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The Conditioning Function of Rating Mechanisms for Consumers in the Sharing Economy

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The Conditioning Function of Rating Mechanisms for Consumers in the Sharing Economy

Abstract

- **Purpose**
  The purpose of this study is to explore how rating mechanisms encourage emotional labor norms among sharing economy consumers.

- **Design/methodology/approach**
  This study follows a mixed methods research design. Survey data from 207 consumers were used to quantify the impact of three distinct rating dimensions on a consumer behavioral outcome (emotional labor). In a second step, 18 focus groups with 94 participants were used to investigate the conditioning functions of ratings in more depth.

- **Findings**
  Rating mechanisms condition consumers towards performing socially desirable behaviors during sharing transactions. While consumers accept the necessity of bilateral rating mechanisms, they also recognize their coercive nature. Further, the presence of bilateral rating mechanisms leads to negative outcomes such as annoyance and frustration.

- **Originality/value**
  This study contributes to sharing economy literature by examining bilateral rating mechanisms as a means of behavioral conditioning for consumers. This study points to improvements in platform design and informs theory on tri-partite markets as well as trust.

**Keywords**: sharing economy, ratings, Uber, Airbnb, e-commerce, consumer behavior

**Paper type**: Research paper
1. Introduction

The peer-to-peer nature of the sharing economy suggests that consumers and providers of sharing services should interact on an equal plane, removed from traditional service hierarchies. Current platforms accordingly co-opt the sharing narratives of earlier reciprocity-focused platforms to define the experiences they offer as social, casual, and welcoming (Botsman and Rogers, 2010; Codagnone et al., 2016; Dredge and Gyimóthy, 2015; Lee et al., 2015; Martin, 2016; Walker, 2015). However, the broad commercialisation of the sharing economy has generated a duality of expectation and consumers must reconcile the idea of sociality with an increasingly transactional reality.

Although third party services, such as key-exchanges, are reducing the prevalence of direct human interaction, most sharing platforms still depend on meeting the service provider in person. As such, ensuring that the interpersonal facets of a sharing economy experience remain positive and ‘on-brand’ remains a key concern for platforms. Within sharing economy research, studies have begun to examine how sharing platforms encourage their providers to offer an interpersonal service quality which matches the platform’s ‘branded’ experience (Glöss et al., 2016; Lee et al., 2015; Raval and Dourish, 2016). Uber drivers, for instance, are often expected to ‘read’ their passengers, go the extra mile in offering water or sweets, and swallowing any discomfort or annoyance (Rosenblat and Stark, 2016; Stark, 2016). While these provider-expectations have warranted academic attention, particularly amid greater recognition of the sharing economy as a site of work, there has been insufficient attention to the parallel expectations placed on consumers to perform in a certain way. Consumers may be expected, by platforms and providers alike, to be more personable, sympathetic, or friendly than a consumers of traditional services. However, consumers may be left unaware regarding implicit expectations, particularly when considering differing cultural and social norms.

Ratings typically harness collective intelligence to provide third-party valuation of products and services (Chen, 2017; Lee et al., 2016; Lee and Yang, 2015). While there has been growing academic interest in the role of ratings in different e-commerce settings, studies have also started to investigate ratings in the sharing economy (Fagerstrøm et al., 2017; Pettersen, 2017; Zervas et al., 2015), finding inflation and bias, among other issues (Hausemer et al., 2017; Newlands et al., 2017). One of the characteristic novelties of sharing economy platforms is that consumers are
also subject to ratings. As a measure of reciprocity, providers have the opportunity to reject potential consumers if they have either low ratings or unflattering written feedback (Glöss et al., 2016; Lee et al., 2015). This study therefore investigates how bilateral rating systems may operate as a mechanism for encouraging social norms among sharing economy consumers. We ask the following research question: How do rating systems condition specific social behavior among sharing economy consumers? This study relies on a mixed-methods research design that combines survey data and focus group data.

The remainder of the paper is organised as follows. The next section presents a review of current literature on sharing economy consumers, followed by a review of current literature about rating mechanisms. The subsequent section describes the research methodology for both the quantitative and qualitative stages. Finally, the results are presented and discussed, with directions for further research offered. The study makes contributions in theoretical and practical terms. In theoretical terms, it contributes to research on consumer behavior, ratings, and electronic word-of-mouth literature (e.g., Lin and Xu, 2017). By stressing the role of the consumer as a party being rated, this study explores novel grounds since consumers are traditionally seen as the authors of ratings, rather than the targets.

2. Literature Review

2.1 The Sharing Economy Consumer

Sharing economy consumers, who number in the millions worldwide (Andreotti et al., 2017; Trenz et al., 2018), reflect the entire spectrum between occasional and constant users, with participation occurring for a variety of reasons (Bardhi and Eckhardt, 2011; Bucher et al., 2016; Hamari et al., 2016). In terms of the consumer experience, sharing platforms offer alternatives to traditional service options such as taxis or hotels. Table 1 contrasts consumer norms in the sharing economy with those found in traditional service settings. Sharing economy platforms are embedded with the notion of authenticity, whereby consumers perceive experiences to be less commercial, more localised, and more ‘real’ (Bucher et al., 2017; Paulauskaite et al., 2017). Terminology about consumers, mirroring the discourse around provider classification (Pongratz, 2018), is also often euphemistic. Since definitions discursively shape the consumer experience,
Table 1: Consumer norms in traditional service settings vs. the sharing economy

