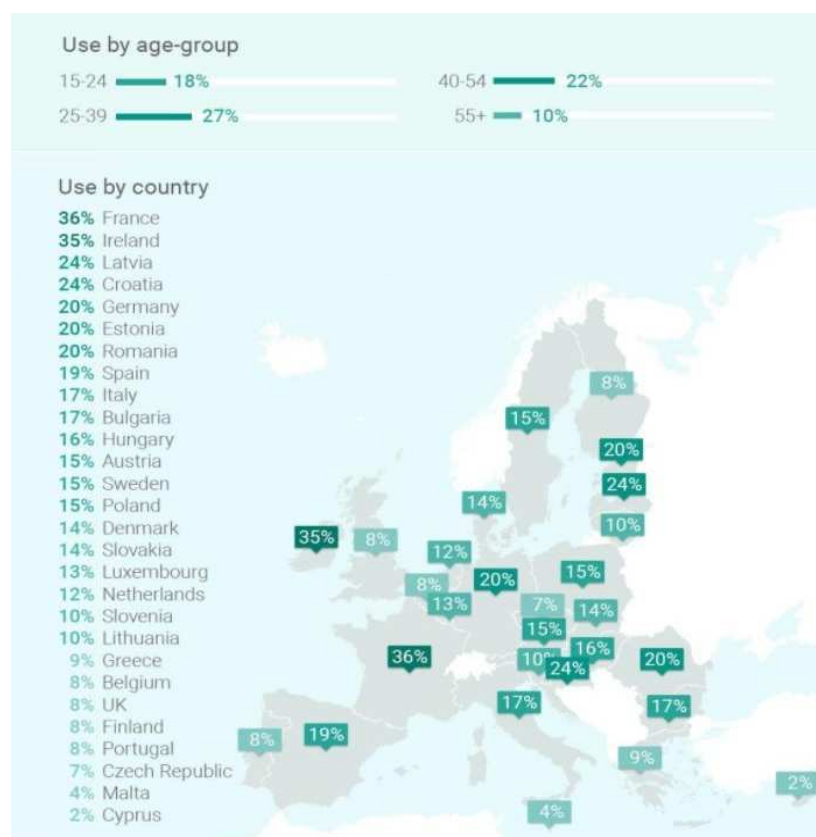
Source: European Parliament Press Releases (2017). *Sharing economy: Parliament calls for clear EU guidelines*

So far, due to the lack of tailored European policy frameworks, sharing economy players self-regulate their businesses. The absence of regulatory measures creates uncertainty and shades of illegality leading to damages towards businesses and consumers. Contrarily, excessive regulatory measures would suppress innovation and entrepreneurship in the sector. Hence, appropriate policies are needed as well as active cooperation between European regulators and sharing economy businesses. A solution could be the regulation on a sector-by-sector basis, which incorporates feedback from sharing companies, stakeholders and end-users. For this purpose, the European Sharing Economy Coalition (EURO-SHE) was created: it is the first open international network that brings together companies, NGOs, academia, local authorities and consumer groups intending to promote and monitor progress towards EU and national policies.

Figure 14: Multi-stakeholder European network
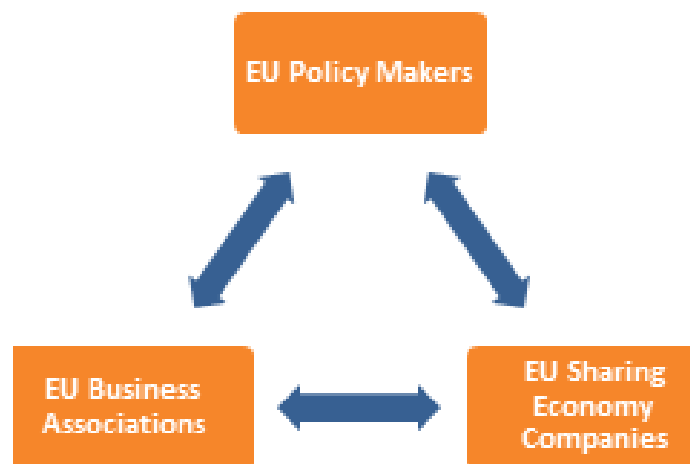
Source: Euro Freelancers: *European Sharing Economy Coalition*

An important step forward was taken at the EU2020 strategy session, where EURO-SHE proposed that "the consumption of goods and services should take place in accordance with smart, sustainable and inclusive growth and should also have an impact on job creation, productivity and economic, social and territorial cohesion" (Euro Freelancers, 2014). Effectively, different measures need to be taken to regulate the sharing economy. It is primary to identify and modify the existing regulations that obstruct the collaborative sector to mitigate their negative impact and support new sharing businesses. To follow these purposes, the new regulations should be clear and complete, facilitating the establishment of minimum safety and quality standards, promoting trust and encouraging consumers to participate in peer-to-peer platforms, without creating disadvantages to

traditional business models; pivotal is the introduction of new mandatory requirements for shareable products concerning security standards, legal procedures, insurance and tax provisions. In particular, each branch of the collaborative system has to be properly regulated and recognised legally due to the rapid growth in volume and value of sharing economy transactions. In Europe, 4 main areas of competence have been identified which are shareable transportation, food, housing and jobs.

Figure 15: Four most popular sectors (2015) and transactions' value (€ billion)
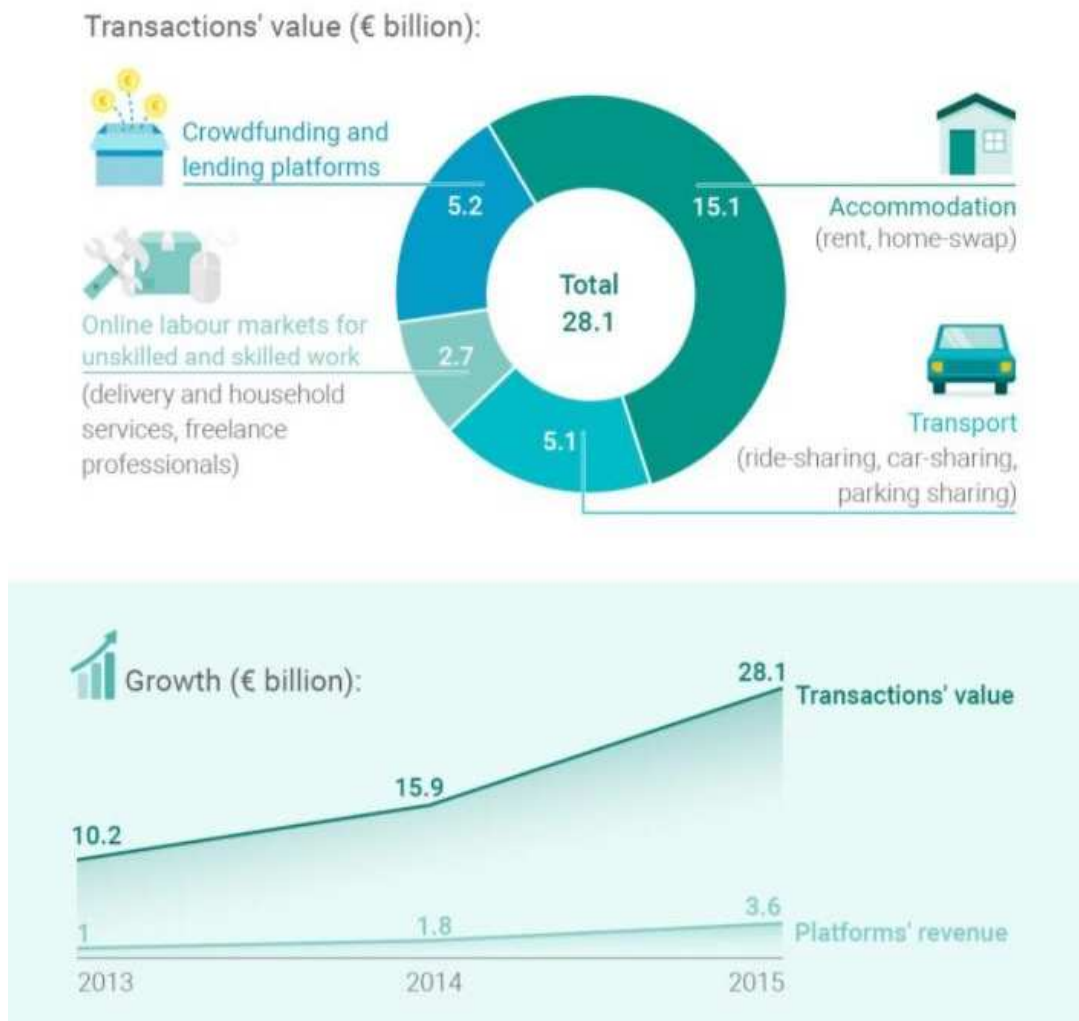
Source: European Parliament Press Releases (2017). *Sharing economy: Parliament calls for clear EU guidelines*

The sharing economy model encompasses millions of people around the world, and big companies, tax collectors and regulators are sniffing around it; this is a measure of how huge its value and potential are.

2.6 Effects of sharing economy and ICTs on tourism industry employment

The sharing economy system influenced the way people do business in different sectors, including tourism.

Housing platforms such as Airbnb and HomeAway have somewhat disrupted the traditional accommodation business model breaking the barriers to enter the hotel industry and introducing a superior degree of innovation and technological advancement. The collaborative sector impacted different aspects of the tourism industry, among which employment. Due to the rise of accommodation platforms, over 2,800 jobs were lost as companies have removed demand from the traditional lodging market (Bashir et al., 2016). Therefore, $200 million were lost in direct labour income and, annually, over $226 million are missed in tax revenues for governments (Ibidem). Moreover, the social unemployment rate may increase inasmuch as Airbnb room owners and other platforms' users do not need to employ workers, and numerous so-called low-end hotels are replaced and forced to close. "Governments cannot lose control over the sharing economy, but they must regulate the sector formulating appropriate and effective policies to ensure the society will be benefitted" (Fang et al., 2015: 4); it is crucial to avoid negative drawbacks, transforming current threats to hospitality and travel industries into opportunities for future generations. To this extent, the entry of collaborative platforms can be analysed also under many positive aspects. The entire tourism industry profits from peer-to-peer businesses considering that usually sharing accommodation users spend more days travelling in their chosen destination; this allows a considerable expansion of the tourism market and an increasing number of visitors. Likewise, the satellite activities benefit: for instance, restaurants are required to satisfy the growing demand brought by the tourist influx, as well as taxis and transport services, or museums and attractions (Ibidem). Generally, destinations register a rapid development of the global tourism offer, with raising quality and a closer focus on the customers' needs. The results are positively correlated with a growth in incomes and increasing employment opportunities, especially in the hospitality and transport sectors. Labour will face a profound change offering access to more flexible part-time jobs and redefining the very concept of unemployment as people could work varied hours in the sharing economy in addition to traditional jobs (Zhuo, 2015).

The collaborative economy affects not only the development and evolution of the tourism offer but also "provides added value to businesses and individuals in the form of intangible assets" (Roblek et al., 2016, 384). It raises greater socio-environmental consciousness among consumers who are demanding growing sustainable development and ethical business practices: this concept embodies one of the key principles of collaborative consumption. As Figure 15 displays, when people have access to a surplusage of idle resources like cars, clothes or houses it is more profitable to share them, avoiding waste and getting considerable savings in monetary and environmental terms.

Figure 16: Systems, principles and drivers of the collaborative consumption system
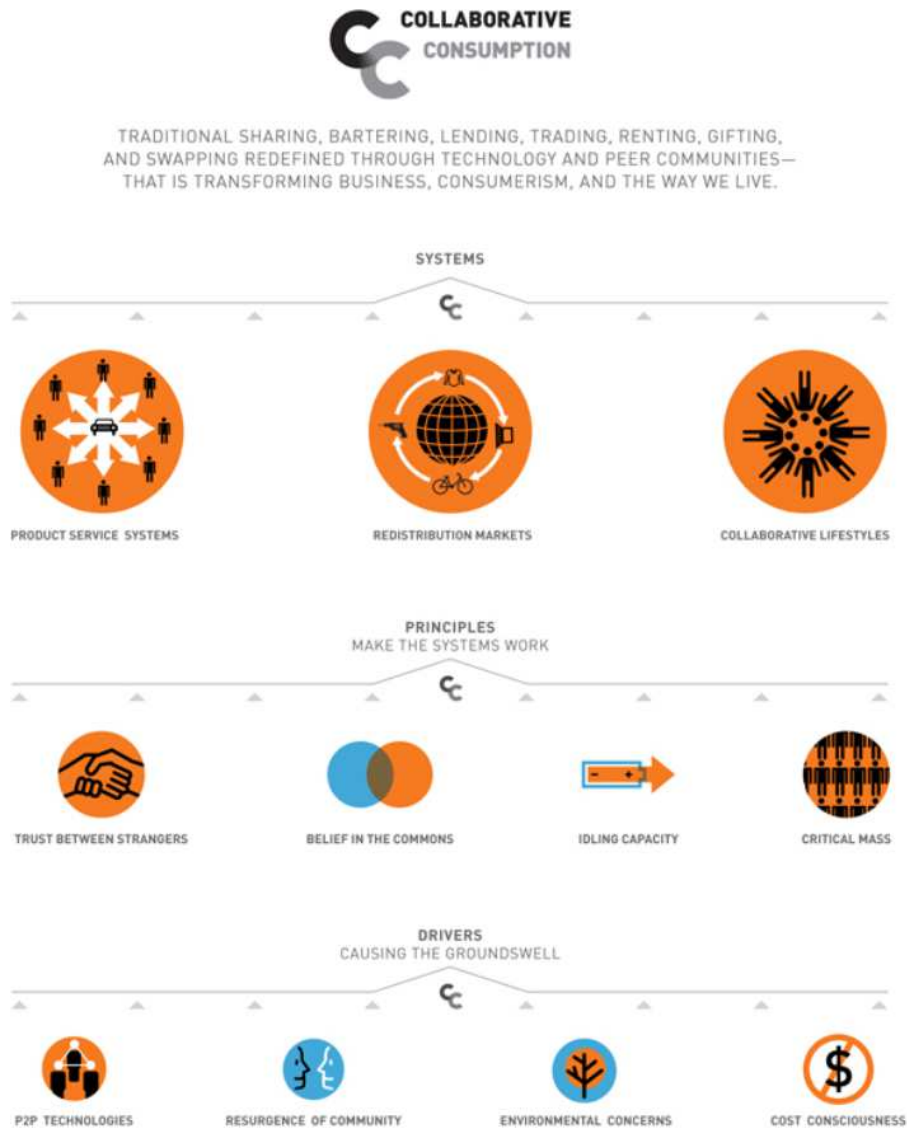
Source: Euro Freelancers: *European Sharing Economy Coalition*

Technology is also considered to be one of the leading drivers of the sharing economy system. Online platforms serve as a meeting point between supply and demand, and through constant innovations in ICTs, new tools and services will arise to support collaborative consumption and the future leisure industry. The Internet in the tourism supply chain is influencing the emergence of new managerial strategies among which viral marketing and UGC. As mentioned in chapter 3.2, viral marketing is based on using web communication channels to convey a message of quality and knowledge of a product, exploiting its potential value-added and detecting the consumer's behaviour characteristics. Differently, User Generated Content corresponds to online word-of-mouth marketing: this tool has become more and more relevant and powerful over the last years as tourists' behaviour and preferences are influenced on the basis of reviews and information received from other customers. The most famous example of a UGC platform is TripAdvisor: born almost exclusively as a review website in 2000, nowadays it is an innovator in mobile trip planning. The collaborative page offers both online and offline features including city maps, photos and general travel information. In its twenty-year history, TripAdvisor has reshaped the way the tourism industry is organised, and it has profoundly impacted the traditional hotel business.

