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Master's Thesis

Selection Criteria of Sharing Accommodation

― Host-Guest Relationship in Airbnb ―

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Selection Criteria of Sharing Accommodation
— Host-Guest Relationship in Airbnb —

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March 2016

The hotel industry has a very ancient history. Before the internet was invented customers had only limited information about the service quality of hotels. They had either to rely on word of mouth or make the experience by themselves. The introduction of information technology and growth of the internet had a tremendous impact on the hotel industry. With the introduction of sharing accommodation platforms the seeds were laid for a new trend in the hospitality industry. The traditional hotel industry draws upon a pure financial business model with two main actors: the customer and the enterprise. Latter aims to offer services in order to make profit. However, in the sharing economy the enterprise acts as an intermediary between two parties who co-create value, in case of Airbnb the guest and the host. The willingness to share is crucial.

Sharing economy used to be a niche phenomenon which has received a little attention in the past. But in the last few years sharing services emerged to a relevant economic topic. From service science perspective the service dominant logic provides theoretical foundation for a better understanding of sharing economy business models and consumer behaviour.

This master thesis investigates on guest and host motivation to participate in sharing accommodation and explains how customer satisfaction is formed using the case of Airbnb. The research is based on qualitative methods and hence data driven. Face-to-face interviews were conducted with Airbnb guests and hosts. Overall we could convince 8 parties to give

an interview. All guest interviewees are the Students of JAIST and most of the time they use Airbnb rather than any other online hotel portal to organize their accommodation. The interviewed host couple was Japanese with 2 children, the single person was from Germany and lives since long time in Japan. The results enabled me to develop a model which explains how customer satisfaction is formed in sharing accommodation.

The interviews with guests and hosts aiming to understand motivation to participate in sharing accommodation that has confirmed most of the motivational aspects mentioned in theory. Motivational aspects are amongst others monetization, social interaction, environmentally friendly behaviour, and word of mouth. In order to explain how customer satisfaction is formed this research draws upon the Kano model and investigates on the relationships between the actors. By analysing guest and host interviews four types of groups with different evaluation criteria on sharing accommodation could be identified: guest with low expectation, guest with high expectation, host with low expectation, and host with high expectation. Low expectation guests see Airbnb mainly as an opportunity to save travelling costs, while low expectation hosts want to increase their income by sharing their accommodation. However, high expectation guests and hosts have expectations that go beyond the financial aspect towards social oriented behaviour. Socially-oriented activities determine their satisfaction. Four possible relationships between the actors were identified which serve as a basis to explain how customer satisfaction is formed.

A special case is the high expectation guest and host. In this case the financial transaction and sharing accommodation serve as an environment for both high expectation guest and host to get involved in social interactions. People do something for each other without having a direct money benefit, but instead of that they get a social benefit. This is the main difference between customer satisfaction in traditional hotel industry and in sharing economy. The highest satisfaction can be achieved in a situation where individuals collaborate on a voluntary basis, rather driven by intrinsic motivation than by profit.

List of Contents

List of Figures

List of Tables

1. Introduction

The sharing economy is "a powerful cultural and economic force reinventing not just what we consume, but how we consume, an effective transition from a culture of me to a culture of we" (Botsman, 2010).

Sharing economy used to be a niche phenomenon which received little attention in the past. But in the last few years sharing services emerged to a relevant economic topic, since both demand and supply are growing rapidly (Ufford, 2015). Nowadays there is a common agreement on the fact that consumption patterns of mankind are not sustainable (Preston, 2012). Botsman & Rogers (2011) describe in their key publication "What's mine is yours" But in the last few years sharing services emerged to a relevant economic topic, since both demand and supply are growing rapidly an increasing socioeconomic awareness with respect to the importance of more sustainable consumption.

It can be observed that there is shift in the mind set of many people from the global 'throw-away' culture to collaborative consumption (Barros, 2013; Heinrichs, 2013). Aforementioned developments draw upon technological advancement and online social networks, which result in concepts such as sharing, renting, trading or gifting (Gaskins, 2010).

1.1 Background

The hotel industry has a very ancient history. Before the internet was invented customers had only limited information about the service quality of hotels. They had either to rely on word of mouth or make the experience by themselves. The introduction of information technology and growth of the internet had a tremendous impact on the hotel industry. Nowadays customers have more information than ever before during the decision making process. Everything can be done online - starting from hotel selection to reservation and payment. Hotel portals emerged, which are connected with 10'000 of hotels worldwide providing customers with a broad variety of booking options, such as hotels.com. Platforms, for instance Tripadvisor (2015), allow guests to review their hotel experience and share it with others. Online word of mouth has become an important decision making source for guests.

But this is just the beginning of long journey enabled by disruptive technologies. With the introduction of sharing accommodation platforms the seeds were laid for a new trend in

the hospitality industry. The best known platform is Airbnb, founded in 2007. The company provides a website which allows hosts to share their accommodation, and hosts to find the appropriate host (Airbnb, 2015b). These kinds of services that enable social interaction via internet have been referred to as 'network hospitality'. According to Molz (2011) network hospitality describes the way people "connect to one another using online networking systems, as well as to the kinds of relationships they perform when they meet each other offline and face to face".

Sharing accommodation can be put in the larger framework of sharing economy. Latter is a term used to describe the "rapid explosion in traditional methods of sharing, bartering, lending, trading, renting, and swapping" (Botsman & Rogers, 2011). The example of Airbnb shows how technology enables new business models and how quick these business models can reach and involve millions of people worldwide. So far Airbnb has provided more than 60'000'000 guests with accommodation in more than 190 countries worldwide. These statistics show the rapid growth and hence impact on traditional business models of hospitality industry (Airbnb, 2015c).

The traditional hotel industry draws upon a pure financial business model with two main actors: the customer and the enterprise. Latter aims to offer services in order to make profit. However, in the sharing economy the enterprise acts as an intermediary between two parties who co-create value, in case of Airbnb the guest and the host. The willingness to share is crucial.

"The stuff that matters in life is no longer stuff. It's other people. Its relationships. It's experience." (Brian Cesky, CEO Airbnb)

From service science perspective the service dominant logic provides theoretical foundation (Vargo & Lusch, 2004) for a better understanding of sharing economy business models and consumer behavior. Since service science is a young research field there are still many open questions that have to be answered with respect to economic and non-economic perspective of sharing economy. Why do people share? Because of the money they can earn? Why do people use sharing accommodation instead of hotels? Are there motivational aspects that go beyond the financial aspect? How can current paradigms that explain consumer behavior be applied in context of sharing economy?

The goal of this master thesis is to investigate on customer satisfaction and motivation in sharing accommodation. By better understanding the interactions between guest and host this master thesis contributes to better foundation of service science and service dominant logic.

1.2   Structure of the Thesis

This thesis is structured into 7 chapters. Chapter 1 presents the general research outline and depicts the background required to understand the overall context. Chapter 2 includes the problem statement, the research objectives, the research questions, and describes the research methodology. Chapter 3 provides the reader with basic information about Airbnb, traditional hotel industry and the main differences between them.

In chapter 4 the theoretical background is explained. Chapter 5 describes how the interviews have been conducted and depicts the results. Chapter 6 is about the analysis of interviews and the final conclusions. The research questions are discussed and theoretical implications are derived. Moreover the limitations and suggestions for future research are presented. Chapter 7 includes the references.

2. Research Background

2.1 Problem Statement

Nowadays most businesses can be classified as service economies. Service systems investigate on the relationships between humans, business, and technology in order to explain the emergence of services (Maglio & Spohrer, 2007). Providing a service implies that knowledge and skills are applied for the benefit of others. The service dominant logic serves as a foundation for investigating on services (Vargo & Lusch, 2004).

Byers, Proserpio, & Zervas (2013) revealed that Airbnb has several unique selling points compared to traditional hotels. According to Guttentag (2013) "achieving a greater understanding of Airbnb's disruptive emergence will offer tremendous practical value". However, the topic received so far little attention from scientific perspective.

One of the key topics for successful service firms is customer loyalty, since it is an important driver for profitability. "The foundation for true loyalty lies in customer satisfaction, for which service quality is a key input. Highly satisfied or even delighted customers are more likely to become loyal apostles of a firm" (Lovelock, 2008). Vega-Vazquez, Revilla-Camacho, & Cossio-Silva (2013) showed that a positive relation between value co-creation and customer satisfaction exists. In general, organizations that are able to strengthen and improve relationships with both customers and employees might benefit in several aspects, such as competitive advantage, higher customer loyalty, and more engaged employees (Rosenbaum et al., 2011).

Prevalent approaches which aim to describe and measure customer satisfaction have limitations in context sharing economy business models. So far researchers have been focused on business to customer (B2C) interactions. However, research in the area of customer-to-customer (C2C) interactions where several actors co-create value in a service encounter has been neglected. "The C/D paradigm does not fully explain customer satisfaction in customer groups and needs to be modified in future research" (J. Finsterwalder & Kuppelwieser, 2011).

Recent research – based on the self-determination theory - has shown that motivation plays an important role in the formation of the customer satisfaction process, since motivation is regarded as a stable construct in the consumers black box (White, 2015). However,

little is known about the reasons why actors participate in collaborative consumption respectively why they share (Bardhi & Eckhard, 2012; Byers et al., 2013; Lamberton & Rose, 2012; Lawson, 2010). In contrast to offline components sharing (e.g. sharing accommodation) the research field of the online sharing (e.g. file sharing) has already been examined in several studies. However, in most cases the studies focus only on a specific type of online sharing (e.g. Taylor, Strutton, & Thompson, 2012).

Figure 1 depicts the relationships between the statements of this chapter.
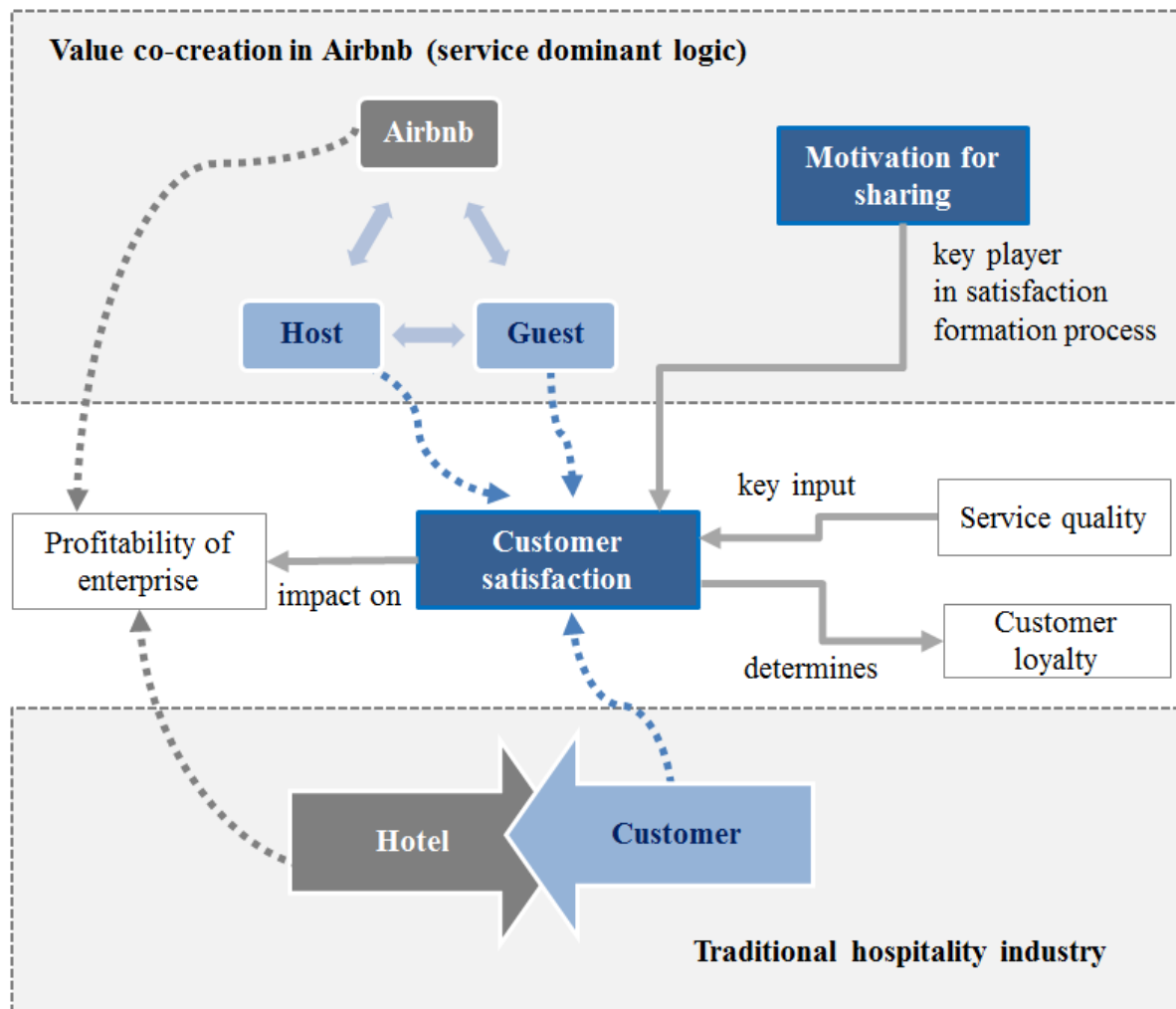
Figure 1: Traditional perspective versus sharing economy perspective

