To Share or Not to Share?
Social Distance as The Underlying Mechanism to Explain Sharing Behavior

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This project was made possible by the "Excellent Young Consumer Researcher Award" from the North Rhine-Westphalia Competence Centre of Consumer Research

Abstract

Sharing is a fundamental part of human behavior but still lacks empirical research. Field theory suggests social distance as one of the underlying mechanism affecting sharing behavior.

Using an experimental design, preliminary results show a decrease of sharing ratio as a function of social distance, resulting in a hyperbolic shape.

Theoretical Background

Consumer behavior is disrupting traditional business models by participating in the so-called sharing economy (Albinson & Perera 2012). Unfortunately, consumer researchers have yet to understand these forms of behavior (Belk 2010). This research **aim** to provide further evidence by **exploring sharing behavior focusing on the role of social distance**.

Social distance is defined as the extent to which the decision maker cares about another person (Strombach et al., 2014).

According to **field theory** (Lewin 1939) behavior is defined by the following formula:

Be= F [P,E].

Lewin additionally emphasized the importance of social distance for a situation where "the person is willing to share with the other" (Lewin 1948, p. 20). Consequently, we hypothesize **social distance as an underlying mechanism** for explaining sharing behavior.

Sharing Ratio reflects this connection by calculating the proportion of decisions where people share a good with others rather than keeping it for themselves to all potential decisions in a given setting.

As **environmental factor (E)** we focus on the involvement towards the good to be shared, while we examine materialism (Belk, 2010) as a **personal factor (P)**.

Based on recent economic literature, we hypothesize the following:

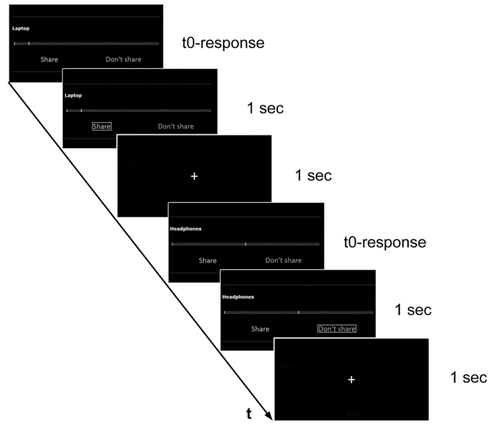
- **H1:** Sharing ratio decreases systematically with increasing social distances.
- **H2:** Sharing ratio is higher for low involvement goods over all social distances.
- **H3:** Sharing ratio is higher for low materialistic consumers over all social distances.

Materials and Methods

In order to explore sharing behavior, we developed an experiment based on computerized tasks by using established methods from the fields of psychology (Jones & Rachlin 2006, Strombach et al. 2013):

- Social distance is visualized by using a scale of **100 icons** (first colored icon on the left represents the participant).
- While social distance 1 represents a person to whom the participant **feels closest**, social distance 100 represents a person the participant **barely knows**.
- Participants had to make decisions for **seven social distances**: 1, 2, 5, 10, 20, 50 and 100 and nine different goods (total of 63 decisions).
- They were asked to imagine a real person for every social distance.

Figure 1: Example of the decision making experiment

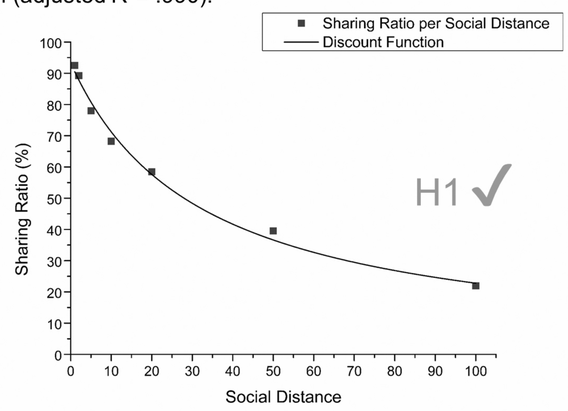


To test and adjust the measurement a pretest (N=24) was run. In the main study, 107 participants took part in a lab experiment (51,4 % males, μ = 26.64 years; σ = 6.528).

Results

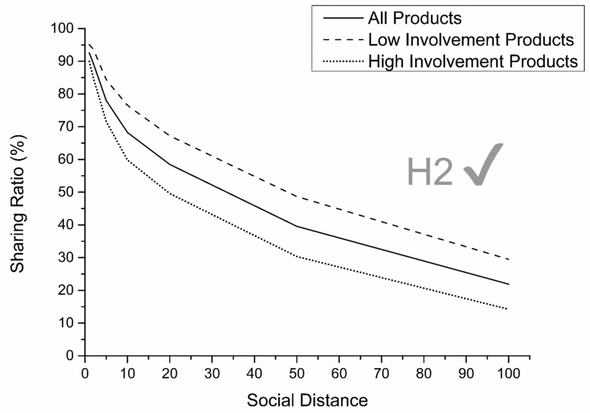
Regarding **H1**, a standard hyperbolic model was fitted to the sharing ratio of each measured distance (V= 93.272, SD_V= 1.862, k= .031, SD_k=.003). The hyperbolic model approximated the data very well (adjusted R^2= .990).

Figure 2: Fitting of the hyperbolic function for sharing ratio



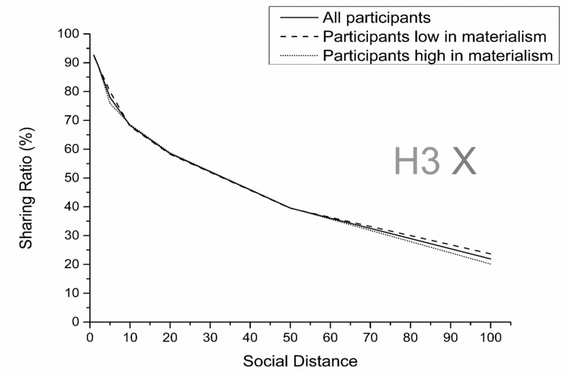
For **H2**, a median split was done to divide between low (M_l= 4.54, SD_l= .169) and high (M_h= 2.36, SD_h= 1.29) involvement. A paired T-Test showed significant differences between the sharing ratio for low and high involvement goods (t(106)= -3.830, p= .001).

Figure 3: Sharing ratio for all, low and high involvement goods



We tested **H3** by also dividing materialism into low (M_l=3.22, SD_l= .73) and high (M_h=5.35, SD_h=.65). Surprisingly, an independent sample t-test showed no significant differences (t(105)= .314, p=.754) between low and high materialism and the sharing ratio over all social distances.

Figure 4: Sharing ratio for all, low and high materialism



Conclusion

In the main study empirical evidence for two hypotheses was found, indicating:

- Sharing intention varies systematically in context with the perceived social distance.
- People are more willing to share goods with others if those goods provide a low level of involvement.
- Low and high materialistic people have similar sharing intentions across all social distances. Thus, the potential to motivate many consumers to provide access of goods to others is great insofar even high materialistic people are willing to share their belongings.

The present study deepens the understanding of key factors in consumer sharing behavior.

References (selected)

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