

# **Consumer experiences and views: Results from a Scottish Government survey on the collaborative economy**

Consumer, Competition and Regulatory Policy Unit, April 2017

## **Introduction**

Whilst there are a range of statistics available on the usage of the collaborative economy at a UK, EU & global level, there is limited data available for Scotland. In February 2017, the Scottish Government commissioned YouGov to find out more about Scottish consumers experiences and views about the collaborative economy<sup>1</sup>. The data collected was intended to provide context for the Scottish Expert Advisory Panel on the Collaborative Economy.

This briefing note provides a summary of the results on:

- Scottish consumers' experiences when using the collaborative economy;
- Satisfaction when using online platforms; and
- The reasons why many Scottish consumers are not using collaborative platforms.

Where possible, it also provides a comparison with results from other surveys on the use of the collaborative economy.

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<sup>1</sup> All figures, unless otherwise stated, are from YouGov plc. Total sample size was 1,007 adults. Fieldwork was undertaken between 28th February and 2nd March 2017. The survey was carried out online. The figures have been weighted and are representative of all Scottish adults (aged 18+).

## Scottish consumers' use of the collaborative economy

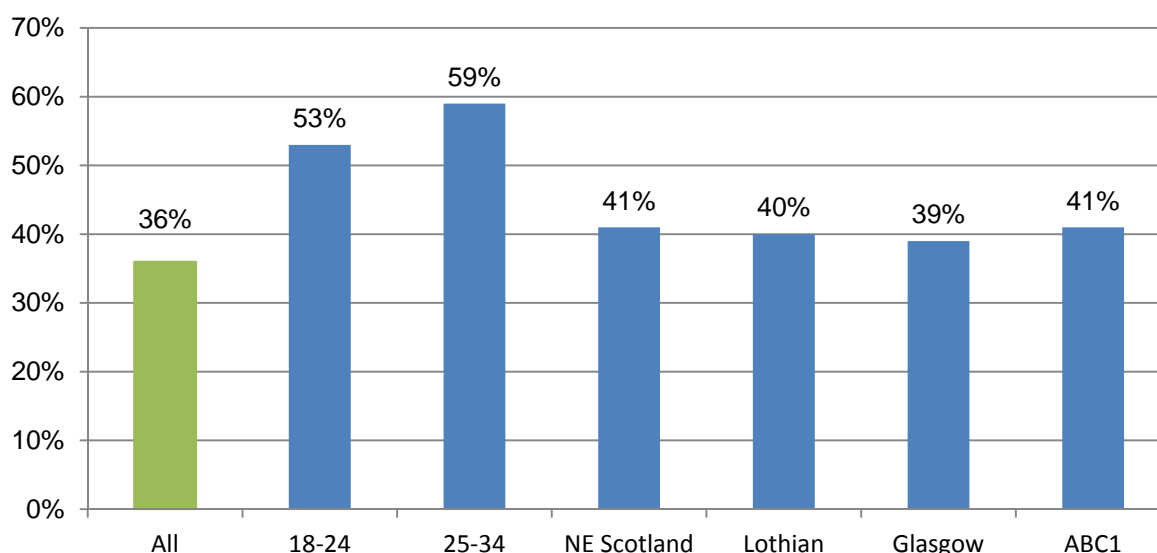
The Scottish Government survey asked consumers' experiences of the collaborative economy based on the following definition: "*The collaborative economy connects individuals or communities via online platforms, thereby enabling the sharing or provision of goods, services, assets and resources without the need for ownership. Essentially it is a form of sharing amongst users and providers, who are connected by an app or website, therefore creating an online marketplace. Prominent examples of this include Uber, Airbnb, Deliveroo, Hassle, Kickstarter and TaskRabbit.*"

The survey found that 35 per cent of Scottish adults had used a collaborative economy platform. Figure 1 highlights key statistics across a number of areas of potential interest.

- Usage was highest amongst younger adults, with over half of those aged between 18 and 34 having used a platform compared with just 20 per cent of those aged over 55.
- There was a degree of regional variation with usage highest in North East Scotland (41 per cent of adults), Lothian (40 per cent) and Glasgow (39 per cent).
- 41 per cent of adults in ABC1 social grade had used the collaborative economy compared with 31 per cent of those in C2DE.