2.2   Research Objectives

The aim of this research is to investigate on how customer satisfaction is formed in sharing accommodation. For this purpose the motivation of actors to participate in sharing accommodation and the value co-creation process should be analysed. Based on that a model can be developed which explains how customer satisfaction arises in context of sharing accommodation. The research is conducted in context of service science and draws upon the service dominant logic.

By analysing Airbnb and traditional hotel industry, this research will be able to identify the differences between the business models. By deeper understanding about host and guest perception, we can determine the motivation in participating in sharing accommodation and its consequences with respect to customer satisfaction. This contributes to a better understanding and hence theoretical foundation of customer satisfaction in context of the service dominant logic.

2.3   Research Questions

Based on the research objectives following research questions were developed:

Major research question: How is customer satisfaction formed in sharing accommodation?

Subsidiary research questions

SRQ1: What are the motivational factors that drive actors (guest and host) to participate in sharing accommodation?

SRQ2: What are the evaluation criteria to find the appropriate host from the guest perspective?

SRQ3: What are the evaluation criteria to find the appropriate guest from the host perspective?

2.4   Research Methodology

This research draws upon qualitative research methods. The research has been conducted as following:
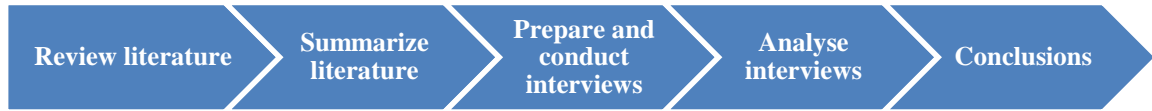
Figure 2: Research Methodology

1. In a first step we performed a literature review about sharing accommodation, motivation to participate in sharing accommodation, customer satisfaction, and service quality.

2. We summarized the relevant literature which serves as a basis for my research. Based on the literature review we developed the questionnaire for the host and guest interviews.

3. We collected overall 8 semi-structured face-to-face interviews with Airbnb guests (5) and hosts (3). Semi-structured interviews allow on one hand to structure and guide the interview. On the other hand this approach leaves enough space for unplanned or additional comments and opinions in order to collect valuable insights.

4. After the interviews were conducted we extracted and analysed the relevant statements.

5. Finally the research questions were answered and the conclusions derived.

The steps 4 and 5 are explained in chapter 5 in detail.

3. Airbnb

The goal of this chapter is to provide the relevant information about Airbnb and how the features of the Airbnb website allow users to find the corresponding guest or host. Furthermore this chapter depicts the commonalities and contradictions between Airbnb and traditional hotel industry.

3.1   About Airbnb

Airbnb was founded in 2008 and offers a "trusted community marketplace for people to list, discover, and book unique accommodations around the world — online, from a mobile phone or tablet". Airbnb provides a platform where hosts and guests can meet and find the counterpart who fulfils their needs. Hosts can publish their accommodation offerings while guests are provided with the opportunity to search for accommodation. No matter whether guests need an apartment, a house, a villa – on Airbnb users will find the accommodation they are looking for (Airbnb, 2015a).

Figure 3 depicts the key statistics of Airbnb and its locations. It reflects the fast growth of the company since it has been founded in 2008 (Airbnb, 2015c).

Figure 3: Airbnb statistics

3.2   Business model of Airbnb

How does the business model of Airbnb work? Hosts can publish their accommodation offering for free on the Airbnb platform. As soon as a host receives a reservation, the host has to pay 3% of the reservation charges to Airbnb. However, guests have to pay between 6% and 12% of the reservation cost (Airbnb, 2015c).

With its web platform Airbnb provides guest and hosts with all required features to establish trust between the parties. These features are explained in more detail in the following sections of this chapter. Besides that the business model of Airbnb includes several trust building features. For example, hosts are provided with insurance (up to 1 million dollar) in case that something happens with their accommodation. Furthermore Airbnb triggers the payment of the guest 24 hours after arrival. These kinds of safety regulations should ensure that the payment is processed only in cases where the guest is satisfied (Airbnb, 2015c). Figure 4 depicts the business model of Airbnb (Business Model Toolbox, 2015).
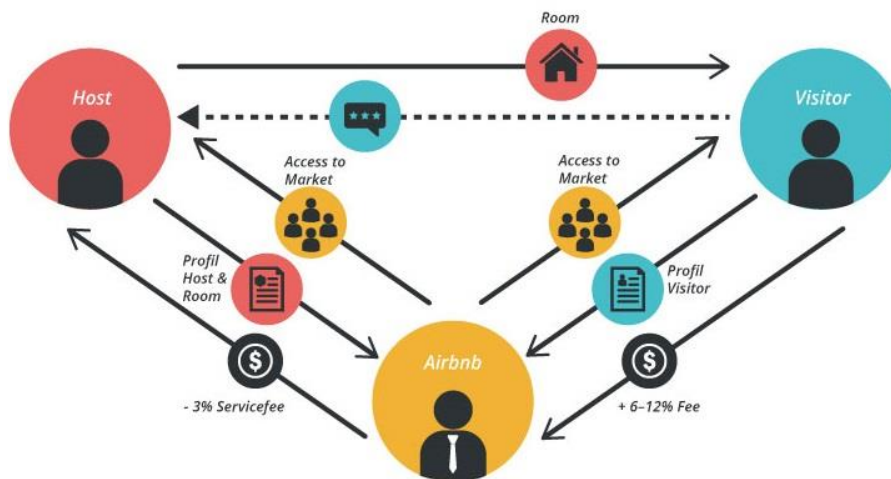
Figure 4: Airbnb business model

3.3   Website of Airbnb

The website of Airbnb is consists of different sophisticated features that allow guest to find the appropriate host. When entering the main page guests can search for the desired location and dates respectively how long they want to stay (Airbnb, 2015b). In a next step they get a list of proposals as depicted in Figure 5.
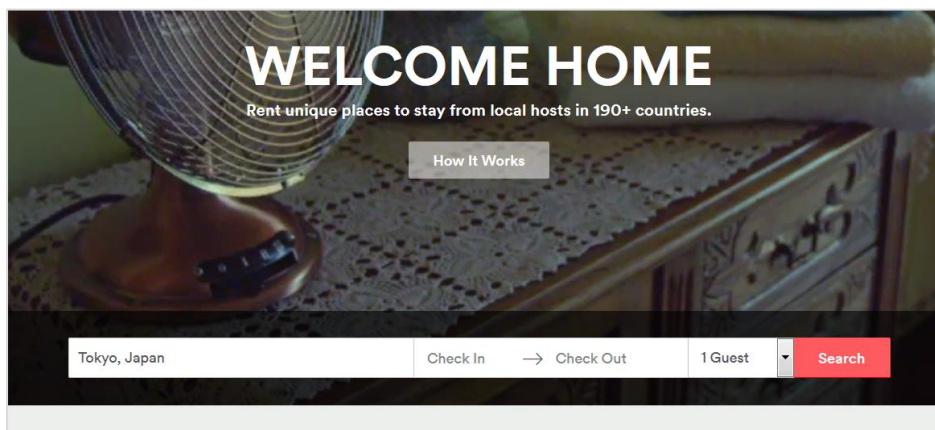
Figure 5: Main page of Airbnb website

3.3.1   How Guests Can Find the Appropriate Accommodation

After specifying the location and dates the guest gets a list of accommodation proposals as depicted in Figure 6 (Airbnb, 2015b).
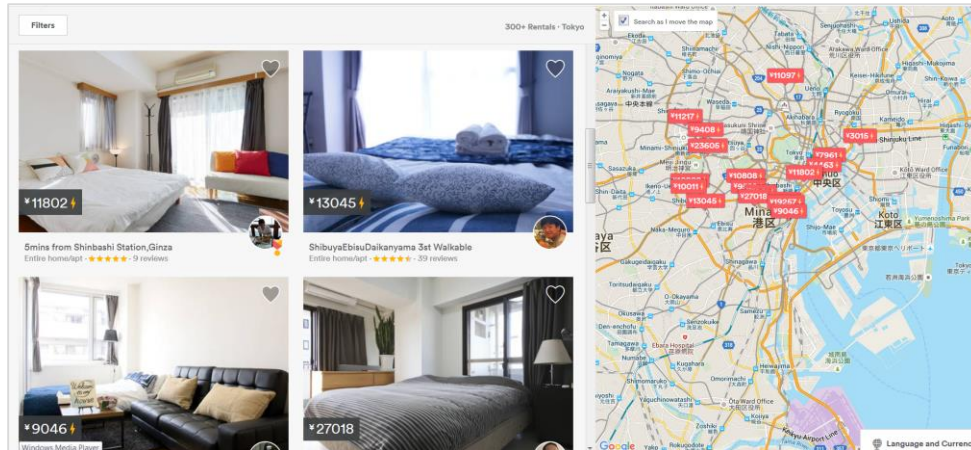
Figure 6: Searching for accommodation on Airbnb

Figure 7 depicts how guests can find their accommodation by using the comprehensive filter options (Airbnb, 2015b). Website of Airbnb has rich functions to analyse and to find a perfect matched accommodation.
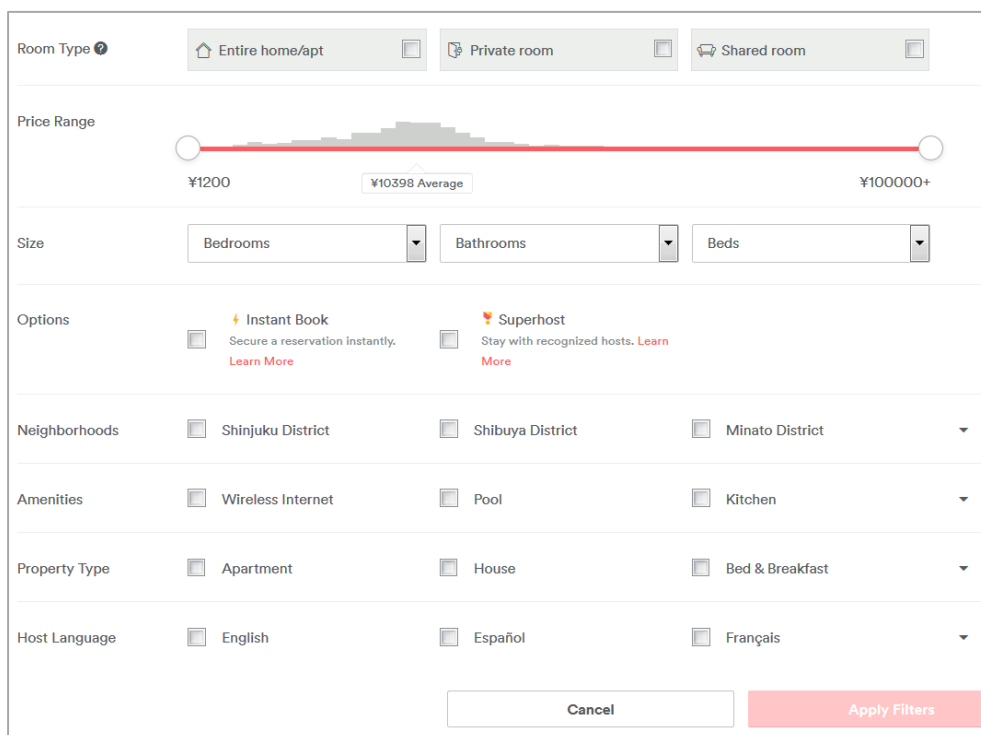
Figure 7: Airbnb provides comprehensive filter options

The function and the filters shown in above figure all are helpful for the customer point of view. By using these features customers can choose and shortlist there accommodation.

