



The Sharing Economy: Personal Norm and Awareness to Participate in Collaborative Consumption

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ABSTRACT

The emergence of sharing economy give rise to the popularity of collaborative consumption, which is known as events in which people consume items or services in joint activities with others. It being said that personal norms act as a major component in examining consumer intentions. The personal norms are based on individual values and motivation to protect them with appropriate behaviour. On the other hand, awareness of collaborative consumption found to have an impact on personal norm, thus influence the collaborative consumption. This study conducted a self-administrated survey to collect data from respondents in Klang Valley through purposive and convenience sampling methods. A total of 825 respondents were collected through the internet. Analysis method of Structural equation modelling-partial least squares estimation was applied to analyse the data in the study using SmartPLS version 3.3.9 software. The analysis of SEM-PLS comprises the measurement model on convergent validity analysis including factor loadings, average variance extracted (AVE), and composite reliability (CR). The findings revealed that awareness and responsibility of collaborative consumption have significant effect on personal norm. This indicates that consumers' cognitive appraisal of potential consequences and accountability has significant influence on their pro-environmental behaviour. Furthermore, the findings showed a positive significant of personal norm and awareness of CC on collaborative consumption participation, indicating that collaborative consumption participation intention is due to a perceived obligation towards the societal and ecological surroundings.

Keywords: Collaborative Consumption, Personal Norm, SEM-PLS

INTRODUCTION

Collaborative consumption is a rising consumption pattern with the emergence of information technology and social networks and a concept that started to gain popularity with the emergence of sharing economy. It is a new consumption pattern that people exchange access

to products and services through a technological platform in the sharing economy [17]. Collaborative consumption also known as events in which people consume items or services in joint activities with others, such as renting, lending, and sharing, ultimately fostering the community, which the situation is through commercial implications [7].

Thus, collaborative consumption has led to a shift in business and economic systems towards a new model that emphasizes shared access over individual ownership. This approach is based on a triadic framework that involves three key actors: sellers or service providers, buyers, and platform owners. Collaborative consumption is defined as a kind of consumption pattern that consumers access, give, and share the right to use the same units of goods or services by sharing, exchanging, bartering, trading, and leasing using the Internet and mobile Internet platform to obtain monetary income or other compensation [18].

The development of collaborative consumption is known to foster a sense of community by increasing interpersonal interactions, thereby providing social value [4] [5]. The practice of collaborative consumption is known to promote resource conservation by motivating individuals to share and repurpose their surplus or underutilized possessions [2]. This approach aligns with the growing demand for sustainable living, which emphasizes the importance of resource efficiency and collaborative consumption [16]. Thus, consumers pro-social behaviour paly important in affecting consumers participation in collaborative consumption activities. The industry scale and market size of collaborative consumption are developing so rapidly that it can no longer be ignored.

According to [1], personal norm refers to a person's moral obligation, feeling of responsibility, or degree of personal responsibility toward a certain behaviour. The personal norms are said as a major component in examining consumer intentions. Those feelings could be developed based on how consistent an individual's behavior is with his/her personal norms. This supported by argument made by [25] who stated that personal norms are based on individual values and motivation to protect them with appropriate behaviour. Besides that, [14], [10] and [27] stated that awareness of collaborative consumption found to have an impact on personal norm, thus influence the collaborative consumption.

LITERATURE REVIEW

The implementation of extended theory of planned behaviour has been suggested by [22] to examine the relative influence of consumers' personal norms. In order to influence consumer's personal norms to collaborative consumption, practitioners should focus on consumers' concern on others. On the other hand, [3] relate the Norm Activation Theory (NAT) and Value Belief-Norm network (VBN) to the influencing personal norms on collaborative consumption. According to [25], NAT established between the individual values and beliefs activating the pro-social and environmental norms, meanwhile the VBN theory is the extension of NAT. The VBN theory mentioned that behaviours are mainly based on personal values nurturing the beliefs that activate personal norms [15]. In other words, the set of personal values helps establish the beliefs that initiate the norms promoting behaviours [19]. This is supported by [11] who stated that values are essential interpreters of the individual personality directing personal norms and behaviours.

