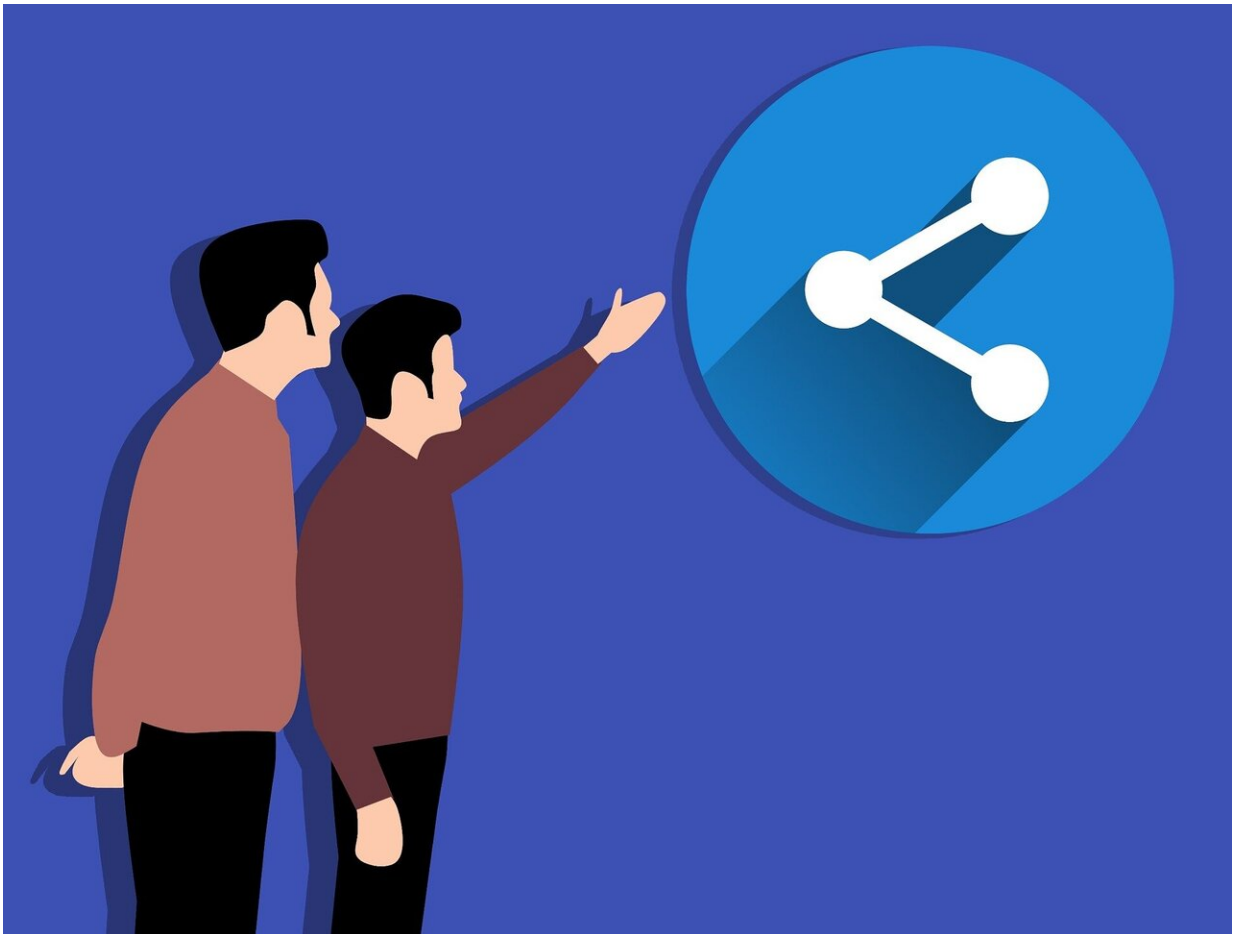


How consumer orchestration work creates value in the sharing economy

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Researchers from University of Melbourne and RMIT University

published a new paper in the *Journal of Marketing* that identifies the key challenges experienced by sharing economy consumers and explains how consumers manage to overcome these challenges and cocreate value in the sharing economy.