However, the Internet of Things (abbreviated as IoT) will allow many benefits to the hospitality and travel industry such as new marketing opportunities through consumer behaviour tracking and analysis, improved services and personalised travel experiences thanks to automated artificial intelligence. To date, numerous providers in the sector have improved their services through ICTs. Among the firsts, there is the worldwide famous Hilton Group which in 2015 introduced "connected hotel room keys": through their smartphones, guests can download an interactive key and open their room. A further unique example concerns the London City Airport which was the first aerial transport infrastructure to implement IoT: thanks to AI systems, travellers are tracked at the security lines and notified through their smartphones with updates about flights, delays or cancellations and, if a traveller misses his flight, an automatic re-booking system will be activated. Also, if the luggage is tagged with a sensor, travellers can track it via an application.

3. Sharing Economy and Low-cost Tourism

3.1 Budget tourism and the low-cost phenomenon

The world economic crisis of 2008 altered profoundly the way tourism is managed. Even though the travelling activity is still associated with the personal desire for development and cultural enrichment, consumers have become more price-conscious and a new form of tourism emerged: budget tourism. Since the economic crisis is impeding the growth of luxury tourism, the global phenomenon of budget tourism represents an alternative important market (Samy, 2010, cit. in Tourism Today: the journal of the college of tourism and hotel management).

According to Salazar (cit. in Samy, 2010), the term 'budget' refers to any tourism-related product which is low in price. The budget consumer accepts a lower level of service in return for reduced prices, and this concept applies to diverse links of the tourism supply chain, especially accommodation and transports.

In this framework, sharing economy platforms meet the budget supply almost perfectly. Generally, collaborative websites offer a wide variety of services at relatively low prices; hence, they can attract the growing market share of budget tourists.

The establishment of budget hotel chains and budget airlines boosted the sector and, since it is related to money-consciousness, is crucially linked to the low-cost development model. One of the major changes in the tourism and transport market was the emergence and the rapid development of low-cost airlines (Olipra, 2012), which deeply modified the structure of air traffic and pushed the rapid rise in demand from passengers. Following the global tendency of the progressive liberalisation of the aviation sector, from 1997 onwards, the European Union largely promoted the deregulation of this pivotal sector. The first low-cost European airline was the Irish Ryanair, established in 1985 by the Ryan family; it is still nowadays one of the leading actors in Europe's airline landscape with its low fares and high flight frequencies. The second-largest low-cost carrier operating in the old continent is the British EasyJet, followed by the Hungarian Wizz Air.

Analogously to sharing economy platforms, low-cost companies (often abbreviated as LCCs), appeared on the market with a distinct business model from the traditional airlines and succeeded at dropping prices eliminating futile costs to the maximum extent possible

and maximising efficiency. In the first instance, they provide the so-called "no frills" or "no free goodies" travels, which means that no additional service is offered on board, such as business class or catering, and supplementary fees are charged for extra baggage. In terms of management strategies, low-cost airlines employ simple fare structures with a high percentage of low rates seats and no complex systems, considering that their targeted clientele is essentially composed of leisure passengers and those visiting friends and relatives; contrarily, traditional companies apply different prices to different target markets, using complex yield management strategies to have the best profit from business and first-class travellers.

In comparison to other regions of the world, European low-fare airlines achieved the highest market share, as a result of different factors: principally, for the diverse characteristics of the continent and because of the hard impact of the 2008 economic crisis, especially in the tourism sector. As the main drivers of growth in travel and tourism demand, low-fare airlines saw the number of passengers soaring in the last two decades (see Figure 4 below).

Figure 17:

Number of passengers carried by LCCs in Europe from 1999-2011 (in millions)
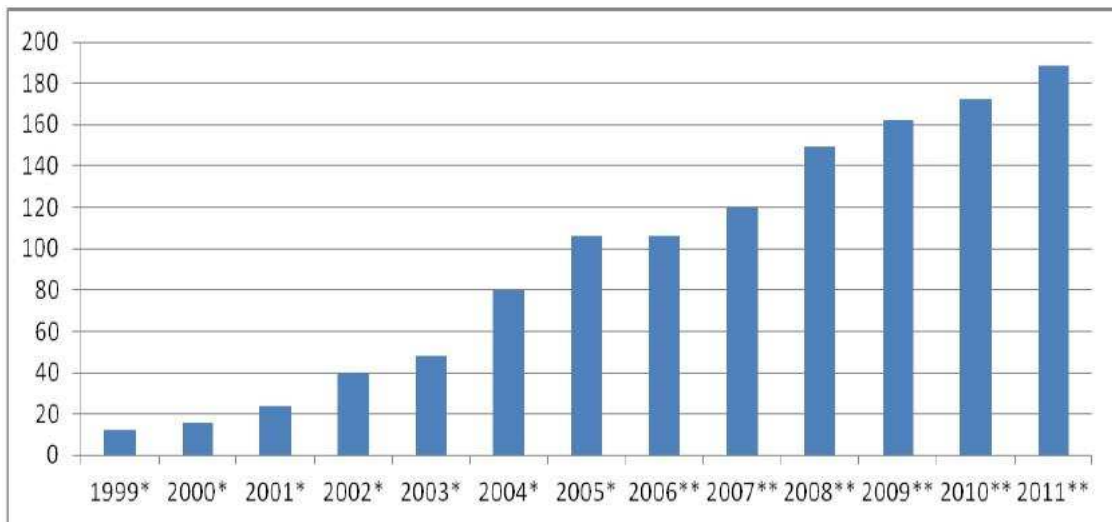
Source: Olipra, Lukasz (2012). *The impact of low-cost carriers on tourism development in less famous destinations*
* Data for all low-cost carriers including non-ELFAA members
** Data only for ELFAA members: Ryanair, EasyJet, Norwegian, Vueling, Flybe, transavia.com, Wizz Air, Jet2.com, Sverigeflyg

The emergence of budget airlines and their dynamic development significantly affected the degree of competition in the European market, creating new demand in market segments that have not been served by network carriers (Olipra, 2012). As the European Low Fares Airline Association (2004) shows in its report, only 37% of passengers changed their mode of transport from the traditional airlines to low-cost airlines, and 59% of passengers of cheap airlines are people who are creating new demand; 71% of them declare that "in other circumstances (i.e. if there were no cheap airlines) they would not have travelled at all" (Ibidem: 46). Thus, low-cost airlines encourage more and new people to fly, especially from the middle and higher-income socio-economic groups, who are flying more often than in the past and on shorter trips (Ibidem). This whole process, together with the rise of collaborative platforms, allowed the creation and development of new forms of holidays such as city or cultural short-break weekends: since LCCs and sharing economy websites offer a broad range of low-price services, the market share of budget tourists benefitted significantly.

3.2 Budget tourism perception and benefits

At present, the phenomenon of budget tourism is extremely controversial and creates frequent debates about its advantages and disadvantages. According to Samy Hossam (2010), it is still generally perceived negatively by authorities and tourism professionals, especially when it is connected to sharing services. Nonetheless, efficient management and consciousness could generate consistent social and economic benefits to the host communities. Taking into account that the global economic crisis had a significant impact on the services industry, attracting price-conscious travellers could be the key to recovery. The problematic issue is how to cope with the current situation and maximise its benefits for the sake of destination both economically and socially (Samy, 2010).

Benefits can be classified according to economic and non-economic criteria. The economic ones are probably considered to be more important for the destinations' tourism development. Budget tourists are price-conscious travellers, and less subject to seasonality considering that they adjust the demand according to low prices. On average, they tend to stay for a longer time in a destination and thus, compared to other tourists, they spend more money over the long term (Ibidem).

They tend to use local public services such as collective transport and to avail local skills and resources. They prefer to spend their time in accommodation facilities owned by locals rather than in international hotel chains: this choice impedes the foreign domination of tourism enterprises. They adapt to basic infrastructure, so overhead costs are low and using fewer resources, they are more environmentally friendly. Generally, budget tourists spend more on locally produced goods, supporting therefore small-scale enterprises. As well, since they don't mind staying in remote destinations or indigenous areas, they bolster and revive unexploited and indigenous and territories. Adopting low-cost strategies can also facilitate any tourism destination to exploit its resources to the maximum, generating social profits, which are important non-economic benefits. Thereby, low-cost tourists help gain pride in the national heritage, especially in poor countries; this enables them to uncover and develop virgin tourism sites and benefit from government support to enhance tourism. Budget tourists are continuously searching for personal development and cultural understanding of the local community and are always eager to blend into the authentic host culture, as well as most sharing economy users (Ibidem). This attitude creates better positive interactions, fosters cultural diversity and other social benefits, such as community empowerment.

Promoting budget tourism, also in relation to collaborative consumption, would be very beneficial for the hospitality industry, not only in advanced and developed regions but especially in politically and economically unstable countries. The current financial crisis may be regarded as an opportunity to re-examine many clichés that were associated with the globalisation era in every field of the business (Ibidem). From the socioeconomic perspective, interactions between local inhabitants and travellers will never occur without supporting community involvement in tourism. A multi-segmented marketing approach is fundamental considering that each class of tourists has its socioeconomic benefits; a possible solution could be the establishment of infrastructure that attracts all classes of tourists with diverse degrees of importance. Numerous countries all around the world have already adopted this modus operandi. In the Mediterranean region, Lebanon and Egypt are two examples.

In the first case, as a major Mediterranean tourist destination, Lebanon does not own adequate low-cost tourism infrastructure; tourists almost exclusively book in five- and four-stars hotels or resorts to have high-quality accommodation services. Similar is the situation in Egypt. In both countries, there is a lack of tourism services for the budget and middle-class sector, which could actually be helpful to revitalise the sector after the last decades of economic and political crisis in many Arabic countries (Ibidem).

Dubai, popular worldwide for being the centre of the deluxe market, is as well seeking to diversify its products from only being an exclusive destination to be affordable for a wider range of tourists.

Goa, in India, is switching its destination image from being a classic example of the evils of tourism development, to a destination in which inhabitants and visitors can co-exist thanks to the involvement of many small indigenous family businesses (Wilson, 1995). Even though it is generally agreed that the current form of low-budget tourism might be a less destructive path to follow for future development, the government is still largely promoting up-market hotel development.

Further famous budget-friendly destinations are New Zealand, Australia and South Africa, which are trying to encourage even more the sector by improving infrastructure and accommodation services, like public transports and national youth hostels, especially attracting backpackers.

In Europe, where many different countries, cultures and languages live nearby, budget tourism and shared services are widely spread especially thanks to a dense network of youth hostels and cheap accommodation, easy transport 'packs' like Interrail, and the Schengen free-borders area.

3.3 Budget tourist profile and backpackers

As anticipated, budget tourism refers to low-price products which attract especially price-conscious consumers. The profile of these travellers varies: "either a domestic tourist (the residents) or an international backpacker (inbound budget tourism) can be considered budget tourists" (Samy, 2010). The budget tourist is cited in many works of literature as a backpacker, generally young and familiar with ICTs. However, it doesn't exist a general definition of this term, considered to be an emerging trend in low-cost travels that requires a new as yet undefined label (Prideaux et al., 2006).

The image of backpacking has changed over recent decades. The original budget tourists were seen as cheap, beer-swilling, drug-taking travellers who added little to destinations and were not regarded as legitimate tourists (Ibidem). Nowadays, backpackers are predominantly young travellers who put emphasis on meeting other people and on informal and participatory holiday activities preferring budget accommodation, longer holidays, independently organised trips and flexible travel schedule (Dayour, 2017; Loker-Murphy and Pearce, 1995). A significant shift occurred in the image that young travellers have of themselves; the term backpacker is somewhat outdated and associated with the old conception of the term. As Anthropologist Salazar reports, budget tourism can be included in those forms of tourism that are consistent with natural, social and community values (both online and offline) and which allow both hosts and guests to enjoy positive and worthwhile interaction and shared experiences (Samy, 2010). The most significant motive for budget travellers is the social interaction with the local community, encompassing various culture-based activities such as learning about the country's history and culture, participating in conversations with residents, being involved in the daily environment of the host culture and engaging in culture-related activities with the local community, also through sharing economy platforms (Dayour, 2017).

Young budget travellers have emerged as a significant tourist market and have begun to attract substantial investment both in specialist backpacker facilities and in marketing dollars at destinations (Prideaux et al., 2006); also, backpacker identity has drawn growing attention in tourism research. Although it does not exist a precise definition nor a valid scale to measure it, scholars have tried to distinguish backpackers from the more 'institutionalised' tourists using objective criteria (Chen et al., 2019: 282). For instance, it can be useful to define general guidelines according to a categorisation based on form-related and type-related attributes. Respectively, the firsts refer to more visible practices by which tourists organise their journey such as length of trip, budget-planning, flexibility of the itinerary, interaction with locals and so forth (Ibidem). Differently, type-related attributes include less tangible psychological aspects such as motivations for travel, understanding of human, cultural and societal values, creation of personal relationships and the meanings they assign to their experiences.

Nonetheless, with the evolution of backpacking as a globalised travel style, the use of objective benchmarks to categorise backpackers have been questioned. The above-mentioned classification is not always correct inasmuch as many travellers do not meet the criteria but still consider themselves as backpackers. In a 2017 study on Chinese backpackers, Zhang et al. noticed that among respondents who were independent travellers, who carry backpacks, and who stay in backpacker hostels during their trip, 66% did not identify themselves as backpackers (Ibidem). Anyhow, the term 'tourist' in their eyes has negative connotations, even though they would prefer to be called travellers rather than backpackers. Being a backpacker constitutes an added value of travellers' social status and personal identity, reinforced through differentiation from mainstream tourists. Differences can be noticed in terms of psychological variables and social values, including motivations, willingness to take risks, and tourist role preferences (i.e. organised mass tourist, individual mass tourist, explorer, and drifter), together with a sense of belonging and emotional commitment to backpacking and the backpacker group, commonly known as the backpacker group self-esteem. A similar concept can be extended to sharing economy users as well, considering that the motivations and emotional engagement are strong factors that influence the choice of collaborative services.

Further studies have demonstrated that backpackers perceive themselves to have unique personality traits such as independence, freedom, responsibility, tolerance, openness and travel culture along with "five typical backpackers' personal development domains", namely capability, emotion, self-consciousness, skill, and worldview, embodied in the backpacker Social Identity Theory (abbreviated as SIT) (Zhang et al., 2017, cit. in Chen et al., 2019: 283). According to Psychologist Tajfel (1978), social identity, also known as collective identity or group identity, is that part of an individual's self-concept which derives from his knowledge of his membership of a social group together with the value and emotional significance attached to that membership. Based on SIT, "backpackers are acknowledged to have three interlinked components: the cognitive component (self-categorisation), the evaluative component (self-esteem), and the emotional component (commitment to a group)" (Ibidem: 282-283). The cognitive dimension of social identity focuses on the process of an individual's self-categorisation and membership in a specific social group (Ibidem); self-esteem has been defined as the ability to influence an

individual's behaviour based on values generally associated with a specific group membership; the commitment to the group consists of emotional inputs based on the two aforementioned components, which however was not confirmed to be an independent backpacker identity dimension in a significant number of academic studies.

Considering all the cited elements, a demographic profile of backpackers and their trip characteristics can be built and, according to Chen et al. (2019), the typical backpacker is a young male student. The quoted research displays that male participants outnumbered their female counterparts (60.80% vs. 39.10%); the majority of respondents were in the age group of 21–35 (82.6%); as for educational background, 53.7% of the respondents reported an education level of an undergraduate degree; regarding occupation, more than one-third of the respondents were students, followed by enterprise staff (24.0%)(Ibidem: 286). Generally, the backpacking experience is perceived as an enrichment to travellers' personal development, as well as an important social and ecological contribution to local communities; notwithstanding, "the commonly-recognised ethos of backpackers has been blurred and diluted by the convergence of backpackers and mass tourists in terms of travel behaviours" (Ibidem: 291).

Yet, the term budget traveller refers to a wide range of tourists, including sensations and experience tourists, low-cost travellers and backpackers; hence, budget tourism is an important but still unexplored market for the leisure industry. In this regard, there is a lack of studies that analyse the correlation between this tourism branch and the use of sharing economy tools while travelling. Therefore, one of the main purposes of this research thesis was to collect information on the topic through a quantitative online survey.

