



# Necessity of Marketing and Public Policy for Better Establishment of the Sharing Economy in a Society

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## Abstract

**Purpose:** The purpose of this study is to explore how to apply marketing and foster public policy for better establishment of the sharing economy in a society. In particular, this study investigates the following: i) how citizens understand definition and scope of the sharing economy; ii) how citizens actually use and perceive sustainability of the sharing accommodation? iii) how factors such as policy preparation for marketing to the public, policy preparation for regulations, and perceived sustainable growth affect overall attitude to accommodation sharing?; iv) how does overall attitude affect satisfaction and intention to use? **Research design, data and methodology:** This study conducted an online survey with the assistance of a well-known research firm and applied secondary data. This study applied *t*-test, factor, ANOVA, and regression analysis for analysis. **Results:** The results found that policy preparation for marketing to the public, policy preparation for regulation, and perceived sustainable growth of the accommodation sharing significantly affect overall attitude toward accommodation sharing. **Conclusions:** The results provide managerial and policy implications. The sharing economy will be established in a society with better understanding of the meanings and scopes by citizens. Better policies should be prepared and promoted to the public to increase awareness for sustainable growth of accommodation sharing.

**Keywords:** The Sharing Economy, Marketing to the Public, Public Policy

**JEL Classification Code:** M30, M31, M20, M10

## 1. Introduction

“Sharing” products and services is not a new concept and has existed in our society with or even without rules and regulations. According to Frenken and Schor (2017), the term sharing is mentioned in my contexts, such as sharing on social media, sharing secrets, sharing experiences, and sharing friends. Benkler (2004) addressed that social sharing and exchange is becoming a common modality of producing valuable desiderata at the very core of the most advanced economies.

With the presence of mesh technology (Gansky, 2019), “sharing” via platform businesses have connected supply and demand and applied various terms such as sharing economy (Lessig, 2008), collaborative consumption (Botsman & Rogers, 2010), access-based consumption (Bardhi & Eckhardt, 2012), on-demand economy (Jaconi, 2014), and the hybrid economies of collaborative networks (Scaraboto, 2015) with different perspectives. Heras et al. (2021) addressed that the sharing economy phenomenon has proved to be more than a fragile and temporary trend, capable of reversing competition around the world. Erickson and Sørensen (2016) suggested combining the social and economic logics of the sharing economy to focus on the central features of network enabled, aggregated

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membership in a pool of offers and demands for goods, services, and creative expressions.

Skiti et al. (2022) empirically tested trade-off between product quality and variety in sharing economy platforms. Schor and Attwood-Charles (2017) addressed that the emergence of consumer-directed platforms has resulted in enormous amounts of press attention, because they are expected to grow rapidly and also because their actions and impacts have been controversial. According to Hagui and Wright (2020), the entry of products and sellers is important for the growth of platforms because they produce new choices for buyers, while the exploration of these risky new products and sellers creates a public good problem between today's buyers and future buyers. Various types of sharing business models have been developed and expanded rapidly, while how citizen understand the definition and scope of the sharing economy, actually use it by considering regulations and public policy, and how sharing business platforms consider citizens satisfaction still remained a concern. Based on this consideration, the purpose of this study is to investigate the current status of the sharing economy viewed and actually used by citizen and how to apply marketing and foster public policy for better establishment of the sharing economy in a society. In particular, this study investigates the following: i) how citizens understand definition and scope of the sharing economy; ii) how citizens actually use and perceive sustainability of the sharing accommodation? iii) how factors such as policy preparation for marketing to the public, policy preparation for regulations, and perceived sustainable growth affect overall attitude to the accommodation sharing? and iv) how overall attitude affects satisfaction and intention to use?

## 1. Literature Review

### 1.1. The Definition and Scope of the Sharing Platform Business

According to Heras et al. (2021), the Sharing Economy has emerged as a trend with high growth potential by showing itself to be an innovative model for creating products, services and relationships based on sustainable consumption. Frenken and Schor (2017) put forward one particular definition that not only helps to define the sharing economy, but can also be used as an analytical tool to define closely related forms of economy which are often associated with sharing. Schor and Fitzmaurice (2015) addressed that sharing initiatives include peer-to-peer lodging and transportation services, time banks, goods exchanges, and other forms of collaboration. Habibi et al. (2017) addressed that the phrase 'sharing economy' has grown to become an umbrella term for a wide range of non-ownership forms of consumption activities such as swapping, bartering, trading,

renting, sharing, and exchanging. Botsman and Rogers (2010) investigated that collaborative consumption is disrupting outdated modes of business and reinventing not only what we consume but how we consume. Lamberton and Rose (2012) addressed that the cost benefit of sharing is a key determinant of use factors that affect sustainability of the accommodation sharing. Räsänen et al. (2021) also examined that the sharing economy could be an answer to the challenge of sustainability; facilitate the sharing and reuse of resources, create new ways of earning money, and enhance social connections by reducing the use of natural resources without having to acquire or own everything.

