Nowoczesne Systemy Zarządzania

BUILDING TRUST IN THE SHARING ECONOMY ON SOCIAL PLATFORMS

BUDOWANIE ZAUFANIA W GOSPODARCE WSPÓŁDZIELENIA NA PLATFORMACH SPOŁECZNYCH

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Abstract: An inventive emerging economic model is currently conquering the worlds market: The sharing economy. It follows the idea of using resources more efficiently by sharing, lending and exchanging economic goods temporarily among strangers and thus it is on the point of changing the consumer behavior towards "sharing instead of owning". The objective of this paper is to find out which mechanism build trust in sharing platforms. The empirical research has been conducted to examine which mechanisms operate in practice.

Keywords: sharing economy, building trust, social platforms.

Streszczenie: Model gospodarki współdzielenia staje się coraz bardziej popularny na całym świecie. Jest to związane z bardziej efektywnym wykorzystaniem zasobów poprzez dzielenie się, pożyczanie i wymianę dóbr ekonomicznych wśród nieznanych osób, a tym samym jest w punkcie zmiany zachowań konsumentów w kierunku „dzielenia zamiast posiadania". Celem niniejszego artykułu jest próba określenia, jakie mechanizmy budowania zaufania występują na platformach oferujących usługi współdzielenia. Badania empiryczne zostały przeprowadzone w celu zbadania mechanizmów, które funkcjonują.

Słowa kluczowe: ekonomia współdzielenia, budowanie zaufania, platformy społeczne.

Introduction

The recent rise of the sharing economy is strongly connected to the spread of the world wide web which enables anonymous transaction partners to connect and interact with each other. However, the interaction between strangers raises concerns about the trustworthiness of the relevant other. To ensure a smooth and uncomplicated transaction between the entities certain mechanisms for creating trust have been introduced. That is why this paper firstly aims to detect mechanisms that create trust between the involved parties and secondly to find out in how far these methods increase the level of trust. This leads to the following research question: Which mechanisms are the most effective in increasing the level of trust in sharing transactions?

Two main hypothesis derive from that are the following:

1. The first hypothesis is that feedbacks and reviews on previous performances of the transaction partner are the most effective tools for building trust peer to peer.
2. The second one is that mechanisms which reduce the level of risk and uncertainty of the transaction are key for the platforms to be recognized as being trustworthy.

The paper is structured as follows: first the methodology will be presented, followed by the literature review on mechanisms that build trust on sharing platform, finally the empirical research results will be presented. Next discussion of findings is elaborated. The paper ends with conclusions.

1. Methodology

This paper is based on a self-generated empirical research. In this case, the most appropriate method to gain useful information was to conduct a survey. That is why a web-based survey has been run in the period of the 07.06.2016 until the 10.06.2016. Pre-tests have been implemented with 5 testers which were asked to critically scrutinize the survey and to add their critics. Their recommendations have been taken into account and helped to improve the quality of it. The survey was run on the web-based platform "soscisurvey.de" and was drafted in English language only. For the reason that the main participants were expected to be non-native speakers the survey contained easy composed questions in basic English. Due to the fact that young adults were the main target group it has been posted especially on social media web pages (particularly Facebook), via personal messages and via e-mail.

2. Mechanisms to create Trust Peer-to-Peer

Mechanisms which create trust between the peers should be understood as functions which build trust between the users of sharing offers as well as the ones who share their community goods (providers). Most often these mechanisms take place on company platforms but nevertheless they only take the immediate interaction of the peers into account.

Before getting into any kind of relationship with another person, humans are curious to have as many information about the opposite as possible. The more information people are able to gain, the more likely they can predict the possible behavior of the relevant other. That is why in the anonymous world wide web it is important to create reliable mechanisms which enable the users to get information about the trustworthiness and reliability of possible transaction partners. Various ways how this can be done will be depicted in the following.

Thierer et al. (2015) spot the communication between the users as a reliable trust-creating mechanism. Both, communication via the platform respec-

tively via digital medias and face-to-face meetings are able to increase the trust in the relevant other. Thus, people interact with each other which creates (weak) ties between them. Especially face-to-face meetings have a great influence on building trust because the anonymous opposite becomes a real person. For instance, when somebody is about to return a borrowed good he still wants to be able to look the other person in the eyes. That's why he treats the good more responsibly. *Thierer et al.* detected that face-to-face meetings can lead to fewer damage claims and significantly higher satisfaction rates of users and providers (Thierer et al., 2015, p. 36).

