

SHARING ECONOMY IN TERMS OF ACCOMMODATION AND CATERING SERVICES (CASE STUDY)

Zdieľaná ekonomika z pohľadu ubytovacích a stravovacích služieb (prípadová štúdia)

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Annotation

Also thanks to pandemic, the sharing economy has recently gained more and more space. The use of the digital platforms that are part of it are present in various market segments. The aim of the article is to find out the involvement of business entities operating in catering and accommodation services in the sharing economy on the basis of a questionnaire survey. At the same time, we tried to identify the positive and negative aspects of the sharing economy from the perspective of individual business entities. We also evaluated the view of these business entities on the use of Internet portal services (eg Bolt food, Wolt, Bistro, Booking, Trivago, etc.) during the pandemic period. The research, which took place in the time period January - February 2022, involved 85 business entities operating in catering and accommodation services from regional cities in Slovakia. The questionnaire survey showed that accommodation and catering facilities in regional cities perceive more positives of the sharing economy than negatives. Of the positives, they perceived the increase in orders the most, the biggest negative was the increase in competition. The vast majority of businesses have been helped by Internet portals to mitigate the negative effects during the Covid - 19 pandemic.

Key words

sharing economy, catering services, accommodation services, regional cities, digital platforms, Covid-19

Anotácia

Zdieľaná ekonomika sa aj vďaka pandémie dostáva v poslednom období čoraz väčší priestor. Využívanie digitálnych platforiem, ktoré sú jej súčasťou sú prítomné v rámci rôznych segmentov trhu. Cieľom článku je na

základe dotazníkového prieskumu zistiť zapojenosť podnikateľských subjektov pôsobiacich v stravovacích a ubytovacích službách do zdieľanej ekonomiky. Zároveň sme sa snažili identifikovať pozitívne a negatívne stránky zdieľanej ekonomiky z pohľadu jednotlivých podnikateľských subjektov. Hodnotili sme aj pohľad týchto podnikateľských subjektov na využívanie služieb internetových portálov (napr. Bolt food, Wolt, Bistro, Booking, Trivago a pod.) počas pandemického obdobia. Do výskumu, ktorý sa realizoval v období január – február 2022 sa zapojilo 85 podnikateľských subjektov pôsobiacich v stravovacích a ubytovacích službách z krajských miest Slovenska. Z dotazníkového prieskumu vyplynulo, že ubytovacie a stravovacie zariadenia v krajských mestách vnímajú viac pozitív zdieľanej ekonomiky ako negatív. Z pozitív najvýraznejšie vnímali nárast objednávok ako najväčšie negatívum zvyšujúcu sa konkurenciu. Drvivšej väčšine podnikov pomohli internetové portály zmierniť negatívne dopady pandémie Covid – 19.

Kľúčové slová

zdieľaná ekonomika, stravovacie služby, ubytovacie služby, krajské mestá, digitálne platformy, Covid-19

