Adoption of Shared Economy: Case of AirBnB in the Czech Republic

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The aim of the paper is to analyze use of AirBnB and similar services in the Czech Republic. Data were collected using an online questionnaire. In total, 529 respondents took part in the research. Impact of risk-aversion, gender, and age on use of platforms like AirBnB was tested using ordinal regression. Risk-aversions and age were found to have a significant impact. Risk-aversion is negatively linked to use of shared services, while age is positively associated with use of shared services. To encourage more widespread adoption, shared economy platforms should work to decrease the perceived risk associated with their services. By making users feel safer and more secure, even those who are naturally more risk-averse will be more likely to use the platform.

1   Introduction

The rapid growth of the sharing economy has transformed traditional industries, particularly in the tourism sector (Zervas et al., 2017). One of the most prominent examples of the sharing economy is AirBnB, a platform that enables individuals to rent out their homes or apartments to travelers (Sthapit & Jiménez-Barreto, 2018; Zervas et al., 2017).

The aim of this paper is to analyze the use of AirBnB and similar services in the Czech Republic. This study aims to investigate the factors that influence the adoption of AirBnB and similar shared economy platforms in the Czech Republic. The research employed an online questionnaire to collect data from 529 respondents. The study examined the impact of risk-aversion, gender, and age on the use of shared economy platforms.

The findings of other scholars reveal that risk-aversion and age have a significant impact on the use of shared economy platforms (Richthofen, 2022; Sthapit & Jiménez-Barreto, 2018; Zervas et al., 2017). Risk-averse individuals are less likely to use these platforms, while older individuals are more likely to utilize them (Richthofen, 2022; Sthapit & Jiménez-Barreto, 2018; Zervas et al., 2017).

Our research has several limitations, as the study was conducted on a sample of university students. Nevertheless, the findings suggest that to encourage more widespread adoption of shared economy platforms, operators should focus on reducing the perceived risk associated with their services (Richthofen, 2022; Sthapit & Jiménez-Barreto, 2018; Zervas et al., 2017). By making users feel safer and more secure, even those who are naturally more risk-averse will be more likely to use the platform (Richthofen, 2022; Sthapit & Jiménez-Barreto, 2018).

The study helps to understand the factors that influence the adoption of shared economy platforms. According to this theory, an individual's intention to perform a behavior is determined by their attitude, subjective norm, and perceived behavioral control (Sthapit & Jiménez-Barreto, 2018).

2   Theoretical Background and Literature Review

Within the scope of this study, risk-aversion, gender, and age are considered key determinants influencing an individual's willingness to engage with shared economy platforms.

Risk-aversion denotes a person's inclination to steer clear of uncertain or potentially risky situations. Individuals exhibiting a higher degree of risk-aversion are less likely to participate in shared economy platforms, as they may view these platforms as carrying greater risks compared to conventional alternatives.

The sharing economy has significantly impacted the tourism industry, with platforms like AirBnB gaining widespread popularity (Mallinson et al., 2020). To ensure the continued growth and adoption of these platforms, operators must address the concerns of risk-averse individuals and cater to the needs of older users.

The literature on the sharing economy provides some insights into the factors that influence the adoption of shared economy platforms. Research has shown that the adoption of shared economy platforms is influenced by demographic factors, cognitive factors, and beliefs.

Moreover, cross-cultural studies have found that the uncertainty avoidance dimension of culture can influence the adoption of shared economy platforms (Muñoz-Leiva et al., 2018). Gender and age influence the adoption of technological innovations, including shared economy platforms (Benson et al., 2019). Specifically, younger individuals and men are more likely to adopt new technologies, while older individuals and women may be more risk-averse and less likely to use shared economy platforms.

Gender and age are also expected to play a role in the adoption of shared economy platforms. Previous research has found that younger individuals and women are more likely to use shared economy platforms. Drawing on these theoretical insights, this study aims to examine the impact of risk-aversion, gender, and age on the use of AirBnB and similar shared economy platforms in the Czech Republic.

The sharing economy has been a topic of significant interest in the academic literature, particularly in the context of the tourism industry. One of the most successful models in the sharing economy is AirBnB, which enables peer-to-peer transactions and has enjoyed high growth in recent years (Sthapit & Jiménez-Barreto, 2018).

Researchers have explored various aspects of AirBnB and the sharing economy in the tourism industry (Sthapit & Jiménez-Barreto, 2018). A key theme in the literature is the provision of authentic experiences, environmental concerns, and socialization as important factors in the adoption of peer-to-peer accommodation platforms (Kuhzady et al., 2020). Trust and negative attitudes of established businesses and government are also identified as barriers to the development of the sharing economy in tourism (Kuhzady et al., 2020).