A further possibility to create trust is to set up a clear and trustworthy profile which implicates that a real person is behind it. As already mentioned, the more information a user is able to get the better he can judge the trustworthiness of the opposite. Trust increasing components can be information about one's job, one's residence, online activity and common friends (Finley, 2013, p. 20). Furthermore, *Dambrine et al.* state that a connection to social media accounts e.g. Facebook can be helpful to ensure that one is not dealing with a fake profile. However, the users can get an insight about the life and behavior of the person which in the authors opinion raise privacy concerns. That's the reason why they claim that e.g. only common interest should be displayed but not a link to the whole social media profile (Dambrine et al., 2015, p. 7f).

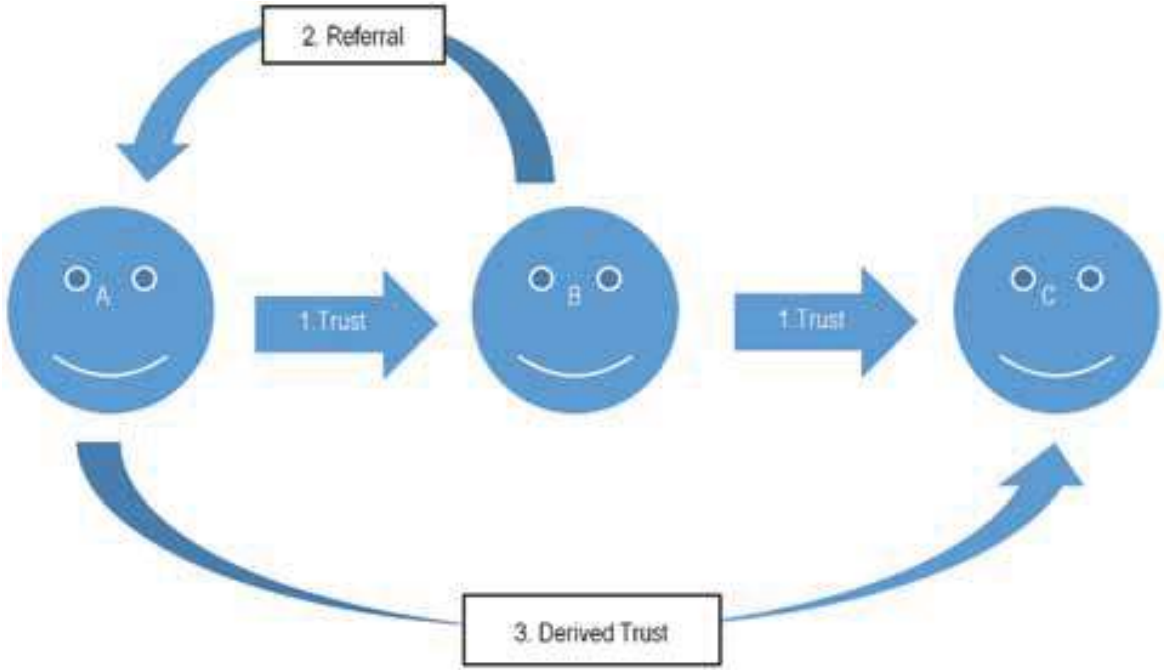
Thierer et al. agrees that any information about a person's identity increases faith. They add that not only a proper profile picture increases trust but also numerous high quality pictures of the offered service / good. The more adequate pictures exist the better users are able to form their opinion about the offer. Airbnb for instance noticed this and sends professional photographers to make appropriate pictures of the flats. Further the authors detected that if information is verified by the intermediaries (e.g. verified ID's, credit cards) this influences the trust building process highly positive (Thierer et al., 2015, p. 37).

Dambrine et al. detected that reputation mechanisms are the most convenient way of establishing trust in the sharing economy. According to their research, 75% of interviewees report that they consider reviews as the most trust-creating mechanism. Thus, the authors conclude that reviews have become the most convenient and reliable way of evaluating goods, services as well as even people (Dambrine et al., 2015, p. 3f).