JEL Classification: M21, Z30, L26

1. Introduction

Beginning of the 21st century, a new concept is beginning to emerge, a sharing economy that has great potential to bring benefits to society as a whole, especially in terms of social sustainability. Some see the sharing economy as a way to alleviate environmental and social problems, such as pollution, interpersonal relations, interconnections, access to resources and poverty (Hamari et al., 2015). These benefits are achieved through the concept of shared consumption, where people lease their assets, services and skills to another party without a transfer of ownership (Retamal & Dominish, 2017). Combining such a concept with a suitable system of available supply and demand can therefore potentially help to maximize the use of scarce resources in full (Allen & Berg, 2014). Research predicts that sharing economy will reach \$ 40.2 billion in 2022 in terms of platform provider revenue, compared to \$ 18.6 billion in 2017 (Smith, 2022). In the United States alone, an estimated 80 million consumers are sharing - almost a 100% increase in 2019 compared to previous years (Klein et al., 2022). A sharing economy, also known as collaborative consumption or peer-to-peer sharing, is a concept that emphasizes the ability (possibly preference) of individuals to rent or borrow goods instead of buying and owning them. An important criterion of a sharing economy is that it allows individuals to monetize assets that are not fully utilized (Urbanikova et al., 2019). Under-exploited assets extend to various areas and industries, such as cars and homes, but we can also talk about a sharing economy in relation to toys, clothing, tools and other products. In the past, people could discover and share such assets through advertisements in local newspapers or in a short dialogue. However, with the advent of the Internet, ubiquitous computing, and the simplicity of mobile payments (m-payments), asset search and sharing platforms have changed. The growing number of mobile and online platforms that effectively connect people who have underutilized assets with people who want to use those assets has enabled individuals to widely advertise and sell goods and services through mobile applications, such as Bolt, Airbnb and others (Tucci & Laskowski, 2018). Botsman & Rogers (2010) they add that a sharing economy and internet access make it possible to work together and remove physical boundaries with others through mutual exchange and lead to a more collaborative lifestyle. This is also confirmed by Huang & Kuo (2020) who states that the use of computers, smart devices and internet services is essential for participation in this economy. This means that the perception of the asset supplier in terms of the ease with which such technology is used for asset sharing could affect the supplier's intention to participate in the sharing economy. Another influential element is the entrepreneurial initiative Hudakova & Maros (2019) as a factor driving the sharing economy forward. The sharing economy encourages individuals to engage in business activities and seeks to attract interested individuals from different sectors (Ravenelle, 2019). In this way, it can be argued that a sharing economy is, in fact, new and transformative. Internet technologies are being used intensively and in new ways in the context of facilitating interactions between service providers and customers and improving the overall economy (Mallinson et al., 2020).

Demary (2015) explains that the best known model is peer-to-peer, so-called P2P. In a given model, services and goods are shared between individuals, so the advertising company does not produce products or provide services. From the above, we can say that it acts as an intermediary between supply and demand. Thus, P2P asset sharing platforms allow consumers who acquire an asset for their own consumption to also produce a service by temporarily giving others access to underutilized assets. The prosumer takes on this dual role as both an asset provider and a consumer (Eckhardt et al., 2019). At a more general level, the effect of presumption in P2P asset sharing is an interesting example of how service innovation can support asset purchasing. This effect does not concern the user, but the prosumer who deliberately acquires the asset to co-create the service in the future. There is also a mitigating effect of asset prices on the relationship between intensity and willingness to pay; this means

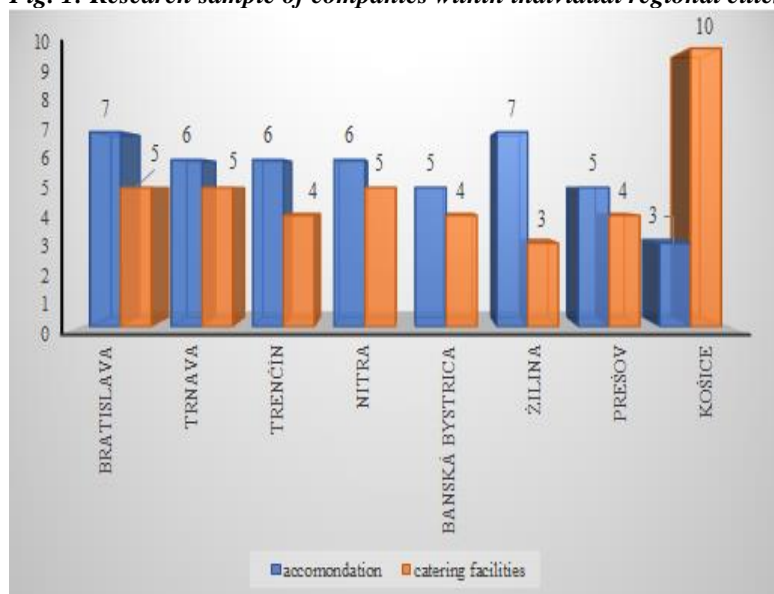
that prosumers are even more inclined to miss the expected economic gains from providing assets on more expensive assets (Klein et al., 2022). AirBnB, VRBO and FlipKey are some examples of current accommodation offers that fall under the designation peer-to-peer (Wiles & Crawford, 2017). The Uber platform can be described as a pioneer in the field of sharing economy. Uber has been nominated as one of the most acclaimed start up since 2018 (Kim & Suh, 2021). The example of Uber may explain why the relationship does not have a significant effect on the intention to share assets: consumers do not have to maintain a stable relationship with the supplier after the ride (Huang & Kuo, 2020). Eckhardt & Bardhi (2015) stated that a sharing economy is an "access economy", suggesting that consumers are more interested in convenience and lower costs than in building social relationships with suppliers or other consumers. Except for the P2P model Demary (2015) also mentions another model, which is referred to as B2C "business to customer", from the business entity directly to the customer. In this case, businesses provide a platform to guide demand, but they also receive goods or services. The model differs from other, traditional business models in that the first ownership plays no role and because the interactions are mainly based on modern communication technologies (Strielkowski, et al., 2021) such as the Internet, various applications, smartphones, computers, etc.. As a typical example, we can mention companies and their applications that provide the ability to share clothes, cars, scooters, etc.