4. Academic quantitative survey: low-cost tourists and sharing economy

4.1 Introduction to the survey inquiry

The knowledge and use of sharing economy tools in the tourism sector and the relation between collaborative consumption and travellers are complex and somehow underexplored subjects, above all in terms of profiling. Certainly, the number and diversity of users make this type of survey particularly complex.

This work was the occasion to explore this topic through a quantitative survey aimed at understanding the recurring characteristics of users. The original goal of this inquiry was to understand and shed light on how people use shared services, in particular in the context of budget tourism, according to different parameters like age, gender, occupation, nationality and knowledge of collaborative economy tools.

4.2 Survey methodology

Generally, two main method approaches can be identified: quantitative and qualitative research. Quantitative means that the research is expressed through figures and numbers, and it is generally used to confirm previous studies or theories. It is based on closed-ended questions expressed by graphs and tables. Differently, qualitative research is used to understand and analyse concepts that can be better expressed in words rather than by numbers. It is grounded on open-ended questions backed by observations and comments. Among the different typologies of research, the "Sharing economy and budget tourism" survey can be classified definitely as academic quantitative research.

With regard to the ideation process, it was useful to note questions and objectives of the inquiry following the general guidelines for planning a survey, answering the key WH questions: what, why, where, when and how. This procedure was essential to establish the objectives and the subject of inquiry, the survey units, the techniques and modes of collection and the time frame. Furthermore, it was helpful to follow the different steps of the researching process: research set up, data collection, data analysis, presentation and reporting of results.

At first, it was essential to collect information on the topic from academic sources, both on the Internet and in books. This mini-research was meaningful to have a general portrait

of the subject, its implications in other studies, its opportunities and limits. Starting from the academic sources, I wanted to prove that there are differences in the profiles of people who use sharing economy tools. According to Maggioni (2017), the majority of users in the USA and Europe correspond to the 20-39-year-old range and it is interesting to know that the most spoken language on collaborative platforms is English but that the most "active" countries in Europe are Germany and France, while the UK has a lower percentage of users. Concerning Italy, the phenomenon is growing but it is still seen with suspicion. Therefore, it was worthwhile to write two distinct surveys in different languages: the English one to reach the maximum number of people from countries all around the world, and the Italian one to better understand the domestic context. Moreover, considering the specificity of the subject, it was advisable to write it also in Italian to avoid misunderstandings and include the people who don't speak other languages.

To obtain meaningful data, it was crucial to choose the method which better fitted the purposes and the means; this analysis corresponded to the quantitative analysis delivered to single persons through the online survey method. Initially, I consulted different surveys to identify which questions could have been noteworthy, how to formulate them and the average length of the inquiry. According to Corbetta (2015), the interest and mood of the respondents change according to different factors such as the clearness of questions, the general subject and the length of the survey; the attention of the interviewed person varies throughout the different phases of the survey, increasing in the first half and lowering thereafter. Hence, an effective survey should start with easy and quick questions, not too personal nor intrusive, to catch the interest of the interviewed person, ending with non-thoughtful questions like sociographic information. The questions should be posed sequentially and in a logical order, avoiding skipping subjects but following the themes, relying on the "funnel method" moving from general questions to more specific ones. Accordingly, I divided the 33 questions of the survey into 4 parts to analyse different aspects of the chosen subject, which are respectively Trips, Budget Trips, Contact with Locals and Personal Information.

The survey inquiry was identical for every interviewed person: questions were the same, as well as the structure. The majority of answers were closed-ended as they could be clearly analysed and represented through graphs and tables. Originally a multi-method approach based on the collection of both quantitative and qualitative data had to be

adopted, to have a general portrait of the topic as well as an insight view through the open questions; however, pivotal was the analysis of the advantages and drawbacks of open and close questions. According to Corbetta, whenever a big sample is considered (more than 100 answers), there is no alternative to close questions. Contrarily, if the number of interviewed people is lower than 100, it could be possible to apply a strategy based on open questions or a mix of both. In the "Sharing economy and budget tourism" survey, due to the considerable number of answers (222) and some technical limits, it was advisable to avoid considering the open questions focusing exclusively on the quantitative data.

Concerning the time frame and means of distribution, the survey was opened on April, 9th 2020 and closed on December, 1st 2020 and it was delivered to people in different ways. The Italian one was sent directly to people that might have been interested in the subject, to family and friends, asking them to spread it through the word of mouth. Contrarily, the English survey was both shared with international students and friends, and online via the website "Poll Pool" and the Facebook group "Student Survey Exchange" which regroups international people who are interested in swapping surveys. Therefore, the majority of answers were received through this last channel.

Figure 18: Survey distribution means
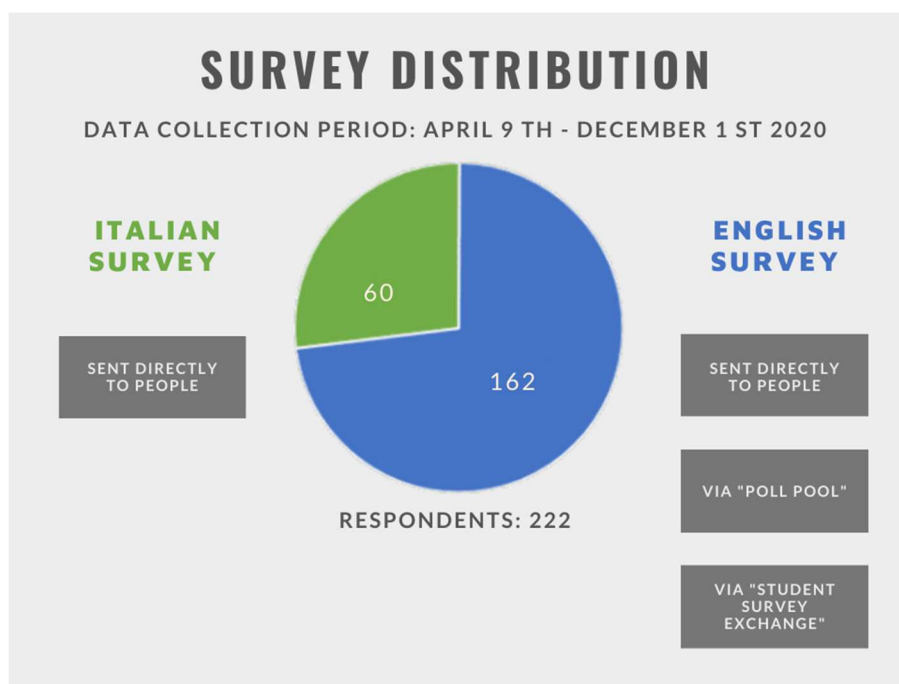
Overall, 222 answers were recorded, among which 60 from the Italian survey and 162 from the English one; nevertheless, due to the differences in the channels of distribution and the contact means, the number of answers cannot be directly compared.

While analysing the answers after the closure of the survey, it was clear that it had some limits that have to be reported since they can influence the results.

- The survey cannot be a representative basis as there was no sampling. The results cannot be generalised.
- Since there is no sampling, there is a biasing of answers with polarisation in some age ranges.
- Questions weren't posed unambiguously: some were not clear or difficult to understand.
- Consequently, some answers cannot be interpreted as they were limited, while others were too wide, and people answered in many different ways that are not relatable.
- Concerning the "Personal Information" section, the age range division was done randomly: it would have been preferable to leave the open-ended answer to have precise data to analyse inserting it in a scatter plot.

Despite these weaknesses, data can be still analysed under different lenses, highlighting some interesting aspects.

4.3 Data analysis and comments

After closing the survey on December 1st, data have been categorised and normalised; this procedure was necessary to create a matrix of all answers and proceed with the analysis. Thereafter, according to the subjects considered in the thesis, the key questions were selected, avoiding the unrelated and unclear ones. As advised by Corbetta (2015), to analyse the answers and to present data, the researcher always has to report the exact formulation of the question. Hence, before studying the obtained information, it was necessary to verify the accuracy of the questions, proceeding then with the quantitative analysis through Excel matrices and graphs.

First, the chosen questions were considered singularly, starting with the personal information section to identify the demographic profiles of the interviewees. As already reported above, results are polarised and biased since there was no sampling; nonetheless, they offer interesting insights.

On a total of 222 people, 68% were females, while 32% were males. Overall, the age range 19-29 was predominant (66%), followed by the over 40s (18%), the 30-39-year-old group (13%) and the under 18s (3%).

Figure 19: Classification of responders according to gender and age range
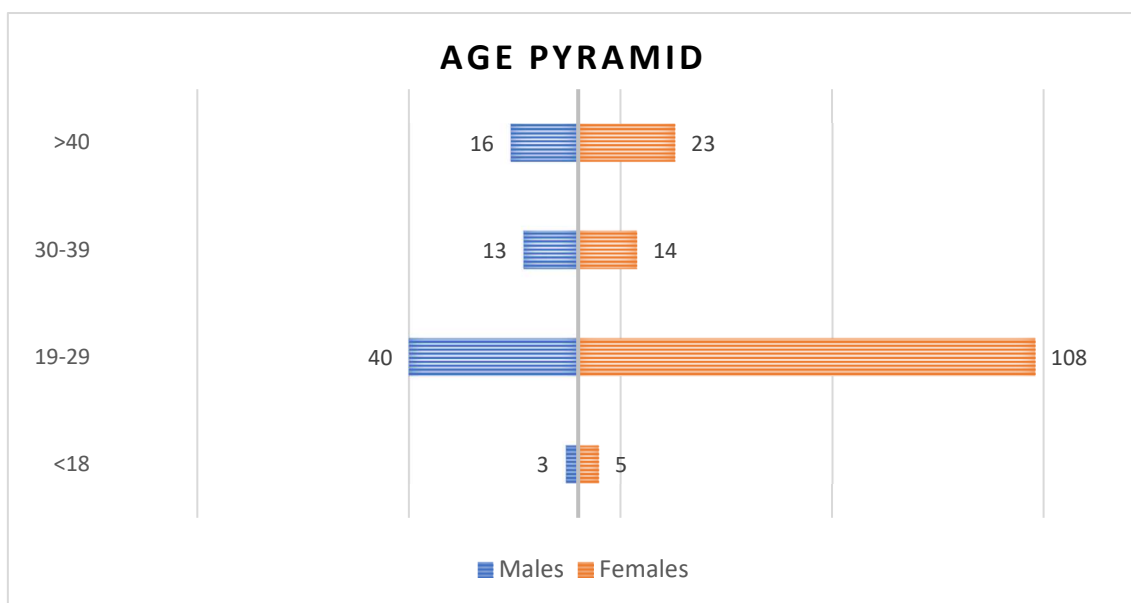
Concerning nationality, a great variety of people from all over the world answered the inquiry thanks to the diffusion through the web. The majority were Italians (37%), and Europeans in general represent 68% (153 people). Considerable were the answers received from the US (16%), India (5%) and Brazil (2%). The rest (31 people), which is classified as "Others", were single respondents from particular countries among which Australia, Bangladesh, Georgia, Indonesia, Mexico, Saudi Arabia, Singapore and Taiwan.

Figure 20: Classification of responders' nationality
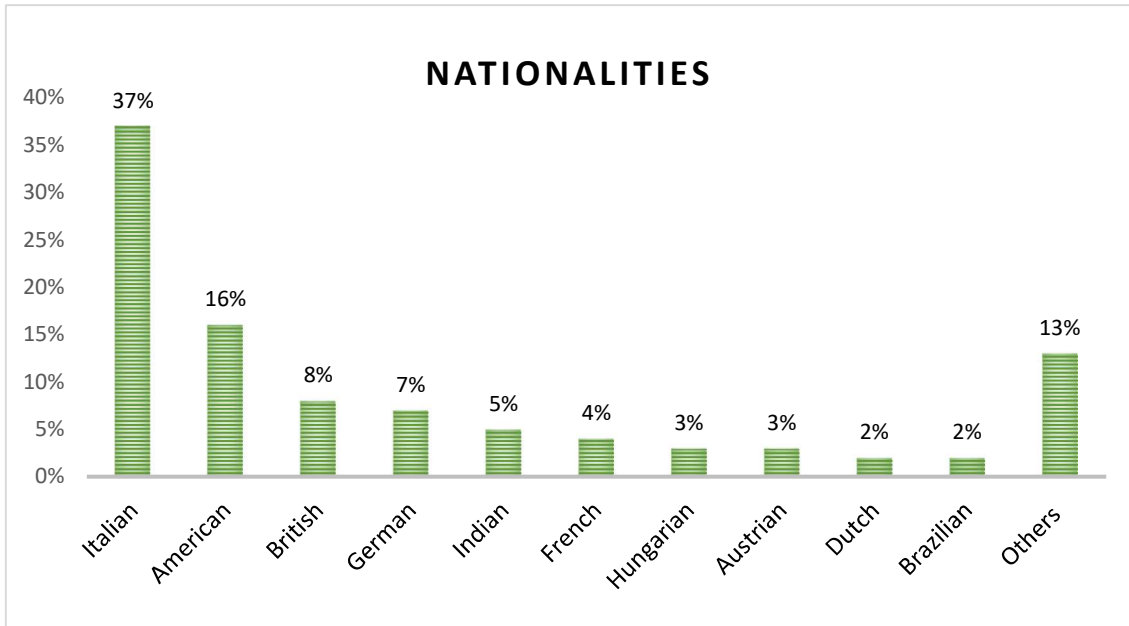
Concerning the analysis of occupation more than half of the interviewees were students (52%), followed by accountants (10%), entrepreneurs (6%) and IT workers (5%). Sadly, the number of unemployed was relatively high (about 4%). In the group "Others" (37 people), were single persons representing peculiar jobs among which army officers, artists, environmental consultants, lecturers, researchers and a very low percentage of retired.

Figure 21: Classification of responders' occupation
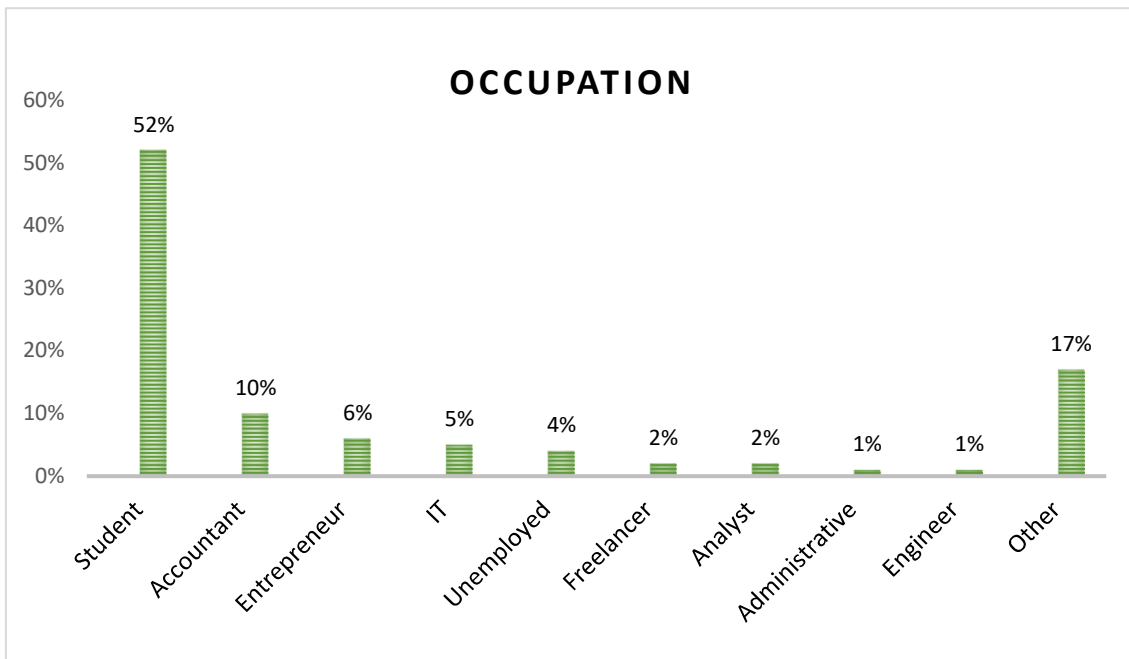
Apart from personal information, the three main sections of the survey were Trips, Budget Trips and Contact with Locals. Considering that the principal subjects of the thesis are the sharing economy and low-cost tourism, data from the second part is the most relevant. Nonetheless, the "Trips" section includes two significant questions: the first is "Have you ever heard the expression "to travel in a shoestring budget"?", which introduces the subject of budget tourism. This English term is used to convey the concept of easy and cheap travelling. About 24% of the interviewed people know it, 16% have heard of it but don't know the meaning, while 60% don't know it. Indirectly, these results imply that people who know this term are familiar with budget tourism practices too.