3.3.2 Information Regarding Specific Accommodation

Each accommodation has an own page on Airbnb. By clicking on the accommodation of interest of guest can retrieve all required information, such as information about the host, the accommodation description and features, host reviews, pictures etc. Figure 8 depicts the accommodation picture uploaded by the host (Airbnb, 2015d).

Figure 8: Picture of accommodation

Figure 9 shows a snippet of an accommodation profile (Airbnb, 2015d).

Figure 9: Accommodation Profile

3.3.3   Reviews of Host and Guest

The reputation system which is based on reviews from host and guest plays a key role on the Airbnb platform. It allows building trust between guest and host. The host can introduce himself and provide information about his interests and expectations as depicted in Figure 10 (Airbnb, 2015e).

Figure 10: Host profile on Airbnb

Figure 11 shows that each host has an overview of reviews which includes overall performance that have been made so far (Airbnb, 2015b).
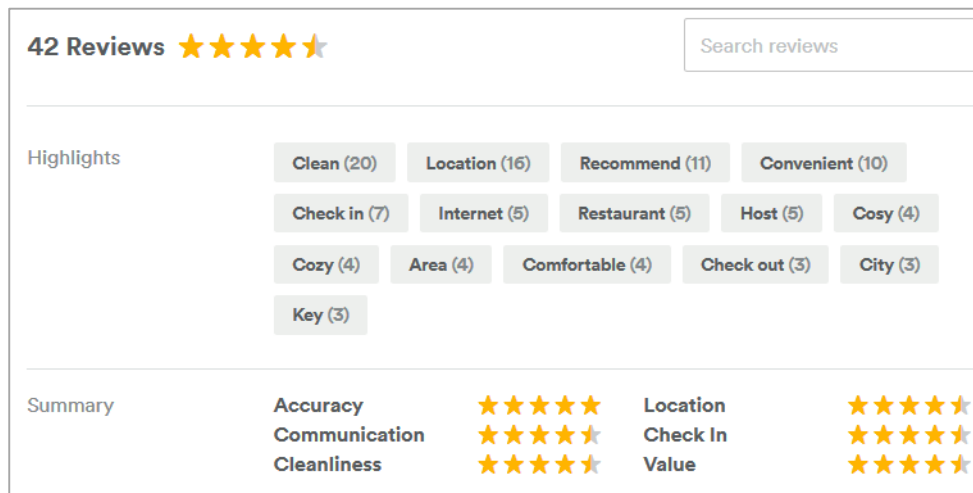
Figure 11: Overview host reviews

Figure 12 shows two examples of reviews for (host) Hajime made by former guests (Airbnb, 2015e).
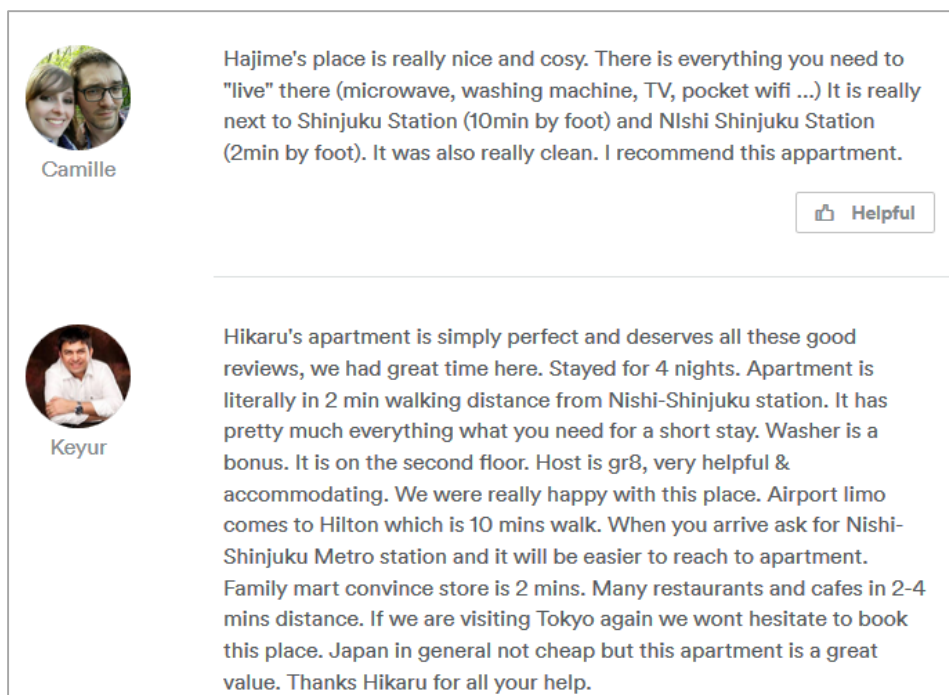
Figure 12: Examples of Airbnb host reviews

Not only guests can review the hosts, but the hosts can also review the guests. Figure 13 (Airbnb, 2015f) shows the reviews that the user Keyur received from hosts. They are overall

good with one exception. Although Keyur (see Figure 12) gave a positive review to the host Hajime it is not based on reciprocity. The host doesn't seem to be happy with the guest as the comment below shows in Figure 13. This example shows how contradictory the expectations from host and guest can be.
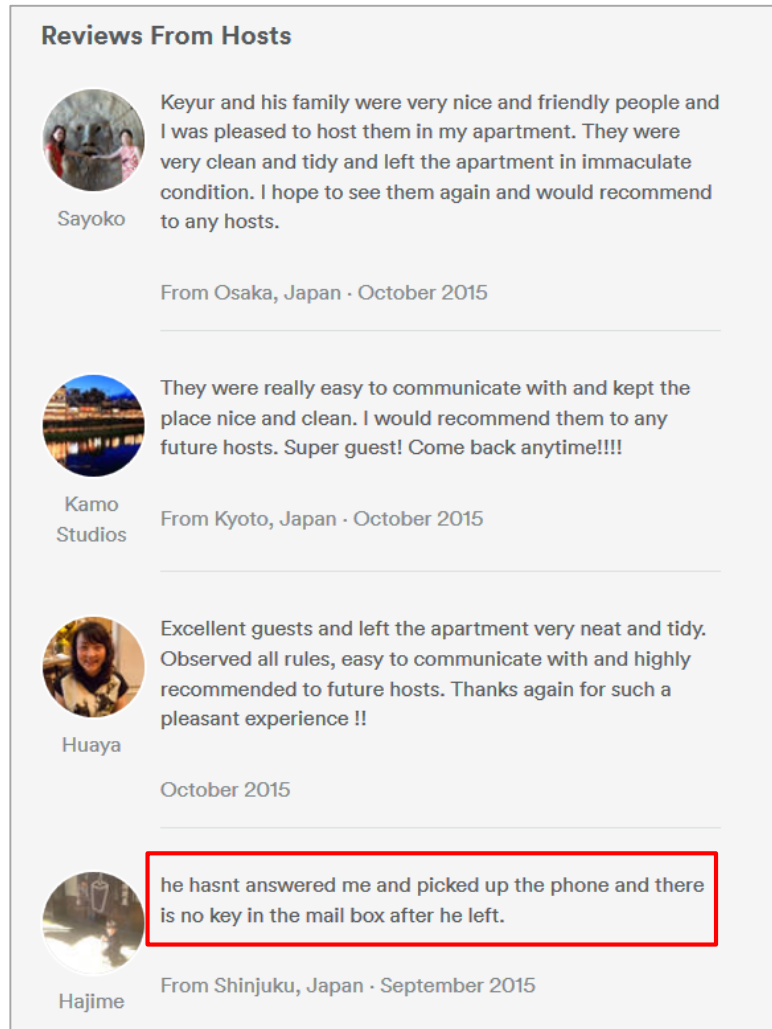
Figure 13: Host reviews for guests

3.4   Traditional Hotel Industry

In the traditional hotel industry there is a 1:1 or 1: many relationship between the hotel and the guest. The hotel offers services and the guest is left free to use these services or not. The growth of internet has not only resulted in new business models – such as Airbnb – but has also a big impact on the traditional hotel industry. Nowadays customers have a lot of information available on the internet which can be used for the decision making process. Everything is connected. In the following are a few examples of how customers use internet services in traditional hotel industry:

- Hotel portal websites, for example hotels.com or booking.com, list thousands of hotels and provide booking options as well as hotel reviews. They enable customers to select out of many options the appropriate one which fulfils their needs.

- Before customers book a hotel they can check the review of other customers. Tripadvisor (2015) is currently the most popular website for hotel reviews. Users find millions of hotel reviews. Nowadays reviews play an important role during the decision making process, since they represent online word of mouth.

The following sections show examples of hotel portal booking and hotel review websites.

3.4.1   Hotel Portal Websites

When entering the main page of hotels.com users can search for the desired location and dates respectively how long they want to stay. In a next step they get a list of recommended hotels as depicted in Figure 14 (Hotels.com, 2016).

Furthermore hotel portal websites provide users with the opportunity to check hotel pictures, prices, descriptions, special offers and reviews of other users. They can make their booking direct on the hotel portal webpage which serves as a broker between hotel and customer. Figure 15 shows some of the aforementioned features on the booking.com webpage (Booking.com, 2015).
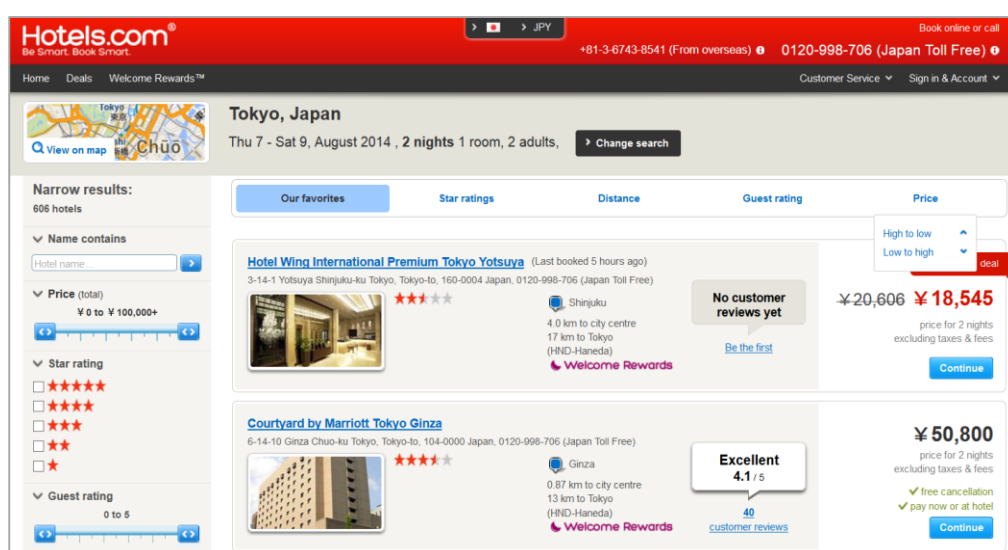
Figure 14: Hotel recommendations on hotels.com

15

Figure 15: Hotel reviews on booking.com

4. Literature Review

The purpose of the literature review is to provide a sound theoretical background which allows answering the research questions. The literature review addresses three main topics. In section 4.1 service systems and service science as well as the service dominant logic are introduced. Furthermore it is explain how value is co-created between actors in the Airbnb business model.