Hasan & Birgach (2016) based on the survey, they found that the main economic stimulus of the sharing economy is the use and optimization of resources. Particularly linked to consumer behaviour, which is moving towards a more economical trend, where people are becoming more prudent in their spending. The sharing economy algorithm has thus captured the trend of providing platforms for effective matching of supply and demand Lobbers et al., (2017) in order to minimize transaction costs and promote the distribution of income among individuals in the company (Wu & Zhi, 2016). The volume of demand and supply is therefore an important determinant of the business success of a sharing economy, which also depends on the population and population density within a particular area (Geissinger et al., 2019)

2. Objectives and methods

The aim of the paper is to find out the involvement of business entities operating in catering and accommodation services in the sharing economy on the basis of a questionnaire survey. At the same time, we tried to identify the positive and negative aspects of the sharing economy from the perspective of individual business entities. We also evaluated the view of these business entities on the use of Internet portal services (eg Bolt food, Wolt, Bistro.sk, Booking.com, Trivago.sk etc.) during the pandemic period. The research, which took place in January - February 2022, involved 85 business entities operating in catering and accommodation services from regional cities in Slovakia out of the total number of 120 questionnaires sent out (return is 70.8%).

Fig. 1: Research sample of companies within individual regional cities



Source: own processing on the questionnaire survey

Of the 85 companies, 45 companies provided accommodation services and 40 provided catering services (Fig. 1). In terms of individual regional city, most business entities participated in the questionnaire survey in Košice (15.29% of the total number of companies), Bratislava (14.12% of the total number of companies) and Nitra and

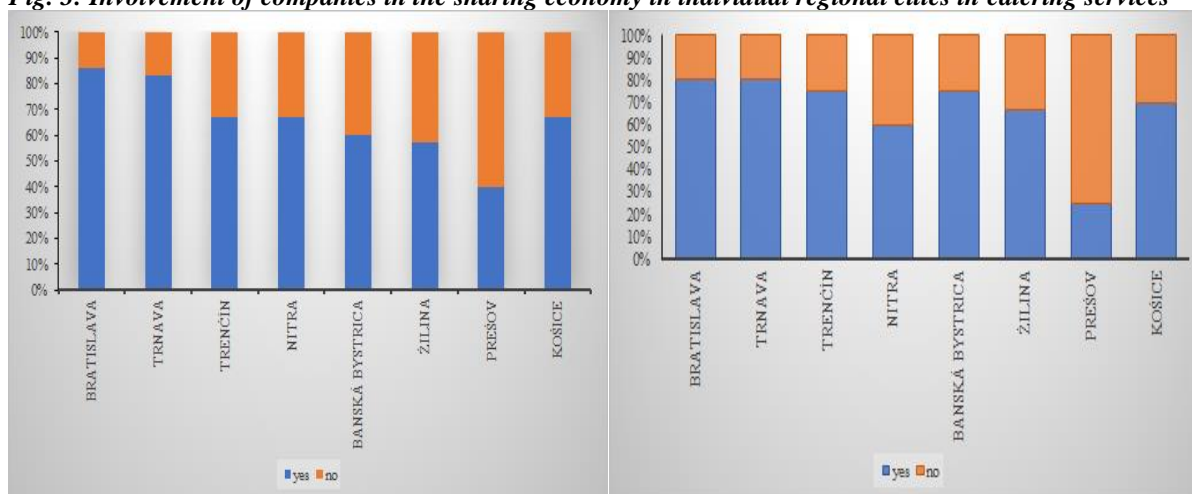
Trnava (in both cities 12.94% of the total number of companies). On the other hand, the fewest business entities participated in Banská Bystrica and Prešov (in both cities 10.59% of the total number of companies).