Figure 22: Percentage of people familiar with the expression "to travel in a shoestring budget"

HAVE YOU EVER HEARD THE EXPRESSION "TO TRAVEL IN A SHOESTRING BUDGET"?

Yes, and I know its meaning — 24%
Yes, but I don't know its meaning — 16%
No — 60%
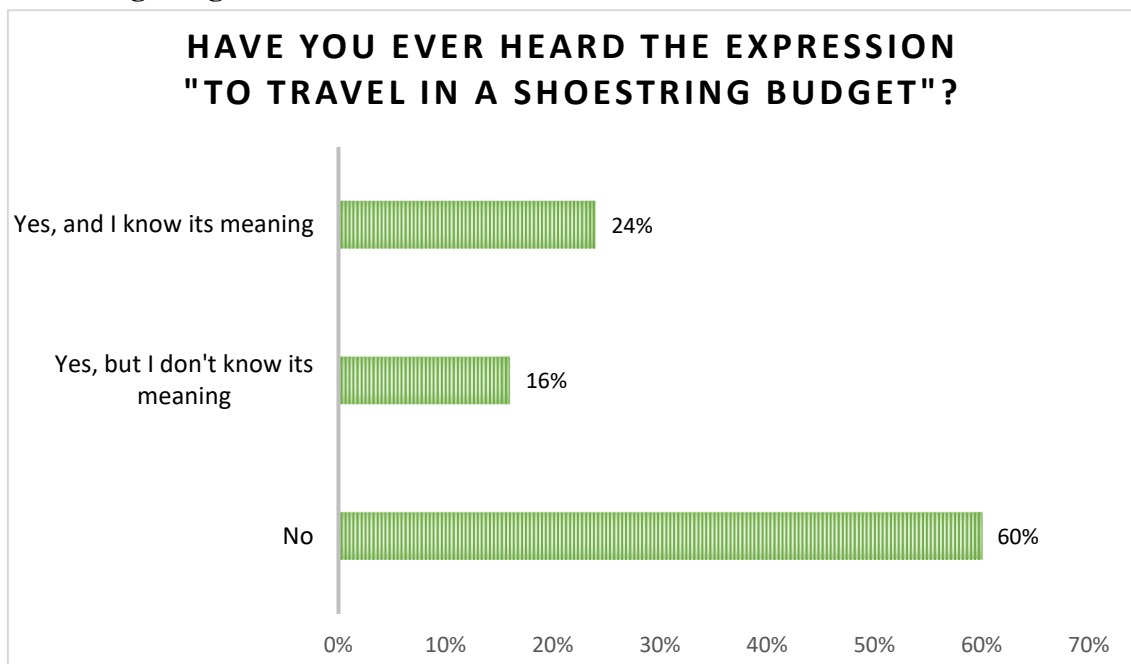
The second one is "Have you ever heard the expression "Sharing Economy"?": the majority of people recognise this term (67%), among which 2/3 know its meaning, while the others have already heard it but don't know its definition. About 33% of interviewees don't know it at all.

Figure 23: Percentage of people familiar with the expression "sharing economy"
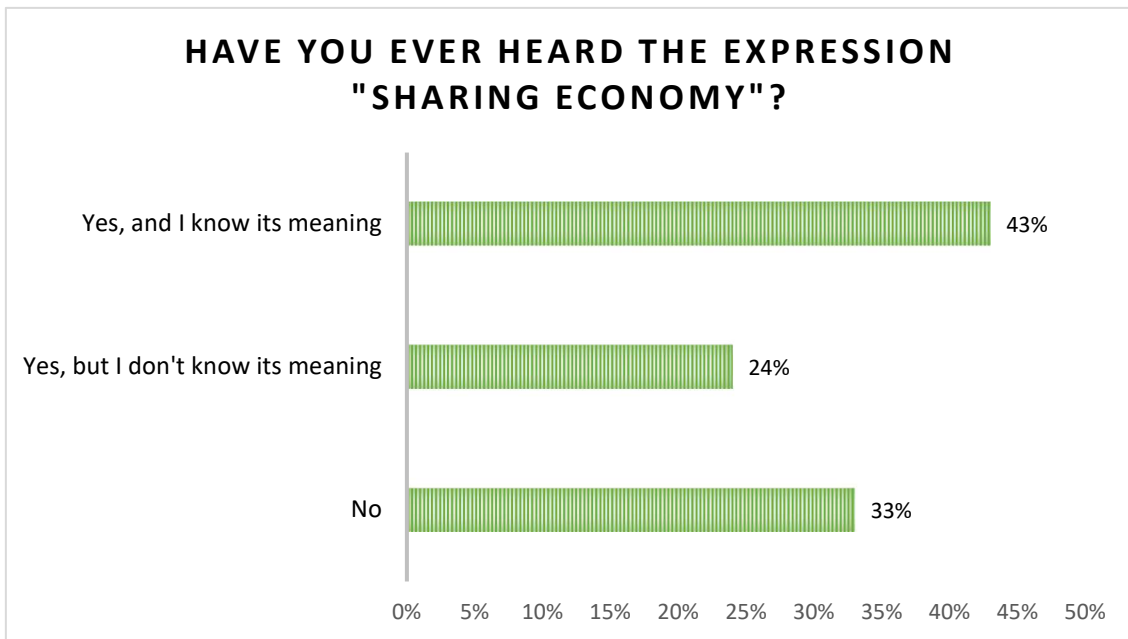
Differently, the second section is principally focused on low-cost trips and sharing economy platforms.

The question "Have you ever used any car sharing services?" aimed at knowing the share of people who use, or would be willing to use, any car sharing services (e.g. Uber, Blablacar, Blablalines, and IDVroom). Results are curious as almost the same percentage of respondents represents the two opposites: 26% answered positively while 27% stated that they would never try it. However, the most interesting data is the "nuanced" answer which depicts that almost half of the interviewees have never tried any car sharing services but would be willing to do it in the future.

Figure 24: Percentage of car sharing users

HAVE YOU EVER USED ANY
CAR SHARING SERVICES?

Yes	26%
No, but I would try it	47%
No, I would never try it	27%

0% 5% 10% 15% 20% 25% 30% 35% 40% 45% 50%
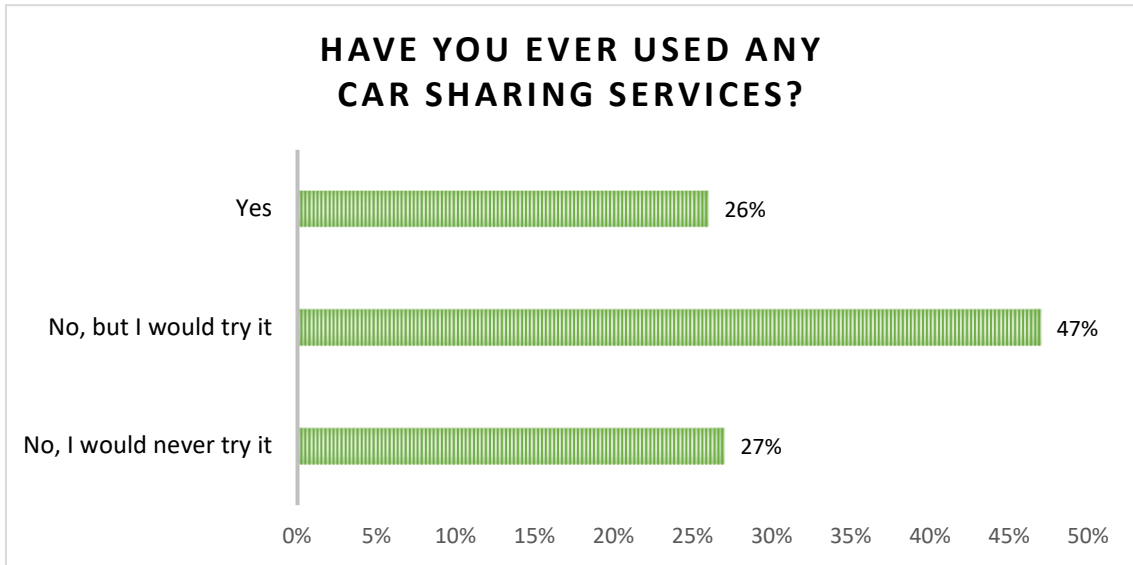
Concerning the most famous accommodation sharing platform, from the general portrait of the "Have you ever used Airbnb?" question, it results that about 1/3 of the interviewed people have never used this service, contrarily to the remaining 68%.

Figure 25: Percentage of Airbnb users

HAVE YOU EVER USED "AIRBNB"?

No
72
32%

Yes
150
68%
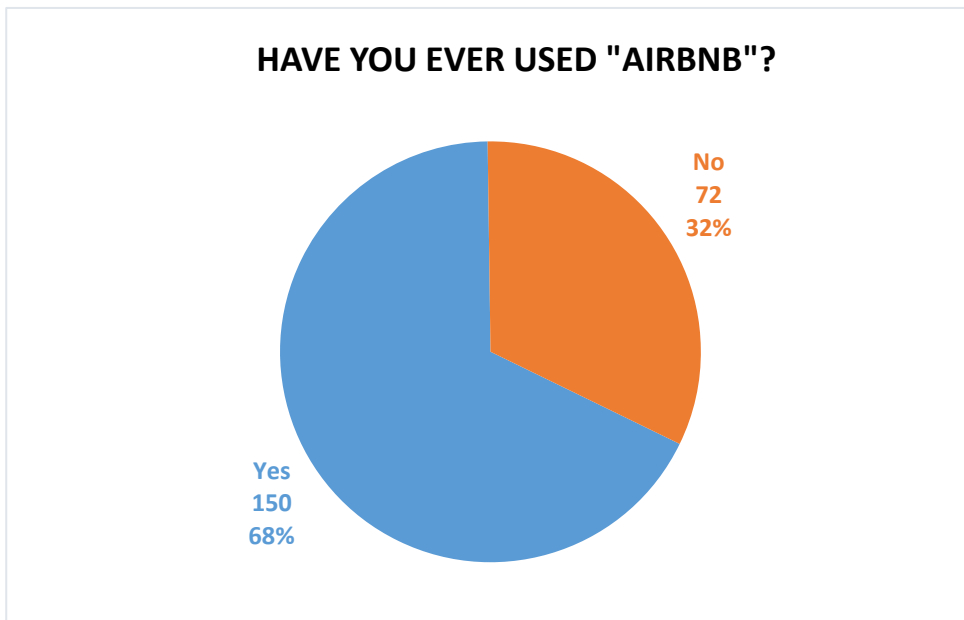
Within the subject of accommodation, "Have you ever used Couchsurfing or Warm Showers?" aimed at identifying the segment of respondents who know those alternative housing websites. As expected, a high percentage answered negatively (63%), while only

14% have used one of the two platforms at least once; curiously, 23% of interviewees have never heard of them, probably because they are non-profit organisations based on the free exchange of services.

Figure 26: Percentage of Couchsurfing/Warm Showers users
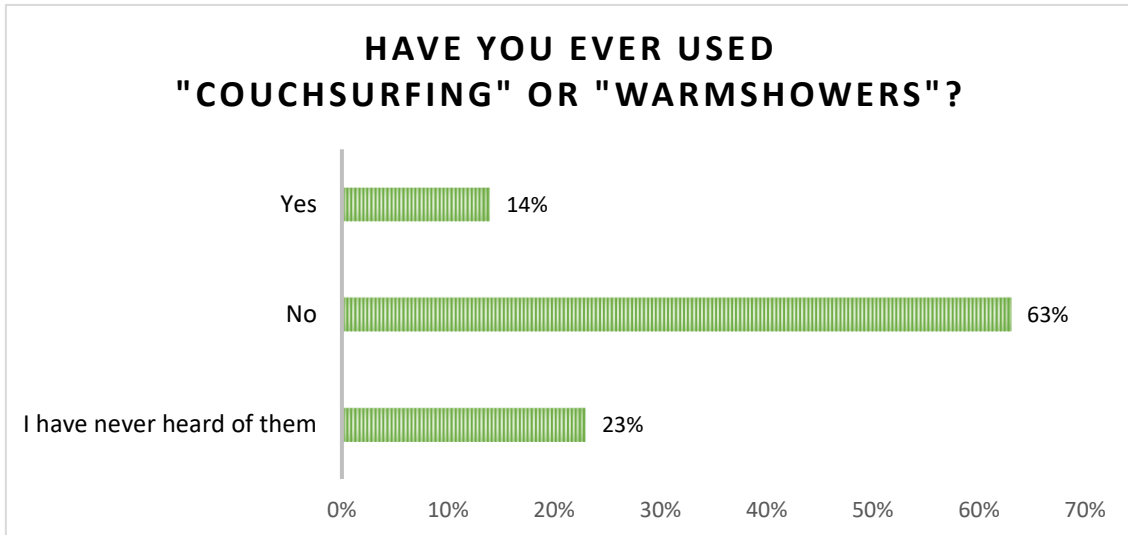
Alongside Couchsurfing and Warm Showers, a third less-famous housing platform is Home Exchange. The question "Have you ever used Home Exchange?" received very net answers: only 4% have used this website at least once; the great majority (72%) have never used it, while about ¼ of the respondents have never heard of it. Indirectly, this last figure explains that Home Exchange, as well as the two aforementioned services, is somehow seen as an anonymous means few people are familiar with.

Figure 27: Percentage of Home Exchange users
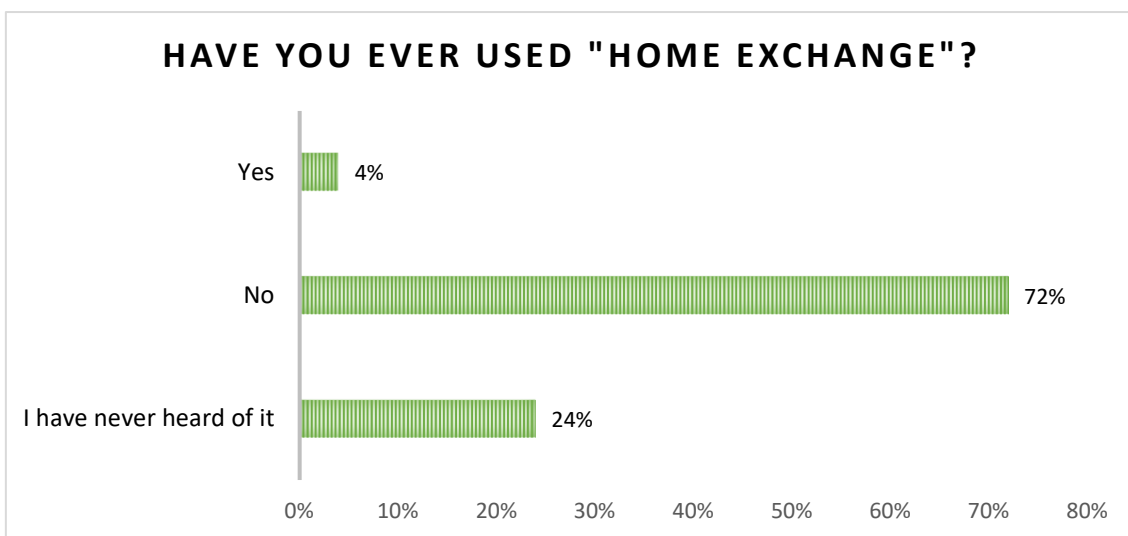
The last question about the section of sharing economy and low-cost tourism is strictly referred to budget tourism and is "Have you ever experienced a backpacking trip?". It aimed at drawing a general profile of potential and factual backpackers within the interviewed people. A relatively low quota (16%) answered that they would never experience a backpacking trip at all; 32% have responded positively and more than 50% of interviewees are willing to try a backpacking trip in the future.