Section 4.2 is devoted to the definition of customer satisfaction and its formation over time. In section 4.3 service quality and its dimensions are explained. Moreover the Kano model of service quality is introduced. Section 4.4 depicts how customer satisfaction can be explained in context of sharing economy business models. The final section 4.4.2 refers to the body of knowledge regarding guest and host motivation to participate in sharing economy.

4.1 Theories and Perspectives in Service Science

4.1.1 Service Systems and Service Science

The goal of service science is to investigate on service systems. Service science aims to explain how value is co-created, how interaction takes place in service systems, and how latter can be classified and explained. Maglio & Spohrer (2007) describe service systems as "value-co-creation configurations of people, technology, value propositions connecting internal and external service systems, and shared information (e.g., language, laws, measures, and methods). The smallest service system centres on an individual as he or she interacts with others, and the largest service system comprises the global economy." The service-dominant-logic of Vargo & Lusch (2004) may serve as "philosophical foundation" for service science, since it provides a theoretical constructs – including concepts like vocabulary, assumptions etc. – which can be used as foundation for service science.

4.1.2 Service Dominant Logic

As already stated in the previous chapter Vargo & Lusch introduced in 2004 a new concept to describe the emergence of service systems. The so called service-dominant-logic, referred to as SD logic, is a concept for understanding the purpose of organizations, markets and the society. The authors distinguish between goods-dominant logic and service-

dominant-logic. A service is "the application of specialized competences (operant resources – knowledge and skills), through deeds, processes, and performances for the benefit of another entity or the entity itself" (Vargo & Lusch, 2008).

Table 1: How the service dominant logic evolved since 2004

FP	2004	2008	Update
FP1	The application of specialized skills and knowledge is the fundamental unit of exchange	Service is the fundamental basis of exchange	No Change AXIOM STATUS
FP2	Indirect exchange masks the fundamental unit of exchange	Indirect exchange masks the fundamental basis of exchange.	No Change
FP3	Goods are distribution mechanisms for service provision	No Change	No Change
FP4	Knowledge is the fundamental source of competitive advantage	Operant resources are the Fundamental source of competitive advantage.	Operant resources are the fundamental source of strategic benefit
FP5	All economies are service economies	No Change	No Change
FP6	The customer is always the co-producer.	The customer is always a co-creator of value	Value is co-created by multiple actors, always including the beneficiary AXIOM STATUS
FP7	The enterprise can only make value propositions	The enterprise cannot deliver value, but only offer value propositions	Actors cannot deliver value but can participate in the creation and offering of value propositions
FP8	Service-centred view is customer oriented and relational	A service-centred view is inherently customer oriented and relational	A service-centred view is inherently beneficiary oriented and relational
FP9		All social and economic actors are resource integrators	No change AXIOM STATUS
FP10		Value is always uniquely and phenomenologically determined by the beneficiary	No change AXIOM STATUS
FP11			New Value co-creation is coordinated through actor-generated institutions and institutional arrangements AXIOM STATUS

Hence the foundation of the SD logic states that organizations, markets and the society are concerned with the exchange of services. Latter goes along with the application of skills and knowledge for the benefit of other parties. According to the SD logic the service aspects are far more important and profitable than the good or product aspects offered. Initially Vargo & Lusch (2004) provided eight foundational premises (FP) on which the service-dominant-logic is based. Since the original article was published many discussions evolved around the topic. Over time the foundational premises have been adapted and extended (Vargo & Lusch, 2006, 2008, 2015), as depicted in Table 1 (Vargo & Lusch, 2015).

4.1.3   Service Dominant Logic in Case of Sharing Accommodation

The specific characteristics of the Airbnb platform have already been introduced in chapter 3.3. This chapter focuses on value co-creation in Airbnb. According to the service dominant logic value is co-created by multiple actors. In Airbnb there are three main actors involved in a transaction: Airbnb, the host and the guest. In contrast to traditional hotel industry Airbnb doesn't offer accommodation services to its customers directly, but enables guest and host to find each other and to co-create value independently from Airbnb. Figure 16 depicts the interplay of Airbnb, guest and hosts.
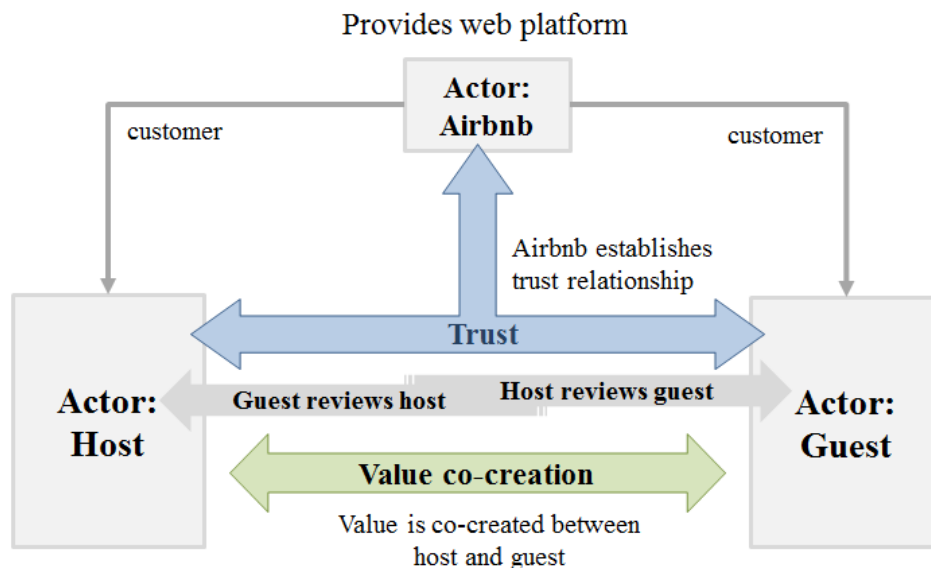
Figure 16: Service dominant logic in context of Airbnb

Airbnb acts as an intermediary providing the required web 2.0 platform with features that allow establishing trust between guest and host. This feature plays the key role in Airbnb business model. A review is always related to a specific guest or host, which is authorized by Airbnb. Airbnb verifies the person behind the profile. In case of Airbnb not only

the review from the guest for the host plays an important role, but also the review from host to guest. For example, if a guest doesn't behave properly the host can mention that on the Airbnb platform. It might have direct consequences, e.g. future hosts will not welcome this guest.

In the traditional hotel industry is a pure financial relationship between hotel and guest, since the main goal of the hotel is to generate profit by offering services to the guest. The guests can review the hotel on online platforms and read reviews of other guests. In traditional hotel systems customers maintain relationships with an enterprise and not with individuals, since employees can change over time.

The novelty of Airbnb's business model is the shift from company centred view to consumer centred view. Airbnb empowers its customers and shares the value that is created with them. The effective co-creation of value takes place between guest and host. It can be clearly described as value co-creation, since what happens between guest and host can't be fully controlled by Airbnb. Airbnb only provides the environment which enables guest and host to find each other and to interact. Furthermore the co-created value is unique, since each transaction involves a specific guest and host with varying perceptions and expectations.

4.2 Customer Satisfaction

This chapter defines the term customer satisfaction and describes how satisfaction emerges.

4.2.1 Definition of Customer Satisfaction

In order to define the term customer satisfaction one can distinguish in a first step between process and result-oriented approaches. The former define customer satisfaction as the setting and aim to explain how it evolves. Results-oriented definitions, however, state that customer satisfaction is the result of a psychological evaluation process. In this context the confirmation / disconfirmation paradigm is used as a theoretical construct to explain customer satisfaction. Its core message is that satisfaction is a comparison process between the current performance and the target performance. In general, the confirmation / disconfirmation paradigm (c/d paradigm) is a common framework, which serves as a starting point and foundation for customer satisfaction research (Anderson, Fornell, & Rust, 1997; Oliver, 1980).

4.2.2 The Development of Customer Satisfaction

Since the confirmation/disconfirmation paradigm is a widely-known and thus popular model, it is used in this work as a theoretical construct to explain how customer satisfaction evolves. The customers' expectation is composed of an objective and subjective component. The objective component represents the performance of the company. It is based on the assumption that each customer receives the same performance. This is influenced by the individual expectation of each customer, so that the subjective performance arises. For the composition of the perceived performance various assumptions in literature exist, which are often the expectations, experiences and ideals of the customers serve as a comparison standard (Fournier & Mick, 1999).

If the customer expectation correspond with the perceived performance, then the expectations of the customer would be satisfied, referred to as "confirmation". This also occurs when the customer expectations are exceeded, and is referred to as "affirmation". Dissatisfaction or "negative disconfirmation", however, arises when the expectations are not aligned with the perceived performance (Churchill & Suprenant, 1984). Figure 17 illustrates the principle of the confirmation / disconfirmation paradigm (Vavra, 1997).
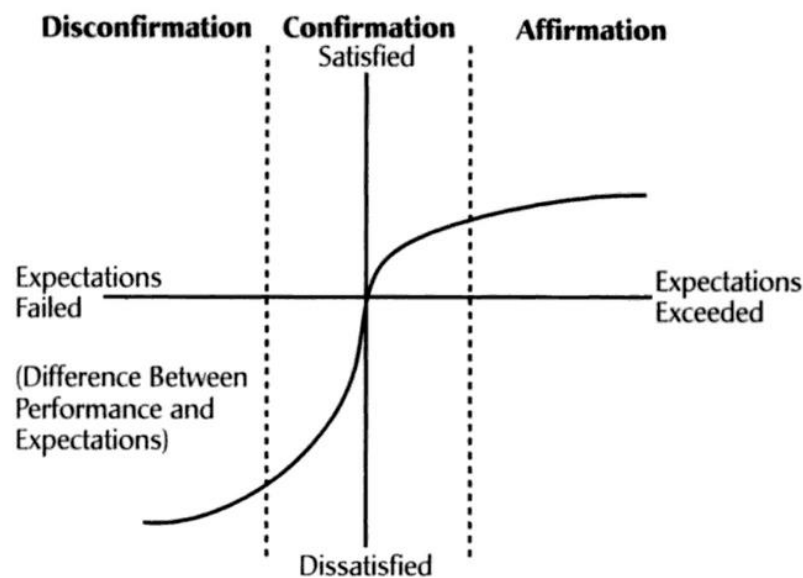
Figure 17: The Confirmation / disconfirmation paradigm:

4.2.3 The Relationship between Customer Satisfaction and Service Quality

As a result of the satisfaction research, science started to investigate on service quality. As a theoretical framework for the development of service quality – analogous to customer satisfaction - the comparison between the expected service quality and perceived service

quality has been established. Nevertheless customer satisfaction and service quality are perceived as two separate concepts. Customer satisfaction is considered a short-term-oriented overall assessment of a product or service. Service quality, however, is described as "form of attitude representing a long-run overall evaluation" (Taylor & Cronin, 1994). In this context service quality can be regarded as a key input which is necessary to achieve customer satisfaction (Lovelock, 2008).

4.3 Service Quality

This chapter provides the theoretical foundation for term service quality. Furthermore the different dimensions of service quality are described.

4.3.1 Definition of Service

Services are characterized by the characteristics that they are not tangible. Nevertheless, the provision of services is not entirely independent of goods. In some cases goods are integral part of the service and the performance can't be provided without the good. When repairing a car, for instance, spare parts are needed. Another characteristic of services is that the customer is either itself involved in the process of service or at least contributes to some extent. One further characteristic is that it is not easy to evaluate or to visualize services and that they can't be inventoried (Lovelock, 2008).