3. Results

In terms of the involvement of companies in the sharing economy, only 15 accommodation service entities (Fig. 2) and 13 catering service entities (Fig. 3) stated that they do not participate in the sharing economy. This number also corresponds exactly to the number of business entities that do not know the term sharing economy. In accommodation services, the biggest share of business entities that participate in the sharing economy operated in Bratislava (85.7% of the total number of accommodation facilities), in Trnava (83.3% of the total number of accommodation facilities). On the other hand, in Prešov, only 40% of the total number of accommodation facilities are involved in the sharing economy. A similar situation has occurred within catering facilities. Even in Prešov, compared to accommodation facilities, only 25% of catering facilities participate in the sharing economy.

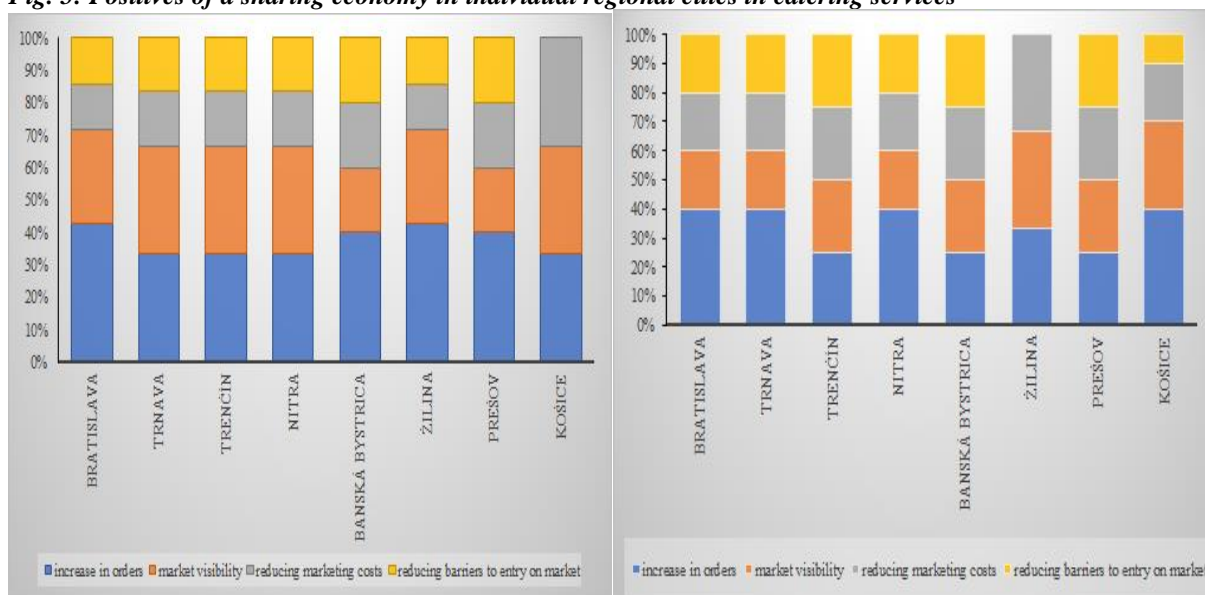
Fig. 2: Involvement of companies in the sharing economy in individual regional cities in accommodation services

Fig. 3: Involvement of companies in the sharing economy in individual regional cities in catering services

