# China versus The United States: Cultural Differences in Participation Intention in The Sharing Economy

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#### **Abstract**

Sharing economy, which allows people to have access to others' resources without owning them, has had rapid development throughout the world. However, most of the current research focuses on the practices in western cultures, but the results may not necessarily hold in eastern cultures. In this paper, we discuss the possible differences between Chinese and Americans in their intention to participate in sharing economy. This session will be relevant for attendees interested in understanding and facilitating the sharing economy across the world.

## **Author Keywords**

Culture; participation intention; trust; the sharing economy.

## **ACM Classification Keywords**

H.5.m. Information interfaces and presentation (e.g., HCI): Miscellaneous;

#### Introduction

During the past decade, consumer behavior is rapidly shifting from purchasing ownership to experience and access, leading to the development of collaborative resource sharing in a wide range of industries and

markets across the world [10]. This burgeoning peerto-peer exchange is becoming to be known as the
sharing economy. The concept of sharing is not new.
However, modern digital technologies have led to the
dramatic growth of the sharing economy. The most
famous digital technology enabled sharing platforms
include Uber that facilitates urban transportation,
Airbnb that assists accommodation sharing, and
Eatwith that enables dining in a stranger's kitchen. In
China, these platforms also have their counterparts,
such as Didi Chuxing (for Uber), Xiaozhu (for Airbnb),
and Huijiachifan (for Eatwith).

The current research on the sharing economy (e.g., [3,5]) does not help us understand cultural contexts outside of North America and Western Europe. Much of the research examining what makes sharing economy attractive and effective pertains to English-speaking areas from North American and Western European countries. Yet, culture and local regulations have significant and profound impacts on people's attitudes, beliefs, and behaviors ([11,12]), all of which could impact their participation in the sharing economy. For example, individuals from Asian countries often display collectivistic cultural values while those from North America and Western Europe tend to be much more individualistically oriented. Research has demonstrated that these cultural differences can influence trust and behavioral intentions in e-commerce [2,12]. Therefore, we should not expect the findings based on individualistic-oriented countries to apply to collectivistic-oriented countries.

Despite the potential importance and broad relevance of this issue, it has received very little attention. Yet, there is a fundamental need to understand how culture can impact participation intention in the sharing economy. For example, do factors like sustainability and economic factors, which have been found to predict participation intention in Western countries [5], also predict sharing economy participation in China? Do the trust promote participation in the sharing economy in the same way across cultures? Do culture differences affect different types of sharing, such as ride sharing and accommodation sharing in different ways? Do government and regulatory differences lead to variations in participation intention across countries?

To answer these questions, we are in the early stages of developing a research proposal for a series of studies to examine how culture influences the participation intention in the sharing economy. We hope to use this workshop to allow us to engage in this conversation. Ultimately, our goal is to understand how culture might influence the sharing economy. We believe that this research topic is both timely and important.

#### Background

Trust

Trust indicates individual's willingness to become vulnerable to the behaviors of another individual [8]. While trust is critical to interpersonal relationship in general, it is especially important in computer-mediated environment due to the high complexity and uncertainty in virtual context [7,13,14]. For example, in the sharing economy, providers take the risk of the overuse or abuse of the shared product, and consumers can suffer from low-quality product or service. Meanwhile, both of them can have safety concerns in the collaborative activities such as transportation sharing in Uber and accommodation sharing in Airbnb. Trust, both in the platform and other participants, has

been identified as a key social factor that determines the intention to participate in the sharing economy [9].

#### Culture differences

Hofstede [6] differentiated western and eastern cultures on four dimensions: (1) masculinity-femininity, (2) individualism-collectivism, (3) power distance, and (4) uncertainty avoidance. Based on these dimensions, Doney et al. [4] developed a cognitive trust-building framework to examine the effect of culture on trust development. In fact, culture has been found to affect trust and behavioral intention in e-commerce [1,2,12]. However, e-commerce and the sharing economy are different in the way that products in e-commerce are

delivered to the consumers, so that providers and consumers have far less personal interaction than participants in the sharing economy. Furthermore, different types of sharing practices involve different personal interaction levels and different types of goods and services, such as ride versus food. Participants take different risks in these sharing activities. Therefore, much work needs to be done to explore how culture, types of sharing and trust interplay in the participation in the sharing economy.

### Ongoing work

To examine the effects of culture on the sharing economy, we propose a theoretical model based on

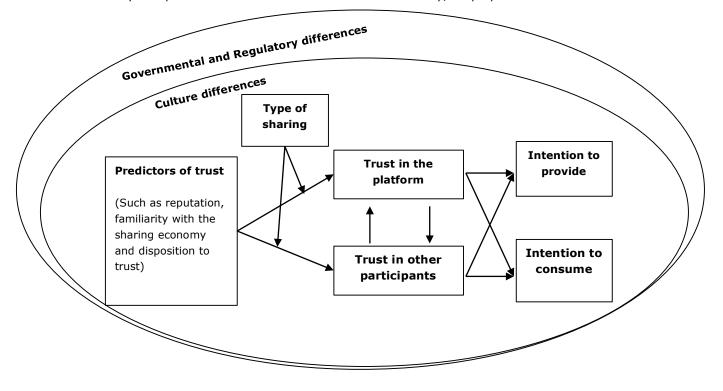


Figure 1: Theoretical model

previous work (See Figure 1). In this framework, we explore how government and regulatory differences, culture differences, types of the sharing and trust interplay to affect individual's intention to participate in the sharing economy.

We may also look at and discuss the following questions:

- 1. How Chinese people use and perceive technologies related to the sharing economy? Is there any difference among different countries?
- 2. What are the differences in motivations between Chinese and Americans to participate in the sharing economy? For example, it's possible that Chinese care more about economic factors but less social factors (such as sustainability and enjoyment) than Americans.
- 3. How do social context differences between China and the US affect the sharing economy? These differences may include the size of cities, population, average income and environment safety (e.g., no gun is allowed in China).

Our goal is that this proposal can open the door for discussing the role of cultural and social differences played in the sharing economy. We hope the sharing economy platform providers can get business insight from this discussion.

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