<table>
<thead>
<tr>
<th>Functional Dimension</th>
<th>Traditional Service Settings</th>
<th>Sharing Economy</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cleanliness</strong></td>
<td>secondary: can leave rubbish in the hotel room, can leave the rental car dirty. Limited expectation for cleanliness.</td>
<td><strong>Cleanliness</strong> important: should leave the room as encountered “Honour your commitments and any house rules”.</td>
</tr>
<tr>
<td><strong>Timeliness</strong></td>
<td>secondary: can arrive at any time within set parameters (e.g., any time after 2pm or 3pm), no-shows are unproblematic. More important for taxi services.</td>
<td><strong>Timeliness</strong> important: need to arrange with host when to arrive and arrange with the driver where to be picked up. “Always let your host know if you're likely to arrive late for check-in”.</td>
</tr>
<tr>
<td><strong>Wear and tear</strong></td>
<td>secondary: no constraints on how one can use the furniture, including excessive water consumption or towel consumption; no constraints on what can be used.</td>
<td><strong>Wear and tear</strong> important: consumers are careful not to break something or use it excessively for threat of fines; limited use of host personal objects for fear of intrusion.</td>
</tr>
<tr>
<td><strong>Noise</strong></td>
<td>secondary: limited expectations for quietness beyond basic human decency. Use of audio/tv noise without restriction</td>
<td><strong>Noise</strong> important: careful not to make too much noise in order to not disturb the host or neighbours. “Be respectful of your neighbour”.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Social Dimension</th>
<th>Traditional Service Settings</th>
<th>Sharing Economy</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Minimal friendliness</strong>: basic friendliness expected but cannot be realistically enforced. Customers can be grumpy, rude, and demanding.</td>
<td>Heightened <strong>friendliness</strong>: acting friendly and respectful is a strong norm. “Enjoy your host’s home as if you were staying with friends.”</td>
<td></td>
</tr>
<tr>
<td><strong>Minimal social interaction</strong>: no expectation of social interaction. Excessive social interaction could be seen as strange.</td>
<td>Forced <strong>social interaction</strong>: Often minimal opportunity to avoid the host or other guests. In some settings expected interaction. “Explore the neighborhood and support local businesses. It's a great way to feel more like a local. Try asking your host about their favourite neighborhood spots!”</td>
<td></td>
</tr>
<tr>
<td><strong>Minimal emotional labor</strong>: consumers can behave as they want for most part.</td>
<td>Maximum <strong>emotional labor</strong>: consumers present themselves in the best light, hide their annoyances and grudges and engage in self-optimization; might have to listen to personal stories and engage in emotional labor after transaction. “Always leave an honest review for your host to help guide future guests. Airbnb is built on community, and your host will also be invited to leave a review for you.”</td>
<td></td>
</tr>
</tbody>
</table>
the use of terms such as ‘guests’, ‘friends’, and ‘peers’ in platform communication as opposed to ‘consumer’ or ‘customer’, instils pro-social expectations.

Academic literature has begun to engage with the notion that providers in the sharing economy are engaging in emotional labour (Glöss et al., 2016; Lutz et al., 2018; Newlands et al., 2017; Raval and Dourish, 2016; Rosenblat and Stark, 2016). Emerging from the seminal work of sociologist Arlie Russell Hochschild (1983), the concept of emotional labour concerns an individual’s efforts to induce or suppress certain feelings so as to produce the outward expression of organizationally desired emotions. It is based on the socio-psychological theoretical underpinning of the concept of emotion regulation (Gross, 1998). By integrating earlier theoretical work into a robust conceptualization of emotional labor (Ashforth and Humphrey, 1993; Hochschild, 1983; Morris and Feldman, 1996), Grandey (2000, p. 97) provided an often-used definition of emotional labor as “the process of regulating both feelings and expressions for organizational goals”. Traditionally, consumers were not expected to partake in emotional labor (Hochschild, 1983, p. 110). In emotional labor literature of the past three decades, the consumer is perceived as merely a passive audience member whose emotions are there to be managed and influenced (Gountas et al., 2006; Groth et al., 2009; Pugh, 2001; Tang et al., 2013; Tsai and Huang, 2002). In this study, the concept of emotional labor is adopted as a valuable lens for exploring how the emotional presentations of sharing economy consumers are conditioned by rating mechanisms in a form of loose control (Constantinou et al., 2017).

2.2 Rating Mechanisms as Behavioral Tools

In order to make rational purchase-decisions, consumers desire fine-grained information to compare alternative offers and select the optimal choice. Simultaneously, consumers desire easily digestible information to reduce the cognitive effort of decision making (Huang et al., 2009). Platforms have therefore adopted rating mechanisms to collect and display feedback as a seemingly objective calculation of reputation within a network (Ba and Pavlou, 2002; Belk, 2014a, 2014b; Bolton et al., 2013; Dellarocas, 2003, 2006; Mayzlin, 2016; Resnick et al., 2000; Tamimi and Sebastianelli, 2015). Rating mechanisms have thus become widespread throughout e-commerce and the focus of a significant number of academic studies (Lee et al., 2011; López-López and Parra, 2016).
However, consumer rating mechanisms come with several downsides. Manipulation, for instance, has been identified with regard to hotels or product recommendations (Rietjens, 2006; Schormann, 2012), where hotel reviews online tend to be more negative on average than home-sharing recommendations. Mayzlin et al. (2014) noted that this effect could be due to differences in review manipulation, as there is more of an incentive for negative review manipulation by close competitors for hotels. Potentially less severe than active manipulation, bias has presented a serious challenge to rating systems. A key concern regards the overly positive valence of user ratings, a phenomenon for which there is growing evidence (Chevalier and Mayzlin, 2006; Chintagunta et al., 2010; Moe and Trusov, 2011; Resnick and Zeckhauser, 2002). Reputation systems can also be positively skewed due to social and platform norms. For example, Dellarocas and Wood (2008) proposed that the high percentage of positive reputation measures on eBay are explained by the fact that buyers who have poor experiences choose to leave no feedback at all. A key reason for the overly positive valence of ratings is that giving negative feedback is more costly than giving positive feedback due to retaliation (Bolton et al., 2013; Horton and Golden, 2015; Nosko and Tadelis, 2015).