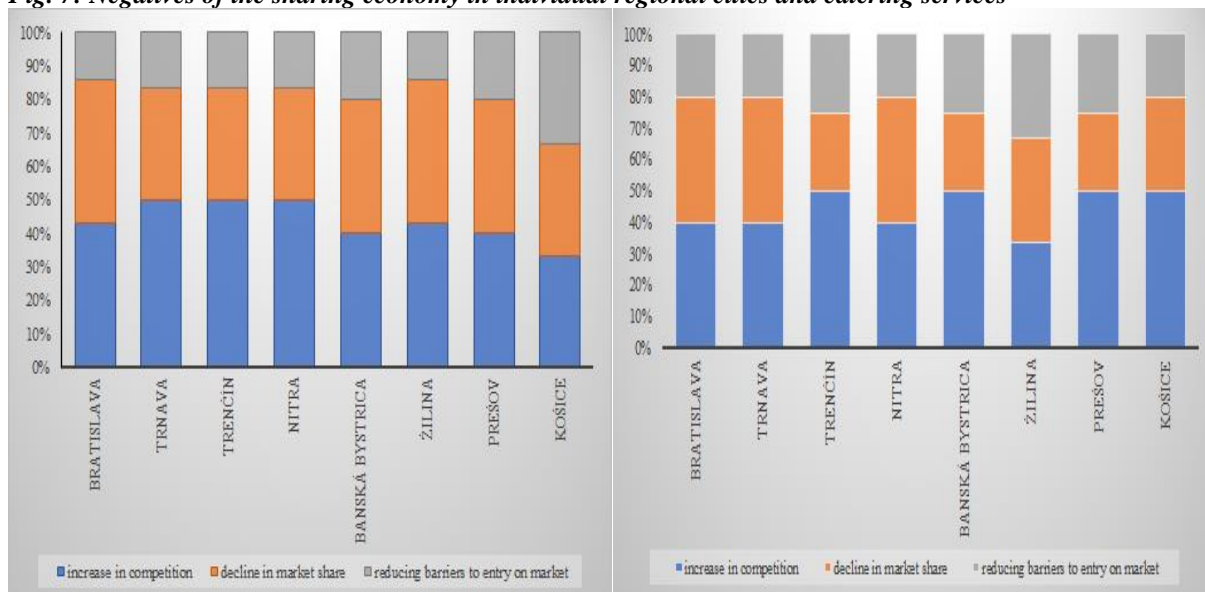


Source: own processing on questionnaire survey

As part of the survey, we also focused on the area of positives and negatives that the sharing economy brings to accommodation and catering companies. Accommodation companies see an increase in orders as the biggest opportunity for a sharing economy in all regional cities. In Bratislava and Žilina, 42.86% of companies identified this opportunity, in Prešov, Banská Bystrica 40% of companies and in other regional cities 33.33% of catering companies. In the range of 20-33.33%, accommodation companies perceive the opportunity of market visibility. In Košice, 33.33% of companies perceive the opportunity of a sharing economy in reducing market costs, but in Žilina and Bratislava only 14.29% indicated this possibility. In Banská Bystrica and Prešov, 20% and in Bratislava and Žilina, 14.29% of accommodation companies perceive the opportunity through reducing barriers to entry on the market (Fig. 4). Catering services in all regional cities also identified increase in orders as the biggest opportunity of the sharing economy. Up to 40% of companies in Bratislava, Trnava, Nitra and Košice. Market visibility was identified as an opportunity by 33.33% of companies in Žilina, 30% of companies in Košice and in other cities in the range of 20-25%. These companies perceived similar also reducing market costs. Only 10% of catering companies in Košice perceived the opportunity to reduce barriers to entry on the market (Fig. 5).

Fig. 4: Positives of a sharing economy in individual regional cities in accommodation services**Fig. 5: Positives of a sharing economy in individual regional cities in catering services**