To be able to understand the functionality of these trust-systems it is important to consider the trust transitivity model. It describes how trust can be derived from the experience of others and is displayed in illustration 3: A trusts B and B trusts C. B refers C to A as being trustworthy. As a result, A also trusts C (cp. Jøsang et al., 2007, p. 7).

Particularly, in peer-to-peer business models feedback and reputation systems play the most important role to enable a reliable and efficient transaction between anonymous peers. After the transaction ended the involved parties are asked to provide a feedback on the quality of the process. These feedbacks vary amongst

different platforms: Some platforms use a simple 5 stars rating system, others rely on full text reviews or even a combination of both (Thierer et al., 2015, p. 34f). The sense behind these concepts is always the same: Fraudulent behavior is supposed to be punished and reliable users shall be rewarded for their impeccable behavior (Finley, 2013, p. 18f). By doing so, reliable users are able to build up a solid reputation which creates trust in them whereas treacherous actors will be involved in fewer transactions due to their bad reputation. *Jøsang et al.* name this mechanism *"collaborative sanctioning"* because a negative review "sanctions" a bad performance or behavior of the relevant other user.



Drawing 1: The Trust transitivity model
Source: Own development, cp. Jøsang et al., 2007, p. 7

To sum it up, trust between the peers can be increased mainly through the use of reliable reputation and trust models which is able to penalize opportunistic behavior and to reward impeccable manners. But also any kind of information about the user or even direct communication is a strong cue for building trust among each party. Especially, verified information about the user's identity influence the trust-building process highly positive.

3. Establishing Trust in the centralized Platforms

In contrast to the previous part of the paper where mechanisms have been introduced which are supposed to create trust immediately between the users, this part will concentrate on how intermediary companies can build trust in their centralized platforms. These platforms are online intermediaries which try to match the economic interests of internet-users "by collecting, processing, and disseminating

information" (Pavlou and Gefen, 2004, p. 44). Further, *Pavlou and Gefen* claim that the main role of these intermediaries is to create trust to reduce the uncertainty in the anonymous world wide web. They advise to introduce regulations and guidelines which are supposed to keep actors away from behaving opportunistically (Pavlou and Gefen, 2004, p. 44f).

To clarify that platforms can indirectly increase the convenience of an interaction between users *Pavlou and Gefen* took for instance a money-back guarantee in case goods get stolen or lost. This guarantee does not increase the trust-level immediately of any of the two actors but still it adds security and comfort to the transaction. As a result, it is not only more convenient and easier for the users but it is also beneficial for the intermediary (Pavlou and Gefen, 2004, p. 45). Thierer et al. detected two favorable factors for the third-party. The first beneficial reason is that the reputation of the institution rose because the intention to protect the consumer becomes obvious. Secondly the transactions costs will decrease – and in the same time the amount of transactions will increase – due to the lower risk (Thierer et al., 2015, p. 28f). Moreover, *Hoffman et al.* found out that the guarantee adds value to the consuming experience which makes the customer willing to pay more for it. In contrast to these advantages, the third-party has to bear all the costs for providing the guarantee (Hoffman et al., 2009, p. 15).

Similarly, these platforms also have the possibility to offer insurances for reducing the risk-level. Especially in the sharing economy this can be a valuable added service. People often fear that their good could be damaged when they share it with others. According to *Thierer et al.* the car-sharing platform RelayRides recognized this potential and provided all car owners with a liability insurance (Thierer et al., 2015, p. 29). It results in similar effects than providing a guarantee. Risks for the vehicle providers have decreased and the brand has gained a more positive brand image. However, also in this case the third-party has to cover the full costs.

In reference to *Corritore et al.*, an attractive and well-created interface is also able to create trustworthiness. With respect to that, it is not only important that the platform looks appealing but additionally it should be functional and easy to access. Further, they state that the whole consuming experience which includes the entire entrepreneurial activities is able to influence the trust of the user in the website. A professional online appearance can eventually spill over to the reputation of the brand. In general, the more professional a platform appears the more likely people are to trust it (Corritore et al., 2003, p. 746f).

