

## **The Sharing Economy: About Micro-Entrepreneurship and Givers’ (Financial) Motives**

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*Abstract.* Although there are many *non-profit* sharing initiatives (e.g. couch surfing, time banking or giveaway platforms) other sharing initiatives attract people to their platform exactly because they can earn an additional, a substantial or a necessary amount of money (e.g., 10 € per prepared dinner, 25-250 € per night for a stay through Airbnb). These ‘Givers’ may be seen as micro-entrepreneurs and may pursue a (partial) revenue through the sharing platform. Gaining insight into their motives establishes the aim of this study.

A survey of 203 Belgian Givers shows a predominance of prosocial motivations to enter sharing platforms as a Giver. Concern for the environment as well as social contacts and cohesion are important benefits, whereas economical gain is not. However, there is an interaction between ‘business’ orientation (profit versus non-profit platforms) and the Giver’s (financial) motives. Especially uncovered by extra in-depth interviews with Givers and platform owners, it seems that financial and convenience issues do play a role for prosumers. Finally, only some interviewees considered their participation as a try-out to build a business (e.g., to become a professional cook), whether within or outside the platform.

This research gives insight into the motives for Givers to engage in sharing initiatives, which could be used to recruit new Givers as clients of the digital platforms.

*Keywords:* sharing economy, sharing platform, micro-entrepreneurship, sharing motivations, financial motives

### **1 Introduction**

#### ***1.1 The sharing ideology/economy***

In 2015 Flanderstoday.eu published that: “*The sharing economy has arrived in Flanders and the rest of Belgium, even if most people don’t know about it yet. Awareness and levels of participation are low,*

*according to a survey published in July, but the idea of sharing appeals to people, which leaves local companies in this innovative area of business feeling optimistic.*” (Mundell, 2015). So, the sharing economy wasn’t known all that well in 2015, nor did everyone jump into sharing (platforms), but the idea of sharing became more and more popular and people -and newspapers- were talking about it. Nowadays, in 2017, the concept is more broadly integrated and initiatives are growing exponentially. For example, in 2016-2017, several new initiatives arose in Flanders/Belgium, such as JoinUs2Eat (eating together with strangers in someone’s house), FLAVR (cooking for others), SurrounThings (lending and letting goods) and Helpper (time banking).

Many different definitions on the sharing or collaborative economy have been published, perhaps being rather normative and reflecting one’s own viewpoint. One of the first books on this topic was *“What’s mine is yours”*, in which Botsman and Rogers described in 2010 how the collaborative economy changes our lives. Botsman defines the collaborative economy as *“an economic system of decentralized networks and marketplaces that unlocks the value of underused assets by matching needs and haves, in ways that bypass traditional middlemen.”* (Botsman, 2015). Since then other definitions (and viewpoints) have been formulated. For instance, the sharing economy is a social-economic system in which sharing, collective consumption, but also the joint creation of goods, services or talents are central (Botsman & Rogers, 2010), (De Waij, 2015), (Wikipedia, 2015). According to Frenken, sharing deals only with peers, laymen, consumers or individuals (C2C) who provide *temporary* access to, otherwise unused, goods, but not services (Frenken, 2016). Yet another definition limits the sharing economy to those initiatives that only share for free (Verdegem, 2016). Verdegem (2016) states that the real sharing economy covers only non-profit platforms. According to (Sundararajan, 2016) sharing is not new. *“Giving someone a ride, having a guest in your spare room, running errands for someone, participating in a supper club – these are not revolutionary concepts. What is new, in the sharing economy, is that you are not helping a friend for free, you are providing these services to a stranger for money.”*

In sum, the sharing economy is about sharing rather than owing, which may reflect a new economic model beyond the paradigm of mass production and consumption (Roh 2016). In this economy, three different constituents can be distinguished, namely: platform owners (or the marketplaces), prosumers/Givers and consumers/Takers. The platforms are the person-to-person marketplaces that facilitate the exchange of goods and services between peers. The micro-entrepreneurs are the individuals or Givers that supply goods and services in these marketplaces. The consumers are the individuals who demand (buy, rent, swap, use). Both the Givers and the Takers are referred to as peers (Sundararajan, 2014).

### ***1.2 Drivers and motivators for sharing***

Several forces drive the collaborative economy and are recognized by many, namely: **societal/social, ecological, economic** and **technological** drivers (Bellotti, et al., 2015) (Dubois, Schor, & Carfagna, 2014) (Schiel, 2015).

**Societal** drivers include an increasing population density, a drive for sustainability, a desire for community and a general altruism. It has also to do with the need for **social** contacts, for knowing each other or helping each other, either within or without a kind of community. Sharing brings people together and creates or enhances a sense of community. Believers of sharing are not only social, such that they like to meet new people or to have conversations, they often are also idealistic, cooperative and committed to society. For example, Marchand et al. (2010) found in their study of consumer culture, that sharing people often had a particularly general lifestyle including a reduction of consumption, an increased awareness of social and environmental issues, a more sustainable existence and commitment to a better world or better quality of life (Marchand, Walker, & Cooper, 2010).

This growing **ecological** realization that many sources are limited, that the making of material pollutes and that reusing is better than buying or throwing away, is certainly the cradle of the success of sharing initiatives. In response to mass consumption, the choice is being made to consume and to share (less used) goods or services. Many are motivated to share goods, with the aim of reducing their ecological footprint.