4.3.2 Definition of Service Quality

Analogous to customer satisfaction service quality can be defined as the comparison between perceived service quality and expected service quality (Parasuraman, Zeithaml, & Berry, 1988). For example, when providing a service - such as a service from a dentist to a patient – this service represents the final service that is delivered. The customer perceives the service and rates it positively or negatively depending on the expectations.

Figure 18 show the service quality and its dependency.
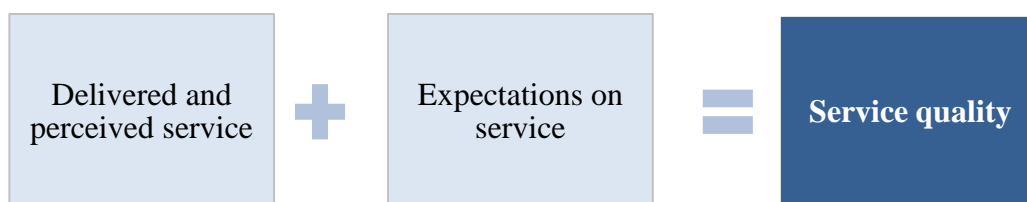
Figure 18: Service quality

4.3.3 Dimensions of Service Quality

In general, one can distinguish between different approaches to describe service quality. Donabedian (1980) sees the service as a process and differentiates between three dimensions: potential dimension, process dimension and outcome dimension. The potential dimension refers to the conditions of the service provider. For example, the qualification of employees. The process dimension stands for the quality of the sequences of the performed process. The outcome dimension is the assessment of the desired results that have been achieved in the service process.

Berry (1986), Grönroos (1994), Parasuraman, Zeithaml, & Berry (1986) developed further service dimensions. Berry (1986) divides customer expectations in routine and exceptional components. Routine components include basic concepts, which are expected as part of the service. If these are not given, this has a negative impact on customer perception. However, the customer doesn't expect the exceptional components. Therefore, they are seen as a positive "add on". Grönroos (1994) makes a difference between technical and functional dimension. The technical dimension represents the scope of the service, whereas the functional dimension is how the service is provided. Latter is influenced - among others - by the behavior of the employees or their specialist knowledge.

The information economy theory states that for each service it can be distinguished between three attribute types: experience attributes, search attributes (Nelson, 1973, 1974), and credence attributes (Darby & Karni, 1973) . The information economy theory attempts to provide a model for service quality by explaining consumer behaviour in situations of uncertainty. "One of the ways of probing customer behaviour with regard to services is to build a probable cause and effect relationship between service characteristics and their effect on customer search and buying behaviour" (Verma, 2012). One, two or all three types of attributes can be applied to a service (Srinivasan & Till, 2002). Finally, the dimensions of the service quality of Servqual model have become popular. Servqual includes 5 quality dimensions and provides a method for their assessment (Parasuraman et al., 1986, 1988).

4.3.4 The Kano Model

This chapter is devoted to the Kano model (Kano, Seraku, Takahashi, & Tsuji, 1984), which is a framework for the classification and assessment of customer satisfaction. The Kano model is based on Herzberg's 2 factor theory of motivation and was selected in this

master thesis since it allows classifying motivational factors that drive actors to participate in sharing accommodation.

Kano distinguishes between three quality dimensions: Must-be requirements, one-dimensional requirements, and attractive requirements. Must-be attributes are expected by the customers. If these attributes are missing, the customers will be dissatisfied. For instance, a guest who books an accommodation expects to have a bed and a washroom. If aforementioned needs are not fulfilled, the guest will be dissatisfied (Grigoroudis & Siskos, 2010).

Depending on an enterprise performance the one-dimensional requirements can lead either to satisfaction or to dissatisfaction. Here it depends on the single company how a product/service is delivered and whether it leads to satisfaction or dissatisfaction. This is the space where enterprises compete against each other. The attractive attributes are not expected by the customer. If the company doesn't provide them, the customer will not be dissatisfied. However, if the company offers attractive attributes, the customer might be surprised (since it is not expected) and hence delighted by the offering (Grigoroudis & Siskos, 2010).
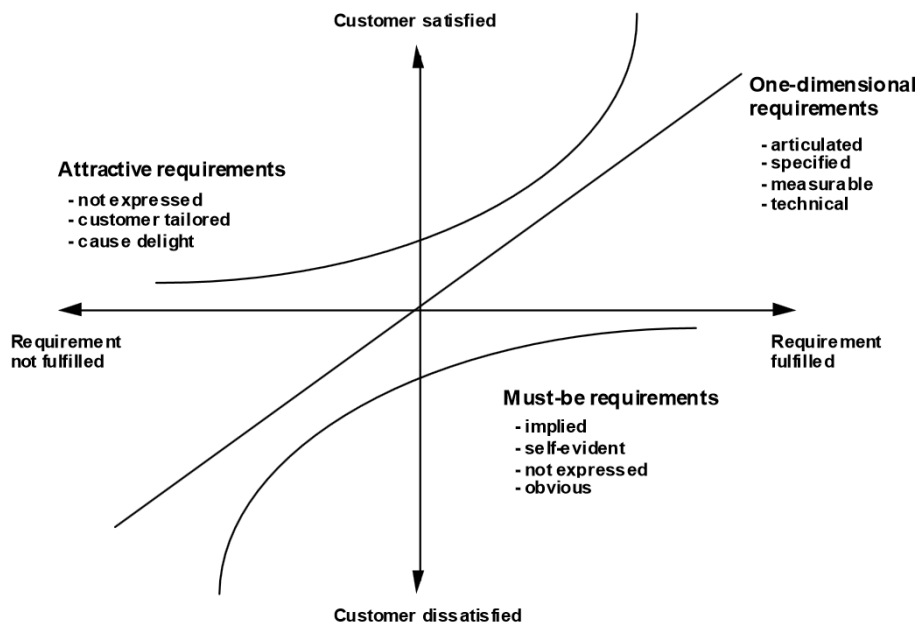
Figure 19: Kano model

Furthermore the Kano model distinguishes between indifferent quality and reverse quality. Indifferent quality attributes are neither good nor bad. Hence they have no impact on customer satisfaction or dissatisfaction. Reverse quality attributes can be compared with

one-dimensional attributes, since a high degree of achievement might result in satisfaction (or the other way around). Therefore they can be described as "the less the better" attributes (Grigoroudis & Siskos, 2010). Figure 19 depicts the Kano model (Bailom, 1996).

4.4 Customer Satisfaction in Case of Sharing Accommodation

4.4.1 Formation of Satisfaction in Customer to Customer Service Encounter

In the previous chapters customer satisfaction and service quality have been defined and their relation to each other has been discussed. In context of Airbnb the question traditional arises what kinds of measures for customer satisfaction and service quality can be applied.

According to Finsterwalder & Kuppelwieser (2011) the prevalent customer satisfaction paradigm (as described in chapter 4.2) has some limitations with respect to sharing economy business models, where two parties co-create value. The confirmation/disconfirmation paradigm doesn't describe comprehensively the situation when customer satisfaction is created in a group of customers. From Airbnb perspective the company has two types (and hence a group) of customers: the host and the guest. In order to explain customer satisfaction it is required to understand both sides the host and the guest. It can be concluded that current approaches doesn't provide sufficient support, since they don't take the interaction of different persons who co-create value into account. Moreover traditional approaches start from the assumption that there is a relationship between customer and enterprise.

Finsterwalder & Kuppelwieser (2011) propose a model which makes a step towards the description of a new confirmation/disconfirmation paradigm in context of sharing economy business models where value is co-created between different stakeholders. The authors differentiate between two activities in context of value co-creation which have an impact on satisfaction in consumer behavior research: task and social activities (task-oriented satisfaction and socially-oriented satisfaction).

Why the distinction between task and social activities? When single group members contribute to value co-creation their behavior can be categorized in social elements and task elements. "Any group, regardless of setting, must address itself to the successful completion of a task. At the same time, and often through the same behavior, group members will be relating to one another personally".

Figure 20 depicts that satisfaction is a result of both group interaction and the input of each single participant. The social-oriented experience describes the ability to contribute to the group performance by generating a social experience. This ensures that an individual is socially included in a group. The task-oriented component explains how an individual performs his/her intended task within a group. In each group the members can see the behavior of other group members with respect to task-oriented and socially-oriented activities. At the same time each single member knows to what extent he contributes to the group. If a group member doesn't perform his task properly or if someone behaves inappropriate towards other group member, it has harmful impacts on the service experience of the group (J. Finsterwalder & Kuppelwieser, 2011).

For instance, if someone makes rude comments about other group members this person disturbs the atmosphere of the group. If there are too many interruptions during the group performance, there group will bear the risk of unsuccessful or partially successful value co-creation. In worst case the group is 'blocked' and value can't be co-created (J. Finsterwalder & Kuppelwieser, 2011). According to Finsterwalder & Tuzovic (2010) staff has the role to foster successful co-creation. This can be achieved if the staff has required skills, motivation, and the knowledge how to foster co-creation between customers. Figure 20: Customer satisfaction in context of value co-creation.
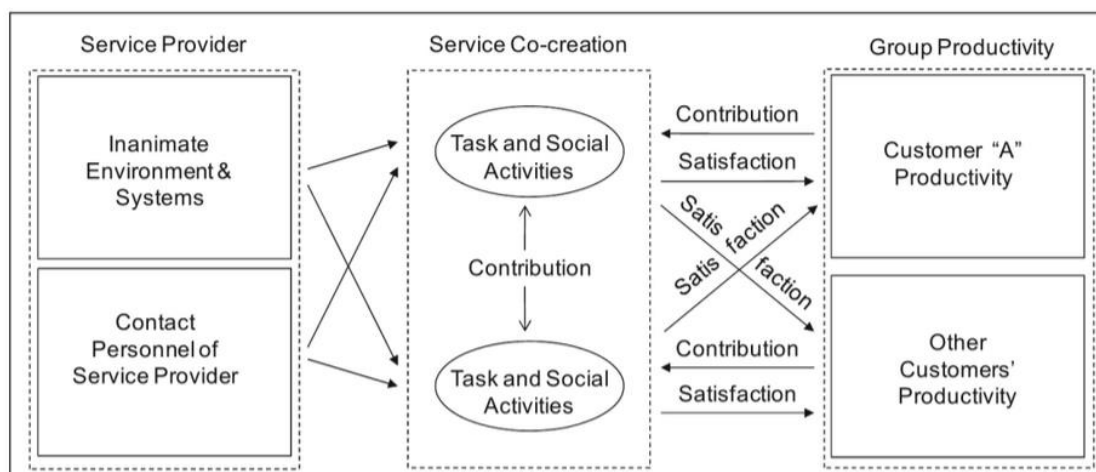
Figure 20: Customer satisfaction in context of value co-creation

So far the contribution of customers in a service encounter has been discussed. From Airbnb perspective the guest is the customer and the host is the one who offers a service by sharing his accommodation. It can be concluded that distinguishing between task and social

activities in context of customer satisfaction can serve as a basis in order to further develop traditional customer satisfaction models which support better understanding of satisfaction in sharing accommodation. Airbnb represents the service provider which allows though its website to establish contacts between customers in order to enable value co-creation.

Both guests and hosts can be regarded as customers in this case, although the host is the one who offers the service respectively shares the accommodation.

This can be justified by the fact that the host is not an enterprise (hence not service staff), but an individual person who acts independently. The behavior of the guest (task and social activities) has an impact on the host and the other way around. The behavior of both parties determines individual willingness to contribute to the group (task and social activities) and the perceived satisfaction.

4.4.2 Motivation to Participate in Sharing Accommodation

As already stated in the introduction from scientific point of view the phenomenon of sharing economy received little attention. Several studies investigated already on the research field of the online sharing, in particular on specific types of online sharing (e.g. Taylor et al., 2012). The motivation for sharing a good or information can be regarded as a central issue. Investigating on the motivation ("why do people share?") is of fundamental importance, since it allows better understanding of consumer behavior. This chapter investigates on possible theories which explain why actors participate in sharing accommodation (Schoenmueller, Fritz, & Bruhn, 2013).

