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Materialism and the sharing economy: A cross-cultural study of American and Indian consumers

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ABSTRACT

The global rise of the sharing economy has attracted widespread attention among managers, marketers and researchers as non-ownership modes of consumption are increasingly being adopted by consumers. Building on previous research that distinguishes non-ownership consumption programs, this article investigates the role of materialism in participation in sharing-based programs of the sharing economy cross culturally. Unlike previous research that stated that materialism is in contrast with sharing, this research shows that under certain circumstances, both in America and India, materialism will lead to greater participation in the sharing economy. However, the reason why is different for each culture. For Americans, this effect is expected to surface for programs that resemble sharing as they don't compete with ownership of products but rather encourage materialist consumers to seek out transformative and hedonic experiences that are expected to improve their self-image and well-being. For Indians, materialism will lead to participation in sharing-based programs through increased perceived utility. Managerial and theoretical implications are discussed.

1. Introduction

In the aftermath of the global financial crisis beginning in 2008, consumers sought other means of gaining access to products and services aside from the burdens of ownership. A new economic model, known as the sharing economy or collaborative consumption, emerged which integrated collaboration, technology, and the desire to be more efficient with products and services (Botsman & Rogers, 2010). For example, both Uber and Rideshare offer transportation services by utilizing the untapped resources of ordinary car owners. They allow consumers to travel short or long distances at rates cheaper than other transportation options and are significantly more economical than owning a car. Airbnb and Couchsurfing offer travelers more affordable and arguably more intriguing accommodations as compared to renting out hotel rooms.

Sharing programs such as time sharing condominiums, in which people jointly share the ownership and the usage rights of a vacation house, gained momentum during the 1970s and have been growing in popularity ever since (Powanga & Powanga, 2008). The rise of the new sharing economy has attracted widespread attention among practitioners and researchers as to why various programs offering non-ownership modes of consumption are increasingly being adopted by

consumers? It appears that programs such as Airbnb, in which consumers can stay at other individual's houses in return for a specified fee, are the evolved versions of programs such as time sharing. New technology and consumer awareness have removed the barriers of sharing and therefore facilitated sharing in a larger scale, lowering ownership burdens.

Previous research examining predictors of participation in the sharing economy have ignored the differences among various programs and therefore have produced fragmented results (Habibi, Kim, & Laroche, 2016). Research has shown that monetary motivations, environmental and social concerns, flexibility, and political motives are among several factors that enhance participation in the sharing economy (Bardhi & Eckhardt, 2012; Caprariello & Reis, 2013; Lamberton & Rose, 2012). This article investigates an important and counterintuitive predictor of participation in the sharing economy programs, namely materialism. Additionally, the sharing economy movement is growing globally. Couchsurfing and Airbnb are operating in > 190,000 cities and virtually in every country in the world (Airbnb, 2016; Couchsurfing, 2016). Uber, which replaces traditional taxi services, operates in > 370 cities across the world (Uber, 2016). However, there is limited cross cultural research on the adoption of the sharing economy. As such this research aims to answer these questions;

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whether/how materialism does influence participation in the sharing programs of the sharing economy? Whether this effect exists/differs cross culturally?

Extant research opposes any positive relationship between materialism and sharing (e.g., [Belk, 2007](#); [Richins & Dawson, 1992](#)); however there has yet to be any strong empirical evidence for this dismissal as there is some new empirical evidence suggesting such a relationship ([Habibi, Davidson, & Laroche, 2016](#)). The purpose of this study is to address whether/why materialism enhances willingness to participate in sharing programs cross-culturally. Through conducting two empirical studies, this research investigates materialism and participation in sharing programs across samples of American and Indian consumers. Study 1 provides empirical evidence for the positive relationship between materialism and willingness to participate in sharing programs across the two cultures. The research then argues that due to cultural differences, materialism will influence participation in sharing programs for different reasons. Study 2 reveals that for Americans materialism will lead to participation through expectations that it will provide transformative and hedonic experiences that improve their self-image and well-being. For Indians on the other hand, materialism leads to participation in sharing programs because of the increased perceived utility it offers to participants. These mechanisms will be further discussed in upcoming sections.

This paper makes the following contributions. First, this is the first paper to investigate participation in the sharing economy cross-culturally. The limited extant scholarly research on the sharing economy has focused only on the American consumer ([Bardhi & Eckhardt, 2012](#); [Chen, 2009](#); [Habibi, Davidson, et al., 2016](#); [Lamberton & Rose, 2012](#)), while the sharing economy is global. Second, the research only focuses on programs that are closer to actual sharing rather than the various programs within the sharing economy domain that are more exchange-based but masked under the guise of sharing. These programs are called pseudo-sharing by [Belk \(2014b\)](#). Finally and most importantly, this article shows that there are different reasons for materialists in different cultures to participate in the sharing-based programs of the sharing economy. This is a response to calls for more evidence on whether the meaning of materialism varies across cultures ([Kasser, 2016](#)). The Americans would participate for the experiential and transformative experiences offered by the sharing programs, while the Indians would mainly participate for utilitarian motivations. These findings are new to the field and would further expand our understanding of the sharing economy and its intersection with materialism cross-culturally.