Another important aspect of the collaborative or sharing economy is digital **technology**. Technological drivers consist of social networking, mobile devices/platforms and payment systems. Growth in sharing initiatives has been fuelled by ICT, especially with the rise of social network systems that facilitate connections between peers, eager to share their possessions (Roh 2016). Technology and the ease with which businesses can be exchanged and transactions can be done by it, are often seen as one of the most important enablers of the collaborative economy. *“In a recent study titled ‘Sharing is the new buying’ 75 % of respondents named **convenience** as a reason “for using a peer-to-peer site” to participate in their last sharing activity.” (Owyang et al., 2014, p. 19; Khan, 2014) in (Schiel, 2015).*

**Economic** drivers consist of monetary earning or saving money, an increase of financial flexibility, and funding. A **financial** need, for example due to social changes (e.g., single parenthood) or to a (bank) crisis played a major role in the re-expansion and growth of sharing. It is generally assumed that sharing platforms and applications have been boosted since 2008, because of the bank crisis, at least in the US. Changes in the general economy and/or in one’s personal financial situation, therefore, have played a catalytic role in the rise of the sharing economy. Consumers are sometimes forced to become a producer as well, and to rent out part of their house, so they can continue to pay off the mortgage, or are obliged to sell their car and to rent one if needed, or to share or borrow one instead. Whether financially obliged to ‘share’ or not, the financial benefits cannot be denied.

### ***1.3 Micro-entrepreneurship***

As one of the drivers of sharing initiatives is an economic/financial one, at least for initiatives where the Giver gets paid, Givers may be seen as micro-entrepreneurs and may pursue a revenue by being a member of these initiatives. The possibility to earn some extra cash may have been a welcome side-effect, for some, or a necessity for others, within sharing initiatives. Yet, even though this ‘extra’ may be small and negligible for some, nowadays, sharing has become increasingly professionalized and for many Givers, it can no longer be seen as a secondary source of income but as a primary and substantial one. Givers may see the monetary benefits of one or several platform(s) and behave more and more as micro-entrepreneurs concerning (all) their assets. For instance, one can rent out one or more extra rooms and a boat and a fancy car. For example, Amsterdameconomicboard mentions that data in the USA show that renting out an empty room through Airbnb results in \$ 20,000 a year, renting out unused items \$ 200, sharing your car \$ 8,000 and providing your knowledge and skills \$ 15. In some European cities, like Amsterdam and (soon) Ghent, where a limit of 60 rents per year is pursued, one could *earn* about 1,800 to 3,000 € with one room prized at 30 or 50 € per night respectively. For an apartment prized at 150 € per night, one could *earn* 9,000 € per year. In the countryside and in other cities, there’s no limit (yet) on the number of days or number of rooms or houses one rents out through a ‘sharing’ platform (Amsterdam Economic Board, 2014).

There is very little doubt that the peer-to-peer business *can* lead to an expansion in entrepreneurship and innovation. These platforms allow individuals to tap into abilities and aspirations, which possibly would not have been realized otherwise. For many individuals, the relatively low-risk micro-entrepreneurship may be the first step to broader entrepreneurship like freelancing or starting an independent business to generate supplemental income, extending expertise and creating a broader professional network (Sundararajan, 2014). Peer-to-peer business facilitated through (sharing)

platforms can lower risks for these would-be entrepreneurs. They already have a marketplace to their disposal, namely the platform, so they don't need to search for potential customers. Moreover, they can start without or with a minimum investment, as for example chefs can work at home in their own kitchen. Finally, many platforms handle the complete financial transaction between the consumer and prosumer, such as Airbnb and Uber.

### ***1.4 Purpose of this study***

The main aim of this study is to offer insight into the different motives of sharing for Givers. In addition, the entrepreneurial aspirations of the prosumers are explored. The data reported in this paper are part of a larger study, concerning the personality and profiles of Belgian Givers, Takers and non-users within sharing initiatives of all kind. In this paper we focus on Givers, in general, and on Givers within *profit* initiatives in specific, by digging into the data gathered in that larger survey on the Sharing Personality. Who participates as a Giver in (profit) sharing? What motivates those (profit) Givers? Finally, what profile do they have? We will describe (1) the results of N=203 Givers, of whom only N=9 earn some money from it. (2) Additional qualitative statements resulting from extra in-depth interviews with Givers and/or with platform owners will be described to put the quantitative data into perspective and to further examine whether there is indeed an emerging micro-entrepreneurship due to sharing initiatives.

## **2 Survey on the motives of Givers in the sharing economy**

### ***2.1 Methodology***

#### ***2.1.1 Recruitment and response rate***

To achieve the primary aim of gaining insight into the motives of givers, a group (N=203) of Belgian Givers was examined. Actually, this group is only one segment of a larger survey (N=433) where users' (Givers and Takers) as well as non-users' motives to (not) join sharing initiatives were investigated. This paper concerns this specific subsample (N=203).

The survey was digitally available from 10 February 2017 until 19 April 2017. It was sent to almost 17,000 potential respondents using social media such as Facebook, LinkedIn and newsletters and it was sent to students Business Management and Graphical & Digital Media. Additionally, several platform owners were asked to distribute the online survey. However, none of them responded to our request except for a substantial group of members of the LETS network<sup>1</sup>.