Several studies have started to address aspects of rating systems in the sharing economy, where rating systems can vary between integer-based rating scales and longer textual comments (Fagerstrøm et al., 2017, Liang et al., 2017; Pettersen, 2017; Zervas et al., 2015). Yet, bilateral rating systems act as an incentive for both providers and consumers to act in a socially desirable fashion. In the context of ride-sharing, Lee et al. (2015) found that ratings created a service mentality among providers, while Horton and Golden (2015) stated that the reputation system worked to motivate good behavior. Cockayne (2016) has similarly discussed how ratings can act as an instrument of imposing discipline and economic control over provider behavior, ensuring that provider behavior aligns to what can meet the ratings required. As Van Doorn (2017, p. 903) notes, “customer ratings serve as another crucial metric with which to control service providers”.

Both parties in most sharing platform transactions have the opportunity to provide a rating or give feedback, suggesting a notional equivalency of the rating. While the impact of ratings is arguably greater on providers, since providers with bad feedback can face negative consequences up to and including rejection from the platform (Rosenblat and Stark, 2016), the power of ratings can be seen on the consumer side as well. On ride-sharing platforms, for instance, Lee et al.
(2015) noted that providers would use consumer ratings to decide whether to accept the ride. To explore how these rating mechanisms may shape social norms among sharing economy consumers, this study follows a parallel explanatory design, where a quantitative survey phase was conducted simultaneously with qualitative focus groups. By adopting a mixed-methods research design, it was possible to more clearly understand the interrelationships between rating mechanisms and consumers’ emotional labor, while increasing the validity of the findings (McKim, 2017). The research model for the quantitative study is provided in Figure 1.

With emotional labor as the dependent variable, we distinguish between three rating aspects for the key independent variables: negative rating experience, rating literacy, and rating process fairness. Negative rating experience describes having experienced negative ratings in the past. Negative ratings in the past may have a strong conditioning effect on consumers because consumers would try to improve their average rating by displaying exemplary social behavior. Rating literacy describes how well consumers think they understand how the rating system works. Consumers who know the system are likely to behave well because they are more aware of the serious consequences of bad ratings. Rating process fairness describes how fair consumers perceive rating and review systems to be. Again, heightened levels of rating process fairness may condition consumers to act according to socially elevated service norms because it enhances predictability and belief in the system.

Figure 1: Research model
3. Quantitative Study

3.1 Methods

3.1.1 Questionnaire and Sample

In May 2017, we conducted a quantitative survey among 393 US-based respondents, distributed via Amazon Mechanical Turk (AMT). The survey administration was handled via TurkPrime. The questionnaire consisted of predominantly closed questions, where respondents could report their agreement to a statement on a 5-point Likert scale, ranging from 1—strongly disagree, to 5—strongly agree, with 2—somewhat disagree, 3—neither agree nor disagree, and 4—somewhat agree as the middle categories.

The questionnaire took, on average, 15 minutes to complete (as measured by the median due to some extreme outliers), with a standard deviation of 8.5 minutes. Respondents received a reward of 2 US Dollars, with an additional 1 US Dollar completion bonus. We included an attention check question with the following wording: “The purpose of this question is to assess your attentiveness to question wording. For this question, please mark the ‘Weekly’ option.” Seven participants (1.8 percent) failed the attention check and were subsequently excluded from the data analysis. This left a sample of 386 respondents.

Respondents were filtered into one of four response streams, corresponding to four key groups: providers (e.g., Airbnb host, Uber driver), consumers (e.g., Airbnb guest, Uber passenger), aware non-users (i.e., individuals who have heard of sharing economy services but never used them), and non-aware non-users (i.e., individuals who have never heard of sharing economy services). Respondents who use sharing economy services as providers and consumers were classified as providers. Of these 386 respondents, 3.6 percent were providers (14 respondents), 55.2 percent consumers (213 respondents), 40.9 percent aware non-users (158 respondents), and only one person was a non-aware non-user (0.3 percent). For the following data analysis, we focused on the consumer sub-sample (N=213).

In the consumer sub-sample 61 percent were male. The average age was 33 (standard deviation 8.5 years, with a range of 21-63 years). In terms of education, 56 percent had a bachelor’s degree, 12 percent a master, 2 percent a doctorate, 8 percent a vocational certificate, and 22 percent
a high school certificate or lower as their highest qualification. The median annual income in the
corresponds to the category 50,000-59,999 US Dollars.