Figure 28: Percentage of backpackers
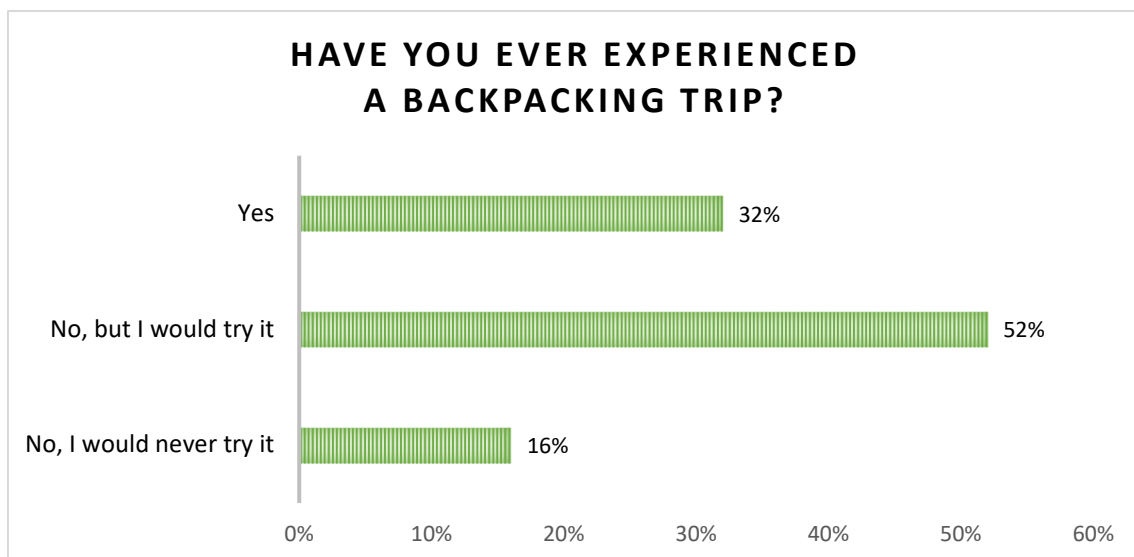
The third and last section includes all questions related to the "Contact with locals" subject and to typical aspects of budget and low-cost travellers. "While travelling, do you interact with the local population?" is a rather general question which was asked to have a framework of the contacts people have with locals, besides their stay in hotels, hostels and flats. 38% of people answered "Yes", while the No-respondents were 22%. Remarkable is that 40% choose "Sometimes", but this data is difficult to interpret as a more specific question should have been posed to know the degrees and means of interaction. Nevertheless, the subject provides a starting point to better understand travellers' behaviours and interest towards the local population.

Figure 29: Percentage of people who interact with the local population

WHILE TRAVELLING, DO YOU INTERACT WITH
THE LOCAL POPULATION?

Answer	Percentage
Yes	38%
Sometimes	40%
No	22%
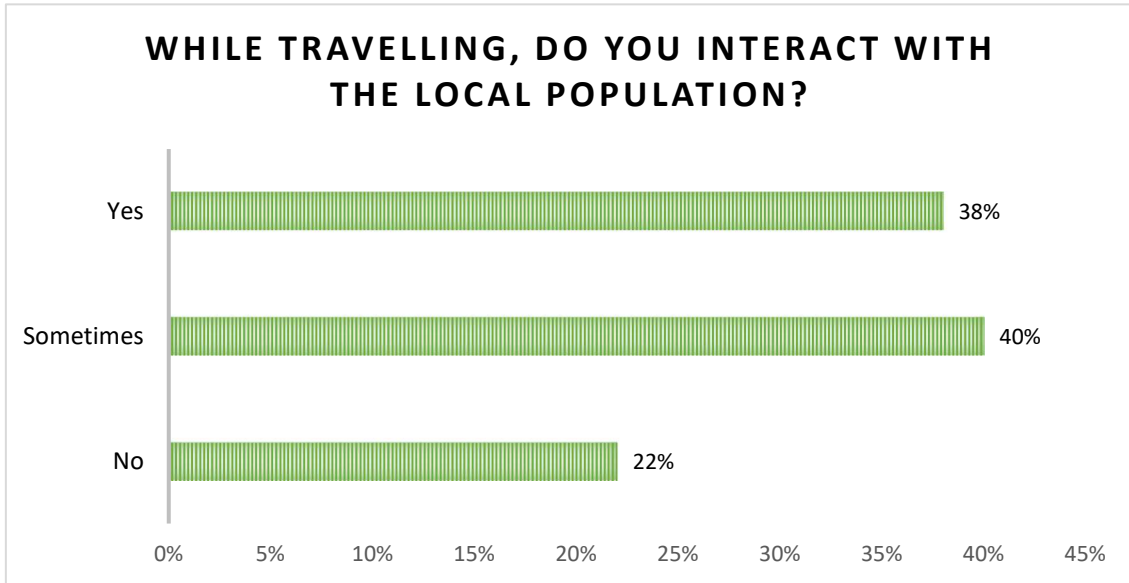
Differently, "Usually, are you interested in the local culture?" is more specific and covers all those aspects which can be included in the definition of cultures such as traditions, habits, local food and events. The great majority of people answered positively (95%), while only 5% answered "No".

Figure 30: Percentage of people interested in the local culture

USUALLY, ARE YOU INTERESTED IN
THE LOCAL CULTURE?

No
12
5%

Yes
210
95%
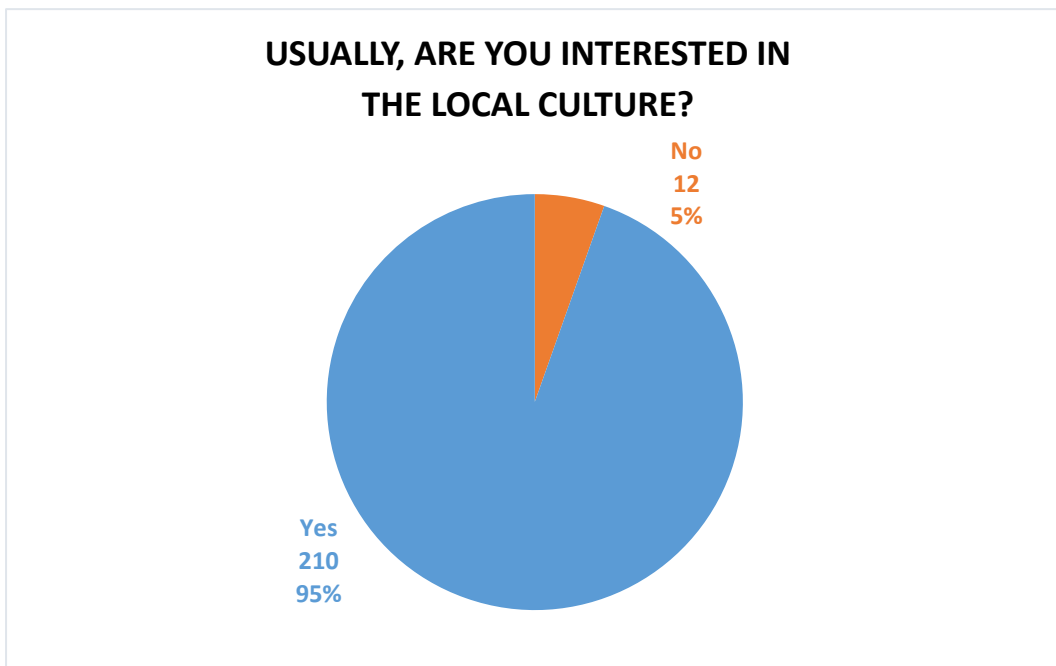
After having analysed the graphs singularly, it is meaningful to cross-reference some key-data to better understand, as far as possible, the tourist profiles.

Initially, the focus should be directed towards the collaborative economy and its knowledge. Since in the survey there was a specific question about the definition of sharing economy, it is automatic to compare its results with the more general questions on the use and knowledge of collaborative platforms.

Considering the questions "Have you ever heard the expression "Sharing Economy"?" (on the horizontal axis) and "Have you ever used any car sharing services?" (on the vertical axis), results can be summarised in a double-entry table.

Figure 31: Percentage of car sharing users familiar with the expression "sharing economy"

		HAVE YOU EVER HEARD THE EXPRESSION "SHARING ECONOMY"?		
		YES, AND I KNOW ITS MEANING	YES, BUT I DON'T KNOW ITS MEANING	NO
HAVE YOU EVER USED ANY CAR SHARING SERVICES?	YES	14%	5%	6%
	NO, BUT I WOULD TRY	21%	13%	14%
	NO, I WOULD NEVER TRY ANY	8%	6%	14%

In the first line, the most interesting results are the respondents who have used some car sharing services but don't know the meaning of sharing economy or have never heard of it (5% and 6% respectively). These people subconsciously have used some sharing economy services without even knowing it. Similarly, in the second line, 13% and 14% of interviewees would be willing to try a car sharing service without knowing the meaning of sharing economy or without having never heard of it.

The same analysis was replicated on the question "Have you ever used Airbnb?" and, analogously, 15% and 21% have used the most known accommodation sharing service but don't know the meaning of sharing economy or have never heard of it.

Figure 32: Percentage of Airbnb users familiar with the expression "sharing economy"

		HAVE YOU EVER HEARD THE EXPRESSION "SHARING ECONOMY"?		
		YES, AND I KNOW ITS MEANING	YES, BUT I DON'T KNOW ITS MEANING	NO
HAVE YOU EVER USED AIRBNB?	YES	31%	15%	21%
	NO	12%	9%	12%

Regarding Couchsurfing and Warm Showers, the same cross-reference worked but with different results. Overall, the number of people who have used at least one of these two services is low, and even lower are the shares of users within people who don't know the meaning of sharing economy. Nevertheless, it is curious that 6% of people who are familiar with this expression and its meaning have never heard of the two cited collaborative websites: this figure suggests that even within sharing economy users, those platforms are not popular.

Figure 33: Percentage of Couchsurfing/Warm Showers users familiar with the expression "sharing economy"

		HAVE YOU EVER HEARD THE EXPRESSION "SHARING ECONOMY"?		
		YES, AND I KNOW ITS MEANING	YES, BUT I DON'T KNOW ITS MEANING	NO
HAVE YOU EVER USED COUCHSURFING OR WARM SHOWERS?	YES	8%	4%	2%
	NO	29%	15%	19%
	I HAVE NEVER HEARD OF THEM	6%	5%	12%

Considering Home Exchange, it is both the less known and the less used service within the all cited sharing accommodation platforms: only 3% of people have used it and all of them were aware of the term sharing economy. Moreover, the majority of people who knows the meaning of this term have never used it (34%) or have never heard of it (7%), denoting that the service is not common nor widely-known.

Figure 34: Percentage of Home Exchange users familiar with the expression "sharing economy"

		HAVE YOU EVER HEARD THE EXPRESSION "SHARING ECONOMY"?		
		YES, AND I KNOW ITS MEANING	YES, BUT I DON'T KNOW ITS MEANING	NO
HAVE YOU EVER USED HOME EXCHANGE?	YES	2%	1%	0%
	NO	34%	18%	21%
	I HAVE NEVER HEARD OF IT	7%	5%	12%

A parallel data interpretation approach was repeated on the questions covering the subject of interactions with locals, compared with "Have you ever experienced a backpacking trip?" (on the horizontal axis). This analysis aimed at proving the key characteristics of backpackers covered in chapter 3.3: according to Dayour (2017), the social interaction with the local community is the most significant motive which pushes backpackers and budget travellers. Starting from this study, the survey results work accordingly. The great majority of backpackers, both factual and potential, are used to having contacts with the local population (65%). Curious is that a total of 19% of respondents who define themselves as backpackers generally do not interact with the local population, contrarily to the general traits of budget travellers.

Figure 35: Percentage of backpackers who interact with the local population

		HAVE YOU EVER EXPERIENCED A BACKPACKING TRIP?		
		YES	NO, BUT I WOULD TRY IT	NO, I WOULD NEVER TRY IT
WHILE TRAVELLING, DO YOU INTERACT WITH THE LOCAL POPULATION?	YES	15%	18%	4%
	SOMETIMES	13%	19%	7%
	NO	4%	15%	5%

Similar is the analysis concerning the question "Usually, are you interested in the local culture?". The exact half of interviewees would be willing to experience a backpacking trip and, while travelling, is generally interested in the heritage of the visited destination. Accordingly, it was expected that a very low percentage of people who have practised backpacking trips are not interested in the local culture (3%).

Figure 36: Percentage of backpackers interested in the local culture

		HAVE YOU EVER EXPERIENCED A BACKPACKING TRIP?		
		YES	NO, BUT I WOULD TRY IT	NO, I WOULD NEVER TRY IT
USUALLY, ARE YOU INTERESTED IN THE LOCAL CULTURE?	YES	31%	50%	14%
	NO	0%	3%	2%

Following the study on the knowledge of collaborative economy platforms and backpacking principles, it is important to know something more specific about the demographic profiles of the respondents, starting with their nationality. The bar graphs below show in different colours the answers given for each nationality included in the survey.

Examining the question "Have you ever heard the expression "Sharing Economy"?", results vary significantly. In some countries, about half of the respondents know the meaning of sharing economy, such as people from Austria, Brazil, Hungary, India and the US. Considering the largest quota of interviewees aware of this term, France and Germany are in the first places, accordingly to statistics by Tns political & social network (2016) which show that the highest number of sharing economy users in Europe comes from those two countries. Contrarily, the largest share of people who are not familiar with the term comes from Italy, the Netherlands and the UK.

Figure 37: Percentage of people familiar with the expression "sharing economy" divided by nationality
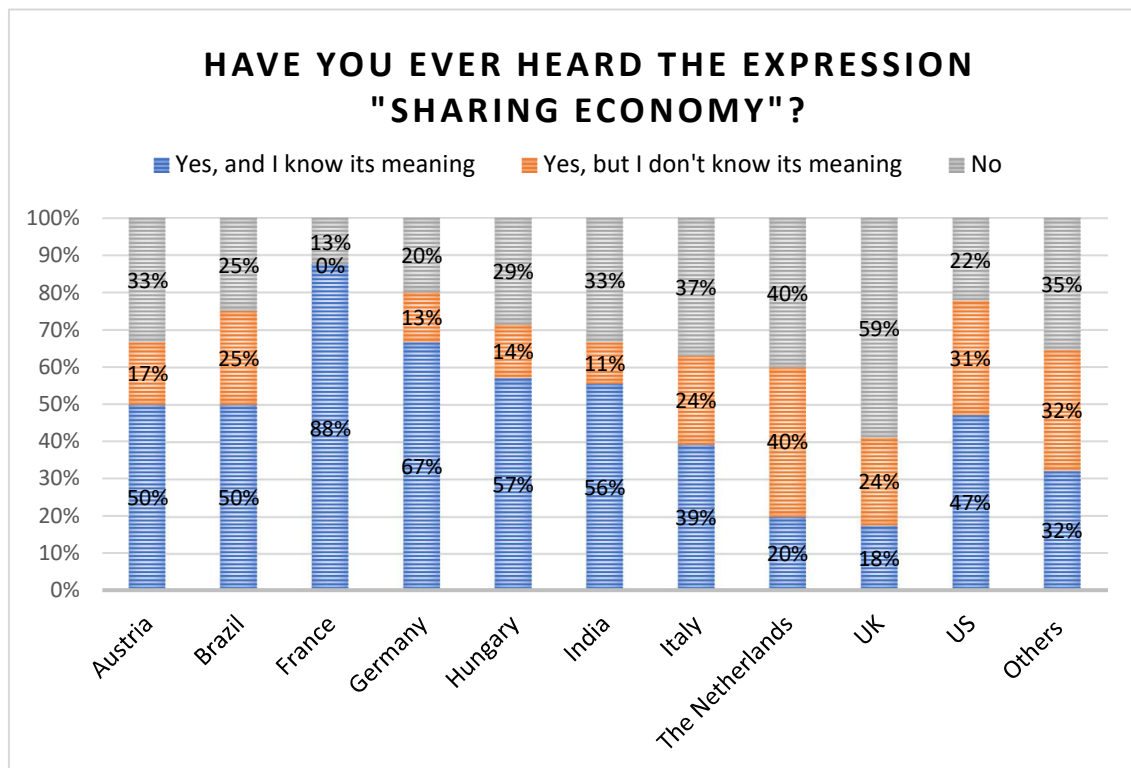
As stated before, those results must be interpreted taking into consideration all the limits reported in the introduction paragraph, as the absence of sampling and the consequent biasing and polarisation of answers.