#### ***2.1.2 Material and variables<sup>2</sup>***

The following variables were included:

1. Demographics: age, gender, urbanisation, income, educational level, level of association or social life membership.
2. Psychographics: a version of the well-known, reliable and validated Big Five Personality Scale (the 50-item IPIP version of (Goldberg, 1992)), by which one's personality can be described according to 5 components;
  - a. **Extraversion:** (*outgoing/energetic* vs. *solitary/reserved*), energy, positive emotions, assertiveness, sociability, the tendency to seek stimulation in the company of others, talkativeness, ...

<sup>1</sup> LETS stands for Local Exchange and Trading System.

<sup>2</sup> For a complete description of the scales and questions used, we refer to our website <http://sites.arteveldhogeschool.be/entrepreneurship3/onderzoek-over-ondernemen-de-toekomst> (Dutch version)

- b. **Agreeableness:** (*friendly/compassionate* vs. *challenging/detached*), being compassionate, cooperative rather than suspicious and antagonistic towards others, trusting, being helpful, being well-tempered or not, ...
  - c. **Neuroticism:** (*sensitive/nervous* vs. *secure/confident*), experiencing unpleasant emotions such as anger, anxiety, depression, and vulnerability or not, ...
  - d. **Conscientiousness:** (*efficient/organized* vs. *easy-going/careless*), being organized and dependable, showing self-discipline, acting dutifully, aiming for achievement, preferring planned rather than spontaneous behaviour, ...
  - e. **Openness to experience:** (*inventive/curious* vs. *consistent/cautious*), appreciation for art, emotion, adventure, unusual ideas, intellectual curiosity, creativity, a preference for novelty and variety, ... (Wikipedia, 2017).
3. Membership of 12 kinds of sharing initiatives, varying in industrial sector (goods, accommodation, services, ...) and in profitability (profit versus non-profit) for the Giver;
  4. Derivatives and computed variables: member of at least one initiative; and number of sharing initiatives, or, number of affirmatives in 3.;
  5. A set of specific motivations for participating within the sharing economy for Givers and Takers only or for not participating for non-users only. These scales were self-made and had not been validated elsewhere.

Using a sample of Dutch speaking Belgians (Flemish people), this paper focusses on the relationship between the demographics and the 5 dimensions of the Big Five Model on actual sharing behaviour and motives for Givers, schematized in Figure 1.



Figure 1: The variables and setup of the survey of which the data concerning the Givers are covered in this paper

## 2.2 Results

Of the entire group of 433, 203 were Giver, either only Giver, or Giver and Taker, of one or more sharing initiatives. Of the respondents 274 were (also or only) Taker and 126 were neither Giver nor Taker and therefore did not participate in the sharing economy. Out of the 203 givers, there were only 9 respondents that could definitely be categorized as Givers within a platform in which they gain money, and who reported their motives concerning such a profit platform. There were 176 respondents that were Givers on a non-profit platform. Eighteen Givers did not reveal the platform they were Giving on, so they were not included in several comparisons. Since this big difference in number of cases per subgroup, significance will be hard to attain. However, some variables *did* differ significantly between profit and non-profit orientated subgroups.

### 2.2.1 Specific sharing initiatives Givers take part of

Givers are member of three different kinds of platforms, on average. Since a large proportion of LETS members responded the survey, who participate in at least LETS as a Giver and a Taker, time banking was the top answer for Givers (+Takers). Next, public and/or closed giveaway Facebook groups were frequently mentioned, followed by platforms on which goods and materials could be lent and borrowed. Cars, parking spaces, bikes or gardens were not very popular to ‘Give’ (see Table 1).

Table 1: Shows the kind of platforms our respondents are Giver at, sorted from most popular to least popular platform. Note that one could be a Giver of several platforms. Percentages are calculated against the total group of Givers N=203.

	Giver+Taker		Only Giver	
	N	% of 203	N	% of 203
Time banking	103	51%	9	4%
Facebook free (public) groups	83	41%	33	16%
Facebook closed friends/neighbours groups	65	32%	19	9%
Goods: lend/borrow	53	26%	12	6%
Free accomodation	18	9%	7	3%
Goods: swap	16	8%	2	1%
Paid accomodation	12	6%	4	2%
Food	12	6%	7	3%
Ride	11	5%	7	3%
Garden	11	5%	-	-
Cars	3	1%	8	4%
Bike	1	0%	-	-
Parking	-	-	-	-

### 2.2.2 General Profile of a Giver in our sample (demographics & psychographics)

There are a lot more ‘Giving’ women than ‘Giving’ men. The average age of the Giving respondents is 46 years. Only 5% of the Givers are youngsters (age 18-25). Most of the Givers live in cities or suburbs. The distribution of the respondents along the income scales is quite proportional, although most have a monthly joint net income between 4000-5000 €. Givers consider themselves as being middleclass (40%) or middleclass+ (31%) “*We have money left, but are not rich*”. Most Givers have had one or another level of higher education (77%). Givers are “in between” active or passive members of the community life (see Table 2). Additional comparisons with non-users and Takers’ characteristics can be found in Table 3.