Various studies discussed the scope of the sharing economy. Eckhardt et al. (2019) developed key characteristics including temporary access, transfer of economic value, platform mediation, expanded consumer role, and crowdsourced supply for classifying a wide range of sharing economy entities and proposed continuum from archetypal sharing economy to non-sharing economy. Schor (2016) addressed that the sharing economy activities fall into four categories including recirculation of goods, increased utilization of durable assets, exchange of services, and sharing of productive assets. Kim et al. (2016) addressed the five characteristics of the sharing economy including utilization of the ICT platform, transaction at market prices, transaction of services, intermediaries, and idle assets. Regarding the distinction between Peer-to-Peer (P2P) and Business-to-Consumer (B2C), Habibi et al. (2017) stated that P2P accommodation sharing such as Couchsurfing International, a free P2P hosting community is located more toward the sharing dominant side of the continuum, while B2C car sharing, such as Zipcar does not exemplify a purely exchange-based service and the small degree of sharing is what enables it to be classified as a part of the sharing economy. Further, B2C transactions such as Zipcar falls into the category of intermediaries, while P2P transactions such as Airbnb falls into the category, "use of idle assets" (Kim et al., 2016). Bardhi and Eckhardt (2012) addressed the term access-based consumption is examined in the context of car sharing via an interpretive study of Zipcar consumers. Belk (2014) investigated that B2C sharing businesses are distinguished as "sharing" organizations that offer collaborative consumption opportunities, occupying a middle ground between sharing and marketplace exchange. Belk (2014) also addressed true-sharing as entailing temporary access rather than ownership, no fees, or compensation, and use of digital platforms.

### 1.2. The Sharing Economy and Public Policy

Kim (2019) researched that there is a necessity for the government to differentiate regulations for the suppliers of the sharing economy to bolster it and the government should guarantee regulatory equity so that existing and sharing economy suppliers can compete on a level playing field.

Erickson and Sørensen (2016) examined that the way that society and policymakers define the sharing economy will influence how we choose to regulate its activities and help inform policy concerns. Pawlicz (2018) evaluated the rationale for regulation of sharing economy and provided a typology of arguments for public regulation of the sharing economy. Schor (2016) also addressed that there is potential in the sector of the sharing economy for creating new businesses that allocate value more fairly, that reduce eco-footprints, and that can bring people together in new ways. From the study on marketing and public policy, Andrews et al. (2022) generated questions such as types of marketing problems in society and people's lives to justify the development of public policy.

Regulations and laws have been prepared for different types of the sharing economy. In the case of the accommodation sharing, regulations and laws are developed in city or country levels. Accommodation sharing is defined and specified based on the following: i) an actual residential property; ii) the entire property or a portion of the house such as private rooms; or iii) days of rental (Lee & Cho, 2022). Further, regulations and laws of the accommodation sharing are prepared based on registration, tax, fines, penalty, etc. The legal status of sharing entire houses or proportions of houses are also different for each city or country. Therefore, questions are raised based on issues such as how hosts and guests of the accommodation sharing understand such regulations that also differ by cities and countries. Policies of the accommodation sharing in many countries and cities include "host must stay with guests" with many reasons such as interactivity, safety, sharing culture and experiences, while citizen don't aware of it and/or prefer to use entire house without hosts rather than a private room or shared room with other guests.

## 2. Hypothesis Development

Palgan et al. (2021) explored that the sharing economy is having a transformative impact on our cities, and many municipalities are facing a challenge – how to systematically engage with the sharing economy to both mitigate its negative and enhance its positive impacts. By considering both positive and negative sides, this study developed hypotheses for effects of perceived policy preparation for marketing to the public to foster better establishment of the accommodation sharing, effects of perceived policy preparation for regulations to migrate negative aspects, and effects of perceived sustainable growth on overall attitude to the accommodation sharing.