Data on the "Have you ever used any car sharing services?" topic follows the trend of the above question. The countries in which people use car sharing services the most are France and Germany, whereas the most reluctant are Italy, the Netherlands and the UK.

Figure 38: Percentage of car sharing users divided by nationality
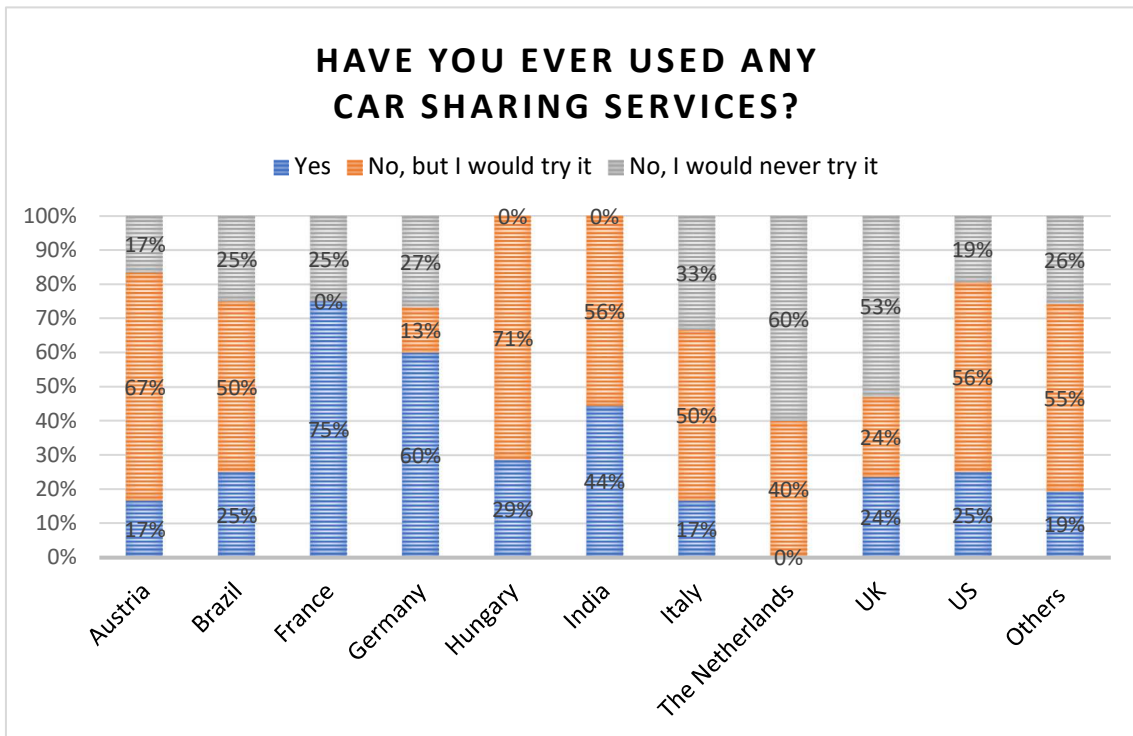
Concerning Airbnb, results change considerably. From the graph below, it can be seen that this is the most known and used sharing service provider and, in all countries but the Netherlands, percentages exceed 50%, reaching 80% peaks in France, Hungary and Germany and reaching 100% in Austria. Furthermore, it is interesting to notice that in the US, where Airbnb was invented and developed, about 40% of the interviewees have never used this service.

Figure 39: Percentage of Airbnb users divided by nationality
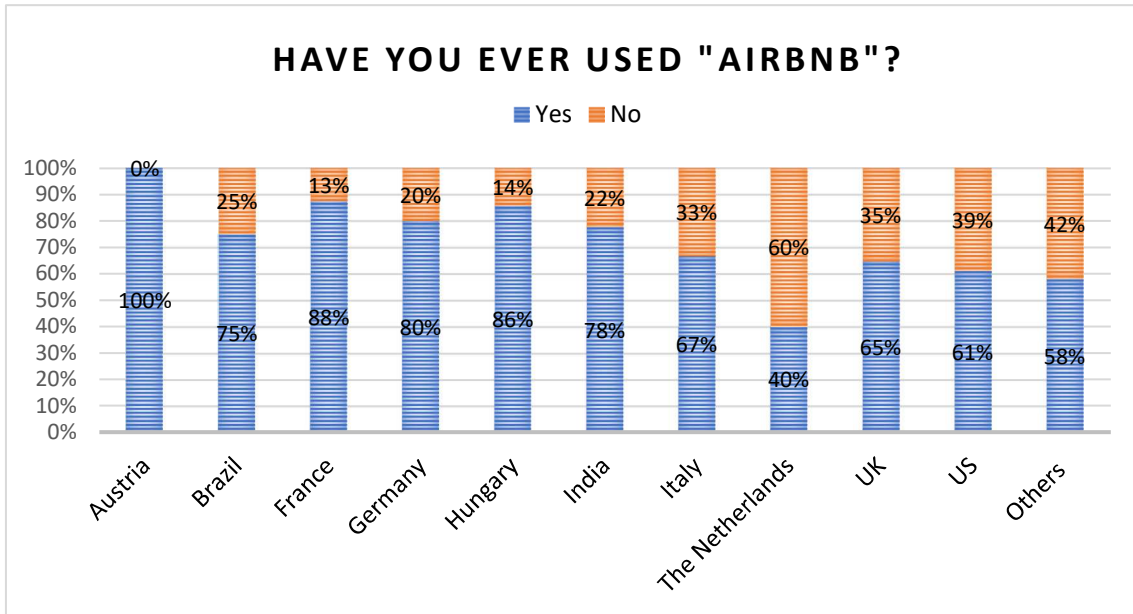
Multifaceted is the result of the question "Have you ever used Couchsurfing or Warm Showers?". As already supposed, those two accommodation providers are considerably less known than Airbnb: percentages of users are overall very low, reaching the maximum in Austria (50%). The lowest share of users are in Italy and the UK, settling at 0% in Brazil and the Netherlands, which also records the largest number of people who have never heard of the two platforms.

Figure 40: Percentage of Couchsurfing/Warm Showers users divided by nationality
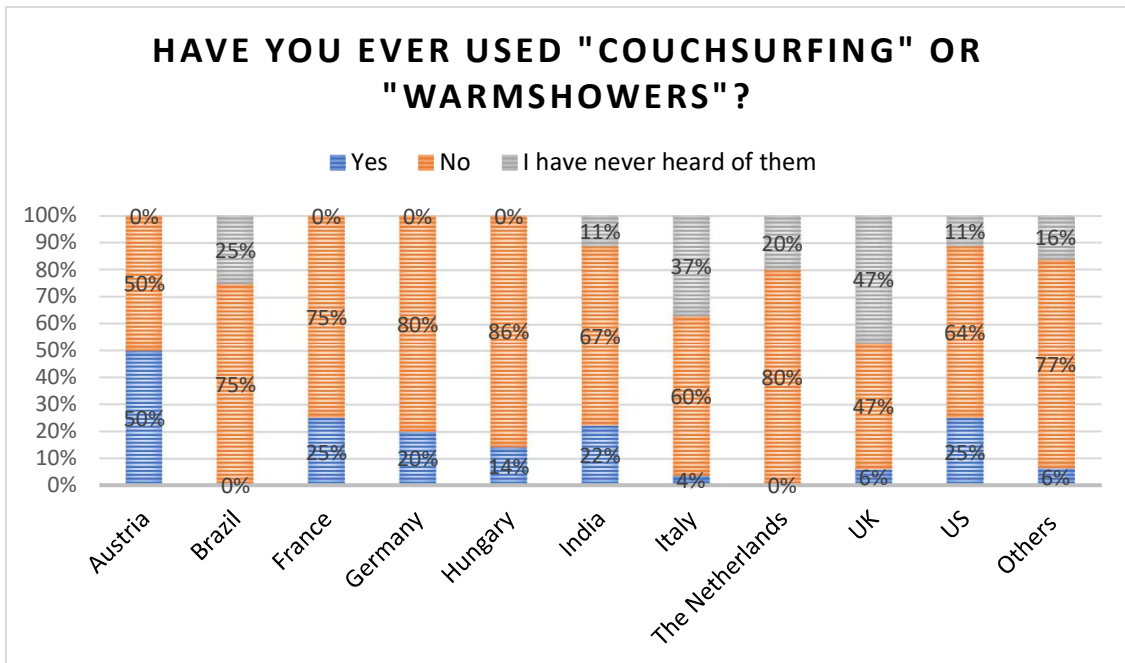
Slightly different is the data related to Home Exchange. Very few people have used it, in Brazil, India, the UK and the US, whilst about 40% of respondents who have never heard of it are in the Netherlands, the UK and Italy.

Figure 41: Percentage of Home Exchange users divided by nationality
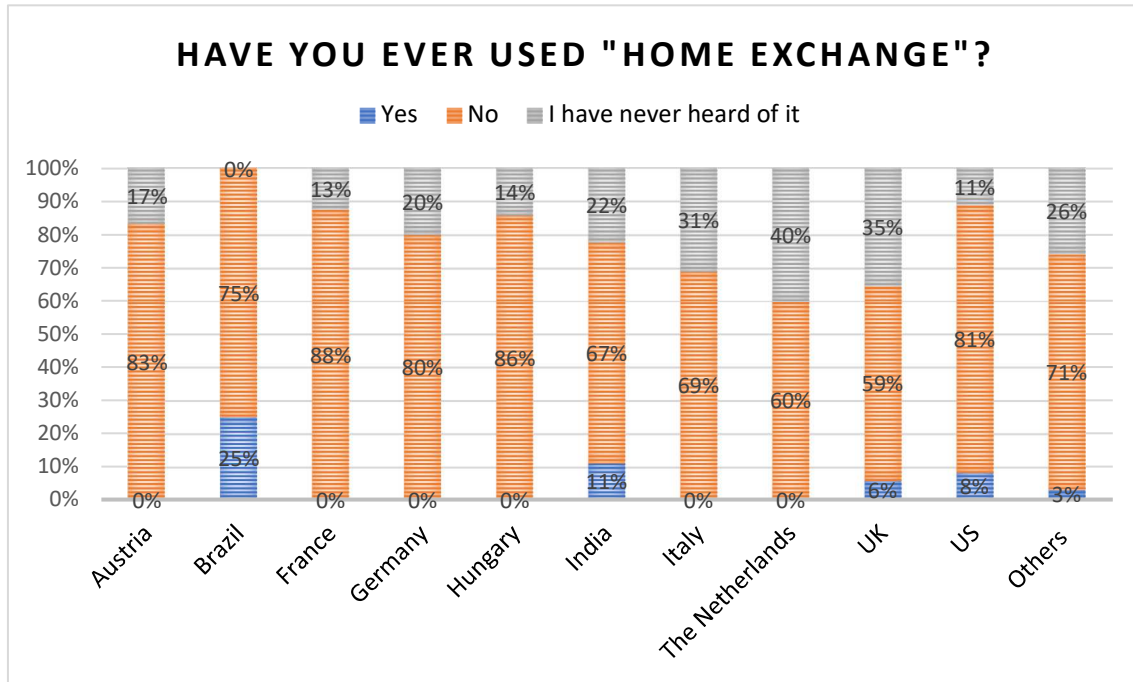
Moving to the budget trips section, the same bar-graph study was conducted with the question "Have you ever experienced a backpacking trip?". The subject of backpackers has been studied many times and under different aspects; nevertheless, a very restricted number of researches provide specific information about the nationality of said travellers. Probably, this is not considered a fundamental aspect. In this survey, the majority of backpackers come from Germany, and, like in the questions above, the Netherlands have the biggest share of sceptics about backpacking and low-cost practices in general.

Figure 42: Percentage of backpackers divided by nationality

HAVE YOU EVER EXPERIENCED A BACKPACKING TRIP?

Legend: ■ Yes ■ No, but I would try it ≡ No, I would never try it

Nationality	Yes	No, but I would try it	No, I would never try it
Austria	33%	50%	17%
Brazil	25%	75%	0%
France	38%	25%	38%
Germany	67%	20%	13%
Hungary	43%	57%	0%
India	22%	67%	11%
Italy	31%	54%	15%
The Netherlands	0%	60%	40%
UK	35%	35%	29%
US	28%	58%	14%
Others	23%	65%	13%
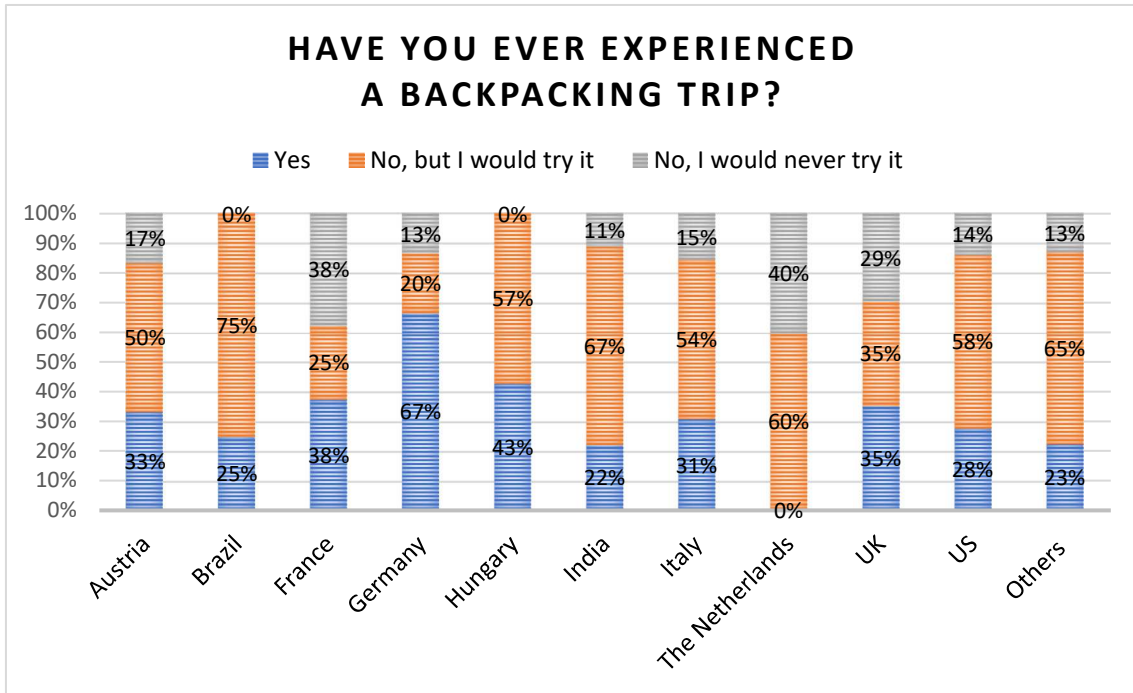
After the nationalities analysis, each question was cross-referenced with the age range, to better identify the demographic profile of the base user of sharing economy services. Considering that there was no sampling, the great share of respondents were 19-29 years old (66%); therefore, it would not have been worthwhile to compare answers among the different age groups in absolute terms, focusing exclusively on the analysis within single age ranges. To prevent this condition, data was calculated considering each group as a single unit (100%), to have the same terms of comparison and enable a wider analysis of the subject, although with some slight calculation errors.