There were differences in personality traits between Givers with profit versus Givers without profit, but those differences did not attain significance. On average (and this is also true for the entire group of 433), respondents score higher on Agreeableness, Conscientiousness and Openness. Givers who earn some money do not differ *significantly* from those who do not earn money by Giving to others in sharing platforms. See table 4.

Table 2 Demographical characteristics of the Givers: entire group of Givers, Givers within a profit platform, Givers within a non-profit platform.

Demographics		Givers* N203	Profit Givers N9	Non-profit Givers N176	Significance profit vs non-profit Givers
Male - Female		21%-79%	11%-89%	23%-77%	$\chi^2 < 1$
Average Age		46 years	45 years	47 years	F < 1
Urbanisation	Remote	1%	11%	-	F < 1
	Rural	23%	22%	23%	
	Suburban	37%	22%	38%	
	Urban	39%	44%	39%	
SES income	0-1,000 €	3%	-	4%	
	1,001-1,500 €	14%	-	16%	
	1,501-2,000 €	12%	-	12%	
	2,001-2,500 €	14%	-	16%	
	2,501-3,000 €	15%	25%	14%	
	3,001-4,000 €	14%	13%	14%	
	4,001-5,000 €	17%	25%	15%	
	5,001-7,000 €	8%	38%	5%	
	7,001-9,000 €	2%	-	2%	
	9,001-more €	1%	-	1%	
	M class		<b>6.75</b>	<b>4.67</b>	F(1,159)=7.68; p=.006
SES perceived	we are poor	-	-	-	
	we are rather poor	3%	-	4%	
	we have no money left, but are not poor	21%	11%	23%	
	we are average, middle class	40%	22%	42%	
	we have money left, but are not rich	31%	44%	29%	
	we are rather rich	4%	22%	3%	
	we are rich	-	-	-	
		M class		<b>3.77</b>	
Educational degree	Primary education	-	-	-	
	Secondary education	17%	11%	18%	
	7th year, A2, HBO5	7%	-	8%	
	Professional bachelor, 3 yr	38%	11%	40%	
	Professional bachelor, 4 yr	5%	-	5%	
	Academic bachelor	2%	-	2%	
	Academic master	30%	77%	26%	
	Phd, post-university	2%	-	2%	
	M class		<b>6.11</b>	<b>4.52</b>	F(1,181)=6.49; p=.02
Passive member societal life		M=3.38	M=3.00	M=3.40	F < 1
Active member societal life		M=3.47	M=3.25	M=3.48	F < 1

The last column represents significant differences between both subgroups. \* 1<sup>st</sup> column N203; rest N185: not every respondent mentioned a specific platform and hence we could not categorize him/her as being profit or non-profit.

Table 3 Demographical characteristics of the Givers, compared with those of the Takers and of the non-users.

Demographics		Givers N=203	Takers N=274	Non-users N=126
Male - Female		21%-79%	25%-75%	44%-56%
Average Age		46 years	41 years	32 years
Urbanisation	Remote	1%	1%	2%
	Rural	23%	29%	43%
	Suburban	37%	33%	28%
	Urban	39%	37%	28%
SES income	0-1.000 €	3%	3%	3%
	1,001-1,500 €	14%	11%	7%
	1,501-2,000 €	12%	12%	10%
	2,001-2,500 €	14%	12%	7%
	2,501-3,000 €	15%	14%	4%
	3,001-4,000 €	14%	18%	27%
	4,001-5,000 €	17%	19%	23%
	5,001-7,000 €	8%	7%	12%
	7,001-9,000 €	2%	2%	7%
9,001-more €	1%	2%	-	
SES perceived	we are poor	-	-	-
	we are rather poor	3%	3%	2%
	we have no money left, but are not poor	21%	17%	8%
	we are average, middle class	40%	45%	46%
	we have money left, but are not rich	31%	28%	38%
	we are rather rich	4%	7%	6%
	we are rich	-	-	-
Educational degree	Primary education	-	-	2%
	Secondary education	17%	21%	33%
	7th year, A2, HBO5	7%	4%	6%
	Professional bachelor, 3 yr	38%	36%	27%
	Professional bachelor, 4 yr	5%	4%	6%
	Academic bachelor	2%	1%	-
	Academic master	30%	29%	21%
	Phd, post-university	2%	5%	6%
Passive member societal life		M=3.38	M=3.19	M=2.69
Active member societal life		M=3.47	M=3.22	M=2.57

Table 4 Psychographic characteristics of the Givers: entire group of Givers, Givers within a profit platform, Givers within a non-profit platform.

	Givers* N=203	Profit Givers N=9	Non-profit Givers N=176	Significance profit vs non-profit Givers
<b>Psychographic: Personality</b>				
Extraversion	3.21	3.26	3.19	F<1
Emot. Stability	3.30	3.58	3.30	F<2
Agreeableness	4.13	4.01	4.14	F<1
Conscientiousness	3.68	3.56	3.69	F<1
Openness	3.65	3.69	3.65	F<1

The last column represents significant differences between both subgroups. \* 1<sup>st</sup> column N203; rest N185: not every respondent mentioned a specific platform and hence we could not categorize him/her as being profit or non-profit.