Another cue that is able to create trust is the information content itself as well as transparency about data. The intermediary should provide content which is suited to match the interests of the target audience (Corritore et al., 2002, p. 747). Wang et al. claim that the company should be transparent about what the user data are used for and try to provide them with the control over their personal information. This self-determination will motivate the users to more freely supply their information to the market. As a consequence, this creates faith

in the platform due to the fact that users are able to protect their personal data individually (Wang et al., 2014, p. 5).

A further topic which raises trust concerns is the payment method. In this respect, *Dakhila et al.* state that payment methods never been as trustworthy and secure as nowadays. Most companies do not use their own payment systems they rely on third-parties which transact the money. A common provider of such service is the Ebay-subsidiary Pay-Pal. By using these well-known and trusted payment services users feel more secured about the money transaction which reduces uncertainty and risk (Dakhlia et al., 2016). This handling of the money transaction process has even other positive aspects: If the money is transacted by the intermediary respectively a third party the user does not have to fear not to be paid by the relevant other. In case of a payment-refusals the institution will notice it and ensure that the money will be paid (Thierer et al., 2015, p. 31).

Another important way how the intermediary can increase the trust in its platform is to screen and monitor the involved parties. The companies have to make sure that the security of the transaction is given by detecting and punishing opportunistic behavior. If the platform is able to prevent treacherous users from the transaction process this reduces the risk-level and as a result increases the trust in the platform (Wang et al., 2014, p. 5). *Pavlou and Gefen* add that the intermediary should publish guidelines which implicate how to behave appropriate in a transaction and elaborated four advices for reducing the risk-level:

- Create a safe and solid environment.
- Introduce clear and appropriate rules for everybody.
- Screen and assess actors.
- Stimulate benevolent behavior.

As a result, the users recognizes that the intermediary is very engaged in enabling a smooth process. Thus, this increases the likelihood of a fair outcome (Pavlou and Gefen, 2004, p. 44).

Thierer et al. suggest to do a prior checking of the participants to ensure a frictionless transaction. Instancing, the car-sharing platform RelayRides does not only verify identities they also undertake criminal as well as driving background checks. These checks will exclude drivers who have a criminal background (e.g. violent crimes, drug-related) respectively the ones with particular moving violations (e.g. reckless driving, driving under drug influence). Further possibilities to ensure the safety of the rides are e.g. to check if drivers own a valid driver's license and insurances which match the state requirements. Additionally, the intermediaries could approve their participants to ensure the quality of the service. This can be done e.g. by an approval of driving skills (car-sharing-platforms) or by giving incentives to improve specific skills which a favorable for the transaction (Thierer et al., 2015, p. 30).

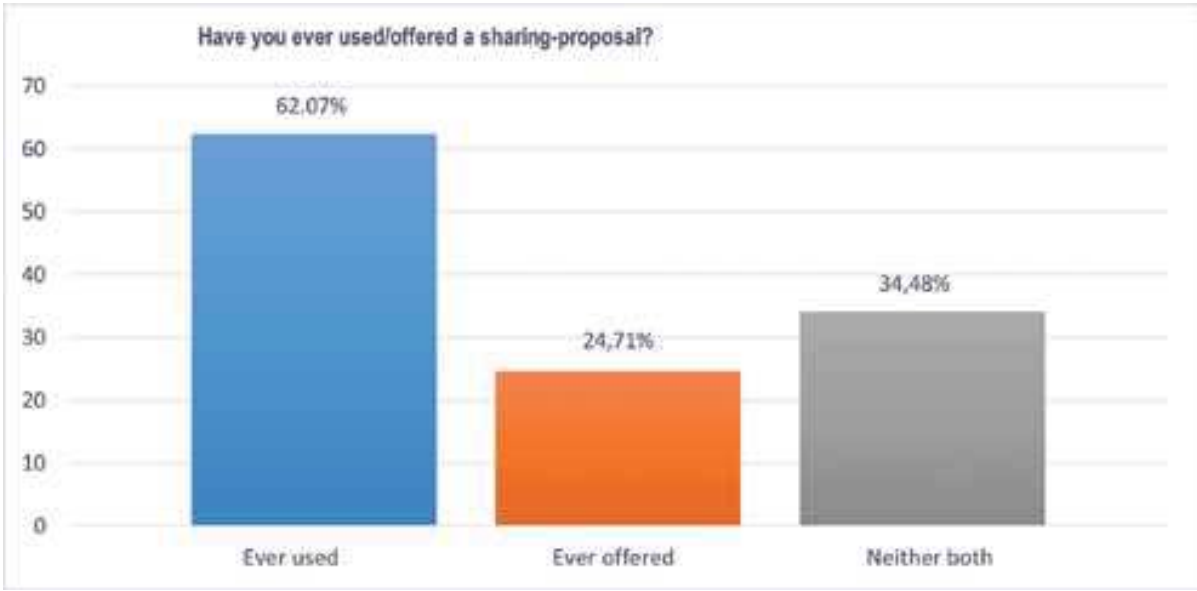
Branding is also able to build trust on online platforms. According to *Finley*, the branding of an intermediary can represent the "face-to-face relationship"

