
Part II: Impacts and Values

6 National culture and the sharing economy

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Introduction

The tourism sector is essential to a country due to its direct and indirect impact on employment, the development of services, and foreign exchange (Berndt et al., 2013). Two important sectors for tourism are accommodations and travel, specifically the hotel and taxi industries, which are viewed in this chapter as traditional services. Building on these services, the sharing economy has impacted the transport and accommodation sectors, and thus the tourism industry (Ammar et al., 2020). Vehicles have been perceived as underutilised resources, which encourages sharing of this resource with others (Weatherhead, 2014). These resources are then used by the owners to generate income through service provision. Examples of brands in the sharing economy include Uber, Lyft, Airbnb and Vrbo.

This chapter presents quantitative research conducted in four countries on four continents, incorporating diverse cultural groups. As suggested by numerous authors (Altinay & Taheri, 2019, Ye & Robert, 2017, Davidson et al., 2018), there is a need to investigate the sharing economy within other cultures. Thus, the focus of the chapter is to examine two central questions:

- How are the traditional transport and accommodation services evaluated relative to matchmaker services (such as Uber and Airbnb); and
- What is the intention to support these shared services among the various cultures?

Initially, we contrast traditional and shared services and then provide the theoretical basis to the study. Next, we present the methodology and findings, concluding with the implications of this study.

Traditional and shared tourism services

Traditional services

The term 'traditional' refers to the pre-existing services associated with long-standing tourist activities (e.g., taxis as a transport service; hotels as an accommodation service). Taxis provide a metered service transporting people to their destination, and the cost is dependent on the distance travelled. Service quality is promised through state regulation and the need for drivers to have driving permits (Peeters et al., 2015).

Accommodation services comprise a wide range of options, ranging from cheaper (such as hotels with few stars) to luxurious options (such as five- or six-stars). They vary based on price, luxury and the facilities offered, such as the provision of spa and food services.

Shared services

The sharing economy services, such as Uber and Airbnb, have disrupted traditional tourism services and reduced the costs of these services (Henama & Sifolo, 2017). They also have fewer regulations with which they need to comply. For example, Uber provides the platform to match two parties (the vehicle owner with the person requiring transport) using their app. It is estimated that in 2015 there were almost 500 sharing economy platforms in the tourism industry (Peeters et al., 2015).

Culture

Culture impacts the behaviour and choices of individual consumers at a macro (country) level, which then, in turn, influences the decisions individuals make about products and services (Muk and Chung, 2015). Thus, it is valuable to understand the role of culture in the adoption of shared services.

According to Hofstede (2001), culture is the "collective programming of the mind" (p. 9), which can be used to differentiate groups of people. Culture can be seen in various ways and influences future priorities, including customer perceptions, preferences, and purchasing behaviour (Petersen et al., 2015, Ye & Robert, 2017). Many studies have used Hofstede's dimensions as an explanation for cultural differences between groups (Akdeniz & Talay, 2013, Petersen et al., 2015, Gupta et al., 2019, Albinsson et al., 2019, Ye & Robert, 2017) though its use has been questioned (Zainuddin et al.,

2018). Hofstede's six dimensions, individualism, indulgence, long term orientation, masculinity, power distance and uncertainty avoidance, form part of the underlying individual beliefs (de Mooij & Hofstede, 2010, Hofstede, 1997, Hofstede et al., 2010). Hofstede (1997) suggests that researchers should select suitable dimensions for their study, represented by the decision to remove *masculinity* and *power distance* from this study.

Individualism explains how an individual's behaviour is motivated by personal self-interest and the attainment of personal goals (Soares et al., 2007, Zainuddin et al., 2018), giving the individual greater freedom. By contrast, collectivistic cultures are influenced by the power of group norms, with individuals conforming to group norms.

Indulgence is seen in the individual's ability to control their impulses and desires, with low levels known as 'indulgence' and high levels of control known as 'restraint'. Consumers from indulgent cultures tend to be more hopeful, satisfied, and enthusiastic, maintaining personal contact with a network of family and friends (Hofstede et al., 2010). They would also be willing to adopt new products and technologies to increase their comfort and provide novel opportunities.

With the challenge of an unknown future, a *long-term orientation* reflects the connection with the past (Soares et al., 2007), valuing virtues such as perseverance and thrift for the future (Petersen et al., 2015). These individuals value hard work, planning, and long-term goals, spending less money and consumption in the interest of future gratification.

Uncertainty avoidance reflects how tolerant a culture is of ambiguous situations, with some cultures preferring stability and predictability (Hofstede et al., 2010, Zainuddin et al., 2018) and would consequently feel uncomfortable in unstructured situations (Soares et al., 2007).

The countries investigated

Four countries were investigated in this study, Colombia, India, South Africa and Sweden. All of these have different cultural values and goals, which impact their acceptance of these services.

Table 6.1 shows the scores for these countries on the various Hofstede dimensions. Colombia has the lowest scores in individualism (13) and long-term orientation (13) and the highest score in indulgence (83) and uncertainty avoidance. In contrast, Sweden has the highest scores in individualism (71) and long-term orientation (53) while scoring the lowest on uncertainty avoidance (29). India has the lowest indulgence score (26) among the countries.

Table 6.1: Scores on Hofstede dimensions for the countries studied

	Colombia	South Africa	India	Sweden
Individualism	13	65	48	71
Indulgence	83	63	26	78
Long-term orientation	13	34	51	53
Uncertainty avoidance	80	49	40	29

Status of shared transport services in these countries

For many developing countries, such as South Africa and Colombia, the need for transport is high. Currently, its availability is limited, and public transportation tends to be viewed as slow and unsafe, reducing their use and increasing the demand for private vehicle options (Ngoc et al., 2017). In South Africa (SA), Uber has been widely accepted, and there has been a great deal of support by the government, but the support varies between cities.

An increasing middle class and elite customers in India have contributed to an increase in competition from new entrants (e.g., Gett and Ola India) and significant growth, which is anticipated to be 25%-30% per annum (Kaushal, 2018).

Uber currently operates in 5 cities in Sweden and is required to operate under the same conditions as other taxi operators (i.e., have a taxi licence and input completed trips into a taximeter) (Oopegaard et al., 2019).

Status of shared accommodation services in these countries

Airbnb is tacitly acknowledged in the countries in the study, though authorities are beginning to consider its regulation to protect the formal accommodation sector. In Colombia and South Africa, registration is required, as renting a room gives a formal footing to the provider, while also enabling the state to levy taxes and other fees (Betancourt, 2018, Anon, 2019). Airbnb views India as a strategic market (Pani, 2018) but the sharing economy is described as being in a nascent stage (Kaushal, 2018). In Sweden, owners may rent out their property without registration. However, in the case of apartments, the permission of building owners may be required.

Evaluation of services and the intention to use them: theoretical perspectives

Evaluating services

Services are intangible and are evaluated after the service has been received (Wilson et al., 2016). Customers evaluate their service experience based on their expectations which are derived from various sources, including word