When investigating on motivation one can distinguish between intrinsic and extrinsic motivation. Intrinsic motivations means that people do something for the sake of it, because they enjoy it. Extrinsic motivation is given when people know that they get rewarded for something or it results in an outcome that is beneficial for an individual (Deci & Ryan, 2000).

Motivation can be driven by economic reasons respectively economic benefits (Owyang, 2013). Guests can save money since booking an accommodation through Airbnb can be cheaper than staying in a hotel. However, hosts can earn money by sharing their accommodation. According to Botsman & Rogers (2011) the motivation to share goes beyond the economic reasons, such as cost savings or profit making – and hence refers to the intrinsic aspects. Although the financial aspect is important, "the social aspects of network hospi-

tality play a central role in sustaining hosts' motivation to keep participating" (Ikkala & Lampinen, 2015).

Table 2 summarizes the identified motivations that drive actors to participate in sharing accommodation.

Table 2: Host motivation to participate in sharing accommodation

Motivation	Host	Guest	Description
Monetization	x		Make profit through sharing accommodation (Owyang, 2013)
		x	Save costs by using sharing accommodation (Owyang, 2013)
Sociability	x	x	Meet new people from all over the world, engage in interesting conversations, have enjoyable moments (Ikkala & Lampinen, 2015)
Selectivity	x		Hosts are very flexible, they can decide if and when they want to share their accommodation. For instance, in case of time constraints the host doesn't need to share the accommodation (Ikkala & Lampinen, 2015)
Control	x		Hosts can control what kind of guests they accept through price setting (Ikkala & Lampinen, 2015)
Environment	x	x	Contribute to the environment by contributing to the reduction of environmental pollution, such as the consumption of energy (Lawson, 2010; Tussyadiah, 2015)
Word of mouth	x	x	Other people recommended to try it out (Wallace, Buil, de Chernatony, & Hogan, 2014)

5. Research Methodology

This chapter describes in detail how the research has been conducted in order to answer the research questions and to derive the conclusions. The research is based on qualitative method and hence data driven. Face-to-face interviews were conducted with Airbnb guests and hosts. The goal of the interviews was to answer the subsidiary research questions. The results enabled me to develop a model which explains how customer satisfaction is formed in sharing accommodation respectively to answer the main research question.

5.1 Interview Preparation

Overall we could convince 8 parties to give an interview as depicted in Table 3.

Table 3: Interviewees

	Total interviews	Additional information
Guest	5	JAIST students between 25 and 35 years old
Host	2	1 couple, 1 single person

All guest interviewees are the Students of JAIST and most of the time they use Airbnb rather than any other online hotel portal to organize their accommodation. The interviewed host couple was Japanese with 2 children, the single person was from Germany and lives since long time in Japan. It was not easy to find hosts in Japan who are willing to give interviews. Interviews are collected from hosts in Kanazawa (Couple) and Tokyo (1 single person).

Before conducting the formal interviews, we prepared a questionnaire. For this purpose this research draw upon the literature review keeping in mind the goals respectively research questions. The goal of the interview was to investigate the motivation of guest. Furthermore the goal was to evaluate that what kind of criteria guests apply when searching for the appropriate accommodation. From host perspective the evaluation criteria for accepting the request from a guest should be investigated. While conducting interviews which aim to better understand 'the consumer's black-box' – in this case the motivation and evaluation criteria – some things have to be considered in the interview preparation. We ensured all the interviewees to know about my research background by explaining ideas, and purpose of interview.

The interviewed persons should feel comfortable and talk about their experiences openly. Therefore we decided to conduct semi-structured interviews. On one hand we prepared a questionnaire in order to have a guideline for the interviewees. On the other hand this method leaves enough space for spontaneous questions and discussions which are unplanned. During the interviews we made notes in order to capture the most important statements that are relevant to my research.

5.2   Interview Analysis and Conclusion

After the interviews we analysed the interview statements in order to answer the sub research questions. In order to evaluate the motivation from guest and host (sub research question 1) to participate in sharing accommodation we analysed the relevant interview statements and draw conclusions. The results are depicted in section 6.1.

In order to derive the evaluation criteria (sub research question 2 and 3) we draw upon the theory of Finsterwalder & Kuppelwieser (see section 4.4 Customer Satisfaction in Case of Sharing Accommodation). In case of sharing accommodation customer satisfaction is formed between groups of people, and not between an enterprise and a customer only. Therefore the authors propose to distinguish between socially-oriented and task-oriented aspects in context of customer satisfaction formation. We analysed the guest and host interviews with respect to socially-oriented and task-oriented activities in context of motivation. This allowed me to identify four types of groups with different evaluation criteria on sharing accommodation: low expectation guest and host, and high expectation guest and host. The results are explained in section 6.2.

In order to answer the main research question respectively to describe how customer satisfaction is formed we draw upon the Kano model. Since customer satisfaction requires at least two parties who interact with each other, in a first step we analysed the relationships between guest and host. We adapted and simplified the Kano model in order to describe the expectations of guest and host. The model shows how guest and host interact with each other and how satisfaction or dissatisfaction is formed.

6. Conclusions and Discussion

This chapter answers the research questions of this master thesis and draws conclusions. Furthermore the limitations and suggestions for further research are discussed.

6.1 Motivation to Participate in Sharing Accommodation

SRQ1: What are the motivational factors that drive actors (guest and host) to participate in sharing accommodation?

The interviews with guests and hosts confirmed most of the motivational aspects mentioned in theory in section 4.4.2 (Motivation to Participate in Sharing Accommodation). Table 4 depicts the main factors that drive guest and host to participate in sharing accommodation.

Table 4: Guest and host motivation to participate in sharing accommodation

Guest	Host
- Cheap accommodation - Social interaction with other people - Good price/performance ratio (e.g. higher quality compared to hotels) - Word of mouth *("I want to try it out")* - Independence - Environmentally friendly behaviour *("I can contribute to decrease environmental pollution")* - Image/Self-marketing *("I told my friends that it was a great experience")* - Getting insider tips *(e.g. sightseeing, local restaurants)* - Lifestyle *("I can afford a hotel, but I prefer to be part of the sharing accommodation community")*.	- Opportunity to earn additional income - Social interaction with other people - Experience with new cultures *(learning)* - Environmentally friendly behaviour *("We want to contribute to reduction of environmental pollution")* - Lifestyle *("It's cool to share our accommodation")* - Opportunity to select desired guests *("I had the opportunity to meet people from Europe")*

6.2 Evaluation Criteria from Guest and Host Perspective

The motivational factors – depicted in the previous section – served as a basis to derive the evaluation criteria from guest and host perspective respectively to answer the second and third sub research questions:

SRQ2: What are the evaluation criteria to find the appropriate host from the guest perspective?

SRQ3: What are the evaluation criteria to find the appropriate guest from the host perspective?

By analysing guest and host interviews four types of groups with different evaluation criteria on sharing accommodation could be identified: guest with low expectation, guest with high expectation, host with low expectation, and host with high expectation.

6.2.1 Evaluation Criteria

Table 5 explains the four identified types of guest and hosts with corresponding evaluation criteria. The expectations are categorized by task-oriented (T-O) and socially-oriented (S-O) criteria. We already evaluate the social and task oriented phenomenon in 4.4.1.

Table 5: Guest and host categorization

	Low expectation	**Type**	**High expectation**	**Type**
Guest	Cheap accommodation (price)	T-O	Interested in social interaction with people who are similar/have similar interest	S-O
	Stay for short time (e.g. 1 to several nights)	T-O	Interested in foreign cultures (e.g. nationality, language, religion, lifestyle)	S-O
	Less communication, no interest in social interaction. High degree of autonomy and independence	T-O	Interested in new experience with guidance of local resident	S-O
Host	Take Airbnb as business, like a hotel (income)	T-O	Interested in social interaction with guest	S-O
	Offers only basic needs (e.g. bed, bathroom, cleaning)	T-O	Interested in foreign culture (e.g. nationality, language, religion, lifestyle)	S-O
	Wants to offer good basic service, but not willing to put extra effort in relationship with guest	T-O	Willing to put extra effort with respect to accommodation or social interaction in order to strengthen the relationship with guest	S-O

6.2.2 Low Expectation Guest and Host

Low expectation guest sees Airbnb mainly as an opportunity to save travelling costs, while low expectation host wants to increase their income by sharing their accommodation. The low expectation guest is concerned with the location and tourism perspective. A typical low expectation guest wants to save money and needs a simple accommodation for a few days. Only basic services are required, such as a proper bed or a clean washroom. There are no specific requirements on social interaction.

Statement low expectation guest: *"It's a nice way to get cheap accommodation if you are low on cash. Most of the hosts are really friendly so it helps a lot in making full use of your time when you want to see the best places."*

Low expectation hosts are mainly focused on their income and exploitation of vacant space. Another case are people who stay away for a few weeks. Since they don't need their appartment, they rent it out in order to be able to cover the running costs. Since they are not at home, they are not interested in social interaction. The interest of these kinds of host can be compared with traditional hotel industry business models that are mainly focused on the financial transaction.

Statement low expectation host: *"At the moment I have an apartment which is not being used by me. So Airbnb gave me a perfect opportunity to utilize this space to make some extra cash"*

The statements show that low expectation hosts are willing to offer a good service with respect to the basic requirements of guests. They want their guest to feel comfortable and to be satisfied with the accommodation. However, they are not willing to put effort that goes beyond financial transaction in the relationship with the guests.

6.2.3 High Expectation Guest and Host

However, high expectation guest and host have – as the name already implies - expectations that go beyond the financial aspect towards social oriented behaviour. Socially-oriented activities determine their satisfaction. High expectation guest and hosts have higher expectations on the social interaction between the parties. Putting it into context of the Kano model these persons are seeking "Attractive requirements". This is also reflected in their statements.

Statement high expectation guest: *"I used to use traditional hotels before I knew about Airbnb. But now I find Airbnb to be more environmentally friendly and a good way to have interaction with a local even before going to that country"*.

High expectation hosts are socially motivated and their concern is to offer their guests good services. These host are giving extra services, such as doing sightseeing or showing their guests historical places, giving tips etc.

Statement high expectation host: *"The reason why we became hosts on Airbnb was that we have available space in our house and we like being in touch with people from different countries. Therefore we decided to share our accommodation. We think it is also good for our children, since they can improve their English skills."*

The guest and host statements regarding socially-oriented activities show that high expectation hosts and guests are willing to get emotionally involved and to take time for their guests.

6.3   Formation of Customer Satisfaction

Major research question: How is customer satisfaction formed in sharing accommodation?

Based on the sub research questions a model has been developed which describes how customer satisfaction is formed in sharing accommodation (see Figure 21). As depicted in the previous section low expectation guests and hosts are mainly task-oriented and less interested in social activities. Their aim is to perform the task properly. Their motivation is mainly based on earning money respectively saving costs. On the other hand there are high expectation guests and hosts. In contrast to the low expectation guest and host their motivation is mainly based on their interest in social interaction.