2. Conceptual overview

2.1. Non-ownership consumption

As a relatively new economic model, the sharing economy successfully encourages shared access to products and services over proprietorship (non-ownership consumption). Examples can be found in a range of different industries including transportation (i.e. Uber), accommodations (i.e. Couchsurfing, Airbnb), financial services (i.e. kickstarter), food delivery (i.e. postmates), and a host of others. The growing stream of literature on the sharing economy can be confusing for most readers as the phenomenon has been labeled with a range of different names such as collaborative consumption, the access economy, commercial sharing systems and others ([Belk, 2014b](#)).

There are three major factors that have contributed to the ongoing success of the sharing economy. First, the global financial crisis beginning in 2008 transformed consumption habits towards more frugal and economical alternatives. Second, the growth of internet technology and especially social media produced opportunities to make such programs accessible and more importantly, efficient. Third, the rise in consumer awareness of depleting natural resources encouraged a shift away from over-indulgence and proprietorship and towards more

ethical, environmental, and economically efficient consumption programs ([Bardhi & Eckhardt, 2012](#); [Botsman & Rogers, 2010](#); [John, 2013](#)). As a result, the sharing economy is considered to be worth approximately \$15 billion and according to some estimates is expected to grow over \$300 billion in the next ten years ([PWC, 2015](#)).

2.2. The sharing-exchange continuum of non-ownership consumption

In order to study the sharing economy, it is imperative to specify what contexts and programs are under investigation since a subtle change in the context can change the nature of one non-ownership program from sharing to more of an exchange or pseudo sharing ([Belk, 2010, 2014b](#)). While many programs offer peer-to-peer common usage of pooled resources, they all vary in regards to the degree of market mediation, degrees of money, socialization, and community that are involved. Market mediation refers to the role of a third party that facilitates the program of sharing between consumers. Lower-level mediation can be exemplified by websites such as Couchsurfing which enable consumers to offer shared services without charging any fees. In contrast, higher-level mediation occurs when the third party is more heavily involved in the transaction and obtains more significant compensation for its services. For example, Bixi, a bicycle sharing program operating internationally, requires cyclists to pay for a subscription and charges a rate if the bicycle is not returned to a docking station after 45 min of use. In terms of socialization, in some programs such as Couchsurfing there is a high degree of socialization among members and they feel strong community bonds to each other while there is limited socialization and community feelings in other programs such as Zipcar ([Habibi, Kim, & Laroche, 2016](#); [Habibi, Davidson, et al., 2016](#)).

While research on the sharing economy is expanding, most conceptual and empirical studies do not distinguish among the different programs in regards to whether they are sharing or exchange or something in between. Most notably, researchers have typically focused on programs that are more exchange (pseudo sharing) versus sharing based and yet extended the findings to all programs in the sharing economy. For example, [Lamberton and Rose \(2012\)](#) investigate cell-phone sharing plans, bicycle sharing and automobile sharing programs which all necessitate significant compensation from consumers to a third party mediator and have low degree of socialization and community bonds. Similarly, [Bardhi and Eckhardt \(2012\)](#) conclude that consumers sign up for Zipcar primarily because of its ease of accessibility however it is highly questionable if their findings can be applied to programs that are less exchanged-based such as Kangaride, a ride-sharing system, that mainly has characteristics of a sharing program. According to [Belk \(2014b\)](#), such exchange-based programs should be more adequately referred to as ‘pseudo-sharing’ because they require financial compensation towards a market mediator and they do not conform to most of the sharing characteristics. In contrast, sharing-based programs consist of examples such as tool-lending libraries and couch surfing accommodations which entail little to no involvement of a third party, typically they entail lack of money involvement, presence of socialization and communal bonds, and other sharing characteristics.

Based on these distinctions made by [Belk \(2010, 2014b\)](#) and to eliminate the semantic confusion in the field about the sharing programs, [Habibi, Davidson, et al. \(2016\)](#) developed a continuum which calculates the sharing score of each program as containing differing complimentary degrees of sharing versus exchange. As shown in [Fig. 1](#), programs such as Couchsurfing receive a score that is nearer to the sharing side of the spectrum. In contrast, Zipcar is closer to the exchange side of the continuum. According to this model, the judgment on whether a program is sharing, exchange, or something in between should be based on a set of characteristics that are outlined at the two sides of the continuum. That is, simply calling a program, as “sharing” is not going to be precise. Rather, one should investigate whether and to what degree the characteristics of sharing or exchange apply to that program.

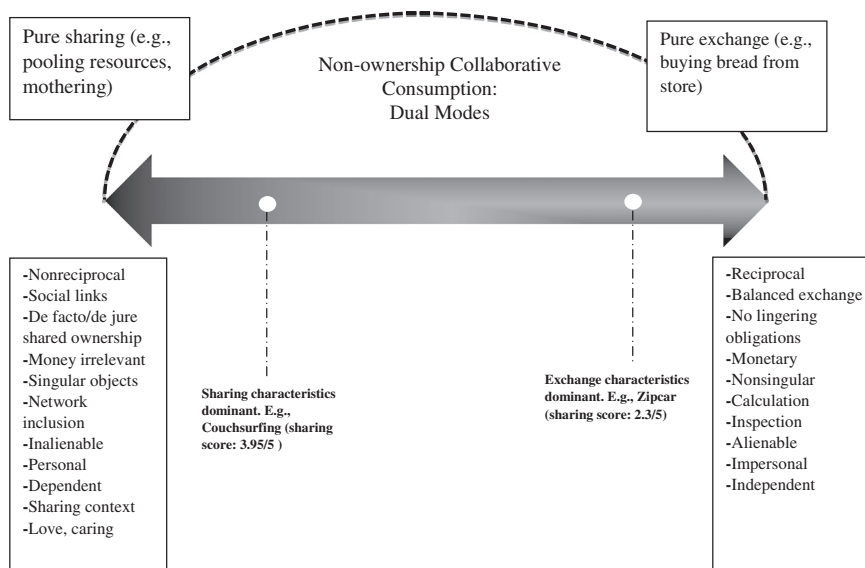


Fig. 1. Sharing-exchange continuum.
From Habibi, Davidson, et al. (2016).