### 2.1. Effects of Policy Preparation for Marketing to the Public on Overall Attitude to the Accommodation Sharing

Eckhardt et al. (2019) stated that traditionally, exchanges between buyers and sellers have involved the permanent transfer of ownership, while the sharing economy as a technologically enabled socioeconomic system has characteristics including temporary access, transfer of economic value, platform mediation, expanded consumer role, and crowd-sourced supply. Eckhardt et al. (2019) also addressed that in the sharing economy, prosumers may be both a producer and a consumer and take on a variety of traditional firm roles such as communication, promotion, and quality control. This study concerns how providers and consumers understand regulations and laws associated with the sharing economy, therefore, marketing to the public is necessary via promotion and communication and crucial for the better development of the sharing economy. For instance, in order to use accommodation sharing via platform businesses, hosts must stay with guests in many countries and cities such as South Korea, while laws and regulations differ by cities and countries. P2P car sharing Uber such as Uber was banned in South Korea, while carpooling is legally permitted during specified time that might be confused with P2P car sharing. Knowledge and skill sharing seem to be common among the sharing economy, while there are regulations that providers and consumers might not aware of. Therefore, policy makers should apply better promotional tools for the establishment of the sharing economy in a society. Lee and Cho (2021, 2022) also discussed that the governments and legislatures should endeavor to improve legal and administrative systems by preparing services in accordance with citizens' expectation and satisfaction for the accommodation sharing. A previous study by Lee and Cho (2022) also addressed that accommodation sharing business legislation, legal definitions, and operational policies should be necessarily understand by citizens for better usage in our society. Based on the consideration, this study proposed policy preparation of marketing to the public via communication tools such as publicity, governmental campaign, and public advertising, in the case of accommodation sharing. This study hypothesized the effects of policy preparation for marketing to the public on overall attitude.

**H1:** Perceived policy preparation for marketing to the public positively affects overall attitudes to accommodation sharing.

### 2.2. Effects of Policy Preparation for Regulation on Overall Attitude to the Accommodation Sharing

According to OECD (2010), the objective of regulatory policy is to ensure that regulations are in the public interests and helps to shape the relationship between the state, citizens, and businesses. Pawlicz (2018) investigated that although numerous benefits of sharing economy for both tourist destinations and local community are widely pronounced in literature, a so-called dark side of sharing economy has been given substantial attention. Pineda and Cano (2021) focused on regulation of the sharing economy since some form of regulation is required to guarantee equal opportunities and reduce inequality of outcomes in the sharing economy. Lee and Cho (2022) examined that the increasing number of accommodation sharing options may cause conflicts with existing industries and incur adverse side effects, including illegal operations, damage to customers, or quality degradation, while it also occurs benefits to societies such as additional income to hosts and low priced accommodations to guests. This study posits that regulations to protect demand and supply sides should be prepared for better establishment of the sharing economy in our society. Among regulations for the accommodation sharing, previous studies (Lee & Cho, 2022) addressed the importance of policy preparation for the operating days, sharing types, registration, tax, illegal transaction, sanitation, safety, fines and penalties, etc. Oskam & Boswijk (2016) also investigated structural changes in society including technological innovation, sociological, philosophical, and an economic perspectives due to a rapid growth of networked hospitality businesses such as Airbnb and discussed positive and negative impact on city destinations and regulation issues including taxation, information ownership, safety, consumer protection, fair competition, etc. A previous study by Lee and Cho (2022) also addressed that local ordinances and regulations developed differently based on the situation of local markets and communities should be established and improved for better usage of accommodation sharing. This study hypothesized the effects of perceived policy preparation for regulations on overall attitudes to accommodation sharing.

**H2:** Perceived policy preparation for regulation positively affects overall attitudes to accommodation sharing.

### 2.3. Effects of Perceived Sustainable Growth on Overall Attitude to the Accommodation Sharing

Dabbous and Tarhini (2020) researched that the sharing economy is a new phenomenon considered to stimulate sustainable practices and viewed as the synergy between technology, information, and marketing that promotes a new culture. Laukkanen and Tura (2020) addressed that relatively little research has explored the potential of sharing economy business models to create sustainable value, while the sharing economy is often linked to the

discussion on sustainable development. Govindan et al. (2020) examined that various sustainable development goals that have been achieved with current economic business models initiated the new socio-economic system known as the sharing economy. According to Laukkanen and Tura (2020), the conceptual framework for analyzing sustainable value creation of business models summarizes the different aspects of value creation including environmental and economic value creation. Heinrichs (2013) has heralded the sharing economy as a potential new pathway to foster potential sustainability. Martin (2016) suggested that the sustainability transitions research community can view the sharing economy from distinct perspectives such as potential to promote more sustainable consumption and production practices and reinforce the current unsustainable economic paradigm. Based on the consideration, this study posits that the sharing economy will continuously grow due to benefits and positive perspectives that help economic, social, and environment aspects. This study also proposes that an example of the sharing economy, such as the accommodation sharing contributes to the overall development of the tourism industry. The sharing economy will also grow by providing integrated services such as accommodation sharing with transportation sharing or other sharing services that build experiences. Palgan et al. (2017) researched diversity of accommodation sharing platforms and provided implications for the role of accommodation sharing platforms in advancing sustainability in society. This study hypothesized the effects of perceived sustainable growth on overall attitudes to accommodation sharing.