A recent review of the literature on the sharing economy in hospitality and tourism reveals three predominant themes: drivers to participate in the sharing economy, the sharing economy as a disruptive business model, and the impacts of the sharing economy and corresponding regulatory issues (Kuhzady et al., 2021). The review also highlights that the majority of the existing research has focused on the hospitality and accommodation sectors, with most studies drawing insights from the AirBnB context (Kuhzady et al., 2021).

Another study explores how the sharing economy has influenced consumption and competition in the tourism sector, particularly in the hotel industry. It finds that AirBnB has disrupted traditional tourism models, leading to shifts in consumer behavior and heightened competition (Varsanis et al., 2019).

Overall, the literature provides valuable insights into the factors driving the adoption of shared economy platforms in tourism and the challenges and impacts associated with their expansion. Understanding these dynamics is essential for developing strategies that enhance the accessibility and appeal of such platforms, particularly for risk-averse individuals and older demographics.

3   Methodology

The survey instrument was designed to gather information on the respondents' use of AirBnB and similar shared economy platforms, as well as their demographic characteristics and risk-aversion levels. Data were collected using a web-based questionnaire on 1ka.si. The sample size was 529 (289 men and 240 women). It was a convenience sample consisting of university students. Respondents did not receive any monetary nor any other type of incentives. A known limitation is that 95% of the respondents were 24 years old or younger.

The dependent variable was use of shared services, such as AirBnB. It was measured on a scale from 1 to 4 where 1 stood for yes, often; 2 stood for yes, sometimes, 3 stood for no, but I think about it; and 4 stood for no. The independent variable was risk-aversion. It was measured on a 1-10 Likert scale where 1 stood for risk-loving, and 10 stood for risk-averse. Control variables were gender, and age.

Ordinal regression function of IBM SPSS 27 will be used to test how risk-aversion, gender, and age influence use of shared services such as AirBnB. A variance inflation factor (VIF) will be used to evaluate the extent of multicollinearity.

4   Results

The ordinal regression model of shared services like AirBnB is provided in Table 1. All VIFs were lower than 1.06, therefore, collinearity is not a problem.

Table 1: Ordinal regression model

	Estimate	Std. Error	Wald	df	Sig.
Threshold [use = 1]	-3.560	0.702	25.727	1	0.000
[use = 2]	-1.632	0.685	5.676	1	0.017
[use = 3]	-1.019	0.684	2.223	1	0.136
Location Risk aversion	0.137	0.039	12.270	1	0.000
Age	-0.125	0.032	15.489	1	0.000
[Gender=man]	0.140	0.165	0.724	1	0.395
[Gender=woman]	0[a]			0	

Legend: a. This parameter is set to zero because it is redundant.
Source: Own

Cox and Snell pseudo-R^2 is 0.051, Nagelkerke pseudo-R^2 is 0.055, McFadden pseudo-R^2 is 0.020, and the significant of the full model is below 0.001.

The analysis of the sample at hand indicates that use of shared services like AirBnB has a positive and significant relationship with risk-loving (as reversed risk-aversion) and age. No significant effect of gender was found, despite the sample being fairly balanced with approximately 55% men and 45% women.

5   Discussion

Risk-aversion and age explain the best the threshold between frequent and occasional users, and the worst the threshold between people who never used any shared service like AirBnB but consider doing so and people who do not consider doing so. The latter is not a huge problem as both categories represent non-users anyway. The threshold between occasional users and people who never used shared services like AitBnB but consider doing so is significant at 0.05 level.

6   Actionable Recommendation

According to Lee & Deale (2021), "guests may be worried about having a host become upset if they complain about the cleanliness of the accommodations or use the cancellation policy; [t]his finding might also connect to the respondents' perceptions that if something goes wrong during check-out, there may be no one on site to help". Services, such as AirBnB could possibly decrease a perceived risk by better communicating that these issues are addressed, i.e. that they are not a real problem.

7   Conclusions

The aim of the research was to investigate selected factors impacting use of shared services, such as AirBnB. The primary question was whether risk-aversion could explain this phenomenon. Gender and age were selected as control variables.

Our findings indicate that risk-loving (as reversed risk-aversion) and age have a positive impact on use of shared services like AirBnB in young adults. No significant effect of gender was identified in the sample at hand.

A known limitation is reliance on a convenience sample - university students in particular – where 95% of respondents were up to 24 years old.

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