For instance, according to this framework, Zipcar is more similar to an exchange (pseudo sharing) program. Although there is no ownership transfer, participation in Zipcar entails *balanced exchange* and a high degree of *calculation*. That is, each participant will have to reciprocate with *money* according to the exact amount of usage. Zipcar is highly *impersonal*; it does not require participants' personal interactions. It is highly *independent*; it does not require high degree of collaboration among participants for joint consumption. There is a *lack of community* in Zipcar; there are little feelings of community in spite of the claims of their managers. All these characteristics combined prove that Zipcar should be regarded as exchange (or pseudo-sharing). As such, the sharing-exchange continuum delineates the ways in which different programs vary and emphasizes that they should not all be equally labeled under programs of the sharing economy.

Based on this categorization, this paper seeks to investigate the role of materialism in participation in programs that locate towards the sharing side of this continuum. We do not investigate programs such as Zipcar, in which the organization rents its resources based on temporary usage. Such programs are arguably similar to traditional rental services. Belk (2014b) refers to such programs as pseudo sharing.

2.3. Materialism and participation in sharing programs

Materialist consumers hold the view that the ownership and possession of objects are instrumental towards many functions in their lives and materials are part of their identity (Shrum et al., 2013). Materialism is identified as consisting of three dimensions: the importance of acquiring possessions; the role that acquisition plays in the pursuit of happiness; and how such possessions are used to define success (Richins & Dawson, 1992). Consistently, materialism is found to be negatively correlated with overall happiness and well-being and moreover, these findings have been replicated across both American and Indian consumers (Dittmar & Kapur, 2011; Kasser et al., 2014). Higher levels of materialism are also proven to be associated with loneliness, social isolation and an overall decrease in desiring relationships with other people (Bauer, Wilkie, Kim, & Bodenhause, 2012; Kasser, 2002). Seemingly, it would appear that materialism and sharing stand in contrast to one another. Moreover, because materialism is associated with feelings of control over possessions and strong attachments to objects, many would argue that it is naturally antithetical to sharing (Belk, 2007). When asked to recall shared purchases, materialistic consumers have reported lower levels of happiness however these results were obtained with marginal significance

(Caprariello & Reis, 2013). As such, there is not much extant research that empirically investigates the relationship between materialism and sharing.

Despite the negative influence on well-being, there is a growing body of research that has recently begun to investigate the positive behavioral outcomes associated with materialism (Shrum et al., 2014). For example, while a direct negative effect on well-being emerges, materialistic consumers are shown to experience more positive affect and report increases in life satisfaction when consuming luxury products (Hudders & Pandelaere, 2012). In comparison to material possessions, spending money on experiential purchases produces positive feelings that may in turn foster social relationships (Caprariello & Reis, 2013; Van Boven, 2005). Richins (2013) demonstrated that high materialism consumers anticipate product purchases with positive emotions such as joy, excitement, contentment and optimism. These emotions are mediated by expectations of how consumers high in materialism believe the product will transform themselves, their relationships, their happiness and their efficacy in carrying out responsibilities in their daily life. Interestingly, these hedonic evaluations decline after the purchase is actually made. This suggests that anticipation of a product purchase spurs an experiential process which fosters positive emotions through transformation expectations.

Based on Habibi, Davidson, et al.'s (2016) sharing-exchange continuum, programs that fall closer to the sharing end of the spectrum are comprised of characteristics of an experiential nature in addition to providing access to products. For example, ridesharing not only provides access to a ride but also it is more of an 'experience' as compared to ordering a taxi ride through Uber or driving one's personal car. In the same vein, Couchsurfing is more experiential than Airbnb or staying in a hotel because of the degree of socialization that it offers and the uniqueness of sharing a place with each stranger host who has a unique place. Therefore the current research expects that materialism will increase the desire to partake in programs provided by non-ownership consumption when those services are more sharing-based. Thus;

H1. Materialism has a positive effect on willingness to participate in sharing-based programs of the sharing economy.

2.4. Sharing: cross-cultural comparisons

Due to the expansion of the sharing economy across many different countries, cross-cultural comparisons regarding participation are of importance to managers, marketers and researchers. In India, the

Table 1
Standardized coefficients.

Countries		Mat.	WP
USA	WP	0.24**	
	Fam.	0.19**	0.46**
India	WP	0.19**	
	Fam.	0.05	0.25**

Mat. = Materialism.

WP = Willingness to participate.

Fam. = Familiarity.