because if they succeed to create a positive brand image people are more likely to trust (Finley, 2013, p. 22). *Wang et al.* add that the more prestigious a brand is the more people are determined to trust in it (Wang et al., 2014, p. 6).

To put it in a nutshell, it became obvious to see that there are many mechanisms for intermediary platforms to build trust or at least to reduce the level of uncertainty and risk. Some of them may be cost-intensive but nevertheless it is often worth to take the costs when considering the positive aspects. Firstly, it leads to an increased level of trust and as a result to a higher number of transactions. Secondly, this higher amount of transactions conduces to more revenues.

4. Concerns about Sharing – offers

A huge difference can be seen in the amount of people that already used sharing offers and the amount of people who already offered goods themselves. As exemplified in drawing 2, 62,07% respondents state that they already used sharing-offers whereas only 24,71% offered sharing-proposals. In total even 34,48% neither did one of both.



Drawing 2: Have you ever used / shared a sharing-proposal?
Source: Own development

It can be stated that the respondents who have never used one of both are not mainly concerned about dealing with stranger, rather they did not rethink their behavior or do not want to change it. This assumption results from the findings that 44,83% of those respondents prefer traditional ways of using these services and 41,38% just have never thought about participating in the sharing economy. Additionally, 39,66% of them stated to prefer owning things over sharing them with others. Concerns about dealing with strangers only prevented 24,14% respondents from participating. This emphasizes that the development in the society towards

sharing instead of owning is still in progress and by far not completed. Further, it represents that the main barriers are not necessary in the nature of trust but more in the nature of convenience and deeply anchored habits.

Next to these reasons that are responsible for the significant gap between how many respondents already used sharing-offers and how many shared a good themselves, the survey can also give an answer to explain the difference. As visible in table 1 people seem to have significantly higher concerns about offering their good than using a sharing-offer. This is especially displayed in the difference between the total average ratings. Comparing the average values displayed in table 1 it becomes obvious that sharing own commodities raise much more trust concerns than using goods of others. These findings are based on the fact that the respondents reveal their concerns about using a sharing offer in average with only 5,2 of 10 rating points whereas they expressed their worries about offering sharing-proposals themselves with 6,26 of 10 rating points.

Table 1. Concerns about sharing-offers

	Concerns when using sharing-offer	**Ø**	**Concerns when offering sharing-proposals**	Ø
1.	I cannot judge how trustworthy the other person is	6,18	I am afraid of damages on my property	6.96
2.	I cannot judge the quality of the good / service in advance	5,38	I don't know the person who is renting my good	6.95
3.	I have concerns about the security of the good / service	5,31	I don't know how my good is treated by the other person	6.91
4.	I am afraid I have to pay for an already damaged good	4,88	I am afraid my goods get stolen	6
5.	I don't want to rely on others	4,86	Unclear who has to pay for damages	5,54
6.	I am afraid to get robbed	4,56	I am afraid not to get paid	5.22
Total Ø		5,2		6,26

Source: Own development

However, in both questions, when using or offering, the main concerns are about the problem that the other person is unknown and that their trustworthiness is hard to judge in advance. According to the research question which dealt with the concerns of using sharing offers, "hard-factors" like quality, service, security and money are not as important as the uncertainty about the other person. This interpretation is based on the facts that the other items are rated in a range of 5,38 to 4,56 which is relatively low.