Sharing economy platforms (e.g., Uber, Airbnb, Tinder) are common and growing fast across industries. These platforms work as digital marketplaces in which [platform](#) consumers (both peer service providers and the service users) collaborate to cocreate value for each other. However, these collaborations are not always seamless. Whereas major issues associated with the sharing economy such as crime often make headlines, platform consumers face many other challenges when cocreating experiences with strangers.

The researchers identify the key challenges experienced by sharing economy consumers that originate in the hybrid communal-transactional principles of the sharing economy. They also explain how consumers manage to overcome these challenges and cocreate value in the sharing economy. To develop these insights, the research team conducted a qualitative study of Couchsurfing, a sharing economy platform launched in 2004. Consumers (hosts and guests) use the platform to share free accommodation and cultural experiences of hospitality. The case of Couchsurfing, with its low level of platform control over consumer cocreation, allows a better understanding of what consumers do to overcome cocreation challenges in the sharing economy.

The researchers discovered four key challenges for consumers cocreating in the sharing economy. First, platform consumers need to cocreate experiences despite their differences in goals and values (e.g., Airbnb homeowners and guests may have different understandings of what comfortable or convenient means). Second, platform consumers need to reconcile their desires for impersonal transactions and meaningful social interactions when cocreating (e.g., an Uber driver and

rider may differ in whether they prefer a quiet ride or a pleasant conversation). Third, platform consumers need to manage the risk of cocreating with strangers (e.g., Couchsurfing hosts and guests must assess whether to sleep near someone they just met). Fourth, platform consumers need to personalize experiences, yet depend on the willingness of strangers to accommodate this need (e.g., TaskRabbit "taskers" need to figure out how to offer their unique skills while attending to the specific needs of those who ask for help).

Platform consumers navigate these challenges by engaging in orchestration work: four mechanisms and a series of 14 actions that help consumers overcome cocreation roadblocks. The research uncovers what platform firms can do to help consumers navigate these challenges and unlock the full value of the orchestration work that consumers are willing to do in the sharing economy.

The first group of orchestration actions is supported by a mechanism called consumer-to-consumer alignment. These actions (screening, cueing, flexing, buffering) enable platform consumers to navigate the challenge of having to cocreate with others with heterogeneous values and goals. These actions help consumers align their expectations, interactions, and responses to their cocreation partners. The second group of orchestration actions is supported by a mechanism called rewiring relations.

These actions (interest grouping, lifestyle signaling, enclaving, reconciling) enable consumers to use platform features to navigate and integrate the communal and transactional aspects of their relationships. In other words, these actions help consumers rework relationships in the platform to better suit their individual goals. The third group of orchestration actions is supported by a mechanism called trust investment. These actions (revealing, cultivating reviews, scaffolding) enable platform consumers to manage platform resources to mitigate the

risk of engaging in one-off interactions with strangers in the sharing economy. These actions are enacted specifically to navigate the challenge of establishing interpersonal trust with strangers in the platform. Finally, the fourth group of actions is supported by a mechanism called network experimentation.

Three actions (creative resourcing, role improvising, repurposing) enable platform consumers to try new resources, roles, and goals when cocreating experiences. These actions increase the field of potential expectations, interactions, and responses among cocreation partners in the network, extending the possibilities for the cocreation of unique, personalized, and valuable experiences among platform consumers. "We explain how these actions and mechanisms can lead to known sources of value creation for platform firms, including complementarities, efficiency, and consumer lock-in. Platform firm managers must identify common cocreation roadblocks for their consumers and provide ways to help consumers overcome these roadblocks," says Scaraboto.

For example, Airbnb consumers appreciate variety in the platform, but user heterogeneity may lead to cocreation misalignments. Drawing on our findings, Airbnb can further support consumers in dealing with the challenge of heterogeneity by encouraging consumer-to-consumer alignment [actions](#). For example, Airbnb can encourage screening through additional filters that more specifically account for expectations and preferred ways of cocreation (e.g., allowing guests to indicate their desired amount of contact/conversation with the host). Figueiredo adds, "By supporting consumer-to-consumer alignment, sharing [economy](#) platforms can make cocreation more efficient for [consumers](#) and, in turn, bring value to the firm."

More information: Daiane Scaraboto et al, EXPRESS: How Consumer Orchestration Work Creates Value in the Sharing Economy,

Journal of Marketing (2021). [DOI: 10.1177/00222429211027777](https://doi.org/10.1177/00222429211027777)

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