### 2.2.3 Motivations of Givers

Givers are mostly driven by their opinion about the disposable mentality (M=4.34), the need to lower their ecological footprint (M=4.18) and their belief in a better world where people share (M=4.00). Then social (cohesion) motives play a role, followed by curiosity and a thrive to authenticity and new experiences. Financial issues can only be found at the bottom of the motivations (e.g. I want to make extra money, M=1.87). Table 5 summarizes the mean scores on each item.

We extracted factors from the inter-correlations among the scores on the motives of Givers using the Principal Component Analysis, Oblimin Rotation Method. Negative items were afterwards recoded and reversed. Five factors with an eigenvalue of 6.26, 4.00, 2.70, 1.67 and 1.41 (cumulative explained variances of 51.74) were extracted. The 5 factors referring to Giving motives were:

- **Ecological** (i.e., to reduce my ecological footprint, because I am against mass production and a disposable mentality, because I believe in a better world where sharing is a norm);
- **Social** (i.e., cohesion, collaboration, cooperation, to have contact with others, to make new friends, because of curiosity, to know new cultures, flavours, people, to have a new experience, to get some new ideas, ...);
- **Convenience** (i.e., because it doesn't cost too much money (n) or time, because it is easy to use/do, it is easier than throwing it in the garbage dump or recycling store, ...);
- **Financial** (i.e., to gain a little extra, because it is cheaper to give something away than to get rid of it, to earn as much money as I can, because I really need the money, ...);
- **Rest** (i.e., because I like (to get the) ratings, out of passion, because of the technology, because it is the new normal).

For all Givers in our sample, clearly the *planet* (ecological) was the main driver to share or give on sharing platforms (M=4.17), then *people* (social) (M=2.77), convenience (M=2.57) and the least important was *profit* (financial) (M=1.90). The rest factor, containing items that couldn't be classified elsewhere in a logical manner, did (also) not attain any importance (M=1.88). See Table 6.

Table 5: Mean scores on several motives to be a Giver, sorted from most important motive to least important motive.

Descriptive Statistics	N	Mean
		5,00
Because I am against a disposable mentality and/or mass production	203	4,34
To reduce the ecological footprint	203	4,18
Because I believe in a better world, where everyone shares, like equals	203	4,00
To help or support other people (the 'takers')	203	3,92
For the sake of co-operative and collaborative	203	3,56
For the sake of cohesion and social cohesion within such a group	203	3,36
Because of a kind of reciprocity: I give something I get something	203	3,06
To get a new experience	203	2,93
To give others something authentic	203	2,93
Because I make many new acquaintances and even friends	203	2,84
Because it does not cost me much effort	203	2,72
To get to know new people, tastes, cultures	203	2,70
Because it is very convenient	203	2,69
Because it does not cost me much time	203	2,61
To get ideas	203	2,59
Because it's easier than selling or renting as self-employed or through the classic circuit	203	2,56
Because I'm curious about the 'takers'	203	2,46
Because it's cheaper than throwing away my stuff	203	2,43
Because this kind of platform technology (GSM, app) is very easy	203	2,41
Because of a kind of passion	203	2,36
Because I think one cannot find those things I'm giving / sharing in the classic stores	203	2,31
For self-interest	203	2,14
Because everyone does it, it's the new normal	203	1,89
Because I earn an extra penny	203	1,87
Because I know the platform owner (initiator) and I want to do a favor	203	1,65
Because lending / sharing has become a kind of addiction to me	203	1,61
Because I'm kind of broke at the moment, I'm obliged to lend or rent	203	1,60
Because most of these initiatives have ratings (reviews, ratings, stars) which is an important source of information for me	203	1,56
As a try-out for a career switch, to see if I can make it my job, later	203	1,36
Because I want to get as much as possible good ratings and reviews	203	1,34
Because I want to make money as much as possible	203	1,32

Table 6: Number of items that could be classified in one of the 5 components/factors of this Givers' motivation scale, the Cronbach's alphas of the subscales and the aggregated scores of the items belonging to the subscales, sorted from highest scored factor (Ecological), to lowest scored factor (Rest).

	N of items	Cronbach's $\alpha$	Aggregated N203
			5,00
Ecological	3	.81	4,17
Social	9	.88	2,77
Convenience	6	.78	2,57
Financial	9	.72	1,90
Rest	4	.52	1,88

#### 2.2.4 Influencing variables on the motives

The following significant relationships between the independent variables and the motives to participate in the sharing economy as a Giver were found:

- The older a person is, the more Social [ $r(201)= .15$ ;  $p=.03$ ] and Ecological [ $r(201)= .24$ ;  $p=.001$ ] motives are valued, but the less Convenience [ $r(201)= -.20$ ;  $p=.004$ ] seems to matter;
- Urbanisation shows a capricious pattern: the two subjects living rather remotely and those living in the suburbs seem to score the Social item higher than those living in a city or village [ $F(3,199)=2.93$ ;  $p<.05$ ];
- More wealthy Givers, either based on actual income or perceived as such, are less Socially [ $r(174)= -.21$ ;  $p=.005$ ], Ecologically [ $r(174)= -.19$ ;  $p=.013$ ] and Financially [ $r(201)= -.18$ ;  $p=.01$ ] motivated than less rich Givers;
- Actual richer Givers do seem to value Convenience [ $r(174)= .15$ ;  $p=.05$ ] more than Givers with a smaller income;
- The more actively or passively one takes part in the social-cultural scene of societal life, the more the Social [ $r(198)=.27$ ;  $p=.000$  P,  $r(198)=.32$ ;  $p=.000$  A] and Ecological [ $r(198)=.22$ ;  $p=.001$  P,  $r(198)=.27$ ;  $p=.000$  A] motives play a role.
- Finally, it seems that Convenience and Financial motives play a significant bigger role for profit Givers than or non-profit Givers; whereas Ecological motives show a reverse (see Table 7).