** $p < 0.01$.

question of whether such non-ownership consumption programs can even succeed has yet to be answered. Although Indians are typically not opposed to sharing information, stories and even personal details about their lives, market mediated sharing seems to be received with suspicion and skepticism (Fok, 2015). While businesses like Uber have proved successful in the Indian market, many would argue that the American template of collaborative consumption will not properly thrive. Transportations services like Uber, for example, might face many challenges as car ownership in India has been dragging over the years. Even programs falling closer to the sharing end of the sharing-exchange continuum may run into problems. For example, ridesharing companies might find it difficult to attract enough consumers as sharing car rides informally has been consistently practiced in India for some time now (Doley, 2015; Neilson, 2015).

Considering the ubiquitous nature of the sharing economy and materialism, and profound cultural and behavioral differences among countries, it is important to examine factors that influence the likelihood to participate in the sharing economy. As such, hypothesis 1 will be tested in both American and Indian cultures.

3. Study 1

The purpose of this study is to investigate the relationship between materialism and willingness to participate in sharing programs. Additionally, this study will be carried out among both American and Indian consumers in order to determine if the relationship exists across different cultures. Although researchers have identified slight variations in materialistic tendencies across countries, materialism is nonetheless considered to be “a cross-culturally robust phenomenon independent of national affluence” (Pieters, 2013, p. 616).

3.1. Sample and procedure

A survey questionnaire was designed and administered to a panel of American and Indian participants through an online data collection platform. The survey was disguised as a personality test in order to distract participants from the true nature of the study. First, participants were asked to respond to Richin's 15-item short form materialism scale (Richins, 2004). They were then presented with a reading task which exposed them to information about a sharing-based program. Based on the sharing-exchange continuum, Couchsurfing was selected as the sharing-based program (Habibi, Davidson, et al., 2016). In order to avoid the influence of brand familiarity, Couchsurfing was referred to as couch sharing.

The reading task informed participants about how the program works, why it draws demand, and how it is different from commercial services (i.e. hotels and hostels). After, they were asked about their familiarity with such programs based on three statements: “I am familiar with couch sharing programs”, “I have experience with couch sharing programs” and “I don't know much about how a couch sharing program works” (reversed). They then responded to three statements regarding their willingness to participate (WP) in the program: “I would likely choose a couch sharing option the next time I travel”, “I would

prefer a couch sharing option to getting a hotel room” and “I would likely choose a couch sharing program instead of getting a hotel room”. Both measurements were slightly altered from Lamberton and Rose's (2012) scales which were used to evaluate familiarity and willingness to participate in Zipcar's services. For all measurements, participants were asked to indicate how much they agree with the items on seven-point scales (strongly disagree to strongly agree). Finally demographic information was collected and participants were thanked for their involvement in the study.

3.2. Analysis and findings

Data from both countries were analyzed separately and incomplete responses were deleted from the analyses (USA: $n = 232$, Age: $M = 36.8$, $SD = 12.47$, females = 54.9%; India: $n = 235$, Age: $M = 29.87$, $SD = 9$, Males = 83.4%). In order to analyze the results, each continuous measurement was reduced into a composite score (USA: materialism: $M = 3.74$, $SD = 0.94$, $\alpha = 0.74$; WP: $M = 3.44$, $SD = 1.87$, $\alpha = 0.97$; familiarity: $M = 2.71$, $SD = 1.60$, $\alpha = 0.78$; India: materialism: $M = 4.31$, $SD = 0.77$, $\alpha = 0.80$; WP: $M = 4.89$, $SD = 1.34$, $\alpha = 0.91$; familiarity: $M = 3.47$, $SD = 1.68$, $\alpha = 0.84$). The familiarity variable did not satisfy the conditions for acceptable reliability and in order to correct this, the reversed item was removed from the measurement resulting in a two-item composite score. An analysis of variance revealed significant between-country differences on all three continuous variables. Specifically, Indians reported higher scores for materialism, WP and familiarity as compared to Americans (All F 's > 49 and all p 's < 0.001).

Table 1 reports the standardized coefficients for each bivariate regression as segregated by country. Among American participants, materialism significantly predicts willingness to participate in the couch sharing program (Coefficient = 0.24, $p = 0.001$). These findings are replicated among Indian participants (Coefficient = 0.19, $p = 0.007$). As such, H1 is supported within each country. Additional findings demonstrate that materialism and familiarity are significantly and positively correlated among American, meaning that American materialists are more likely to be familiar with such sharing program, but not Indian participants. Not surprisingly, familiarity and willingness to participate in the sharing programs are highly correlated in all cases.

3.3. Discussion

The results from study 1 confirm an interesting and surprising relationship between materialism and participation in sharing programs. After exposure to information about a sharing-based program such as couch surfing, materialist consumers become more willing to participate and more likely to consider a sharing option the next time they are travelling and require accommodations. Results suggest that materialistic tendencies can lead to a desire for shared experiences over private consumption. Importantly, these effects were found to occur for high materialism consumers in both the USA and India. The current research will now seek to better understand this main effect and explain it through the comparison of different mediators in the second study.