When the participants were asked to express their concerns about sharing a good themselves they did not only worry about the anonymous transaction partner, they also worried at the same time about the treatment of their goods. The fact that people have no control over what happens with their commodities combined with not being able to judge the trustworthiness of the relevant other person raises people's concerns about sharing their own goods. These findings explain why so many respondents already used a sharing offer and so many less shared an own belonging by themselves.

As a result, it became obvious which factors prevent people from participating in the sharing economy and particularly which factors concern them the most when considering to use or offer a sharing-proposal. As a consequence, the next step will be to analyze how trust can be increased between the entities and how effective these mechanisms are.

5. The Effectiveness of Trust-creating Mechanisms

To assess which factors are the most important and most effective to create trust between the entities of the sharing economy the respondents were asked to rate to which extent pre-selected mechanisms are able to create trust, firstly among users and secondly in the intermediary platform itself. These given mechanisms have been elaborated and similar to the previous question the respondents were asked to judge the effectiveness of the mechanisms on a scale from 1 (not at all) to 10 (extremely much). To explore which mechanisms are the most important for building trust in the sharing economy the mechanisms were divided into two different questions. The first one aims to investigate the mechanisms which create trust among the users and the results are displayed in table 3. The second one examines the factors which may increase the level of trust in the intermediary platform. The results of this question are presented in table 4.

5.1. Creating Trust Peer-to-Peer

Mechanisms which create trust between peers should be understood as functions which build trust between the users of sharing offers as well as the ones who share their community goods. As clearly visible in table 2 there are various mechanisms. However, with an average score of 8,39 rating points reviews and feedbacks of other users about person, goods and services are the most helpful tools to increase the trust between the peers. Users can express their opinion about their transaction and evaluate the behavior and quality of the experienced performance. As a result, other users are enabled to read the reviews and to derive their own opinion about the trustworthiness of the evaluated anonymous person.

Similarly, the rating scale indicates a numerous value of trustworthiness. The higher the value of the rating scale the more likely people are willing to trust

the relevant other. The disadvantage of rating scales in comparison to reviews and feedbacks is that they do not exactly depict which special part of the performance was evaluated and as a consequence the trustworthiness is harder to judge. For example, if the rating is 4 out of 5 points the user is not able to exactly know which factors prevent the performance from being perfect. Whereas in feedbacks and reviews other users can describe detailed how every single part has been performed. Finally, that is the reason why feedbacks and reviews (8,39) are rated even higher by the respondents than the rating-scale (7,90).

Table 2. Mechanisms that create trust among users

	Mechanisms to increase trust among users	**Ø Rating**
1.	reviews and feedbacks of other users about person, goods and services	8,39
2.	direct communication (face-to-face meetings)	8,21
3.	rating-scale which displays the reputation of the user	7,90
4.	verified personal information (verified ID, verified credit card)	7,67
5.	a lot of different pictures of the good	7,10
6.	high quality photos which display the goods (e.g. of the flat, car)	7,01
7.	existence of common friends (e.g. on facebook or on the platform itself)	6,79
8.	communication via digital media (phone talks, e-mails, chats)	6.20
9.	availability of a clear profile picture	6,08
10.	information about his / her job	5.89
11.	link to the person's social media accounts (e.g. Facebook, Twitter, ...)	5,56
12.	existence of common interests	4,24
Total Ø		6,75

Source: Own development

According to the research results the second most important mechanism of building trust between peers are face-to-face meetings (8,21). In comparison to digital communication (6,20) face-to-face meetings are rated significantly higher. This derives from the fact that during face-to-face meetings people cannot only communicate but also judge the outer appearance as well as gesture and counte-

nance of the relevant other. But these are not the only reasons. Another positive aspect is that the anonymous stranger that you meet becomes a real person and an interpersonal connection automatically emerges. As a result, users feel more responsible to treat the borrowed commodity in a good way. The importance of this effect can be emphasized when remembering that the respondents stated that their biggest concerns are about how their goods are treated.

In relation to the survey with a score of 7,67 also the verification of personal information is an appropriate mechanism of creating trust among the users. This results from the fact that it reduces the risk of dealing with a fake profile. Similarly, but lower rated than the verification of personal information is the existence of common friends (6,79) which also helps to decrease the likelihood of dealing with a fake-profile.