In the first question, "Have you ever heard the expression "to travel in a shoestring budget"?", the majority of people in every age group was not familiar with the term, excluding the 30-39s in which a rather great percentage knows the expression.

Figure 43: Percentage of people familiar with the expression "to travel in a shoestring budget" divided by age range
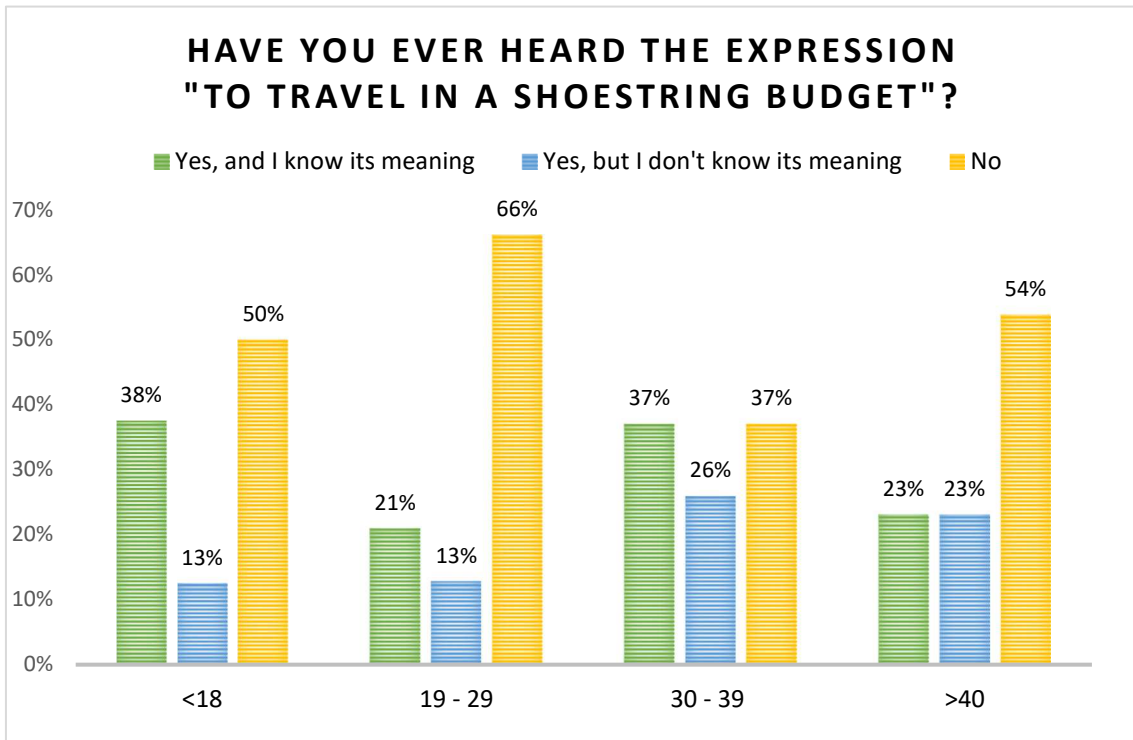

With "Have you ever heard the expression "Sharing economy"?", results vary a lot. Generally, it can be said that in every age group the majority of interviewees know the meaning of this term, with the only exception of the under 18s. Considerable is the share of "Yes, but I don't know its meaning" respondents but higher is the number of the "No" group in every age range except the over 40s.

Figure 44: Percentage of people familiar with the expression "sharing economy" divided by age range

HAVE YOU EVER HEARD THE EXPRESSION "SHARING ECONOMY"?
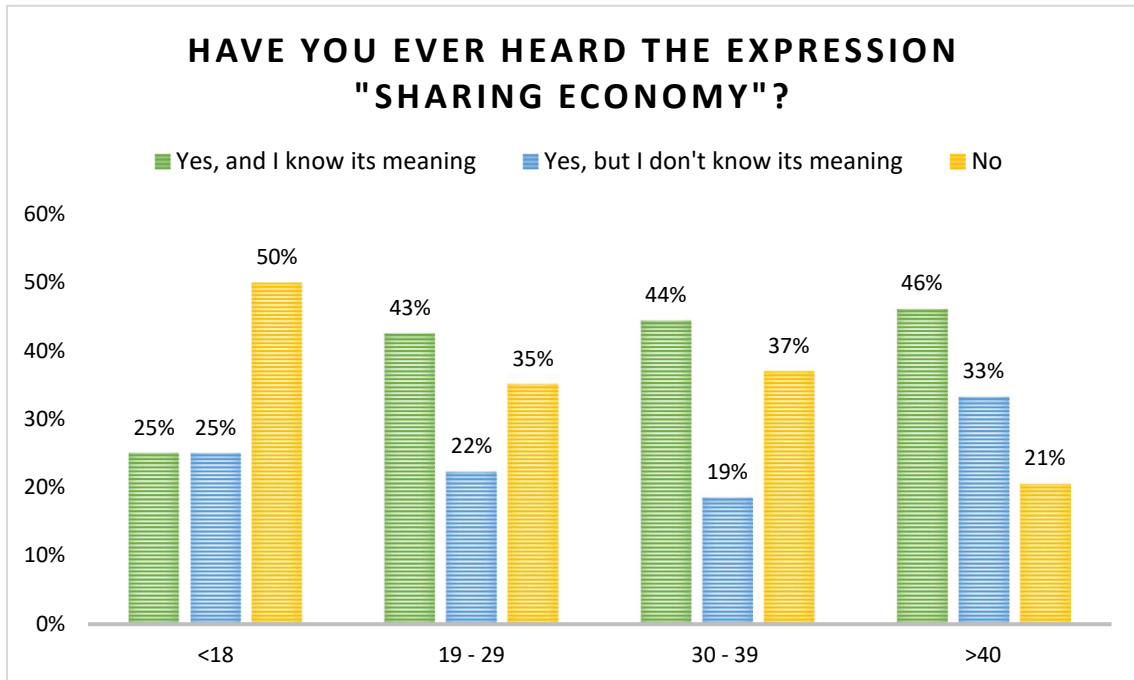
Concerning car sharing services, the overall percentages of users and non-at-all-users are quite similar. Differently, the number of people who would be willing to try these kinds of services is significant, broadly exceeding 30% in every age range.

**Figure 45: Percentage of car sharing users divided by age range**

HAVE YOU EVER USED CAR SHARING SERVICES?
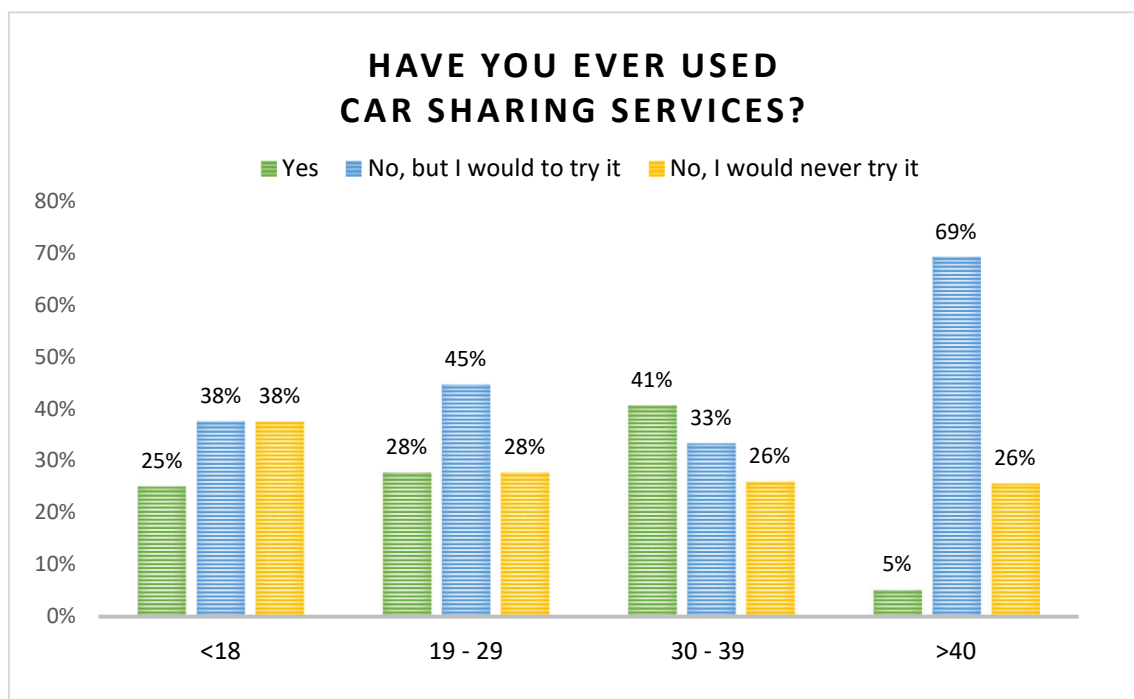
In "Have you ever used Airbnb?", in every age range the percentage of users outperforms the 60%, reaching almost 80% among the 30-39 years old.

Figure 46: Percentage of Airbnb users divided by age range
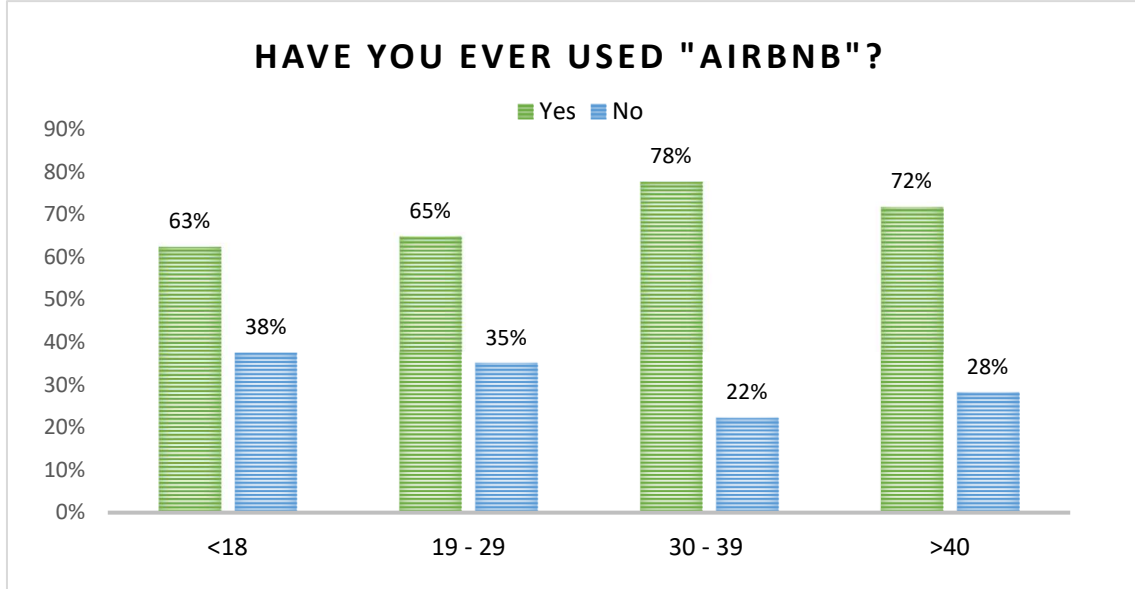
As for Couchsurfing and Warm Showers, it can be seen that the greater part of respondents has never used the two platforms, followed by rather high percentages of people who have never heard of them. Globally, the actual users were a minority, especially concentrated in the 19-29-year-old range.

Figure 47: Percentage of Couchsurfing/Warm Showers users divided by age range
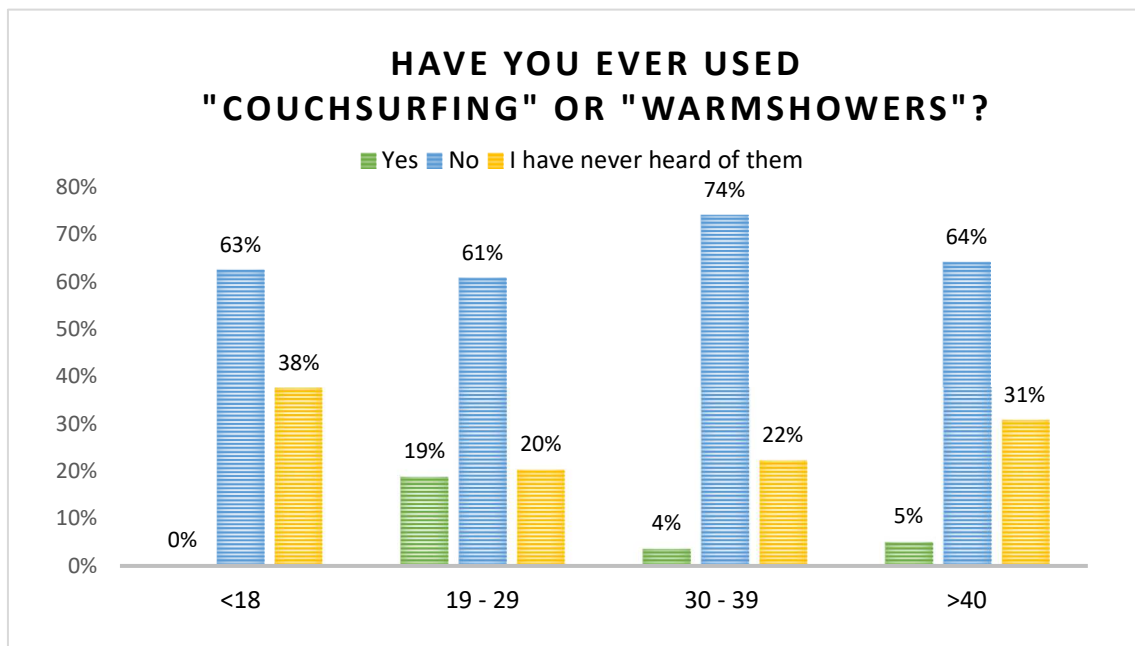
Similar is the graph for Home Exchange, in which the percentages of users are even lower and are distributed homogeneously within the represented age groups.

**Figure 48: Percentage of Home Exchange users divided by age range**
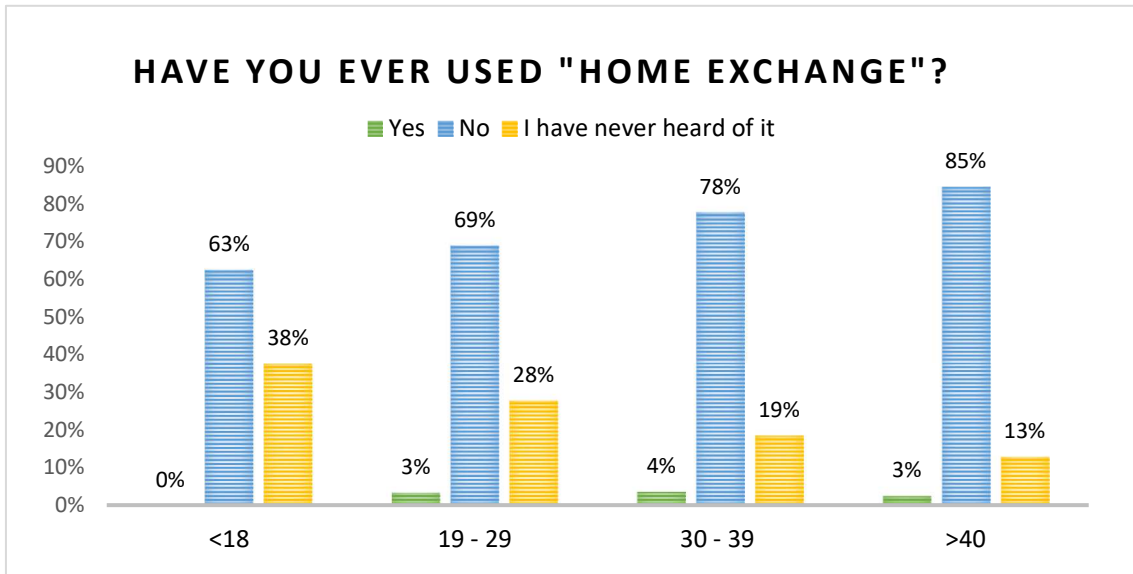
In the budget tourism section, "Have you ever experienced a backpacking trip?" offers interesting insights. The half of backpackers corresponds to the over 40s, followed by the 19-29 group. Generally, the majority of interviewees in every age range would be willing to try the backpacking experience in the future, and the most significant percentage of averse is the under 18s.