4. Study 2

Although possessiveness and feelings of mastery over possessions are aspects of materialism that halt sharing (Belk, 1985; Kleine & Baker, 2004), a distinction should be recognized between possessiveness and access through sharing (Belk, 2010). Recent research shows the compatibility of sharing and possessiveness (materialism) in cases where the joint possession enriches the experience and benefits of the shared object. For instance, although materialist tendencies enhance possessiveness feelings, people don't mind sharing them with like-minded fellows, which enriches the experience of joint consumption (Muniz & O'Guinn, 2001). This is called an “unlimited good” society, in

which sharing does not mean losing (Belk, 2007) and the benefits grow exponentially when people share more (Belk, 2010; Botsman & Rogers, 2010).

The sharing-based programs are unique and offer more than product ownership does. These programs not only provide access but also offer values that can be perceived as unique, experiential, and hedonic (Botsman & Rogers, 2010; Chen, 2009; Habibi, Davidson, et al., 2016;). For instance, it is stated that individuals will gain social approval by participation in sharing programs and can gain status among their peers and family members (Lamberton & Rose, 2012). Historically, non-ownership consumption was perceived inferior to ownership (Ronald, 2008); however, recent socio-cultural trends have shifted consumption values from tangible resources and ownership towards more of cultural and experiential resources (Bardhi & Eckhardt, 2012). Non-ownership consumption and sharing programs, in their current contemporary form, are new to the materialist American consumer and is associated with modern and urbanized lifestyle (Bardhi & Eckhardt, 2012). Therefore, it is likely that the materialist consumer considers sharing programs as a modern alternative of product ownership, in which he/she pursued life improvements.

The primary goal of this study it is to determine why the main effect of materialism on WP in the sharing programs occurs. Based on previous research conducted among American participants, high materialism consumers revealed positive emotions towards the expectations of an upcoming important product purchase (Richins, 2013). Following the purchase however, they reported hedonic decline suggesting that it was the experience of waiting for the product that produced positive outcomes. The explanation for these positive outcomes was due to the expectation that the product would transform their lives in many different meaningful ways. Based on this model of transformation expectations, it is therefore expected that materialist consumers will expect a similar transformation when considering participation in a sharing-based program of the sharing economy.

The construct of transformation expectations consists of four dimensions: self (i.e. "Other people would respect me more"), relational (i.e. "I'd have better relationships with others"), hedonic (i.e. "I would have more fun"), and efficacy (i.e. "I would be more effective in my work or daily life") (Richins, 2013). Together this construct hold the beliefs that "one's self or one's life will be changed in a significant and meaningful way" by owning and consuming a product or service (Richins, 2011; p. 145). Such beliefs should function as a mediator for materialists in order to acquire a new product or service. In other words, it is predicted that materialistic consumers demonstrate a willingness to participate because they believe that doing so will transform themselves, their relationships, their pleasure and their efficacy in daily life, which overall improve their personal quality of life.

H2. For American consumers, materialism predicts willingness to participate in sharing-based programs as mediated by transformation expectations.

Results from the first study indicated that American and Indian consumer don't differ in regards to materialism predicting willingness to participate in a sharing-based program. However, it is likely that the process through which such effect occurs is different between these two cultures. Why, what, and how to share are culturally shaped (Belk, 2010). Incidences of sharing are more frequent in Asian cultures as interdependence is appreciated more than the American culture, in which independence is more valued (Markus & Kitayama, 1991). According to Markus and Kitayama (1991, p. 224):

"Many Asian cultures have distinct conceptions of individuality that insist on the fundamental relatedness of individuals to each other. The emphasis is on attending to others, fitting in, and harmonious interdependence with them. American culture neither assumes nor values such an overt connectedness among individuals. In contrast, individuals seek to maintain their independence from others by

attending to the self and by discovering and expressing their unique inner attributes."

The nature of the interdependence among individuals in India or similar cultures require them to have more joint consumption occasions than Americans. This is consistent with the findings of the first study that Indians are more familiar with sharing programs. India is more collectivist and less individualistic than America (India's individualism score 48 vs. America's 91¹). Resource sharing is common in a collectivist society as the welfare and survival of the group is of highest priority (Markus & Kitayama, 1991; Oyserman, 1993).

Sharing is more common in a collectivist culture with low access to resources. People in this culture are used to sharing for the sake of gaining more access or more efficient use of the scarce resources. Therefore, unlike Americans, sharing has not become prevalent only recently for Indians. Considering the low score of India in indulgence (26) comparing to the high indulgence score of USA (68), it is unlikely that the have-not average materialist Indian consumer participates in sharing for its experiential and transformative aspects. Therefore, because Indians are culturally accustomed to sharing with their in-group, their desire to participate in sharing-based programs is expected to be driven by the perceived utility from using such services. On the other hand, Americans are highly individualistic and put much emphasis on leisure and exploration and expression of emotions (Oyserman, Coon, & Kimmelmeier, 2002; Richard & Habibi, 2016); therefore as Richins (2013) argue materialists in America are more likely to participate in consumption occasions for expectations that such consumption would transform their emotions and provide some experiential benefits to them. The construct of perceived utility consists of three dimensions: convenience, availability and flexibility. It measures the degree to which consumers perceive the program as convenient for them, readily available when they need it and flexible in terms of how easy it is to become a member. Fig. 2 illustrates the hypothesized model for both American and Indian consumers.

H3. For Indian consumers, materialism predicts willingness to participate in sharing-based programs as mediated by perceived utility.