Source: own processing on questionnaire survey

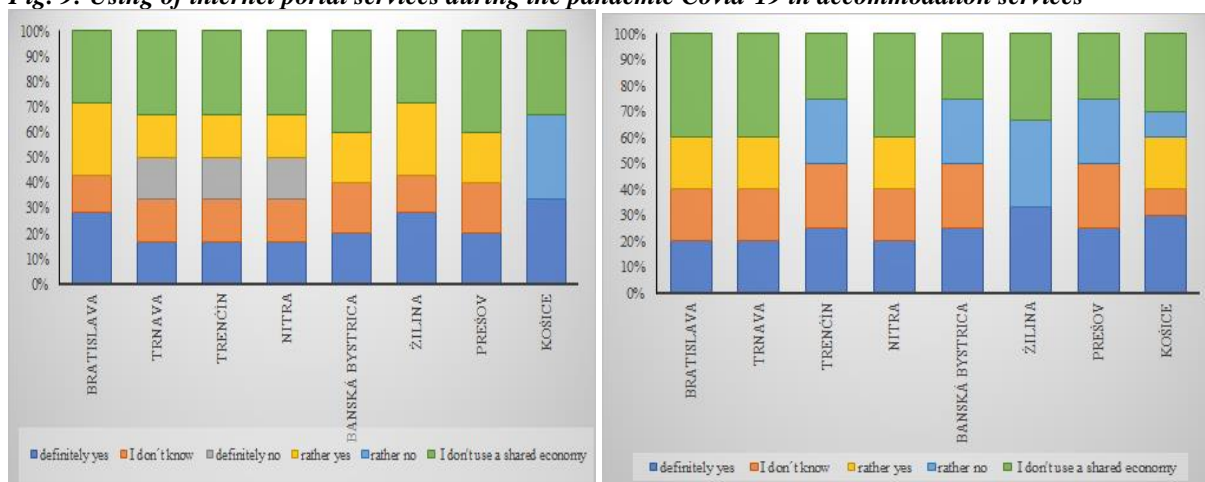
Fig. 6: Negatives of the sharing economy in individual regional cities in accommodation services**Fig. 7: Negatives of the sharing economy in individual regional cities and catering services**

Source: own processing on questionnaire survey

50% of accommodation companies in Trnava, Trenčín and Nitra identified increase in competition as a negative of participation in the sharing economy. Decline in market share was identified as a negative by 42.86% of accommodation companies in Bratislava and Žilina and 40% of companies in Banská Bystrica and Prešov. Accommodation companies in Košice also identified reducing barriers to entry on the market as a barrier (33.33%), in Prešov and Banská Bystrica 20% of companies perceive also this negative (Fig. 6). Catering companies (in Trenčín, Banská Bystrica, Prešov, Košice - 50%) also perceive the increase in competition as the most significant negative of the sharing economy. Decline in market share is perceived as negative by 40% of catering companies in Bratislava Trnava and Nitra. 33% of catering companies in Žilina identified reducing barriers to entry on the market as a negative (Fig. 7).

Fig. 8: Using of internet portal services during the pandemic Covid-19 in catering services

Fig. 9: Using of internet portal services during the pandemic Covid-19 in accommodation services



Source: own processing on questionnaire survey

In the context of the Covid-19 pandemic, we were also interested in the question of how accommodation and catering facilities were helped by Internet portals providing shared services during the pandemic. Most accommodation facilities positively evaluated the use of these services. The accommodation companies in Košice rated these services the most positively (33.33%), but the same share was also expressed negatively (33.33% - rather no). In Bratislava and Žilina, 28.75% of subjects answered yes or rather yes. A slightly smaller number of accommodation facilities expressed their consent to the use of internet portals in Banská Bystrica and Prešov. (20% definitely yes, or rather yes). Only 16.67% of accommodation companies in Trnava, Trenčín and Nitra stated that they used the services of Internet portals, while the same share of entities stated that such portals did not help them. (Fig. 8). Catering companies gave a different rating, despite the fact that there are significantly more portals that offered catering services. In Bratislava, Trnava and Nitra, 20% of companies said that these portals helped them (definitely yes, or rather yes). Catering companies in Trenčín, Banská Bystrica and Prešov expressed slightly more support (25% definitely yes or rather yes). In Žilina, 33.33% declared consent - definitely yes, but the equal share also expressed disagreement - 33.33% rather no. In Košice, 30% of subjects definitely said yes, 20% rather yes and 10% rather no.

Conclusion

A sharing economy is a viable alternative to purchasing compared to traditional forms. Not only business entities but also natural persons in various areas of services show interest in this form. The main reason is that they allow consumers to earn ownership of their assets by giving others access to those assets for a fee. At the same time, a sharing economy can increase the sales of manufacturers or service providers. Although the limit of the research is the size of the research sample within business entities in regional cities, but this is a consequence of the pandemic, which is the direct caused many business entities operating in catering and accommodation services to end their business activities, the questionnaire survey showed that accommodation and catering companies in regional cities perceive more positives of the sharing economy than negatives.

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