Owning or Sharing? How Feeling Financially Constrained Decreases Participation in Access-Based Services

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Introduction
Feeling financially constrained results from the belief that one’s desired consumption is restricted by one’s financial situation (Tully, Hershfield, & Meyvis, 2015). The current paper investigates how financial constraints influence a less traditional mode of consumption: access-based consumption (Bardhi & Eckhardt, 2012).

Feeling financially constrained is particular relevant in access-based services (ABS) contexts for two main reasons:

1. Few lower income consumers participate in ABS
2. By using ABS, low-income consumers can afford products/services otherwise too expensive and gain the most from sharing economy

Methods & Results

Study 1: Buying vs Sharing
(N=306; Prolific sample)

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<tr>
<th>Phase I</th>
<th>Phase II</th>
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<tbody>
<tr>
<td>Manipulation of feeling financially constrained</td>
<td>Evaluation of 15 products’ categories</td>
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<tr>
<td>Financial Constraints</td>
<td>Food Constraints</td>
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<tr>
<td>Rent</td>
<td>Buy</td>
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Financially constrained consumers (M=2.56, SD=1.47) prefer to rent more than food constrained consumers (M=2.05, SD=1.12; F(2,283)=4.089, p=.018)

Other products: NS difference between groups

Study 2: Likelihood of Using a Car-Sharing Service
(N=506; Prolific sample)

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<th>Phase I</th>
<th>Phase II</th>
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<tr>
<td>Manipulation of feeling financially constrained</td>
<td>Manipulation of salience of sharing services</td>
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<td>People with the highest income and most financial resources</td>
<td>People with the lowest income and least financial resources</td>
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<td>Likelihood of using a Car-Sharing Service</td>
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Significant two-way interaction of feeling financially constrained and salience of sharing service (F(1,500)=6.71; p=.010)

Less financially constrained consumers prefer using car sharing when the brand is less (M=4.29, SD=1.40) rather than more salient (M=3.90 SD = 1.62; F(1,500)=11.50, p=.001)

NS difference among financially constrained consumers

Discussion
Building on the previous literature, the current study argues that feeling financially constrained reduces consumers’ willingness to engage in ABS.

However,
The results of the experiments turned out to be either non-significant or conflicting with our hypothesis.

Key References


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