In addition to demonstrating the psychological constructs that mediate the relationship between materialism and participation in the sharing economy, this study intends to add validity to the findings from the first study by testing a different sharing program. Specially, study 2 will investigate the transportation industry in the sharing economy and will expose participants to information about Kangaride (a sharing-based program). More importantly, study 2 rules out the possible explanations for the relationship between materialism and WP in each culture as the dashed lines in Fig. 2 illustrates. That is, study refutes the possibility that materialist Americans participate in the sharing programs for their perceived utilities and materialist Indians for their transformative elements. This further supports the cross cultural differences regarding to materialism and sharing.

4.1. Sample and procedure

A survey questionnaire was administered to a separate panel of American and Indian participants through an online data collection platform. Once again, the survey was disguised as a personality test in order to distract participants from the true nature of the study. To begin, participants were asked to respond to Richin's 15-item short form materialism scale (Richins, 2004). They were then randomly presented with a reading task which exposed them to information about a sharing program in order to test the hypothesized model in a new context and based on the sharing-exchange continuum, Kangaride was selected as the sharing-based program (Habibi, Davidson, et al., 2016). Kangaride

¹ <https://geert-hofstede.com/countries.html>

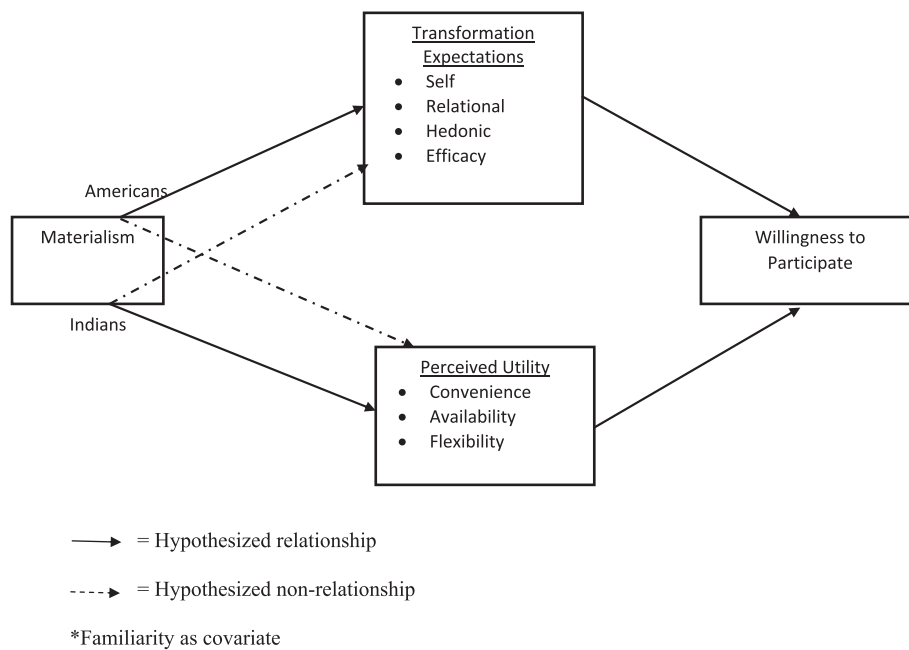


Fig. 2. Materialism and willingness to participate*.

is an online service that connects drivers to people looking for short and long distance transportation options. As a ridesharing program, it consists of little involvement and compensation to a third party mediator. In order to control for familiarity as much as possible, Kangaride was referred to by the name 'Super Ride'.

The reading task informed participants about how the program works, why it draws demand and how it is different from commercial services (i.e. taxis and buses). Specifically, the Kangaride context discussed how both drivers and passengers find each other online, are validated through proper security screening questions, can leave feedback about one another and how the system is essentially free with the exception that passengers help out with paying for gas. Participants then reported answers to the familiarity and willingness to participate measurements. For familiarity, the third statement from the previous study was reworded in order to avoid previous problems associated with it being reverse coded.

In order to test perceived utility, participants then responded to several statements from Lamberton and Rose's (2012) constructs related to predictors of participating in the Zipcar program (Appendix A). In order to avoid confusion with reverse-coded items, all statements were reworded in order to be unidirectional. After, participants responded to Richins' (2013) transformation expectations measures (Appendix A). Information on both constructs is provided in Table 2. For all measurements, participants were asked to indicate how much they agree with the items on seven-point scales (strongly disagree to strongly

agree). Finally demographic information was collected and participants were thanked for their involvement in the study.

4.2. Analysis and findings

Data from both countries were analyzed separately and a total of 38 surveys were deleted from analysis due to incomplete responses (USA: Age: $M = 35.6$, $SD = 13.04$, Males = 51.7%, $n = 201$; India: Age: $M = 30.22$, $SD = 9.3$, Males = 61.5%, $n = 213$). All continuous measurements were again reduced into composite scores as detailed in table 2.

For mediation test, Hayes' (2013) Process was run in SPSS using 5000 bootstrap samples with replacement to measure confidence intervals for the indirect effects. Full mediation is confirmed when an indirect effect is found to be significant while a direct effect is not (Zhao, Lynch, & Chen, 2010). Additionally, all mediation tests were analyzed with materialism as the predictor, willingness to participate as the outcome and familiarity as a covariate. In order to test H2, all four dimensions of transformation expectations were input as mediators among American participants. The results in Table 3 demonstrate a significant total indirect effect (effect = 0.62, $p < 0.01$). Importantly, a direct effect disappears (effect = -0.06, $p = NS$) thereby concluding full mediation. All three dimensions of perceived utility were also analyzed as mediators in the same model however no significant indirect effects emerged. As such, H2 is supported.