### Figure 1: Collaborative economy use in Scotland

Question: VSC\_Q1a. Which, if any, of the following reasons have you used a 'collaborative economy' online platform (e.g. app, website, etc.) for? (Please select all that apply. If you have never used a 'collaborative economy' online platform, please select the 'Not applicable' option)  
Unweighted base: All Scottish adults online (1007)



This is similar to the findings from other surveys which suggest that awareness and use of the collaborative economy is growing. For example:

- A Nesta 2014 survey found that 25 per cent of the UK adult population are taking part in the online collaborative economy<sup>2</sup>.
- A report published by PwC in 2015 found that over half of US consumers were aware of the trend and one in five engaged in a collaborative economy transaction.<sup>3</sup>
- ING's July 2015 study found that around one third of European consumers have heard of the collaborative economy; Around 5% of European consumers have declared having participated in the collaborative economy in the past year.<sup>4</sup>
- A 2016 Eurobarometer opinion poll found that 52 per cent of EU citizens are aware of the services offered by the collaborative economy and 17 per cent have used such services at least once<sup>5</sup>.

The most common reasons for using collaborative economy platforms amongst Scottish users are (Figure 2):

- To purchase used/second hand goods online (e.g. ebay) (46 per cent of Scottish adults);
- To contribute to an online fundraising project (e.g. Kickstarter) (38 per cent);
- To receive same day/expedited delivery (e.g. Nimber) (24 per cent); and
- A ride-hailing app (e.g. Uber) (21 per cent).

**Figure 2: Reasons for using collaborative economy**

Question: VSC\_Q1a. Which, if any, of the following reasons have you used a 'collaborative economy' online platform (e.g. app, website, etc.) for? (Please select all that apply. If you have never used a 'collaborative economy' online platform, please select the 'Not applicable' option)

Unweighted base: All Scottish adults that have used a collaborative economy platform (359)

To purchase used/ second hand goods online	46%
To contribute to an online fundraising project	38%
To receive same day/ expedited delivery	24%
A "ride-hailing" app	21%
An online home sharing service	21%
To hire someone online for work/ to fix an error	6%
A "car club" service	5%
A shared office space service	3%
To rent clothing/ products	3%
Other	4%

<sup>2</sup> [https://www.nesta.org.uk/sites/default/files/making\\_sense\\_of\\_the\\_uk\\_collaborative\\_economy\\_14.pdf](https://www.nesta.org.uk/sites/default/files/making_sense_of_the_uk_collaborative_economy_14.pdf)

<sup>3</sup> <https://www.pwc.com/us/en/technology/publications/assets/pwc-consumer-intelligence-series-the-sharing-economy.pdf>

<sup>4</sup> <http://www.ing.com/Newsroom/All-news/European-sharing-economy-to-grow-by-a-third-in-the-next-12-months.htm>

<sup>5</sup> <http://ec.europa.eu/COMMFrontOffice/publicopinion/index.cfm/Survey/getSurveyDetail/instruments/FLASH/surveyKy/2112>

## Experiences of using collaborative economy

For those already using collaborative economy platforms, we are keen to understand more about their experiences.

We know that the collaborative economy brings significant benefits to the economy including lower prices, greater choice, the use of underused resources and better services; however, we wanted to find out more about what Scottish consumers felt were the benefits of using collaborative platforms.

Figure 3 shows that lower prices is the top benefit identified by Scottish users of collaborative platforms (30 per cent), closed followed by ability to make additional money (25 per cent), convenience (23 per cent) and using underused resources (23 per cent).

### Figure 3: Benefits of using collaborative platforms

Question: VSC\_Q5a. Still thinking about ALL of the 'collaborative economy' online platforms (e.g. app, website, etc.) that you currently use... Which, if any, of the following do you believe are benefits of using 'collaborative economy' online platforms? (Please select all that apply. If you think there are no benefits in particular, please select the 'Not applicable' option)

Unweighted base: All Scottish adults online (1007)

They are affordable/cheaper than alternatives	30%
They are simple to use/convenient	23%
They allow people/me to make the most of underused assets (e.g. property, possessions, etc.)	23%
They are environmentally friendly	12%
They provide a "community spirit"	13%
They are innovative	18%
They allow people/me to only make online payments (i.e. no 'cash-in-hand')	15%
They offer an extra source of income	25%
Other	1%
Don't know	23%
Not applicable - there are no benefits in particular	23%

We also asked Scottish consumers what they felt were the important features of the collaborative economy. Similar to other surveys of UK and US consumers<sup>6</sup>, saving money (23 per cent of Scottish adults) was the most cited feature (Figure 4).