**H3:** Perceived sustainable growth factor positively affects overall attitudes to accommodation sharing.

## 3. Methodology

This study applied secondary and primary data. For primary data, this study conducted an online survey with the assistance of a well-known research firm in South Korea. A total of 403 respondents answered the survey. For secondary data, this study purchased Airbnb data, officially collected by AirDNA. The survey was developed in English and translated in Korean. Back translation was applied to check the English version and the version translated back in English from the Korean version. For major questionnaire items, this study used a 5-point Likert scale (1 = strongly disagree and 5 = strongly agree). This study applied descriptive statistics, *t*-test, factor analysis, regression, ANOVA (Analysis of Variance) were applied to measure effects and to test hypotheses. Table 1 summarized the demographics of respondents.

**Table 1: Demographics of Respondents**

Characteristics		#	%
Gender	Male	195	48.4
	Female	208	51.6
Age	20 ~ 25 years old	32	7.9
	26 years old ~ 30 years old	59	14.6
	31 years old ~ 35 years old	44	10.9
	36 years old ~ 40 years old	56	13.9
	41 years old ~ 45 years old	47	11.7
	46 years old ~ 50 years old	56	13.9
	51 years old ~ 55 years old	45	11.2
	56 years old ~ 60 years old	40	9.9
Education	61 years old ~ 65 years old	24	6.0
	High School	68	16.9
	2-year Associate degree	38	9.4
	Bachelor's degree	250	62.0
	Master's degree	38	9.4
Job	Ph.D.	9	2.2
	Self-employed	20	5.0
	Sales/Service Sector	20	5.0
	White-collar	146	1.7
	Management	6	1.5
	Professional	26	36.2
	Housewife	38	9.4
	Student	25	6.2
Income	Not employed	21	5.2
	Below KRW 10,000,000	24	6.0
	Between 10,000,000 ~ 20,000,000 KRW	24	6.0
	Between 20,000,000 ~ 30,000,000 KRW	43	10.7
	Between 30,000,000 ~ 40,000,000 KRW	65	16.1
	Between 40,000,000 ~ 50,000,000 KRW	58	14.4
	Between 50,000,000 ~ 60,000,000 KRW	59	14.6
	Between 60,000,000 ~ 70,000,000 KRW	45	11.2
More than 70,000,000 KRW	85	21.1	
<b>Total</b>		<b>403</b>	<b>100</b>

## 4. Data Analysis

### 4.1 Perceived Definition and Scope of the Sharing Economy

The scope of the sharing economy has been widely discussed in previous studies with different perspectives including Peer-to-Peer (P2P, e.g., Airbnb), Business-to-Consumer (B2C, e.g., Zipcar), and Government-to-Consumer (G2C, e.g., bike sharing offered by the government in South Korea) (Cho, 2021). As there are different views and the scope of the sharing economy expanded rapidly, how citizens perceive and understand the sharing economy is discussed in this study. Table 2 summarized percentages of the level of agreements based

on five proposed definitions of the sharing economy. Among the proposed definitions, citizen perceived that the sharing economy is transaction to use idle assets or services with other people with higher mean value of 3.78, the sharing economy is online mediating service to connect individuals based on the needs of goods or service via internet sites or smartphone applications with mean value of 3.65, and the sharing economy is the rental service to borrow goods or services with mean value of 3.58. Citizens perceived that the sharing economy is a transaction of goods and service among peers with a mean value of 3.39 that was lower than mean values of other definitions.