The existence of many different pictures (7,10) as well as a high quality of those (7,01) mainly tackle the problem of the information asymmetry. The availability of those photos enables the user to judge whether the offered good satisfies his claims and additionally reduces the risk of booking an unwanted commodity.

Following the results of the survey, information that the user creates himself, e.g. the profile picture (6,08), information about his / her job (5,89), the social media profile (5,56) and common interest (4,24) seem to have the lowest impact on the creation of trust of the pre-chosen items. This results from the fact that these data are easy to fake by the users and due to this fact not that effective for building trust in the relevant other.

5.2. Creating Trust in the intermediary Platform

As visualized in table 4 there are many possibilities to create trust in the intermediary platform. In reference to the rating results, nearly all listed mechanisms seem to have significantly positive effect on creating trust. This can be interpreted that every effort undertaken by the platforms to increase the level of trust is appreciated by the users. In this case the most important trust-mechanisms are related to reduce the risk and uncertainty of the transaction.

According to the survey results, the best way to create trust in the intermediary platform is to introduce an insurance in case goods get damaged by another user (8,04). Similar and also high rated, the participants state that a money-back guarantee in case of a good gets stolen (7,98) strongly increases the trust in the platform. These results are very applicable to the findings in the previous part (5.1) because as already detected the main concerns of the providers are about their property.

In Addition, the research revealed that a well created customer service which helps in case of troubles (7,97) is the third most appropriate tool to increase the trust in the intermediary platform. By introducing a good customer service users feel more secure and additionally they got the feeling that the platform really cares about them.

Table 3. Mechanisms that create trust in the intermediary platforms

	Mechanisms that create trust in the intermediary platform	Ø Rating
1..	an insurance in case goods get damaged	8,04
2.	a money-back guarantee in case of stolen goods	7,98
3.	a well created customer-service which helps you in case of troubles	7,97
4.	transparency about what happens with personal data	7,36
5.	approved quality of the service by an independent institution (TüV, Stiftung Warentest)	7,33
6.	clear guidelines of behavior for everyone	7,04
7.	checking the validity of driver licenses	7.03
8.	a very easy to handle application	6,61
9.	possibility of an electronic payment-method	6,37
10.	a well-designed media appearance	6,30
Total Ø		7,20

Source: Own development

The participants also appreciate if the platform reveals what is going to happen with their personal data (7,36). This derives from the fact that in the modern world and especially in the world wide web, it becomes more and more important to protect personal data. That's why people want to know what happens with their data to avoid that they may be misused by a third party or that private details become revealed.

Another possibility to increase the level of trust in the platform is to let the quality be approved by an independent institution (7,33). If a trustworthy institution (e.g. a governmental institution) confirms a proper performance of the platform users is more likely to build trust in it. This results from the circumstance that the independent institution has no intention to fake its assessment of the platform due to the fact that they would have no own benefit of it. As a result, the evaluation of the institution echoes the real performance of the platform which is an appropriate measurement to judge its trustworthiness.

In addition, actions which aim to facilitate a smooth transaction (e.g. clear guidelines of behavior for everyone (7,04) or checking the validity of driver licenses (7,03) increase the level of trust in a certain way. These mechanisms also aim to prevent users from acting fraudulent and increase the quality of the transactions.

A very easy to handle application (6,61), a well-designed media appearance (6,30) and surprisingly also the possibility of an electronic payment method (6,37) are with reference to the survey apparently the factors which create the lowest surplus of trust in the intermediary platform.

As a result, it can be stated that the most effective mechanisms to establish trust in the centralized platforms are connected to reduce the risk of the transaction and protect the users of inconveniences. That is why the platforms need to build an image of a responsible company that cares about the sorrows of its users. In reference to the survey, guarantees, insurances and a well-created customer service are the most appropriate tools for it.

6. Discussion of findings

The literature review has proven that not only economic advantages but also ecological and social aspects make people participating in the sharing economy. According to *Walsh (2011)*, a change in the consumer behavior towards "sharing instead of owning" is in progress and *Scholl (2012)* stated that status symbols significantly lose importance. The survey results reveal in contrast to Scholl's findings that many people still prefer owning over sharing. Further, a significant amount of respondents feels more comfortable when using traditional offers. These findings in combination with the fact that one third of the sample has never participated in any sharing transaction indicates that it is still a long way to a "sharing-society".