There are studies prove that collaborative consumption is strongly influenced by personal norms, such as by [22] and [14]. They found that personal norms are determined by consumers' altruistic, bio spheric, and egoistic value orientations which affect the collaborative consumption. This is supported by [23] who found that personal norm has positive relationship towards attitude of collaborative consumption which determined by platform system quality, information quality, and service quality create a favourable system, information, and service environments for users to participate in online collaborative redistribution platform activities [22] [26]. Other than that, [3] found that personal norms significantly promote new environmental paradigm, awareness of consequences, ascription of responsibility.

[23] stated that interaction between platform quality and personal norms potentially impacts into the attitude toward collaborative consumption relationships. Thus, it can be concluded that personal norm can affect one's attitude, as obligation-based intrinsic motivation may form a moral route. If a person has a strong personal norm based on experience, this may affect the collaborative consumption process in forming beliefs regarding attitudes. Therefore, a stable platform system, and sufficient and matching information create a good external environment for transforming from a personal norm to an attitude towards collaborative consumption.

Collaborative consumption and platform service quality moderates the relationship between the personal norm and also attitude toward collaborative consumption. This is as affirmed by [22] that when aiming to influence consumers' attitudes toward collaborative consumption, those aspect such as potential cost savings, efficient use of resources and communal aspect should be focused on. There are also other literatures has arguments of awareness of consequences, awareness of CC and ascription responsibility also found to have significant effect on personal norm, such as by [14], [10] and [27], hence assume that personal norms and awareness influenced collaborative consumption.

METHODOLOGY

This study conducted a self-administrated survey to collect data from respondents in Klang Valley through purposive and convenience sampling methods. The sample size was determined using G*Power software version 3.1.9.7 [8] with power 0.95 and effect size of 0.15 for 5 predictors indicating that a minimum sample of 138 is required. A total of 825 respondents were collected through the internet, from October 2022 to February 2023.

The instrument and measurement scales used to measure the constructs in the questionnaire were adopted and adapted from past studies. Measurement items for constructs of awareness consequence, ascription responsibility, awareness of collaborative consumption and personal norm were adapted from [14]. Measurement items of collaborative consumption trust were adapted from [20] and [13]. A 5-point agreement Likert-type scale ranging from 1 (strongly agree) to 5 (strongly agree) was used to measure items in the questionnaire.

Demographic Analysis

Table 1 shows the demographic analysis of 825 respondents according to gender, age group, monthly income, education level and occupation. Majority of the respondents are female, with percentage of 69 percent, while only 31 percent of them are male. According to the age group, majority of the respondents are those in age category 20-29 years old with 77.2 percent, followed by 30-39 years old (6.1 percent), 50-59 years old (5.2 percent), 40-49 years old (4.7

percent), below 20 years old (4.2 percent), and 2.5 percent from the respondents in age category of 60 years old and above.

Table 1: Demographic Analysis

Variable	Frequency (n=825)	Percent (%)
Gender		
Male	256	31.0
Female	569	69.0
Age		
below 20 years old	35	4.2
20 – 29 years old	637	77.2
30 – 39 years old	50	6.1
40 – 49 years old	39	4.7
50 – 59 years old	43	5.2
60 years old and above	21	2.5
Household Monthly Income		
Less than RM3000	405	49.1
RM3001 – RM5000	185	22.4
RM5001 – RM10000	160	19.4
More than RM10000	75	9.1
Education level		
Primary Education	18	2.2
Secondary education	94	11.2
Tertiary education	411	49.8
Postgraduate education	302	36.6
Occupation		
Executive level	125	15.2
Non-Executive level	86	10.4
Housewife	20	2.4
Student	518	62.4
Unemployed	54	6.5
Retiree	222	2.7

Based on the household monthly income, 49.1 percent of the respondents earn less than RM3000, while 22.4 percent earn between RM3001 to RM5000, 19.4 percent earn between RM5001 to RM10000, and 9.1 percent earn more than RM10000. Besides that, almost half of the respondents received tertiary education with percentage of 49.8, and 36.6 percent received postgraduate education. On the other hand, 11.2 percent and 2.2 percent of the respondents received secondary and primary education respectively.

Most of the respondents for this questionnaire are students, which 62.4 percent, followed by those work in executive level (15.2 percent), non-executive level (10.4 percent) and unemployed (6.5 percent). The lowest percentage of respondents are those who are retiree and housewife with percentage of 2.7 and 2.4 percent respectively.