Table 2
Descriptive statistics.

Measures	Americans			Indians		
	Alpha	M	SD	Alpha	M	SD
Materialism	0.72	3.82	0.92	0.82	4.30	0.71
WP	0.96	4.36	1.75	0.85	5.47	0.97
Familiarity	0.88	3.24	1.57	0.91	4.09	1.60
Perceived utility	0.88	4.82	1.24	0.84	5.33	1.04
Availability	0.93	4.49	1.32	0.82	5.03	0.96
Flexibility	0.76	4.91	1.07	0.82	5.19	1.12
Transformation expectations	0.95	3.44	1.48	0.91	4.67	0.18
Relational	0.91	3.83	1.46	0.84	4.98	1.11
Hedonic	0.94	4.07	1.49	0.87	5.20	1.10
Efficacy	0.94	3.82	1.51	0.88	5.11	1.11

Table 3

The Effect of materialism on willingness to participate. Transformation expectations and perceived utility used as mediators.

Mediators		Americans	Indians
Transformation expectations	Self	0.21**	-0.06
	Relational	0.02	0.03
	Hedonic	0.16*	0.01
	Efficacy	0.23*	0.02
Perceived utility	Total	0.62**	0.00
	Convenience	0.03	0.08*
	Availability	-0.02	0.07*
	Flexibility	0.00	0.01
Total		0.01	0.16*

* $p < 0.05$.

** $p < 0.01$.

The same steps were applied in testing H3 among Indian participants. Table 3 demonstrates no indirect effects for transformation expectations in. As predicted by H3, a total indirect effect is found for perceived utility (effect = 16, $p < 0.05$) while the direct effect disappears (effect = -0.14 , $p = \text{NS}$). As such H3 is supported.

4.3. Discussion

The results from study 2 reveal interesting patterns of why materialism leads to participation in the sharing programs across the two cultures. As hypothesized, for Americans, the relationship between materialism and WP is mediated by transformation expectations but not by perceived utility as operationalized by convenience, availability, and flexibility. This further supports the notion that for the materialist American consumer the experiential aspects and self enhancement perceptions of the sharing programs justify why they are willing to participate in the sharing programs. This is further supported by the finding that the perceived utility did not appeal to the materialist American consumer in sharing-based programs. This implies that materialist Americans do not participate in sharing programs for their convenience or other utilities but rather more for their experiential aspects.

Materialist Indians on the other hand participate in the sharing programs not because of their transformative characteristics but rather more because of the utility these programs offer to consumers. This is in line with the reasoning that the collectivist Indians are culturally and historically bound to use shared and pooled resources and to them this is more of a functional act of assuring the welfare and survival of the group (Ger & Belk, 1996) rather than an individual experiential behavior.

5. General discussion

The sharing economy, which popularized several non-ownership consumption alternatives, is a fairly new yet global phenomenon. Its rise and expansion was so fast that research has fallen behind in understanding and explaining the related issues. Among all issues, understanding why consumers would participate in various programs of the sharing economy has received some attention (Bardhi & Eckhardt, 2012; Lamberton & Rose, 2012; Lawson, 2011), all of which focus on the American consumer and on fragmented parts of the sharing economy; mainly programs that has little to do with sharing. This current research is perhaps among the first that studies the participation in the sharing economy globally and focuses only on programs that represent sharing-based non-ownership programs; programs that are mapped more closely to pure sharing on the sharing-exchange continuum.

Among all the variables that are shown to increase willingness to participate in the sharing economy (e.g., economic incentives, political and environmental concerns, and social aspects), materialism is the least expected. In fact, anecdotal evidence suggested that materialism and sharing (or non-ownership consumption) are contradictory to each other (e.g., Belk, 2007, 2010) as materialists prefer ownership and value possession of materials as a symbol of success and a road to happiness. This notion might have generally been true but times are changing and several contemporary consumption alternatives that do not require ownership have emerged recently that not only offer access to products but also provide experiences that were not offered by the sole ownership. This research reveals that there are certain factors that appeal to materialists in different cultures to participate in certain programs of the sharing economy. The finding is novel and counter-intuitive and calls for further scholarly elaboration in the future. More interestingly, this research shows that even though materialism is a global characteristic of consumers, the behavioral outcomes associated with it are different cross culturally. This is in line with previous research that materialists place varying degrees of importance on different materials depending on their country situations and culture

(Ger & Belk, 1996).

Overall, this research contributes to the contemporary field of the sharing economy by providing fresh insight for researchers and managers about potential factors that impact potential participation. This research, along with previous research, demonstrates that motivations to partake in the sharing economy are more complex than what some anecdotal evidence originally suggested (Botsman & Rogers, 2010). Treating all the programs within the sharing economy the same and using the same vocabulary would be a mistake that will lead to more confusion in the field (Belk, 2014a, 2014b; Habibi, Davidson, et al., 2016). Therefore, researchers should consider specific characteristics of each program and also take all the possible factors of participation into consideration. Doing so will help to unmask the complex nature of consumers' motivations and attitudes towards this new phenomenon called the sharing economy. This research considered a somewhat controversial factor, materialism, and investigated why and how it can positively influence consumers' willingness to participate in some of the programs within sharing economy globally.