**Table 2: Perceived Definition of the Sharing Economy**

		St-Dis	Dis	Ag	St-Ag	Ave
1	The sharing economy is online mediating service to connect individuals based on the needs of goods or service via internet sites or smartphone applications.	2.1 %	5.2 %	53.4 %	10.5 %	3.65
2	The sharing economy is the rental service to borrow goods or services.	2.1 %	5.2 %	46.6 %	10.5 %	3.58
3	The sharing economy is transactions to use idle assets or services with other people.	1.0 %	3.1 %	47.1 %	17.8 %	3.78
4	The sharing economy is transactions of goods and service among peers (Peer-to-Peer: P2P)	3.1 %	12.6 %	35.5 %	12.0 %	3.39
5	The sharing economy is the services to access goods and service temporarily on demand without purchasing.	2.6 %	6.3 %	36.1 %	12.6 %	3.50

\*St-Dis: Strongly Disagree, Dis: Disagree, Ag: Agree; St-Ag: Strongly Agree

Table 3 summarized how citizens perceived the scope of the sharing economy. Citizen perceived that G2C transactions such as bike sharing, correspond to the purpose of the sharing economy with a higher mean value of 3.76. Citizen perceived P2P transactions correspond to the purpose of the sharing economy with mean value of 3.65, while citizen perceived B2C transactions correspond to the purpose of the sharing economy with mean value of

3.52. The results implied the scope of the sharing economy by citizen's perception beyond the P2P transactions.

**Table 3: Perceived Scope of the Sharing Economy**

		St-Dis	Dis	Ag	St-Ag	Ave.
1	P2P transactions such as Airbnb correspond to the purpose of the sharing economy.	1.0 %	5.8 %	44.5 %	14.1 %	3.65
2	B2C transactions such as Socar correspond to the purpose of the sharing economy.	1.6 %	9.4 %	41.9 %	11.5 %	3.52
3	G2C transactions such as bike sharing, so called 'taleung-i', correspond to the purpose of the sharing economy.	0%	6.3 %	46.6 %	17.8 %	3.76

\*St-Dis: Strongly Disagree, Dis: Disagree, Ag: Agree; St-Ag: Strongly Agree

## 4.2 Actual Usage and Sustainability of the Sharing Economy

How do citizens recognize the regulations of accommodation sharing? According to Lee and Cho (2021), accommodation sharing is often classified by the following conditions: i) an actual residential property; ii) the entire property or a portion of the house such as private rooms; and iii) the number of days of rentals. In particular, policies across countries or cities regulate the usage of the sharing economy based on the sharing the entire property or a portion of the house such as private rooms due to many reasons, such as restriction of commercial usage of property, fostering interaction with hosts, sharing the culture, and providing a breakfast for experience, etc. While the regulation confirmed with the purposes and better usage of sharing accommodation, actual usage of citizen for the accommodation sharing differ as shown in the results from the secondary data, AirDNA. Table 4 summarized the number of accommodation sharing cases based on types of sharing and also by region. As shown in Table 4, 56.3% of citizens used entire houses, 36.5% of citizens used private rooms, and 7.1% used shared rooms. The results implied that more than half of citizens prefer to use entire houses, while they might not be aware the fact that using entire houses via accommodation platform businesses is not legal, since hosts must stay with guests based on policies. The results also showed that the usage of the accommodation sharing is higher in the case of Seoul, followed by Jeju and Busan.

**Table 4: The Number of Airbnb Accommodation based on the Types of Sharing**

	Region	Entire house	Private room	Shared room	%
1	Seoul	14,481	10,224	1,811	36.3
2	Jeju	6,249	4,231	1,022	15.7
3	Busan	3,166	1,440	503	7.0
4	Other	17,317	10,811	1,890	41.0
	<b>Total (%)</b>	<b>41,213 (56.3)</b>	<b>26,706 (36.5)</b>	<b>5,226 (7.1)</b>	<b>100</b>

The following tables (Tables 5 ~ 7) include reasons to prefer different types of accommodation sharing, entire house, the private room, and shared room. Reasons to prefer entire house accommodation sharing showed that people can stay with members of families or travelling companions with higher mean value of 4.02, usage of kitchen or laundry facilities freely with mean value of 3.94, lower price compared to hotels with mean value of 3.72, comfortable feeling to stay like my place with mean value of 3.63, and privacy protection with mean value of 3.61.

**Table 5: Reason to Prefer Entire House Accommodation Sharing**

		St-Dis	Dis	Ag	St-Ag	Ave
1	People can stay with members of families or travelling companions.	2.2 %	5.1 %	42.7 %	34.5 %	4.02
2	It is lower priced compared to hotels.	2.2 %	9.2 %	47.5 %	19.0 %	3.72
3	It helps to protect privacy.	4.8 %	9.2 %	33.3 %	23.4 %	3.61
4	It provides comfortable feeling to stay like my place.	1.2 %	9.9 %	44.1 %	15.4 %	3.63
5	It is possible to use kitchen or laundry facilities freely.	1.2 %	6.0 %	55.9 %	23.1 %	3.94

\*St-Dis: Strongly Disagree, Dis: Disagree, Ag: Agree; St-Ag: Strongly Agree

Reasons to prefer to use private room accommodation sharing include lower price with higher mean value of 3.83, easy to deal with embarrassed situation while staying with hosts with mean value of 3.79, interactivity with hosts with mean value of 3.72, having a breakfast with mean value of 3.66, and convenience services offered by hosts with mean value of 3.66.