Common Method Variance

As the data were collected from a single source basis, the measured latent marker variable method was applied to detect the presence of common method variance as suggested by [6].

The R^2 values of endogenous constructs for models without and with marker variables were compared. The results of both R^2 values for collaborative consumption intention are presented in Table 2. As shown in Table 2 the difference of R^2 of endogenous constructs by partially the market variable is less than 10% [21] [6] indicating that common method bias is not significant in the study.

Table 2: Partial correlation method: Compare R^2

Construct	Without Marker Variable	With Marker Variable
Ascription Responsibility	0.262	0.264
Personal Norm	0.469	0.471
Collaborative consumption participation Intention	0.192	0.274

The multivariate normality test was examined using WebPower online tool to determine Mardia's multivariate skewness and kurtosis. The p-value of Mardia's multivariate skewness and kurtosis coefficients were less than 0.05, indicating the data was multivariate non-normality.

Analysis method of Structural equation modelling-partial least squares estimation [9] was applied to analyse the data in the study. The analysis was carried out using SmartPLS version 3.3.9 software. The analysis of SEM-PLS comprises the measurement model on convergent validity analysis including factor loadings, average variance extracted (AVE), and composite reliability (CR).

Data Analysis

The measurement model on convergent validity analysis including factor loadings, average variance extracted (AVE), and composite reliability (CR) are presented in Table 3.

Table 3: Measurement model

Construct	Item	Loading	CR	AVE
Awareness Consequence (AC)	AC1	0.775	0.881	0.711
	AC2	0.875		
	AC3	0.876		
Awareness of Collaborative Consumption (ACC)	ACC1	0.701	0.877	0.641
	ACC2	0.832		
	ACC3	0.843		
	ACC4	0.818		
Ascription Responsibility (AR)	AR1	0.816	0.843	0.729
	AR2	0.891		
Personal Norm (PN)	PN1	0.862	0.856	0.749
	PN2	0.869		
Collaborative Consumption Intention (CCI)	CCI1	0.917	0.928	0.811
	CCI2	0.927		
	CCI3	0.857		

All factor loadings of the constructs were more than 0.708, AVE values exceed 0.5 and CR greater than 0.7, indicating the measure items of the constructs are reliable and valid. Thus, convergent validity was confirmed.

Discriminant validity test was tested using the heterotrait-monotrait ratio (HTMT) criterion [12]. The values of HTMT were less than 0.85 as shown in Table 4, indicating discriminant validity was confirmed.

Table 4: Heterotrait-monotrait ratio (HTMT)

Construct	AR	AC	ACC	CCI	PN
Ascription Responsibility (AR)					
Awareness Consequence (AC)	0.605				
Awareness of Collaborative Consumption (ACC)	0.66	0.726			
Collaborative Consumption Intention (CCI)	0.341	0.361	0.511		
Personal Norm (PN)	0.658	0.722	0.884	0.416	

For the structural model, the hypotheses of the study were tested using a bootstrapping procedure with a resampling of 5000 sub-sample for t-value, p-value, and confidence interval. The path coefficients results are shown in Table 5.

Table 5: Hypothesis testing results

Hypothesis	Std beta	Std error	t-value	p-value	BCI LL	BCI UL	Decision	f ²	R ²
H1: Awareness Consequence -> Ascription Responsibility	0.235	0.050	4.733	0.000	0.153	0.315	Supported	0.049	0.262
H2: Awareness of CC -> Ascription Responsibility	0.337	0.045	7.525	0.000	0.261	0.411	Supported	0.100	
H3: Awareness Consequence -> Personal Norm	0.200	0.043	4.663	0.000	0.130	0.271	Supported	0.047	0.468
H4: Ascription Responsibility -> Personal Norm	0.118	0.036	3.280	0.001	0.060	0.176	Supported	0.019	
H5: Awareness of CC -> Personal Norm	0.478	0.045	10.645	0.000	0.408	0.556	Supported	0.255	
H6: Personal Norm -> CC Intention	0.062	0.045	1.366	0.047	-0.012	0.138	Supported	0.003	0.190
H7: Awareness of CC -> CC Intention	0.395	0.045	9.043	0.000	0.317	0.462	Supported	0.111	

The hypotheses testing results in Table 4 show that all hypotheses were found to be supported. As shown in Table 3, awareness consequence ($\beta = 0.235, p < 0.01$) and awareness of CC ($\beta = 0.337, p < 0.01$) were found statistically significant positive influence the ascription responsibility, respectively. The f^2 values of 0.049 and 0.100 indicated a small effect of awareness consequence and awareness of CC, respectively, on ascription responsibility. The R^2 value of 0.265 implied that 26.5% of the variation in ascription responsibility was explained by the awareness consequence and awareness of CC.