As consumer-provider interaction varies depending on the sharing service, we differentiated be-
tween different platforms. We asked the respondents to specify which platform they have used
most frequently through an open text field. Six individuals wrote down services that do not cor-
respond to our understanding of the sharing economy (e.g., Amazon Prime, Etsy, Facebook,
none from the above [sic]) and were therefore excluded, leaving a final consumer sub-sample of
207. As shown in Table 2, more than 70 percent of the final sample selected ride-sharing or ride-
hailing (Lyft and Uber) and one fourth home-sharing (Airbnb). Peer-to-peer lending was repre-
sented with a low percentage of respondents. No one selected food sharing and tool-sharing ser-

<table>
<thead>
<tr>
<th>Service</th>
<th>Frequency</th>
<th>%</th>
<th>Cum. %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airbnb</td>
<td>52</td>
<td>25.1</td>
<td>25.1</td>
</tr>
<tr>
<td>Uber</td>
<td>140</td>
<td>67.6</td>
<td>92.8</td>
</tr>
<tr>
<td>Lyft</td>
<td>11</td>
<td>5.3</td>
<td>98.1</td>
</tr>
<tr>
<td>Lending Club*</td>
<td>3</td>
<td>1.4</td>
<td>99.5</td>
</tr>
<tr>
<td>Prosper*</td>
<td>1</td>
<td>.5</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>207</strong></td>
<td><strong>100.0</strong></td>
<td></td>
</tr>
</tbody>
</table>

*Excluded from subsequent regression due to low case numbers and inapplicability of finance-sharing for interpersonal consumer behavior

3.1.2 Measures

We relied on established scales whenever possible. The dependent variable of emotional labor
was measured with four items, adapted from Best et al. (1997). The question prompt was: “When
you interact with providers (e.g., hosts, drivers), how often do you do the following?” The items
were: Express feelings of sympathy (e.g., saying you are sorry to hear about something, saying
you understand); Express friendly emotions (e.g., smiling, giving compliments, making small
talk); Hide your anger about something someone has done; and Hide your disgust about some-
thing some-one has done. Respondents could answer on a 5-point scale with the categories 1-
ever, 2-rarely, 3-sometimes, 4-frequently, 5-very frequently. Initial principal component analy-
sis (Kaiser criterion, Varimax rotation) indicated two distinct sub-constructs. The first sub-
construct includes the first two items and revolves around expressive aspects (“express”), while
the second sub-construct includes the last two items and revolves around suppressive aspects (“hide”). Consequently, we termed sub-construct 1 expression and sub-construct 2 suppression.

For the independent constructs of negative rating experience, rating literacy, and rating process fairness, we did not find suitable established scales. Therefore, the measures were newly developed for this study. Negative rating experience measures respondents’ rating history and whether respondents’ had received negative ratings. Negative rating experience is particularly negative if it is perceived as arbitrary and unjustified, namely if the locus of control is outside of themselves.

Negative rating experience was measured with four items: Providers rate me arbitrarily; I often get unjustified ratings; Providers rate me too harshly; and Providers have unrealistic expectations. The scale had a Cronbach’s α of 0.86, showing sufficient reliability. Rating literacy describes respondents’ knowledge and awareness of the rating process. Rating literacy was measured with three items: I know how the rating/review system works; I am aware of the consequences of bad ratings for providers; and I expect a professional level of service from my providers. The Cronbach’s α of this scale was 0.71. In contrast to negative rating experience and rating literacy, which are located more on the user side, rating process fairness describes system and design aspects on the platform side. Rating process fairness includes more functional (efficiency, effectiveness, accuracy) and normative aspects (fairness, transparency). Rating process fairness was measured with four items: The rating/review system is fair; The rating/review system works well; The rating/review system is accurate; The rating/review system is clear. The scale had a Cronbach’s α of 0.88, showing sufficient reliability.

We also included a range of control variables. In addition to age, gender, income, and education, respondents’ sharing frequency, sharing experience, their most frequently used platform, volunteering, and matching quality were assessed. The rationale for including matching quality as an independent variable was to account for platform features more closely. If matching works well, users have more control to tailor their behavior. We did not find suitable scales to measure matching quality. Therefore, we developed an ad-hoc measure that includes several quality criteria of the matching process such as transparency, control, and meaningfulness. Matching quality was measured with six items: The platform does a good job matching me with a provider; The platform is transparent over why I am matched with a provider; The search results/matching mechanisms make sense; I feel I have control over the matching process; I should be allowed to
choose a provider based on my own criteria; and Sharing platforms are a fair and unbiased source of information. The scale was newly developed but had good reliability, with a Cronbach’s α of 0.80. Volunteering was measured with three items from Bucher et al. (2016). The scale proved to have high internal consistency, with a Cronbach’s α of 0.89. The reason for including volunteering was to account for experience and possible training with heightened sociability norms in other settings.

3.1.3 Method

We used ordinary least square (linear) regression to analyse the influence of demographic characteristics, sharing modalities, matching quality, volunteering, and rating aspects on emotional labor. The analysis was conducted with Stata (v.14). We used the robust estimator option to account for possible sources of distortion such as heteroscedasticity and non-normality and also checked for multi-collinearity, using the VIF post-estimation command. The highest VIF value was 2.18 for the rating process fairness and the lowest 1.09 for gender. Thus, we can exclude the presence of serious multi-collinearity affecting the estimation process.