**Figure 49: Percentage of backpackers divided by age range**
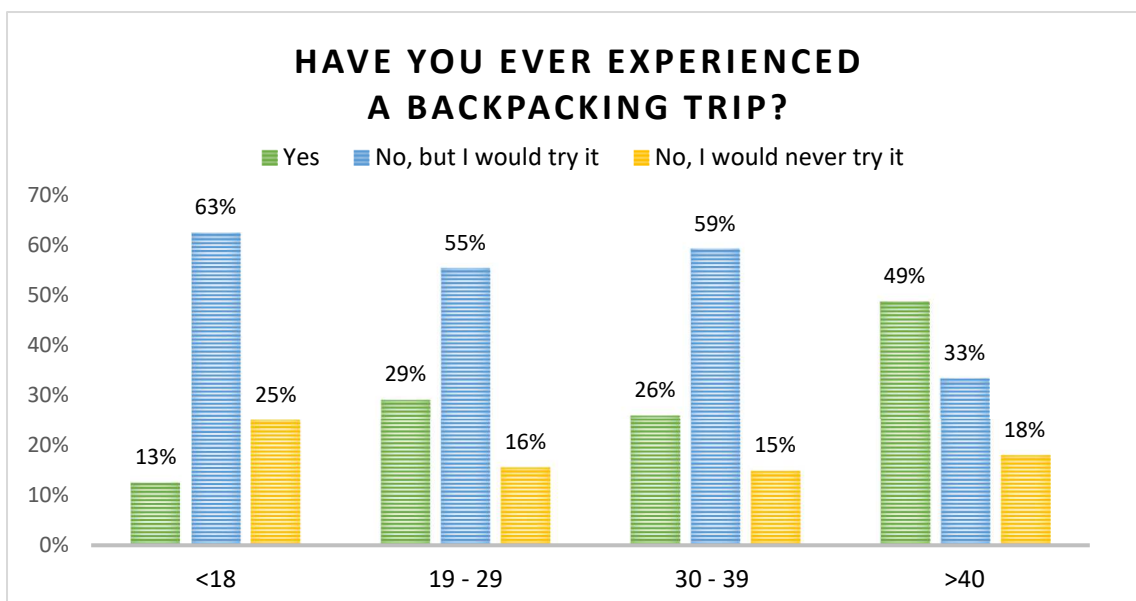
Concerning the interactions with the local population, it is interesting to notice that the highest share of "No" is in the under-18 group whilst the lower is in the immediately following range. However, considering both the "Yes" and the "Sometimes" respondents, the graph displays that the majority of people are used to having contacts with the local population.

Figure 50: Percentage of people who interact with the local population divided by age range
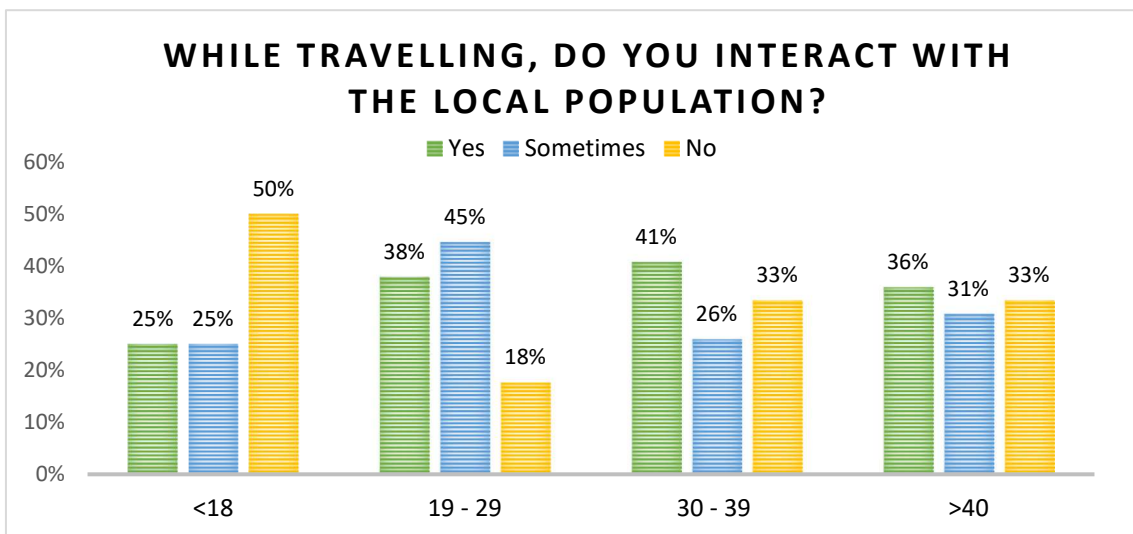
Completely different is the interest in the local culture, which is extremely high in every age range, reaching the peaks of 96% in the 19-39 years old. Regardless, the under 18s confirm to be the most significant number of non-interested in both aspects.

Figure 51: Percentage of people interested in the local culture divided by age range
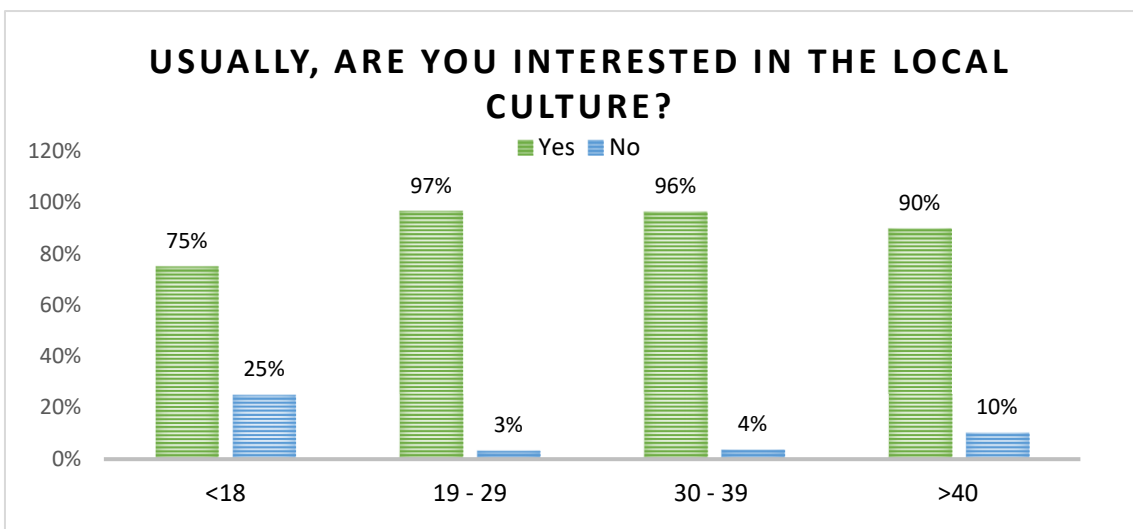
In conclusion, according to the average results of this survey, the profile of the base traveller who uses sharing economy tools is a female student, between 19 and 29 years old, who generally interacts with the local inhabitants and is interested in their culture and traditions. This is somewhat coherent with the study on the users of collaborative services by Crowd Companies and Vision Critical (2014) according to which the 18-35 years old is 48% of all sharing economy users. Results are also similar as in the research on Chinese backpackers cited in chapter 3.3 by Chen et al. (*Backpacker Identity: Scale Development and Validation*, 2019). In that analysis, results showed that the common Chinese backpacker is generally male, young (21-35 years old), and is a student or works as an enterprise staff.

Concerning nationality, as already reported above, there are limited pieces of research that provide specific information about this subject, thus the results cannot be compared to other data. Nevertheless, based on this survey answers, backpackers and budget travellers are more likely to be Austrian, German, or French, and are unlikely to be Dutch, English or Italian.

After having collected information and analysed this survey inquiry, I've understood that it had some limits and errors which partially impeded the evaluation of some data. Thanks to this work of thesis and the study of the subject, I realised how to identify and correct them. If I could write the survey from scratch, I would take into consideration all the recommendations I learnt during the past months. Hence:

- The survey would have no more than 12-14 questions. The "Sharing economy and budget tourism" inquiry was too long, having 33 questions.
- I would write the sentences differently, making them more precise and strictly related to the subject of the thesis.
- The inquiry would focus exclusively on quantitative analysis and I would use mostly closed-ended answers, considering that the open ones could be too vague, too wide to understand and too complex to standardise.
- I would modify unprecise answers such as "No but I would try it" and "No, I would never try it" whose purpose was to suggest an open-minded attitude. I would stick to similar and neutral closed-ended answers to prevent the issue of the desirability of answers (Corbetta, 2015).

- I would avoid the pre-established age range classification, leaving the open-ended answer to have wider data and insert it in a scatter graph. If necessary, during the analysis, I would divide the answers according to generations (Generation X, Z, Millennials, Baby Boomers…) or 10-year-spans, which could be two effective communicative means to convey the results with a more precise and deep approach.

- I would use statistical sampling techniques, or I would focus only on one segment of the population, probably students.

- In this case, I would use the same means of distribution I used for the "Sharing economy and budget tourism" inquiry (Facebook survey groups, Pool Poll and direct contact) by specifying the target audience (international students).

Nonetheless, according to Corbetta's guidelines, I would keep the same structure, dividing the survey into thematic sections and leaving personal information at the end.

Hence, effectively, it would be rewritten as follows:

Section 1: The sharing economy

1. Are you familiar with the expression "Sharing Economy"? (or synonyms like collaborative consumption, peer-to-peer economy, uber economy…) – Yes, and I know its meaning; Yes, but I don't know its meaning, No, I've never heard of it

2. According to Salazar (2010), the term 'low-cost' refers to any tourism-related product which is low in price: the budget consumer accepts a lower level of service in return for reduced prices. After having learnt that, do you identify yourself as a budget traveller? Yes – No

Section 2: Sharing economy and tourism

3. Have you ever used any sharing economy app/website? – Yes, No
4. Have you ever used any car sharing services? – Yes, No
5. Have you ever used Airbnb? – Yes, No, I have never heard of it
6. Have you ever used Couchsurfing? – Yes, No, I have never heard of it
7. Have you ever used Home Exchange? – Yes, No, I have never heard of it

Section 3: Personal information

8. Age – open-ended answer

9. Gender – Female, Male, Prefer not to say

10. Nationality – open-ended answer

11. Level of education – Primary Education, Secondary Education, High School Diploma, Bachelor's Degree, Master's Degree, Doctoral Degree

12. Current occupation – open-ended answer

Initially, I also included a question on the annual income. However, I preferred to avoid it for two main reasons: first, it is seen as sensible data therefore many people would prefer not answering; second, low-cost tourism is not always associated with a low income as everyone, regardless of profession and income, can travel budget.

CONCLUSION

"In a few years, we'll no longer debate the merits and dangers of the sharing economy; it will simply be a fact of life. Traditional businesses can fight it, but doing so means setting themselves up for a loss. The sharing economy is here to stay" (Zhuo, 2015).

The sharing economy is a phenomenon that has drastically altered the world, expanding its role and influence over many sectors and becoming an integral part of modern society: it has changed over time, starting with certain values and characteristics, and gradually moving away from those.

Following the structure of the thesis, after having introduced the subject of the collaborative economy, its strengths and weaknesses (Chapter 1), its regulation (Chapter 2) and the influence it exerts on the tourism industry (Chapter 3), the fourth chapter focused on the survey analysis. This work led to noteworthy outcomes, among which the result that many responders who use collaborative platforms are not aware of the concept of sharing economy, even if they are an active part of it. Since the sharing economy is increasingly present in the tourism sector, my interest was to understand the connection between these practices and the specific segment of the tourism industry which is the low-cost sector. However, after this study, it was important to consider that the notion of collaborative consumption has changed over the years and that this whole sector was heavily affected by Covid-19.

In the early stages, the core pillars of any sharing economy platform were the democratisation of access to goods and services through the use of digital technologies, the reduction of hyper-consumption and wastes, and the creation of true community connections. Nowadays, these principles have not completely disappeared, but it is difficult to find platforms that factually practise them. Gradually, the focus has shifted towards monetary convenience and business efficiency: some analysts believe that the authentic sharing economy is over since its original values have been "betrayed"; others affirm that it has reborn, adapting its business models to the world great changes, reorganising and modifying purposes and models, to explode in the future more powerful than before. The future remains to be seen, although the latter is the most accurate theory so far. Numerous factors influenced the outcomes of the sharing economy, as well as the organisation of its services. The leading example of this evolution is Airbnb. Originally,

there was no "financialization" of the platform, but finally on December 10th 2020, Airbnb listed its company on the NASDAQ stock exchange of New York. After a year of tremendous losses (-70% of stays and revenues) and firings (1900 people dismissed), the group implemented a renovation plan aiming at its market capitalisation: the effect was a $100 billion value on the stock exchange market, which is more than the three major American hotel chains together, Marriott, Hilton and Hyatt (Il Post, 2020). Nevertheless, it is possible that Airbnb would focus on growing its influence in other sectors and activities beyond the pure accommodation, considering the gradual declines of these past years, the ongoing problems like regulation, tax issues and limitations, the uncertainty of the tourism sector and the pandemic crisis.

In this regard, the second contemporary topic is the impact of Covid-19: its outbreak affected every sector but one of the worst-touched is the hospitality and tourism industry. The pandemic might put an end to the peer to peer accommodation sector, primarily based on the interaction between host and guest, evidently compromised by the social distancing guidelines. In the post-Covid-19 world, traditional accommodation providers will have an advantage over sharing rentals thanks to the better adaptation to health and safety standards and the better perception people have on this matter. Furthermore, hoteliers are eligible for governmental support during the pandemic, contrarily to sharing economy hosts, given the unregulated context of peer-to-peer accommodation. Considering the mentioned aspects, Farmaki et al. (2020) divided hosts according to their concerns and attitude towards this crisis into "pessimistic" and "cautious" ones. The first intends to turn to long-term renting ceasing "informal" hosting permanently; similarly, the second would maintain both short-term and long-term rentals for greater safety. To prevent the concrete risk of losing members, platforms need to redefine their support measures to hosts and implement responsible crisis management policies.

These changes not only influence the sharing economy system but also the whole tourism industry. In recent years, the hospitality sector registered an evolution towards more sustainable, inclusive and accessible practices, allowed by the introduction of new technologies and emerging behavioural changes, hence the growth of budget tourism and the increasing access to shared services. Users' profiles as well have modified adapting to new motivations and values like sustainability, resource efficiency and community. The final chapter of this thesis rotates around the cited aspects, analysed through the

"Sharing economy and budget tourism" quantitative survey. The research purpose was to understand the new practices adopted while travelling and the user of sharing economy services.

Above all, it is important to report that, due to the absence of a representative sample, the survey cannot be generalised: it had some limits and flaws due to inexperience and lack of professional knowledge on the subject of quantitative analysis. Principally, some questions were not posed directly and correctly, resulting in a bias of answers and a consequent polarisation in some age ranges. Nevertheless, the survey results are summarised in the profile of a female student backpacker, between 19 and 29 years old. In the view of correcting imprecisions and errors, it was useful to outline a new survey with the same purpose, organised accordingly to the general rules and suggestions. For instance, it could be more effective to ask fewer questions, more precise and targeted, while adding some others concerning the level of education and the occupation.

This paper can represent a starting point to carry on further analysis on the topic and it provides insights for deeper future studies. In the choice of this subject, I noticed that studies and official information on it were scarce, and I found it challenging to try to find answers. For instance, it would be interesting to have a representative sample to make the study generalisable or to focus on a unique segment of users, as well as expanding the research to the circular economy and the socio-cultural aspects of the sharing economy, its changes due to the covid-19 pandemic and its evolution in the future.

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