**Table 6:** Reason to Prefer the Private Room Accommodation Sharing

		St-Dis	Dis	Ag	St-Ag	Ave
1	People can be provided breakfast offered by a host/hosts.	1.0%	7.7%	52.8 %	11.6 %	3.66
2	It increases convenience as hosts can offer additional services.	0.7%	4.6%	49.6 %	10.8 %	3.65
3	It is relatively lower priced to stay.	1.0%	4.3%	51.3 %	19.3 %	3.83
4	It enables me to interact with hosts.	1.0%	4.3%	53.7 %	12.8 %	3.72
5	It is easy to deal with embarrassed situations while staying with hosts.	1.0%	2.9%	54.2 %	14.7 %	3.79

\*St-Dis: Strongly Disagree, Dis: Disagree, Ag: Agree; St-Ag: Strongly Agree

Reasons to prefer to use the shared room accommodation sharing include price reason with higher mean value of 4.10, sharing diverse cultures through conversation with other guests with mean value of 3.88, exchange information with other travelers with mean value of 3.84, and safe feeling to stay with other guests with mean value of 2.93.

**Table 7:** Reason to Prefer the Shared Room Accommodation Sharing

		St-Dis	Dis	Ag	St-Ag	Ave
1	It is able to exchange information with other guests.	1.0%	6.3%	59.5 %	16.6 %	3.84
2	It is relatively lower priced to stay.	1.0%	2.7%	48.7 %	32.8 %	4.10
3	It provides chances to share diverse cultures through the conversation with other guests.	0.5%	3.6%	54.0 %	19.3 %	3.88
4	It makes feel safer to stay with other guests.	6.7%	24.6 %	20.5 %	5.5%	2.93

\*St-Dis: Strongly Disagree, Dis: Disagree, N: Neutral, Ag: Agree; St-Ag: Strongly Agree

Table 8 showed citizen perception on the sustainability of the accommodation sharing. Citizen perceived that the accommodation sharing can provide integrated services with other sharing services such as transportation sharing or local experience with higher mean value of 3.69, accommodation service quality will be improved by the fair competition in accommodation industries with mean value of 3.63, the accommodation sharing might cause the conflict with existing accommodation industries with mean value of 3.61, the accommodation sharing can contribute the development of tourism industry with mean value of 3.52, and the accommodation sharing will grow constantly in South Korea with mean value of 3.44.

**Table 8:** Sustainability of the Accommodation Sharing

		St-Dis	Dis	Ag	St-Ag	Ave
1	Constant Growth	1.4 %	10.8 %	41.9 %	7.7 %	3.44
2	Contribution to the development of tourism industry	1.4 %	8.4 %	42.9 %	10.4 %	3.52
3	Providing integrated services with other sharing services	0.7 %	5.8 %	51.6 %	12.5 %	3.69
4	Possibility of causing conflict with existing accommodation industries	0.2 %	10.4 %	48.7 %	11.6 %	3.61
5	Improving accommodation service quality by the fair competition.	1.2 %	6.3 %	44.8 %	13.5 %	3.63

This study also conducted *t*-test to investigate mean differences on policies regarding the accommodation sharing across generations. This study classified the data based on millennials and generations Z, and elder generations. This study classified generations to examine whether perceptions on platform businesses differ across generations since millennials and generations Z are more exposed to digitalization and advanced technologies. As shown in Table 9, among the policies, the perception on regulating policy of the accommodation sharing in the case of overheated areas were different across generations showing higher mean value in the case of older generations and significantly differ across generations. Other regulating policies for control the registration and

compliance with safety guidelines also differ across generations showing higher mean value in the case of older generations and significantly differ across generations. For promoting policies, developing tourism related products in unpopular areas by the local government and promoting ordinance, campaign, trust mark, and certificate for trust building showed differ across generations showing higher mean value in the case of elder generations and significantly differ across generations.