The analysis results indicated that awareness consequence ($\beta = 0.200, p < 0.01$), ascription responsibility ($\beta = 0.118, p < 0.01$) and awareness of CC ($\beta = 0.478, p < 0.01$) has a significant positive impact on personal norm, respectively. Furthermore, the f^2 values of 0.047 and 0.019 indicated a small effect of awareness consequence and ascription responsibility, respectively, on personal norm. The f^2 values of 0.225 indicated a medium effect of awareness of CC on personal norm. The R^2 value of 0.473 implied that 47.3% of the variation in personal norm was explained by the awareness consequence, ascription responsibility, and awareness of CC.

Personal norm ($\beta = 0.073, p < 0.05$) and awareness of CC ($\beta = 0.395, p < 0.01$) was found to be significant positively impacted the intention to participate in collaborative consumption, respectively. While CC trust ($\beta = -0.132, p < 0.01$) has a negative impact on collaborative consumption participation intention. The f^2 values of 0.004, 0.114 and 0.022 for personal norm indicated a low effect of personal norm, awareness of CC, and CC trust on collaborative consumption participation intention. The R^2 value of 0.287 implied that 28.7% of the variation in collaborative consumption participation intention was explained by the personal norm, awareness of CC, and CC trust.

PLS predict was assessed to measure the model's predictive power with 10 folds as suggested by [24]. Comparing the root mean square error (RMSE) values of PLS-SEM with the naïve LM benchmark is shown in Table 5. PLS Predict results showed that two of the seven PLS-SEM's RMSE values were lower than LM's RMSE values, indicating a medium out-of-model predictive power as [24] recommended.

Table 6: PLSpredict assessment

Variable	PLS-SEM		LM	PLS-SEM - LM
	Q ² _predict	RMSE	RMSE	RMSE
AR1	0.141	0.68	0.661	0.019
AR2	0.226	0.71	0.715	-0.005
BI1	0.189	1.03	1.033	-0.003
BI2	0.174	1.057	1.065	-0.008
BI3	0.117	1.163	1.163	0.000
PN1	0.336	0.547	0.542	0.005
PN2	0.344	0.571	0.573	-0.002

Sharing economy consumption concept was investigate in this study using NAM framework. The significant of all hypotheses in the study was supported indicating the pro-social behaviour was affected by consumers' altruistic and awareness towards environment responsibilities.

The findings on the significant influence of awareness of consequences and awareness of CC on ascription responsibility is inline with [14]. Furthermore, awareness of consequences, awareness of CC and ascription responsibility also found to have significant effect on personal norm which consistent with [14], [10] and [27].

The findings revealed that awareness and responsibility of collaborative consumption have significant effect on personal norm, which is inline with [14] and [10]. This indicates that consumers' cognitive appraisal of potential consequences and accountability has significant influence on their pro-environmental behaviour.

Furthermore, the findings showed a positive significant of personal norm and awareness of CC on collaborative consumption participation, indicating that collaborative consumption participation intention is due to a perceived obligation towards the societal and ecological surroundings. This aligns findings by [14]. Awareness on the advantages of collaborative consumption leading consumers have moral responsibility to be consume collaboratively that can effectively distribute resources.

CONCLUSION

This study found that there is a positive significant of personal norm and awareness of collaborative consumption on collaborative consumption participation. This indicates that collaborative consumption participation intention is due to a perceived obligation towards the societal and ecological surroundings. This support the statement that personal norms play important part in consumption and there is awareness of collaborative consumption found to have an impact on personal norm. Awareness on the advantages of collaborative consumption leading consumers have moral responsibility to be consume collaboratively that can effectively distribute resources. As a conclusion, personal norm and awareness affects the collaborative consumption in the sharing economy.

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