In order to describe how customer satisfaction is formed in a first step we analysed the possible interactions between low and high expectation guest and host. Four possible relationships were identified as depicted in Figure 21. Direct relationship: 1) High expectation guest can interact with a high expectation host. 2) Low expectation guest can interact with a low expectation host. Cross relationship: 3) Low expectation guest can interact with a high expectation host. 4) High expectation guest can interact with a low expectation host.
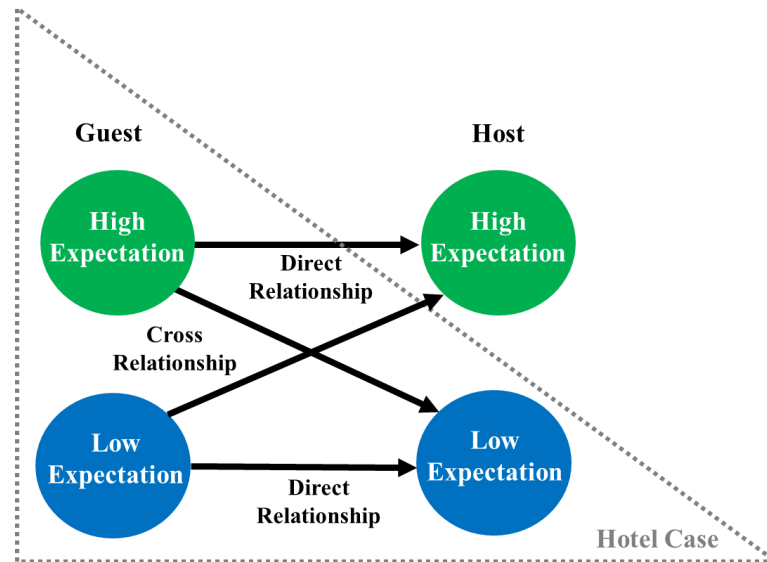
Figure 21: Host guest expectation framework

In order to explain the relationships and subsequently formation of satisfaction in a model we followed the approach of the Kano model. The low expectation guests and hosts are mainly characterized by task-oriented activities. However, the satisfaction criteria of high expectation guest and host are determined by socially-oriented activities.

Consequently the Must-be requirements reflect low expectation guest and host, while the attractive requirements reflect high expectation guest and host. For the purpose of this master thesis the Kano model has been adapted. In order to reduce complexity the One-dimensional requirements are not considered.
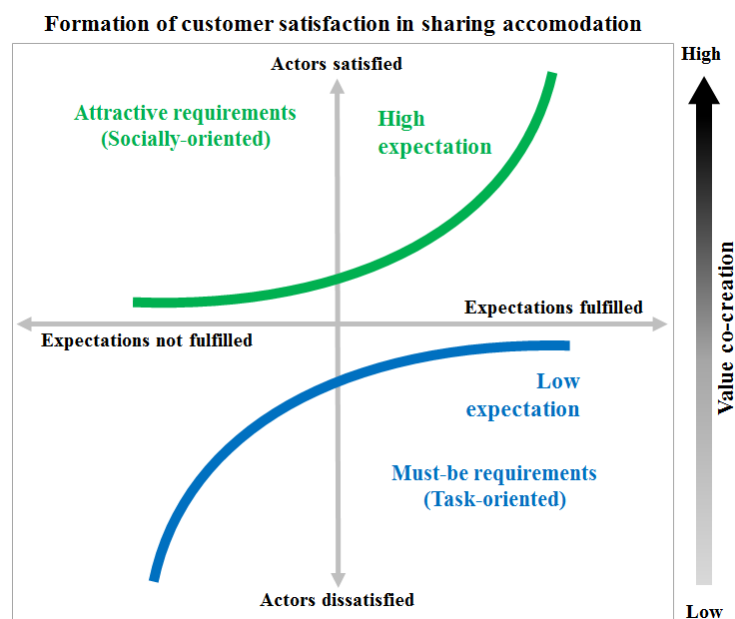
Figure 22: Kano model in case of sharing accommodation

35

6.3.1 Direct Relationship between Guest and Host

In case of Airbnb a relationship between high level expectation guest and host and low level expectation guest and host can be regarded as the "normal case", since the satisfaction level is predictable. Figure 23 shows the two possible direct relationships between guest and host.
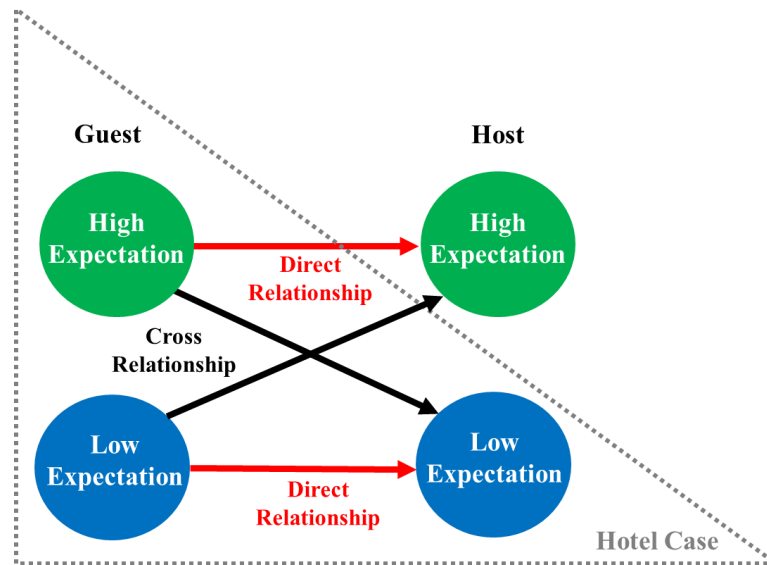
Figure 23: Direct relationship

There is a matching between these guest and host with respect to their task-oriented and socially-oriented criteria in context of the Must-be and Attractive requirements of the Kano model. It can be concluded that if guests have overall the same (or similar) expectations towards the host (and the other way around), the conditions for a successful value co-creation are given. Nevertheless it has to consider whether the value is co-created between high or low expectation host and guest.

Statement of a host: *"I had a guest from India. She was a girl and student. She came for a conference and choose my place as rental. I accompanied her for sightseeing with no charges because of her kind attitude and manners."*

In case of a 'perfect' match between high expectation host and guest more value is co-created than in a relationship between low expectation host and guest. One explanation could be based on the social orientation of the parties. The interviews revealed that outstanding satisfaction was achieved in the case of both high expectation host and high expectation guest who are interested in social activities. These assumptions are supported by previous research. Vega-Vazquez, Revilla-Camacho, & Cossio-Silva (2013) showed that "there

is a positive relationship between the customer's behaviour of value co-creation and their level of satisfaction with the service".

According to Finsterwalder & Kuppelwieser (2011) the behavior of individual group members (means their task and social activities) has an impact on other group members. It determines others' willingness to contribute to the group (task and social activities) and their perceived satisfaction. Figure 24 shows that in case of high expectation guest and host the satisfaction level can be outstanding. In case of high expectation of both parties value is co-created with respect to socially-oriented as well as task-oriented activities.

Statement high expectation guest: *"I went to Tokyo and had a great experience there. The host was kind and helpful. She guided me and my friends about the sightseeing spots. In her leisure time she also joined us and also invited us for dinner many times for delicious Japanese food."*

Statement high expectation host: *I became a host on Airbnb around 2 years ago. The reason I have started this business because I am living alone and my husband has job in another city. I have space to rent out to International people mainly, because I am interested to know about the diversity of cultures. So I decided to be a host on Airbnb.*

In case of low expectation guest and host both parties can be satisfied, but they don't reach and outstanding satisfaction level. This is due to the fact that the expectation is more task oriented (no social component, focus on transaction), and there is less value co-created. Both parties are only willing to contribute to the task-oriented activities, but not to the social oriented ones.

Statement low expectation host: *"I have not that much interaction with my guests, but whenever they need some help from my side I am always there to help them"*

Statement low expectation guest: *"I love hiking and I want to explore things by myself. I like technical gadgets (tablet and iPad) and these all information is on internet so I stay where I can get only room or even airbed with defiantly less expenses"*
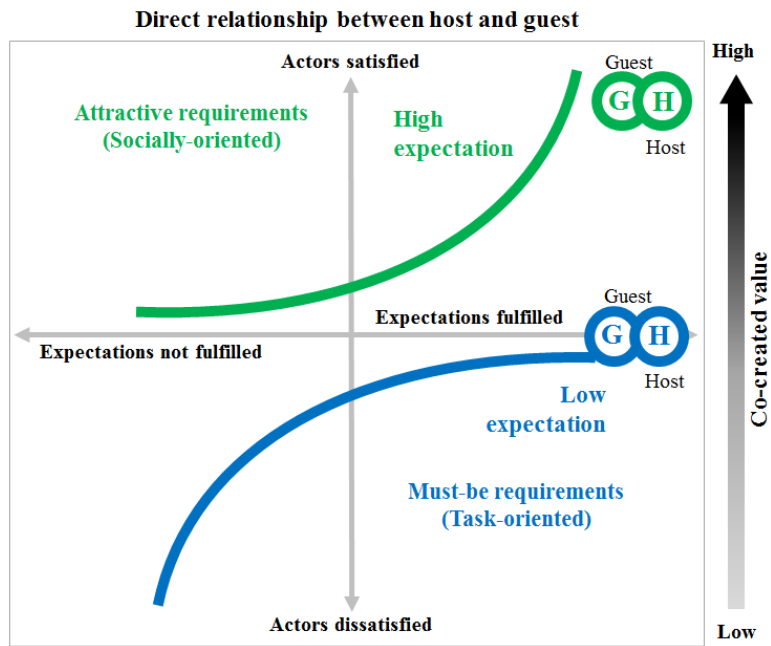
Figure 24: Satisfaction between (high and low) expectation guest and host

6.3.2 Cross Relationship between Guest and Host

The cross relationship describes what happens if guest and host expectations don't match. Figure 25 shows the two possible cross relationships between guest and host.

Figure 25: Cross relationship

There are two possible scenarios in case of the cross relationship. First, a high expectation guest can approach a low expectation host as shown in Figure 26. From satisfaction

perspective this case is not perfect, but it is acceptable respectively it will not lead to dissatisfaction. This case can be regarded as "hotel case".

In hotels the guests pay money for the accommodation, but they don't seek social/emotional relationships with the hotel. Both sides know what is to be expected. The same applies for the low expectation host, who represents in this case the "hotel". The low expectation host sees sharing accommodation as business. As long as the guest behaves properly (e.g. friendly, not too noisy) and pays the fees, the host will give him good reviews. Although not all requirements are fulfilled, the guest has an accommodation where he/her can stay overnight. A guest travels to a foreign country due to specific reasons, such as holidays, travelling or a business trip. Hence the guest might not be highly satisfied, but also not unhappy since the "Must-be" requirements are fulfilled through the host.
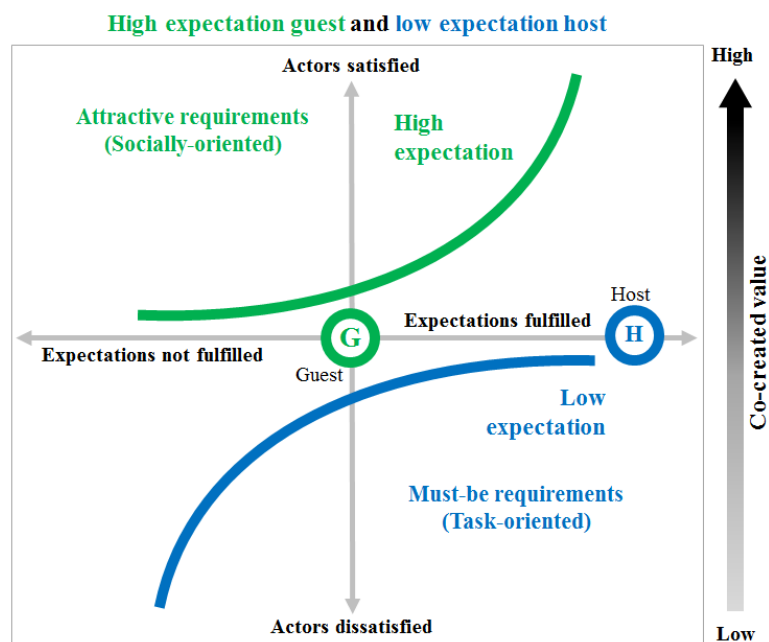
Figure 26: High expectation guest and low expectation host

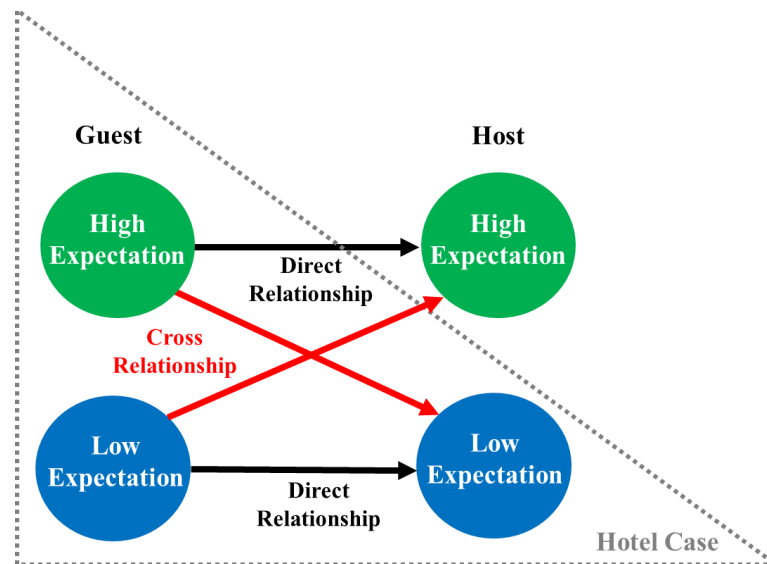The high expectation guest and low expectation host case shows how socially -oriented and task-oriented involvement of both parties impact value co-creation. The host is willing to contribute to task-oriented activities, such as providing a bed, a washroom etc. The host is not willing to invest too much time in socially-oriented activities. As soon as the guest realizes that, he/she will react by reducing the social-oriented activities (e.g. try to involve host in sightseeing). In this case less value is co-created than in a case where guest and host have both high expectations as shown in Figure 25.