**Table 9:** Mean Differences on Policies across Generations

		MZ	Older	Sig.
1	Developing tourism related products in unpopular area by the local government is an effective promoting policy	3.56	3.71	*
2	The government promoting policies such as promoting ordinance, campaign, trust mark and certificate might improve trust building.	3.74	3.92	**
3	It is effective to prepare regulating policies for overheated areas.	3.46	3.75	***
4	It is effective to prepare regulating policies for control the registration and compliance with safety guidelines.	3.90	4.04	*

\*\*\* p < 0.01, \*\* p < 0.05, \* p < 0.1 denotes statistical significance

### 4.3. Hypotheses Testing

This study also conducted Cronbach alpha to check reliability of proposed variables including policy preparation for the marketing to the public, policy preparation for regulation, and sustainable growth. The results of Cronbach alpha include the following: 0.622 for marketing to the public factor, 0.694 for regulating factor, and 0.601 for sustainability factor. As shown in Table 10, this study conducted factor analysis to check validity of constructs. Scale items were extracted by the constructs by applying factor analysis. Principal component analysis was used as the method for extraction with maximum, and factors whose eigenvalue is greater than 1 are extracted. VARIMAX with Kaiser normalization was applied as the rotation method with maximum iterations for convergence.

**Table 10:** Component Matrix for Marketing to the Public, Regulation, and Sustainability of Accommodation Sharing

		Component		
		1	2	3
<b>MAR1</b>	The enactment of ordinance of promoting the sharing economy is a	.75		
<b>MAR2</b>	effective policy.	.72		
<b>MAR4</b>	Publishing the accommodation sharing by governments is an effective promoting policy.	.71		
<b>MAR3</b>	The governmental campaign for hos	.69		
<b>MAR7</b>	and guests' etiquette of the accommodation sharing is an effective promoting policy.	.69		
<b>MAR6</b>	Developing tourism related products in unpopular area by the local government is an effective promotin policy.	.68		
	Implementing policies based on research results is an effective promoting policy.	.		
<b>REG2</b>	It is effective to prepare regulating policies to collect fines and penalties for non-transparent transactions.		.79	
<b>REG3</b>	It is effective to prepare regulating policy for overheated areas.		.77	
<b>REG5</b>	It is effective to prepare regulating policies for control the registration a compliance with safety guidelines.		.75	
<b>REG1</b>	It is effective to prepare regulating polities to establish and comply safe guidelines about sanitation, firefighting and others.		.62	
			.61	
<b>SUS2</b>	The accommodation sharing will gro constantly.			.87
<b>SUS3</b>	.It is expected that the accommodation sharing contributes the development of tourism industry			.85
<b>SUS1</b>	The accommodation sharing will provide integrated services with oth sharing service.			.82

\*MAR: Marketing to the Public, REG: Regulation, SUS: Sustainable Growth

Table 11 summarized the results of multiple regression analysis. This study applied policy preparation for marketing to the public, policy preparation for regulation, and perceived sustainable growth of the accommodation sharing as independent variables and overall attitude toward accommodation sharing as a dependent variable. The results of ANOVA showed that the overall model is significant with  $F = 79.774$  and  $R\text{-square} = 0.368$ . The results of this study found that the effect size of perceived sustainable growth on the overall attitude was higher than effects of policy preparation for marketing to the public and policy preparation for regulation.



**Table 11:** Effects of Proposed Factors on Overall Attitude toward Accommodation Sharing

Independent Variables => Dependent variable	Standardized Coefficient (t-value/sig)
Policy Preparation for Marketing to the Public => Overall Attitude	.234 (4.467 ***)
Policy Preparation for Regulation => Overall Attitude	.199 (4.525***)
Sustainable Growth => Overall Attitude	.481 (9.988***)

\*\*\* p < 0.01 denotes statistical significance

This study also applied regression analyses for the effects of overall attitude on satisfaction in the case of those who have experiences of accommodation sharing and the effects of overall attitude on intention to use in the case of potential users. Overall, the results of ANOVA showed that the overall model is significant with  $F = 42.886$  and  $R\text{-square} = 0.247$  for the effects of overall attitude on satisfaction, while the overall model is significant with  $F = 399.885$  and  $R\text{-square} = 0.499$  for the effects of overall attitude on intention to use.