3.2 Results

In terms of the descriptive results, we found that consumers of sharing economy services perform moderate to high levels of expressive emotional labor. The item concerning expressing feelings of sympathy is normally distributed with an arithmetic mean of 2.91 and median of 3 (on a 1-5 scale). The item about expressing friendly emotions is positively skewed with an arithmetic mean of 3.86 and a median of 4. Both items of the suppressive factor are negatively skewed, with arithmetic means of 2.33 and 2.28, respectively, and median values of 2. The presence of emotional labor varies substantially by platform. Although the case numbers for Lyft consumers are low (N=11), expressive and suppressive emotional labor values are substantially higher for Lyft than for Uber and Airbnb. This is reflected in the principal component analysis factor scores (which are standardized and thus have an arithmetic mean of 0 and standard deviation of 1). They are on average 0.29 for Lyft, 0.06 for Airbnb and -0.07 for Uber for the expressive dimension and 0.33 for Lyft, -0.11 for Airbnb and -0.11 for Uber for the suppressive dimension. Thus, Airbnb and Uber score similarly for both forms of emotional labor. However, the
variance for Airbnb is somewhat lower for expression. Overall, we conclude that Uber is the platform where consumers perform least emotional labor and Lyft is the platform where consumers perform the most emotional labor.

Turning to the regression analysis, we find that rating literacy affects expressive emotional labor significantly and positively (Table 3). Thus, the more that consumers claim to understand the rating systems of sharing economy platforms, the more expressive emotional labor they perform. Negative rating experience, on the other hand, does not significantly influence consumers’ performance of expressive emotional labor. The non-significance could be understood as some consumers being either not aware of their ratings and having never experienced a negative rating situation. Descriptive analysis supports this, showing low prevalence of negative rating experience (arbitrary, unjustified, too harsh ratings as well as unrealistic provider expectations), with arithmetic means as low as 1.74 for unjustified ratings and 1.81 for too harsh ratings. Rating process fairness does not significantly influence consumers’ performance of expressive emotional labour. The assessment of the rating system as generally positive, with relatively limited variance (arithmetic means for the four items range from 3.83 to 4.10 and standard deviations from 0.81 to 0.90), could partially account for the absence of a significant effect. Regarding the suppressive dimension of emotional labor (Table 4), negative rating experience has a significant effect at the 5 percent level, influencing suppressive emotional labor positively. Neither rating literacy nor rating process fairness were significant.

In terms of our control variables, we find that income is the only significant demographic predictor of expressive emotional labor. The effect is negative, indicating that consumers with higher incomes perform less expressive emotional labor. Sharing frequency, volunteerism, and perceived matching quality significantly and positively influence expressive emotional labor. Thus, consumers who perceive the matching and search process as efficient, good, and transparent are more likely to perform expressive emotional labor. For the sharing frequency, it might be that a habituation and learning process takes place: Consumers might learn the implicit rules of the game by repeated interaction and feedback. For volunteering, it could be that a transfer process takes place: Consumers might transfer their emotional labor from volunteering, where they have to interact in a friendly and expressive way, to the sharing situation. Regarding the suppressive dimension of emotional labor (Table 4), we find very few significant effects. None of the demo-
graphic and socio-economic predictors significantly influence suppressive forms of emotional labor.

### Table 3: Linear regression of emotional labor factor expression on predictor variables

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Beta</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>0.04 (0.01)</td>
</tr>
<tr>
<td>Gender</td>
<td>-0.00 (0.12)</td>
</tr>
<tr>
<td>Income</td>
<td>-0.13* (0.02)</td>
</tr>
<tr>
<td>Education (Ref. = High School or lower)</td>
<td></td>
</tr>
<tr>
<td>Vocational Certificate</td>
<td>-0.02 (0.23)</td>
</tr>
<tr>
<td>Bachelor</td>
<td>-0.06 (0.15)</td>
</tr>
<tr>
<td>Master</td>
<td>-0.09 (0.23)</td>
</tr>
<tr>
<td>Doctorate or higher</td>
<td>0.07* (0.29)</td>
</tr>
<tr>
<td>Volunteer</td>
<td>0.25*** (0.07)</td>
</tr>
<tr>
<td>Sharing Frequency</td>
<td>0.15* (0.07)</td>
</tr>
<tr>
<td>Service (Ref. = Airbnb)</td>
<td></td>
</tr>
<tr>
<td>Uber</td>
<td>0.02 (0.14)</td>
</tr>
<tr>
<td>Lyft</td>
<td>0.15* (0.33)</td>
</tr>
<tr>
<td>Negative Rating Experience</td>
<td>0.05 (0.07)</td>
</tr>
<tr>
<td>Rating Literacy</td>
<td>0.23** (0.08)</td>
</tr>
<tr>
<td>Rating Process Fairness</td>
<td>0.13 (0.08)</td>
</tr>
<tr>
<td>Matching Quality</td>
<td>0.16* (0.08)</td>
</tr>
<tr>
<td>Constant</td>
<td>. (0.32)</td>
</tr>
<tr>
<td>R²</td>
<td>0.38</td>
</tr>
</tbody>
</table>

N=203; standardized regression coefficients displayed; robust standard errors in brackets; ^ p < 0.1; * p < 0.05; ** p < 0.01; *** p < 0.001

We also looked at the attitude of consumers towards the rating system and found that consumers accept the need for ratings. More specifically, they disagreed with two statements addressing the necessity of ratings. First, disagreement with the statement *The rating/review system should be removed* was very high (arithmetic mean=1.83; median=2; standard deviation=1.05 on a 1-5 scale). Thus, most consumers think the review system is necessary. Second, consumers mostly disagreed with the statement *Consumers should not be rated* (arithmetic mean=2.40; median=2; standard deviation=1.27 on a 1-5 scale). In sum, this indicates that consumers are accustomed to getting rated.
Table 4: Linear regression of emotional labor factor suppression on predictor variables