According to the survey, the respondents were not only worried about the anonymity of the stranger but also very much about possible damages on their property. These findings emphasize the urgent need for implementing mechanisms which create trust among the participants and particularly prevent users from acting fraudulently.

Similar to the findings of *Dambrine et al. (2015), Thierer et al. (2015)* and *Jøsang et al. (2007)*, the survey revealed that reviews and feedbacks as well as the existence of rating scales are the most effective mechanisms in creating trust peer-to-peer. However, in combination they can enable the most reliable judgement about the trustworthiness of the relevant other. Additionally, these reputation systems give incentives to behave in a proper way due to the fact that the user will sanction fraudulent behavior by giving a negative feedback.

Comparable to the findings of *Thierer et al. (2015)*, face-to-face meetings have great influence in creating trust among users. This results from the fact that users can not only communicate with each other but also judge the gesture, countenance and outer appearance of the relevant other. Additionally, an interpersonal connection emerges which lowers the probability of fraudulent behavior.

Other appropriate mechanisms, are any verified information about the user (e.g. verified ID, verified credit card). Similar to the findings of *Thierer et al. (2015)*

these verifications lower the level of uncertainty that is connected to the concern of dealing with a fake-profile.

In contrast to the findings of *Dambrine et al. (2015)*, information about his / her job, a link to the person's social media accounts (e.g. Facebook, Twitter, ...) and the existence of common interests do only increase the level of trust marginally. In general, it can be stated that these user generated information are not really reliable due to the fact that they are easy to fake. Nevertheless, any kind of information that exist about the other person is helpful to judge the trustworthiness and especially the combination of the different mechanisms can lead to a reliable judgement.

Conclusions

In the theoretical framework it became obvious that the sharing economy is basically nothing new. Nevertheless, it has reached new dimensions through the new technologies and especially the spread of the world wide web. Further the literature review has proven that not only economic advantages but also ecological and social aspects make people participating in the sharing economy. Especially the ability of using resources more efficiently and its target of "sharing instead of owning" are promising in terms of making the world a better place. Nevertheless, the empirical research revealed that it is still a long way to a "sharing society".

Further, the study of the literature on the role of trust in the sharing economy has shown that creating trust among the entities is the main key for an efficient procedure of sharing transactions. Equally to the research results of *Campbell Mithun (2012)*, the empirical research revealed that the respondents were not only worried about the anonymity of the stranger but also very much about possible damages on their property. These findings emphasized the urgent need for mechanisms which especially create trust among the participants and particularly prevent users from acting fraudulently.

Finally, the results of the empirical research confirmed the first hypothesis which, equally to the findings of *Dambrine et al. (2015), Thierer et al. (2015)* and *Jøsang et al. (2007)*, revealed that reviews and feedbacks (8,39) as well as the existence of rating scales (7,90) are the most effective mechanisms in creating trust peer-to-peer. Especially, in combination they can enable the most reliable judgement about the trustworthiness of the relevant other and help to avoid misbehavior. Additionally, the survey detected that, comparable to the findings of *Thierer et al. (2015)*, a personal interaction through face-to-face meetings has great influence in creating trust among users. It enables the users to communicate with each other and to judge the gesture, countenance and outer appearance of the relevant other. Thereby, an interpersonal connection emerges which is able to lower the probability of fraudulent behavior.

A clear difference between information that have been given by a third party and information which have been generated by the users themselves has become

visible. User-generated information has been evaluated as mechanisms which build trust only marginally due to the fact that they are easy to fake whereas information that stems from a third party increases the level of trust strongly. Nevertheless, it can be generalized that any kind of available information, especially in combination with each other, is able to create trust in the other person.

To put it in a nutshell, especially information which are provided by a third party are very effective mechanisms in creating trust peer-to-peer whereas user-generated information increases the level of trust only marginally. To build trust in the platforms themselves it is necessary to reduce the level of risk and uncertainty in sharing transactions and to thoroughly care about the worries and sorrows of the customers.

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