**Table 12:** Effects of Proposed Factors on Overall Attitude toward Accommodation Sharing

Independent Variables => Dependent variable	Standardized Coefficient (t-value/sig)
Overall Attitude => Satisfaction	.497 (6.549 ***)
Overall Attitude => Intention to Use	.707 (19.997***)

\*\*\* p < 0.01 denotes statistical significance

## 5. Conclusion

The purpose of this study is to explore how to apply marketing and foster public policy for better establishment of the sharing economy in a society. In particular, this study investigates the following: i) how citizen perceive and understand definition and scope of the sharing economy; ii) how citizen actually use and perceive sustainability of the sharing accommodation; and iii) how policy preparation for marketing to the public, policy preparation for regulations, and perceived sustainable growth affect overall attitude to the accommodation sharing; and iv) how overall attitude affects satisfaction in the case of those who have experiences of accommodation sharing and overall attitude affects intention to use in the case of potential users?

First, the results provide citizen perceptions on the definition and scope of the sharing economy. Among the proposed definitions, citizens perceived that the definition, “sharing economy is transaction to use idle assets or services with other people” showed higher mean than other definitions. In the case of the scope of the sharing economy, citizens perceived that the sharing economy involves G2C transactions such as bike sharing with higher means rather than others such as P2P and B2C. Therefore, citizens

perceived that the scope of the sharing economy is beyond the P2P transactions. As the results implied, the current state of the sharing economy might be refined by considering how citizens perceive and understand the scope of the sharing economy. Second, regarding the actual usage of the accommodation sharing that are related to legal issues and meaning of the accommodation sharing economy, the results implied that more than half of citizens prefer to use entire houses, while using entire houses via accommodation platform businesses involves legal issues, since hosts must stay with guests based on policies. The reasons to prefer to use entire house of accommodation sharing showed that people can stay with members of families or travelling companions, use of the kitchen or laundry facilities freely, lower price compared to hotels, and enjoy the comfortable feeling of staying in a my place like mine. The reasons to prefer to use private room accommodation sharing include lower price, easy to deal with embarrassing situations while staying with hosts, interactivity with hosts, having a breakfast, and convenience services offered by hosts. The reasons to prefer to use the shared room accommodation sharing include price reason, sharing diverse cultures through conversation with other guests, exchange information with other travelers, and safe feeling to stay with other guests. The findings provide implications associated with the meanings and purposes of the accommodation sharing. The reasons to prefer to use private room and shared room match the meanings of the accommodation sharing policies such as enhanced interactivity with hosts, sharing experiences and cultures, etc., while reasons to prefer to use the entire house are related to private reasons rather than sharing itself.

Third, this study examined how citizens perceive the sustainability of accommodation sharing. The results of citizen perceptions found that that i) the accommodation sharing can provide integrated services with other sharing services such as transportation sharing or local experience, ii) accommodation service quality will be improved by the fair competition in accommodation industries, iii) the accommodation sharing might cause the conflict with existing accommodation industries, iv) the accommodation sharing can contribute the development of tourism industry, and v) the accommodation sharing will grow constantly in South Korea. Fourth, this study investigated whether perceived policies differ across generations, younger including millennials and generation Z and older generations. The results found that the perception on regulating policy of the accommodation sharing in the case of overheated areas and control the registration and compliance with safety guidelines were different across generations. The higher mean values of results implied that older generations concern more about regulating policy issues of the accommodation sharing rather than younger generations. For promoting policies, developing tourism

related products in unpopular areas by the local government and promoting ordinance, campaign, trust mark, and certificate for trust building showed differ across generations. The results also implied that older generations more strongly expect to have better promoting policy associated with the tourism related products for the development of unpopular areas than younger generations.

Further, the results of this study found that policy preparation for marketing to the public, policy preparation for regulation, and perceived sustainable growth of the accommodation sharing significantly affect overall attitude toward accommodation sharing. The results also found that the effect size of perceived sustainable growth on the overall attitude was higher than effects of policy preparation for marketing to the public and policy preparation for regulation. The effect size on overall attitude was greater with policy preparation for marketing to the public than policy preparation for regulation. The results of this study also found that the effects of overall attitude on satisfaction in the case of those who have experiences of accommodation sharing and the effects of overall attitude on intention to use in the case of potential users showed significant.

The results of this study provide managerial and policy implications. The sharing economy will be developed and established in a society with better understanding of the meanings and scopes by citizens. Better policies should be prepared and promoted to the public to increase awareness for sustainable growth of accommodation sharing. Marketing to the public and policy preparation for regulations for the accommodation sharing should be also considered across generations. This study has limitations and provides implications on future studies. The sample size could be increased in future studies. This study has limitations since the data applied in this study in a specific year rather than time series data. The future study might consider applying structural equation modeling. The future study might consider other types of the sharing economy rather than accommodation sharing.

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