<table>
<thead>
<tr>
<th>Variable</th>
<th>Beta</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>0.10 (0.01)</td>
</tr>
<tr>
<td>Gender</td>
<td>0.03 (0.15)</td>
</tr>
<tr>
<td>Income</td>
<td>-0.09 (0.03)</td>
</tr>
<tr>
<td>Education (Ref. = High School or lower)</td>
<td></td>
</tr>
<tr>
<td>Vocational Certificate</td>
<td>0.00 (0.22)</td>
</tr>
<tr>
<td>Bachelor</td>
<td>-0.00 (0.18)</td>
</tr>
<tr>
<td>Master</td>
<td>-0.02 (0.29)</td>
</tr>
<tr>
<td>Doctorate or higher</td>
<td>0.05 (0.33)</td>
</tr>
<tr>
<td>Volunteer</td>
<td>-0.00 (0.09)</td>
</tr>
<tr>
<td>Sharing Frequency</td>
<td>0.15* (0.08)</td>
</tr>
<tr>
<td>Service (Ref. = Airbnb)</td>
<td></td>
</tr>
<tr>
<td>Uber</td>
<td>0.09 (0.17)</td>
</tr>
<tr>
<td>Lyft</td>
<td>0.14* (0.35)</td>
</tr>
<tr>
<td>Negative Rating Experience</td>
<td>0.17* (0.08)</td>
</tr>
<tr>
<td>Rating Literacy</td>
<td>-0.01 (0.09)</td>
</tr>
<tr>
<td>Rating Process Fairness</td>
<td>-0.00 (0.09)</td>
</tr>
<tr>
<td>Matching Quality</td>
<td>0.07 (0.11)</td>
</tr>
<tr>
<td>Constant</td>
<td>0.10</td>
</tr>
</tbody>
</table>

N=203; standardized regression coefficients displayed; robust standard errors in brackets; ^ p < 0.1; * p < 0.05; ** p < 0.01; *** p < 0.001

4. Qualitative Study

4.1 Methods

4.1.1 Guideline and Sample

In order to gather qualitative data from a variety of participants on the topic of emotional labor, we conducted a series of focus groups. Focus groups encourage participant interaction and elaboration on each other’s comments, providing richer data. We conducted 18 focus groups with a total of 94 participants across six European countries in spring 2017: Germany, Italy, The Netherlands, Norway, Switzerland (German speaking part), and the United Kingdom. Within these countries, the focus groups took place in urban areas (Leipzig, Milan, Amsterdam, Oslo, London,
and St. Gallen respectively). The focus groups in Germany, Switzerland, Italy, and the United Kingdom were conducted in the respective local language. The focus groups in the Netherlands, Norway, and the United Kingdom were conducted in English given high English literacy among the participants in these counties.

The respondent sample was selected within an age range of 20 to 35 years old, representing the millennial generation (Ranzini et al., 2017). We used the snowball sampling approach to source participants. All participants in the focus groups were familiar with sharing services, the overwhelming majority of them as consumers. The research team and additional members of a larger project group organized and moderated the focus groups. Participants were monetarily rewarded, with the exact amount depending on their location.

4.1.2 Coding and Analysis

The focus groups were semi-structured and lasted between 30 and 120 minutes each. The guideline consisted of an introduction on participants’ understanding of the sharing economy, followed by three topical sections. The first topical section had six themes, the second one had five themes, and the third one three themes. For this study, we focus on the themes that discussed ratings and behavioral norms. All focus groups were recorded using smartphone audio software and subsequently transcribed. The German and Italian transcripts were translated into English by the research team, based on the original language transcripts. Coding was divided between the research team, with experienced coders inductively analyzing the transcripts. The coders came up with a multi-layered structure of topics and sub-topics.

4.2 Results

In line with the general reputation literature and with literature on the sharing economy (Bolton et al., 2013; Glöss et al., 2016; Lee et al., 2015), the element of reciprocity and mutuality was mentioned several times across different focus groups. Bilateral ratings were viewed as a natural and acceptable part of the sharing economy.

“I very much ascribe to this view of you give rating and then you get rating back.” (UK, male, 27, consumer)
Participants also discussed emotional labor in terms of the differences in service expectations between sharing economy services and more traditional alternatives. For instance, several participants agreed that there was a stronger social involvement in the sharing economy compared with traditional services, with terms such as ‘friend’ utilized to describe the reciprocating partner.

“To me, the nature of relationship is the same. It’s commercial so it’s service in a way, but I agree with [Participant 3] that with Uber you get a little bit attached to the driver because he typically offers his personal story. And he maybe asked you some often personal questions. So you give a little bit like a friend.” (Norway, female, 28, consumer)

However, the aspect of emotional labor was not always discussed in a positive manner by respondents, with some highlighting the burdensome nature of ‘being nice’.

“Yes, I mean, in sharing your comment there, there is this expectation of reciprocity, ‘Oh, you're being nice. I have to be nice.’ This is horrible.” (Norway, male, 31, consumer).

“What I find really annoying with Airbnb is that you have to be nice with people. I know it sounds horrible but I don't know. I guess I don't really enjoy small talk and when I go somewhere, it's just because I just want to be by myself or whatever.” (UK, female, 33, consumer).