Table 7 Motives to Give: entire group of Givers, Givers within a profit platform, Givers within a non-profit platform.

Motives to Give in sharing initiatives	Givers* N=203	Profit Givers N=9	Non-profit Givers N=176	Significance profit vs non-profit Givers
G_Social	2.77	2.67	2.77	$F<1$
G_Convenience	2.57	3.09	2.50	$F(1,183)=3.86$ ; $p=.05$
G_Financial	1.90	2.48	1.88	$F(1,183)=11$ ; $p=.001$
G_Ecological	4.17	3.41	4.27	$F(1,183)=9$ ; $p=.003$
G_Rest	1.88	2.08	1.87	$F<1$

The last column represents significant differences between both subgroups. \* 1<sup>st</sup> column N203; rest N185: not every respondent mentioned a specific platform and hence we could not categorize him/her as being profit or non-profit.

### 3 Discussion and additional in-depth information

#### 3.1 Are Financial benefits totally unimportant?

It seems that a financial benefit is totally unimportant to involve in sharing, for Flemish Givers, and that this is not only applicable for the LETS group (still a dominant subgroup in this sample), but also for the rest of the sample. This finding does not match the findings in the American literature though, nor does it corroborate with the perception of several platform owners and the testimonies of two American and two Flemish Airbnb renters we interviewed.

First, perhaps this incongruence is a counter effect of the procedure of the research, in which social media was used to find respondents. By such, self-selection may have played an important role, and, hence, maybe the most *prosocial*, cooperative-without-interest people participated in this survey, whereas the more *proself* and financial motivated subjects did not.

Second, most of the Givers in our survey take part in non-profit platforms (such as Peerby, Couchsurfing, Facebook groups, and LETS) rather than in profit initiatives, and, therefore, we need to be careful in interpreting and generalizing our findings. Actually, if we drilled down in our sample, we noticed that only nine of our respondents are Givers on profit platforms (on Airbnb, CozyCar, Drivy, homemade meals (ThuisAfgehaald) and two platforms where one sells second hand clothes). These nine subjects did not significantly differ in any way from the non-profit Givers, except that they were wealthier and perceived it as such and they had a substantially higher educational degree. However, taking into account that an Ecological motive was still the top answer for them, they were significantly more Financially and Convenience driven and less Ecological driven than Givers within non-profit platforms.

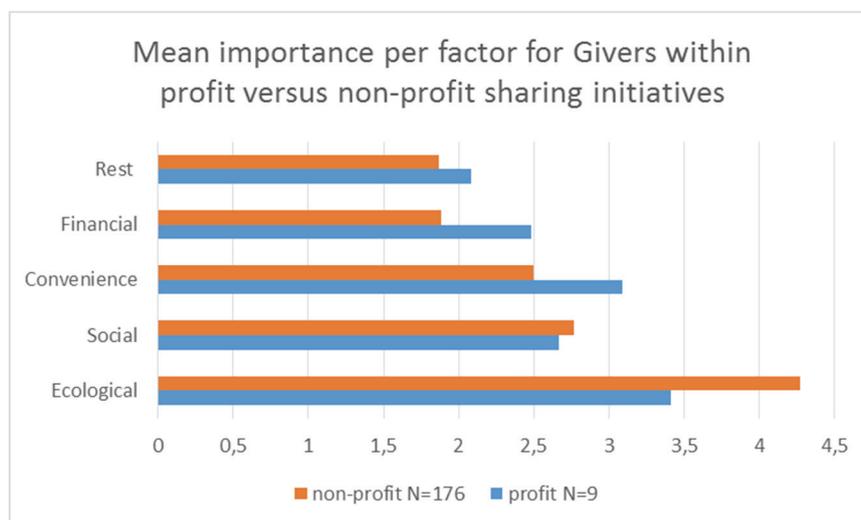


Figure 2: Mean importance per factor for Givers within profit versus non-profit sharing initiatives

Although Ecological issues as well as Social aspects are the main reasons to share on platforms, based on the quantitative study, they were rarely mentioned in the in-depth interviews we had with the four renters on Airbnb. "I think if you look at the big picture it is, I mean we have as a home owner, I have empty rooms and so instead of building hotels and places like that why not use the resources that are available now.". Even the Social cohesion and collaboration aspect of sharing was not that outspoken in the interviews. Some Airbnb renters did say they "like to host people, have a talk with them and listen to their stories", but did not intend to become friends or did not pursue some kind of cohesion, they kind of realized that they caused rather the opposite by renting out rooms to tourists.

