

Why Buy New When One Can Share? Uncovering Dimensions of Collaborative Consumption of Consumer Goods

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Background and Objectives The notion of collaborative consumption (CC) or sharing economy—where consumers share access to ownership of properties such as cars, clothes, and accommodations—has gained tremendous popularity in recent years. Development of communication technologies and peer-to-peer communities has enabled consumers to coordinate sharing activities through various online platforms (Hamari et al., 2016). CC involves sharing of both intangible (e.g., music, space, and car rides) and tangible goods (e.g., household items, clothes, and furniture). Activities such as renting, swapping, trading, and purchasing/selling used consumer goods are included in the latter. In the fashion industry, companies like Rent the Runway, Poshmark, and ThredUp offer platforms for clothing rental as well as peer-to-peer consignment. Due to increasing concern for sustainable consumption, the CC market for consumer goods offers significant market potential. While many have researched consumers' motivations for engaging in CC of intangible goods such as space or ride sharing, little research on CC motivations has been pursued in the context of tangible goods like apparel. The nature of consumption for tangible goods can be entirely different from that of intangible goods because people can exercise greater control over tangible goods (e.g., touch, manipulate, wear goods), hence resulting in greater psychological ownership than that for intangible goods (Atasoy & Morewedge, 2018). To address this gap, the objective of this study was to identify the underlying dimensions behind consumers' motivations toward CC of consumer goods.

Literature Review Previous research has identified several consumer motivations for participating in CC. One of the most commonly cited motivations is economic gains since consumers may rent or trade items at cheaper prices than what they are offered by the regular market (Hamari et al., 2016; Möhlmann, 2015). The second most common one is concern for sustainable consumption as CC is linked with waste reduction and greener consumption (Botsman & Rogers, 2010; Hamari et al., 2016). Third, convenience has also been frequently recognized (Lamberton & Rose, 2012; Dall Pizzol et al., 2017). For example, in the context of car sharing, consumers enjoy the convenience offered by sharing transportation as opposed to owning a car, which requires greater responsibility and expenses. One's sense of belonging to a community (i.e., exchanging goods with like-minded people) has been identified as well (Botsman & Rogers, 2010; Möhlmann, 2015). Yet again, these motivations have been mostly researched in the context optimization of intangible goods, and it is possible that consumers engage in CC for other reasons not yet discussed for the context of tangible goods.

Method and Results In order to identify the underlying motivations toward CC of consumer goods, multiple steps were followed. First, the exploratory stage entailed specifying the domain of construct and borrowing scale items through literature review and in-depth interviews. For the in-depth interviews, a total of seven participants who had frequently engaged in CC activities

were recruited via purposive sampling method. Scale items were borrowed from prior research and developed from the interview results. Second, an online survey was conducted with a sample of 154 university students to examine the underlying dimensions of CC. The results of a series of exploratory factor analysis (EFA) revealed a total of five dimensions, composed of 15 items: *concern-for-sustainability*, *social-interaction*, *variety-seeking*, *fun*, and *cost-saving*. Third, a second survey was developed to validate the dimensions with a general population. A total of 313 usable data were collected by a market research company via an online survey. Validation was achieved through CFA of maximum likelihood estimation (Table 1). As shown, our model with five dimensions yielded a satisfactory fit (Hair et al., 2009): $\chi^2=224.864$ (d.f.=80), Normed $\chi^2(=\chi^2/\text{df}) = 2.811$, $p=.000$, GFI=.918, TLI=.915, CFI=.935, and RMSEA=.076. Internal consistency and construct validity were also supported.

Table 1. Confirmatory factor analysis of 5-factor model (n = 313)

Sustainability: (Cronbach's $\alpha = .855$, Composite Reliability = .862, AVE = .674)
Purchasing secondhand goods means thinking about the environment.
Swapping goods with others is ecological.
Trading goods is environmentally friendly.
Social-interaction: (Cronbach's $\alpha = .847$, Composite Reliability = .854, AVE = .673)
To me, swapping goods with others sounds exciting.
Swapping goods with others would allow me to be part of a group of people with similar interests.
Trading goods with others would allow me to be part of a group of like-minded people.
Variety-seeking: (Cronbach's $\alpha = .699$, Composite Reliability = .712, AVE = .464)
Renting allows me to get access to trendy items.
A large variety of brands are available when renting.
Wide ranges of goods are available if I choose to trade things with others.
Fun: (Cronbach's $\alpha = .755$, Composite Reliability = .760, AVE = .551)
Buying secondhand goods sounds tedious.*
I think renting goods is a fun activity.
The idea of purchasing previously owned items is pleasant.
Cost-saving: (Cronbach's $\alpha = .773$, Composite Reliability = .826, AVE = .537)
It is economical to trade goods with others.
I can save money if I choose to purchase used goods rather than buying new goods.
Trading the things I have with others can benefit me financially.

consumers often consider CC options as a means to access a trendy and diverse range of items. *Fun* dimension, which has not been emphasized in previous studies, implies that consumers may derive hedonic value from finding unique and bargain items that can be physically accessed or owned. It was found that the dimension of *convenience*, previously recognized as one of the CC dimensions, was not a significant factor influencing the CC of goods. That is, while it may be more convenient to use Uber than to own a car in large cities, dress rental often proves not to be as convenient as shopping for a new dress given the logistical issues (e.g., ordering and returning each piece). These newly emerged dimensions clearly show that the motivations behind the CC of consumer goods tend to be different from those behind the consumption of services. Consequently, CC companies of consumer goods (e.g., clothing rental, consignment, etc.) should establish proper strategies emphasizing variety-seeking and fun aspects for consumers.

Implications One of the major contributions of this study is the identification of five dimensions that characterize consumer motivations for CC of consumer goods with two newly discovered dimensions (e.g., *variety-seeking*, *fun*). Through analysis of the consumer goods context, the identified dimensions add depth to the current body of literature on CC, which has mainly researched intangible areas. *Concern-for-sustainability*, *social-interaction*, and *cost-saving* dimensions, which have appeared in the previous research, reemerged as motivations for CC in the context of tangible goods. The *variety-seeking* dimension, not documented in previous literatures, suggests that

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