Particularly, privacy was seen as an issue and the surveillance implications of ratings were stressed by several participants.

“Yes, I think that’s a bit of an issue. On the one hand, you have extreme rating standards, which are currently being used and are maybe beneficial and increase transparency by showing: this and this person drives well. On the other hand, I don’t want to reveal so much data about myself.” (Germany, female, 25, consumer)

“It's not about only giving information. It's about actually, like, I don't know. Like, it feels like constant surveillance, right?” (UK, female, 33, consumer).

One respondent adopted economic language to describe the emotional labor, referring to this as a ‘cost’ paid by the consumer.

“It also costs you something as a consumer.” (Netherlands, female, 29, consumer).
In light of this emotional labor carried out by consumers, many participants recognized the importance and usefulness of ratings on the consumer side. Ratings were seen as essential to ensure social norm compliance, for example in terms of orderliness and guest behavior.

“Yes, I think that these ratings are still central. For example, with BlaBlaCar and Airbnb in any case. That you are rated as a visitor or as a passenger. Yes, this person was on time, was nice, was orderly, left everything in a good state or so.” (Germany, female, 23, consumer)

“Yes, for the guests, I think it's important because the other hosts, I feel for the other hosts, then they would know how the guests behave.” (Amsterdam, female, NA, consumer and provider)

“But now you’re afraid that we’ll get a bad rating, so we have to talk, we have to entertain. They're sitting there on their best behavior in the Uber and I'm just like, 'Ah, how is your day?’” (Norway, male, 31).

In several regards, the conditioning mechanisms of ratings were clearly recognised by participants. Some participants acknowledged that ratings decide about the relative value of consumers and that hosts, as well as drivers, can exercise the power to reject consumers based on their ratings.

“After the ride, they also rate you and I know you can check yourself on the application, what is your grade and because I have already spoken about this with a Uber driver and he told me that sometimes he doesn’t accept people because he saw that they have too low grades or he don’t want to take the risk to have a rude person. So he only takes high grading people now on the service.” (Norway, female, 28, consumer).

However, the mechanism also works in the opposite direction, where consumers with particularly good ratings get privileged treatment.

‘The interesting thing about the sharing economy is also kind of rating system right? I talked to one of the guys that was driving me in Uber and he said that I had a very good rating. Therefore, I skipped the line in the sense, which is fairly interesting, right? So, I’m positively discriminated.” (Norway, female, 26, consumer)

The usefulness of consumers being rated was acknowledged specifically for services where consumers can share access to an object or service with other consumers. The following conversa-
tion about BlaBlaCar shows how consumer ratings can be helpful for drivers, as responsibility can be more clearly assigned.

“Well, you also have unpunctual passengers and for you as a driver, you only get negative ratings because the person didn’t show up. Then I think it has advantages.” (Germany, female, 24, consumer)

5. Discussion

A key finding of the quantitative research phase is that sharing economy consumers perform moderate to high levels of expressive emotional labor. This finding suggests that, although many sharing experiences may have become functionally indistinct from traditional service encounters, consumers retain an expectation for heightened sociality. However, it should be emphasised that this ‘heightened sociality’ corresponds to relatively anodyne traits such as having a friendly and sympathetic demeanour and avoiding outward expressions of anger.

Yet, our findings urge caution about generalizing too heavily about a single sharing economy social ‘norm’, since our findings demonstrate significant platform differences. In the case of the two major ride-hailing services, Uber and Lyft, the results differ while corresponding to the respective company policies and public perception. For instance, while Lyft passengers should sit at the front, Uber has maintained a more professional, less social reputation. A further key finding from the quantitative research phase is that higher levels of rating literacy positively and significantly influences the performance of expressive emotional labor. Thus, a more developed understanding of how rating systems operate corresponds to consumers acting in a more socially normative manner. Similarly, negative rating experiences in the past corresponded to an increase in suppressive forms of emotional labor. In this case, we can identify the role of ratings as a conditioning mechanism on consumers, advancing current research which has identified ratings as a mechanism for providers (Fagerstrøm et al., 2017; Liang et al., 2017; Pettersen, 2017; Zervas et al., 2015).

When combined with the results from the focus groups, a more detailed picture emerges about emotional labor and rating mechanisms. The overall flow of discussion reflected a general agreement that performative sociality was a factor in the sharing experience and constituted a
central aspect of the sharing economy. However, a pertinent finding, given the interest of platforms in encouraging participation, was that consumers did not appreciate the pressure to perform emotional labor. The requirement to perform expressive emotional labor, in effect to ‘be nice’ or ‘be friendly’ acted as a form of consumer burden; the implicit and explicit social norms generated pressure and stress in a form which may become exclusionary and disincentivize participation. Concerns over having to act ‘in a certain way’ when a transactional non-social experience was desired may lead to role confusion and distress. With the development of the sharing economy towards a more professional environment, this dynamic may become a greater problem as the chasm between the more ‘authentic’ and more ‘professional’ providers may widen and lead to uncertainty over which experience will be faced. Moreover, given the level of effort expended by platforms in their FAQs to encourage consumer behavior (e.g., Airbnb, 2018), much of the effort may be indirectly harming consumer participation and satisfaction.