In fact, our interviewees admitted that the Financial aspect is important: *“To be honest, I don’t think a lot of people still stick to the social aspect of sharing but only to the financial aspect of it.”* Some of them said that they or friends of them rented out parts of their house through Airbnb only out of materialistic aims (e.g., *‘being able to pay the down-payment of their house after a divorce’* or *‘for being able to stay in a certain city that has become very expensive to live in’*). Also, they stipulated that renting out by Airbnb provided an additional income which is twice as lucrative than if they would rent out on a long-term basis (3-6-9 contract).

However, financial motives were not of any importance for interviewed Givers of non-profit platforms (LETS, Peerby and a free Facebook group), which confirms the findings from the survey, or of a minor importance for interviewed Givers of food platforms (JoinUs2Eat and FLAVR). Another food sharing platform, MenuNextDoor said that it is rather impossible to earn a monthly pay with selling food on their platform but they do try to recruit new chefs by stating on their website *“Make money with your passion. Every chef makes between 100 and 350€ per day”*. According to CAMPR, a kind of Airbnb for campers, some people earn 200 or 300€ per festival weekend by renting out their garden to campers. Most do this for fun, not for the additional income, because they barely have a handful of campers per season. However, CAMPR also supports farmers in renting out their meadow during festivals, and they do attain a critical mass and hence a rather substantial income.

However, Flemish people are also kind of ashamed to be judged as a ‘capitalist’ and this may -after all- be a third influencing factor against which we may have to interpret our findings obtained from the survey. Maybe, although the survey could be filled in anonymously, our participants may have answered *socially desirable*.

In any case, the nine Givers in the profit sharing sector, did not only score higher on Financial motives, but also on Convenience and on the Rest items, including passion, ratings, technology and the new normal. Additionally, Convenience is seen as an important factor for non-profit Givers, according to the administrator of a free gift group on Facebook we interviewed: *“by giving away something one does not have to do the effort to bring it to the recycling depot, for example.”*

Passion was also named during the additional interviews. For example, some chefs on the food sharing platform could reduce their work to a 4-day week and work one day a week as a chef, since they prefer to earn money by their passion for food. Passion was also brought to the attention by several Airbnb renters who mentioned that once they wouldn’t love the job anymore, they would return to long term renting without any hassle (cleaning, changing sheets, maintaining the house, preparing for breakfast, ...). But for now, *“they loved doing it”*.

Furthermore, Convenience also seemed a more prominent motive in the interviews than in the survey. A user-friendly platform was *“by far”* the number one reason according to many Givers: *“Efficient, real-time, no transaction of funds, everything is done online.”*

### **3.2 Opportunities for micro-entrepreneurship for Givers according to the platform owners**

The user-friendly and convenience advantages just mentioned may also apply to a lowered threshold or aversion to start a micro-enterprise through the platform. People can easily try a career-switch as entrepreneur through these platforms. Some platforms we interviewed mention themselves that they stimulate peer-to-peer business by lowering the threshold for entrepreneurship. FLAVR for example states that chefs can just concentrate on what they are passionate about, that is making good food, and FLAVR facilitates: no searching for customers (the marketplace is already available), no administration (FLAVR provides for chef’s invoices), no investments (chefs can just use their own kitchen), .... According to FLAVR, some chefs have already downsized their job from 5 to 4 days a

week and earn additional income for that one day a week through FLAVR. Some FLAVR chefs started their catering business through FLAVR and that is OK with FLAVR, as long as food is sold peer to peer. FLAVR even wants to facilitate this shift more in the future and wants to provide a template for chefs to complete when they want to start a business. FLAVR also fixes all paperwork for them: legal concerns like food certification, insurances, and so on. This way, chefs are up and running right away. CarAmigo agrees with this facilitating role saying that it is very risky to start a car renting business and that the platform can serve as a start to entrepreneurship. Furthermore, a platform can also serve as a real-life test case for would-be entrepreneurs. Chefs can try out whether their food would sell before investing in a restaurant. According to several platform owners, stimulating micro-entrepreneurship is a nice side effect for their Giving members, and some of them want to focus more on assistance to the Givers on that one, either for free or for which they should pay.

Based on our quantitative study, however, we can conclude only that Flemish Givers – or at least the ones responding to our survey – mainly participate in non-profit initiatives and that Ecological and Social motives play major roles. The former holds true for the nine profit Givers. Platforms then should stress Ecological benefits and outcomes. However, the ease to enter the platform and to use it should also be an argument to attract Givers onto the profit-oriented platform. These two factors combined with a Financial benefit can trigger the right audience for a profit platform. Givers love to make an extra buck, but it should be combined with or be camouflageable underneath other benefits.

Furthermore, based on the extra in-depth interviews, we can see that micro-entrepreneurship is indeed a main trigger for *some* Flemish ‘Givers’, but sometimes a surprisingly unintended outcome, becoming a pursuit after a while, for others. The survey however revealed that a career switch was not a top answer, not even for the nine Givers within the profit platforms (1.33/5).

### **3.3 Future research**

This study confirms partly (i.e., based on the interviews) that sharing initiatives help people to become an entrepreneur and to overcome some disablers or fears while doing so. It would be interesting to further investigate whether individuals who otherwise never would have become a micro-entrepreneur, now consider it due to the facilitation, efficiency and the low entry level of these platforms. Maybe, at a micro level, it stimulates individuals who are otherwise averse to risk-taking and innovativeness and who are less proactive, which are three factors of the Individual Entrepreneurial Orientation scale of (Vantilborgh, Joly, & Pepermans, 2015).