The findings provide useful Implications for managers and practitioners who intend to promote the sharing economy programs. To American materialist consumers the perception that partaking in such programs will enhance their self-image and provide them with hedonic values would be more appealing than the mere emphasis on their utilitarian benefits. Therefore, communication messages in the United States should focus more on image building and life enhancement as a result of using sharing programs. However, this would be the other way around for the Indian consumer. In India, efficiency, convenience, and other functional aspects should be emphasized as they are more appealing to materialist consumers. This shows that although sharing economy is global, not the same prescription should be applied for promoting it across the globe.

6. Limitations and future research

In addition to its contributions, this paper has some limitations that offer opportunities for future research. First, although the materialism scale showed adequate reliabilities in both the U.S and India, the items used were in English for both American and Indian subjects. This may be problematic as Indian respondents' first language is not English. Importantly however, the data was solely collected from respondents who were able to read, write and fully comprehend English. Additionally, past research has also measured other materialism scales written in English among Indian respondents and did not report problems associated with comprehension (Ger & Belk, 1996). As such, this problem is not argued to affect the findings of this research. Also it would be customary to measure cultural values at the individual level and investigate their effect in our model and hypotheses. This was beyond the scope of this research but would be a great future direction for more precise findings and external validity.

Second, in both studies higher mean scores of the measurements were observed in the Indian sample than in the American sample. For instance, Indians scored significantly higher than Americans on materialism and familiarity in regards to sharing programs. This can be due the actual cultural differences among the two nations or due to the tendency of the Indian users to score higher on the Likert-type scale. Indians scoring high on materialism might not be surprising for two reasons; first, sudden economic growth (which has happened in recent years in India) and other socio-economic conditions can influence consumer values and beliefs about materials. That is, after a sudden increase in access to material resources, consumers might put more value to materials. Second, on average Americans are much wealthier than Indians and have much more access to products and resources. As such, the have-nots would value materials more as they feel a deeper deprivation (Shultz, Belk, & Ger, 1994) and material resources are more scarce to them, which make the materials more important (Inglehart, 1971). Indians scoring higher on familiarity also supports our notion

that they are more culturally used to sharing. In any case, the reasons of why Indians scored higher on most of the measures is beyond the scope of this research and we invite researchers to dig deeper in whether/why Indians and American differ on some important variables such as materialism, familiarity with sharing programs, and willingness to participate.

Third, sharing and exchange are highly dependent on the context within which they are being programmed (Belk, 2010). This study investigated participation in the sharing programs as receivers (users of the pooled resources, not providers) across programs that resembled sharing. In the sharing context receivers do not have to pay usually (e.g., Couchsurfing, which is free). This would be the other way around for providers; they provide without receiving any tangible compensation and perhaps for the altruistic motives, without monetary expectations. An interesting research avenue is to examine how materialists would behave if they were to participate in the sharing economy as providers. For instance, is it more or less likely that a materialist share his/her place with a stranger through Couchsurfing? How about other programs in which the providers receive money in return for pooling their resources and letting access to strangers? Additionally, we suggest researchers to also carefully collect cultural dimensions, socioeconomic and demographic variables such as income at the individual level and investigate the potential effects or interactions

caused by such variables.

Finally, this research conducted two cross sectional studies that are unable to capture how materialists behave over time. As Richins (2013) shows, materialists experience a decline in their emotions as a hedonic decline occurs to them after the purchase of an important product. Similarly, it is possible that after participation in the sharing programs, a similar pattern happens to them. Interesting inquiry would be to investigate if materialists would continue participation in the sharing economy and what would be the longer effects on their self-image and emotions. To answer these questions, longitudinal studies are necessary.

Nevertheless, the correlation of materialism and participation in sharing programs cross culturally is counterintuitive, interesting, and promising. So far the research on materialism has mainly focused on the negative sides of it such as its correlation with loneliness, anxiety, and unhappiness. There have been several calls for research on the potential positive outcomes (Kasser, 2016). Sharing programs, in contrast to materialism, are tied to several positive values such as bonding with peers and communities, environmental concerns, and ethical consumption. Now, what positive effects can sharing economy bring about for the materialist consumer? This is an interesting future research question.

Appendix A. Mediator scales

Perceived utility	Perceived flexibility	As a Super Ride member, I can find a Super Ride option virtually everywhere I go.
	Perceived convenience	Being a Super Ride member makes it easy to obtain a Super Ride option in many cities.
	Perceived availability	It would be convenient for me to find a Super Ride option each time.
Transformation expectations		It would be convenient to search for Super Ride options.
		There is a high likelihood that the Super Ride option I want will be available when I want it.
		Most likely, when I want a Super Ride option, it will be available.
		If I participated...
	Self	Other people would respect me more.
		I would feel like a more important person.
		I'd feel more self-confident.
		I would become more attractive to other people.
		My appearance would be improved.
	Relational	I would become closer with other people.
		I would have more or better quality time with people I care about.
		I'd have better relationships with others.
	Hedonic	I would have more fun.
		I'd have more interesting things to do.
		I'd enjoy life more.
	Efficacy	I would be better able to carry out my responsibilities.
		I'd be more effective in my work or daily life.
		I would be more efficient in the way I use my time.

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