In correspondence with the quantitative results, the focus group respondents also recognized the role of ratings as a mechanism for encouraging such expressive displays. Respondents were aware that ratings helped to segregate good and bad consumers and were incentivized to alter their behavior accordingly. Yet, there was also an emerging theme of passive compliance with the status quo. In alignment with the quantitative findings that most consumers accepted bilateral rating mechanisms and did not want them to be removed, the focus group respondents also generally agreed that bilateral ratings were a factor in the sharing economy and had to be endured whether positive or negative. There was little reflection on whether it was appropriate for consumers to be rated at all or that it was a notable difference from traditional service contexts. This can perhaps be understood as emerging from the origins of the sharing economy, which emerged from a more pro-social and communal environment. Moreover, compliance with the bilateral rating mechanisms was, in some instances, welcomed as a tool to generate trust. The personal nature of the sharing economy, whereby providers share their personal possessions, homes, and cars, naturally demands a higher level of trust and accountability (Ert et al., 2016; Hawlitschek et al., 2016). As such, respondents were happy to accept the oversight to generate trust in strangers and gain useful insights into their behavior.

As a summary, Figure 2 presents a synthesis of these findings in the form of a process model. The process model includes feedback loops, whereby normatively compliant behavior consoli-
dates and stabilises the sharing economy’s service norms. However, while positive outcomes will motivate sharing economy participants to keep using the services, negative outcomes will deter them from using sharing economy services in the future.

### Figure 2: Process model of rating conditioning in the sharing economy

6. Conclusion

Emotional labor has emerged as an important concept in looking at workers in an organizational context, while psychological research has shown its predictors and – often detrimental – outcomes. However, despite being a widely researched and striving field of research, scholars have only started to explore the prevalence, antecedents and outcomes of emotional labor in the sharing economy (Lutz et al., 2018). Existing studies on emotional labor in the sharing economy, reflecting a focus in the general literature, have focused on the provider side (Glöss et al., 2016; Raval and Dourish, 2016). In this article, we offered an initial exploration of emotional labor among consumers in the sharing economy. Utilising a mixed-method study, we outlined how consumers are performing emotional labour during sharing experiences. We were able to specifically identify ratings as one of the mechanisms by which consumers are encouraged to not only regulate their emotional expressions, but regulate them in a certain way. Whereas, in most consumer transactions, bad consumer behavior will not impact or preclude future use of the service,
in the sharing economy ratings often operate bilaterally, creating a footprint which could impact future use of a service.

Our study has implications for theory and practice. In terms of theory, we contribute by showing how rating differences occur between platforms. Research on digital labor, marketing, and information systems – particularly under a trust perspective – could follow up on these findings and study in more depth how platform characteristics and perceptions affect user behavior. For the nascent literature on the sharing economy in general and evolving service norms in the sharing economy in particular, our findings offer first insights on the importance of studying the phenomenon beyond providers. In that regard, the role of the rating system and its underlying mechanisms becomes particularly important, with implications for information systems literature on reputational mechanisms and trust. Further research could also assess the impact of ratings and behavioral conditioning on participation desirability.

From a practical perspective, clearer guidelines on what to expect and what not to expect in a sharing economy experience could give consumers more confidence. Platforms could explain in more depth why they apply consumer ratings and how consumer rating data serves to offer a better service experience. Beyond fostering transparency and accountability, sharing platforms could also facilitate more research into how different rating and review mechanisms might potentially condition users in different ways (Chen, 2017), opting for the most consumer-friendly option.

Our study comes with a few limitations that indicate opportunities for future research. First, the data set at hand is not representative of the overall sharing economy population in the US or Europe and is relatively small, especially for the quantitative survey. Future research should use population-wide surveys or wider sampling frames to investigate rating and review mechanisms more holistically. This would allow for the comparison between consumers and providers. It would also make comparisons between the sharing economy and traditional industries (hotels, taxis) possible to see whether there is a difference. Second, the quantitative data only covers one point in time. Longitudinal data would allow to observe developments over time, for example whether users become more or less conditioned. Moreover, it would be possible to test causal claims more rigorously. Third, we included relatively few predictor variables. Future research might use additional sociological and psychological predictors to explain the phenomenon better.
7. Notes

1 A relatively narrow definition of the sharing economy is used here, where providers (e.g., Uber drivers, Airbnb hosts) grant temporary access to their personal goods (e.g., car, flat, objects) to consumers in return for monetary compensation, mediated through an online platform. Under such an economic lens, the sharing economy can be considered as a multi-sided market (Gawer, 2014). Platform-mediated knowledge work (e.g., Topcoder, Upwork) and non-commercial sharing initiatives such as timebanks or foodsharing cooperatives, are excluded from consideration (c.f. Botsman and Rogers, 2010; Hartl et al., 2016). We nevertheless use the term sharing economy with reservation since, by this point, there is widespread agreement that the concept of sharing is merely performative framing (Frenken and Schor, 2017; Slee, 2015) which underplays the control leveraged by platforms over providers.

2 Human resource management research has investigated the behavioral outcomes of employee performance and review systems (e.g., Moon et al., 2016). Organisational sociology has investigated how organisations react to being rated and ranked (e.g., Sharkey and Bromley, 2015). However, such research is not directly applicable as consumers are not within a work setting and differ from organisations.

3 In a large European study using a similar measurement approach, we found positive and strongly significant ($p < 0.001$) effects of three rating dimensions – positive rating system assessment, negative rating system assessment, and negative rating experience – on an integral conceptualization of emotional labour (Bucher et al., 2018).
8. References