However, it is also interesting – or even necessary – to monitor the effects of this kind of micro-entrepreneurship, at a more global and macro level. Related to the impact sharing platforms have on ‘work’, there are two opposite visions. There is a pessimistic vision that predicts a race to the bottom. Within this vision, profits are scoured by companies that manage the software. In that case, only a few remnants remain for the ‘employees on call’, with low wages, less or no social security and an increasing general uncertainty. On the other hand, there is the utopian vision. Within this vision, the future of work is defined in terms of flexibility, fluidity, innovation and creativity. In this vision, every individual would be an independent micro-entrepreneur who determines his own future and who earns enough money to maintain a (sufficiently) wealthy existence (Metropolregio Rotterdam Den Haag, 2016).

Many fear however that this new economy will be (more and more) disruptive as it competes with classic sectors and industries (Airbnb with hotels, Uber with taxi-drivers) and that it will affect mainly lower and middle-class jobs. Furthermore, many had expressed great hope for this alternative economy, as a counter reaction to overconsumption and capitalism and as a mean to bridge to some extend a period of poverty. It is then disappointing to see that the sharing economy changed from

something small, cute and necessary to the less-favoured and middle-class, where the "poor" or "lower middleclass" could become richer, for instance by doing chores or provide services, to something where the "rich" become even richer just because he/she possess more assets (homes, goods, cars) (also known as the Matheus effect). Politics should take into consideration the risks and the disruptive character of the sharing economy and act quickly to avoid a further division in society. A new regulatory framework or even a new "social contract" is needed for the emerging share economy to ensure that it has a social face and is not just aimed at efficiency and maximization of profit for a minority. However, one could argue/protest why more wealthy people could not pursue more wealth, whereas less wealthy could? Also, politics just need to stimulate more micro-entrepreneurship, instead of limiting it. One way to do 'just', in our opinion, is to collect fair taxes on the additional income coming from sharing goods or services, and to align income-taxes from this 'new' economy with income-taxes from the 'old' economy. To be able to do so, however, peers should 'share' their income and/or platforms should 'share' their data with governments. Too idealistic? In all probability, it is. However, a Belgian tax regime for some sharing initiatives was recently introduced. Taxes will be withheld at the source and paid to the tax authorities, at least for and by a handful of sharing platform. The Program law of July 1<sup>st</sup> 2016 (Belgian State Gazette July 5<sup>th</sup> 2016) sets up a legal framework for earnings received from sharing activities. It consists of an advantageous but limited tax regime for Givers.

The income previously categorized as "miscellaneous income" will be taxed at 20% after deduction of a 50% allowance, so the actual tax rate will be 10%. Some conditions, however, should be fulfilled:

- the earnings may not exceed 5,100 € per year (indexed for 2018);
- the earnings should be obtained outside the context of one's professional activity;
- for services only (does not apply to accommodation sharing, nor for car sharing);
- by one peer to another peer (who both act as private persons);
- by means of a recognized digital platform, that will have to register with and be approved by the tax administration;
- payment should be exclusively organized through the digital platform, by which cash payments are banned, all transactions are to be paid electronically so that they can be traced.
- service providers that offer services via other channels than the digital platform, or to to professionals, will be disqualified.

Until now, eight service sharing platforms are recognized: Listminut.be, FLAVR.be, Conceptz (klaariskees.be), bpost (Bringr.be), Heetch.com, Pwiic.com, MenuNextDoor.be and BRANPONT (bijlesherent.be). The new and advantageous regime does not apply to accommodation sharing, but, if, for example, an Airbnb host provides breakfast, that part of the income could fall within the scope of the new law. And, while car sharing (goods and movable property) would fall outside the scope of the law, Uber services would fall within.

The advantageous tax regime is not the only way to stimulate entrepreneurship. There are also other concessions. *"The Royal Decree 38 of 27 July 1967 that governs the social security regime for the self-employed is adapted to exclude individuals who earn less than 5,000 € from the sharing economy from social security. They will not have to register as self-employed and will, therefore, not have to pay social security contributions. They will not have to register with the Enterprises' Database and they will not have a Business Number. The income from the sharing economy will be VAT exempt (the VAT threshold is €25,000) so that they will not have to charge VAT (but they cannot recover the input VAT). Furthermore, they will not have to file an annual client listing."* (Quaghebeur, 2016).

The law and regulation realizes a twofold objective. It sets up a straightforward tax regime to manage several sharing initiatives, while enabling Givers to start a new activity without any starting capital and with little or no risk. Will this small adjustment in legislation be sufficient to get more individuals

in touch with the sharing platforms, as a Giver? Will it be promote people to communicate their extra income to the legal services? Will the gap between *prosocial* (ecological, social) motivated sharing and *proself* (financial) motivated sharing be closed within the near future by collecting taxes in a linear or progressive way? Will the responses formulated and frameworks offered by the government(s) solve current issues, such as emerging excesses, without enfeebling the many entrepreneurial opportunities and positive (social) outcomes. In fact, the impact of such a rather small change in law regarding a rather small proportion within the landscape of the sharing economy (i.e., services only, income <5,100€) should be examined immediately, with the above mentioned questions in mind.

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