The second case is the low expectation guest who interacts with a high expectation host as depicted in Figure 27. Here the situation becomes more difficult and there is a higher probability of dissatisfaction for the host. Since the host motivation is not mainly driven by economic values, but by non-economic values the host might be dissatisfied with relationship to the guest. The financial factor plays a minor role and can be seen as a framework which provides the environment for finding the appropriate guest. High expectation hosts are willing to put effort which goes beyond financial transaction into the relationship with the guest. This is a proactive decision made by the host and driven by intrinsic motivation.

However, if the guest is not happy with the accommodation (or partially), there might be other motivational factors that drive the guest. One can start from the assumption that the guest planned to come to a foreign country not mainly because of the host, but for instance for holidays or a trip. Since the task-expectations are fulfilled the guest will be satisfied with the accommodation.

Statement high expectation host: *I prefer old guests then new, because of previous experience and friendly relations. But if a guest is new, I prefer to look at his/her profile. And also I have some rules of accommodation I prefer they should read and accept the conditions. Otherwise I simply refuse them with an appropriate answer and guide them to choose another host.*
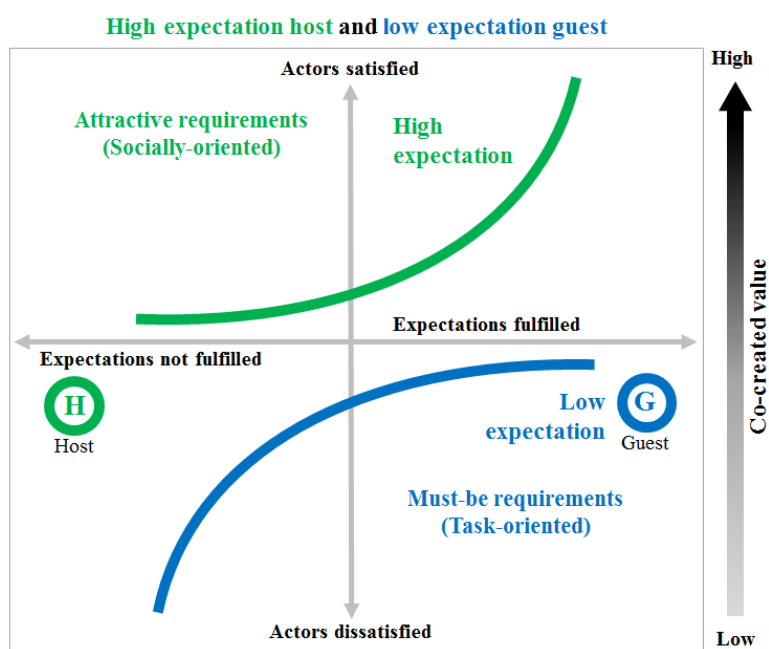

Figure 27: High expectation host and low expectation guest

6.4 Conclusion

This master thesis investigated on guest and host motivation to participate in sharing accommodation. Subsequently a model has been developed which shows how customer satisfaction is formed between different types of guests and hosts. The interviews revealed that the motivations for those who participate in Airbnb as guest or host doesn't differ significantly from the motivation of guests and hosts in other countries. Hence they correspond with other guest motivations discovered in previous scientific studies, such as price/performance ratio and social interaction.

The monetary aspect plays an important role - guests can get a cheap accommodation, since they pay less money than in a hotel. Hosts can generate some additional income and exploit their vacant rooms. Overall the monetary dimension naturally is of central importance. Nevertheless, the research revealed that non-monetary motivations are at least as important, in particular the social interaction and personal contact between host and guest.

Through the analysis of the motivation with respect to customer satisfaction I could investigate how customer satisfaction is formed in sharing accommodation. Based on the Kano model a framework has been developed which explains the evaluation criteria of guest and host. The evaluation criteria are categorized in high level expectations and low level expectations (host and guest). Low expectation hosts are interested in making profit, which can be compared with a hotel. It's mainly about the pure financial transaction. The low expectation host can have two types of "customers": both the high expectation guest and the low expectation guest.

A match between low expectation guest and low expectation host will more probably lead to higher satisfaction for both parties than a match between low expectation host and high expectation guest. The reason is that in case of the high expectation guest and low expectation host the value co-creation is "interrupted" and can't reach its full scope, since both parties have different interests. In case of low expectation host and low expectation guest the value co-creation can take place, due to similar expectations they can co-create value.

A special case is the high expectation guest and host. In this situation something happens which goes beyond the traditional business models, which are based on profit making. In this case the financial transaction and sharing accommodation serves as an environment for both high expectation guest and host to get involved in social interactions. People do

something for each other without having a direct money benefit, but instead of that they get a social benefit. A matching between high expectation guest and host can lead to high satisfaction of an individual without merely aiming to make profit. This is the main difference between customer satisfaction in traditional hotel industry and in sharing economy. The highest satisfaction can be achieved in a situation where individuals collaborate on a voluntary basis, rather driven by intrinsic motivation than by profit.

By analysing interviews this research has observed the learning behaviour of guests and hosts. In the case of high expectation host, they are trying to improve their services by visualizing their past experiences. Their analysing skills become high and they can judge the status of guests by the information provided on Airbnb website as profile. And somehow when these hosts visit abroad and stay as a guest using Airbnb platform, then they analyse themselves, for example, how to enhance our services and performances to satisfy the guest.

This research will contribute to expand the hospitality business and sharing economy. By using the developed model in this study traditional hotels can be familiar with the types of guests and their expectations. By sharing experiences of host with host and guest with guest will emerge a new knowledge to expand the field of service science. They share knowledge to fulfil more expectations of the guests instead of getting competitive advantages. This factor makes a difference between traditional hotel and sharing accommodation.

6.5   Research Limitations and Suggestions for Further Research

This research is subject to some limitations. This research was conducted on micro level with the goal to explain behavior and relationships between individuals in a specific environment, in this case sharing accommodation. We conducted face-to-face interviews with 5 Airbnb guests and 3 hosts. The guest interviews provided me with valuable insights. Nevertheless more interviews have to be conducted in order to strengthen the insights and to make the study representative. Potential interview partners are, for example, couples, families or persons who travel alone.

The same applies for the hosts; here the number of interviews has to be increased. Since Airbnb is in Japan not as popular as in other countries, it was difficult to find hosts who are willing to give interviews. Those hosts who agreed on an interview were busy due to their work and didn't have a lot of time. Most of the hosts that were contacted on Airbnb and

requested for interview were not locals, but people from abroad who live in Japan. And the locals who act as hosts travelled around the world or lived for some time outside Japan. Here it would be of interest to interview hosts who are Japanese citizens in order to take the cultural background into account and to discover differences.

Since the research has been conducted on micro level, it doesn't provide enough results in order to generalize the whole hospitality industry. It can be concluded that in future research further qualitative interviews with various target groups should be conducted in order to gain more insights with respect to motivation to participate in sharing accommodation. In general, hospitality industry in Japan is growing fast, but facing some loss due to emergence and rise of sharing accommodation. Therefore my future research aims to understand hospitality industry on a macro level for the benefit of the country.

Sharing accommodation is a new kind of hospitality with several benefits from customer perspective. As a consequence, it has attracted customers from the traditional hotel industry in the last few years. Sharing accommodation has the potential to play an important role in the reformation of the Japanese society.

Japan has a lot of vacant houses, which is a big social issue. If these empty houses could be reused in an innovative way, this could be beneficial for the government. In 2020 Japan is hosting Olympics Games at that time again accommodation problem will be challenging. So, in future this research will use the sharing economy business model and to find how these vacant houses can be reuse and again be a part of Society. My future research can be a good step to tackle the accommodation situation.

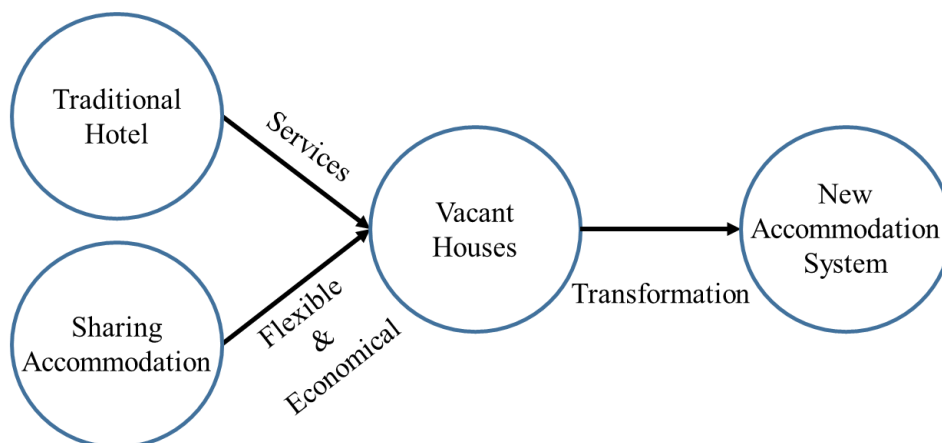Figure 28 tries to depict the reuse of vacant houses with an innovative way to find good results.

Figure 28: Exploit the full potential of sharing accommodation

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Appendix

Appendix A. Interview Questions (Airbnb Host)

- Please can you tell me something about your background (e.g. age, country of origin, marital status)?

- How did you become Airbnb host (when did you start, what was the reason…)?

- Can you describe me step by step the process when you receive and accept a booking request from a guest?

- How do you set the price for the accommodation?

- How much interaction do you have with your guests?

- Do you keep in touch with your guests after departure?

- What are your criteria for guest selection when you receive a request from a guest (so what do you check in his/her profile)?

- Do you also reject guest requests?

    - And if so, what are the reasons for rejecting a guest?

- What was your best Airbnb accommodation experience with guests so far?

- What was your worst Airbnb accommodation experience with guests so far?

- When is a host from your point of view a good host?

- Would you recommend other people to become host on Airbnb?

    - If yes, please explain reasons

    - If no, please explain reasons

Appendix B. Interview Questions (Airbnb Guest)

- Please can you tell me something about your background (e.g. age, country of origin, marital status)?

- When did you use Airbnb for the first time?

- How often did you use Airbnb until now (and in which countries)?

- Do you also use traditional hotels?

    - And if so, in which cases do you prefer traditional hotels instead of Airbnb?

- Can you describe me step by step the process when you book an accommodation via Airbnb?

- When you analyse the host profile: what are the most important things you check?

- What was your best Airbnb accommodation experience so far?

- What was your worst Airbnb accommodation experience so far?

- Would you recommend other people to use Airbnb?

    - If yes, please explain reasons

    - If no, please explain reasons

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Dedication

To my dear family, friends and beloved country Pakistan