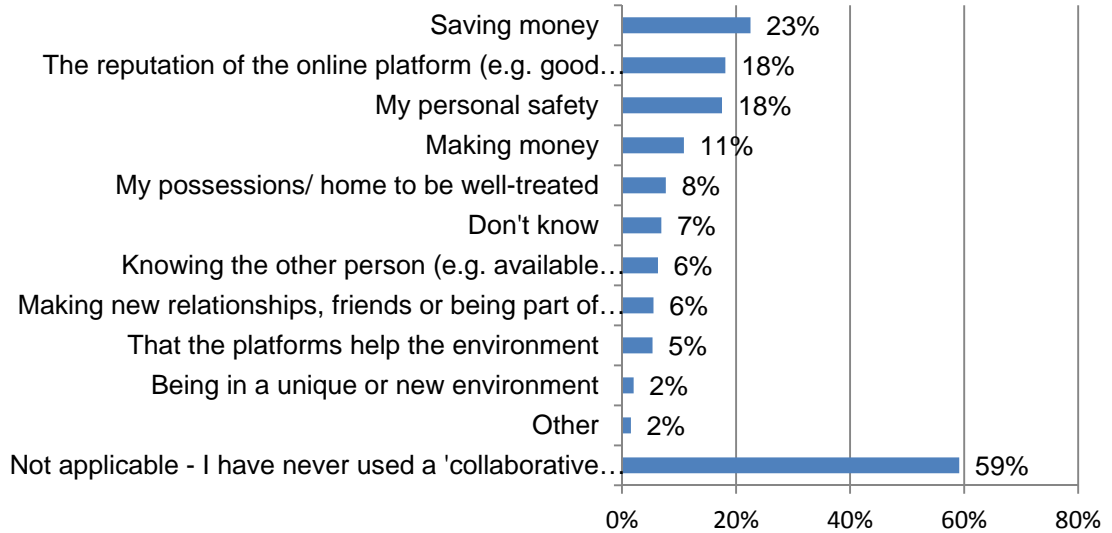
Reputation of the platform (18 per cent) and personal safety (18 per cent) were also amongst the top most important features.

<sup>6</sup> [https://www.veridu.com/pdf/Sharing\\_Economy\\_Consumer\\_Views\\_Survey.pdf](https://www.veridu.com/pdf/Sharing_Economy_Consumer_Views_Survey.pdf)

**Figure 4: Important features of collaborative platforms**

Question: VSC\_Q4a. For the following question, please think about ALL of the 'collaborative economy' online platforms (e.g. app, website, etc.) that you currently use... Which, if any, of the following features are important to you? (Please select all that apply)

Unweighted base: All Scottish adults online (1007)



## Consumer satisfaction in the collaborative economy

As the prominence of collaborative economy platforms grow, it is important to gain an understanding of whether users are satisfied when using these platforms and their understanding of how to complain if things go wrong.

Our survey found that most Scottish consumers have had good experiences when using collaborative economy platforms with 64 per cent of those using the collaborative economy reporting the level of service received as good or very good. However, our survey also found that if Scottish users of these platforms were to have an issue with poor service, just 43 per cent would know how to make an official complaint.

A 2016 Eurobarometer survey found at least four in ten (41 per cent) respondents who have heard of or visited collaborative platforms say that one of the main drawbacks of this type of platform is not knowing who is responsible if a problem arises<sup>7</sup>. When asked who they felt was responsible for resolving complaints when using collaborative economy platforms, the majority of Scottish consumers (18 per cent) cited the provider as being responsible (Figure 5).

### **Figure 5: Responsibility for complaint handling when using collaborative platforms**

Question: VSC\_Q8. In general, who do you think is MAINLY responsible when an issue/ problem arises on a 'collaborative economy' online platform, as a result of poor service?

Unweighted base: All Scottish adults that have used a collaborative economy platform (359)

The provider (i.e. the host/ supplier)	49%
The platform (i.e. the website/ app)	23%
The user (i.e. the consumer/ customer)	6%
Other	1%
Don't know	21%

<sup>7</sup> <http://ec.europa.eu/COMMFrontOffice/publicopinion/index.cfm/Survey/getSurveyDetail/instruments/FLASH/surveyKy/2112>

**Reasons for not using collaborative economy platforms**

It is clear that the importance and scale of the collaborative economy is growing and will continue to grow. However, a significant proportion of Scottish adults (59 per cent) have not used a collaborative economy platform.

As Figure 6 shows, the top three reasons for not using the collaborative economy are:

- Preference for dealing with traditional companies (33 per cent);
- Not wanting to borrow items from strangers (26 per cent); and
- Not wanting to share personal information online/via an app (25 per cent).

