Qualitative survey on evaluation practices in sharing economy organisations.

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Summary

The sustainable impact of sharing organisations remains a recurrent topic of debate. Their contribution to a more sustainable society stays unclear for the moment. The fact that many studies focus only on one sector, one type of impact or on a very limited sample of sharing organisations, clarifies why researchers don't succeed in a conclusive answer. In contrast, this study includes a broad variety of different sharing organisations, representing different sectors and different business models within the Brussels Region. Including both ecologic and social sustainability actions, this research brings new insights on the ecologic and social sustainability impact of sustainability oriented sharing economy organisations.

Furthermore, this research investigates the attitude of sharing organisations towards the usage of evaluation tools, both internal evaluation, external evaluation and labelling. Especially labels receive special attention, since it has been demonstrated that labels help to increase transparency in the debate on sustainable impact and create trust with the users (cf. report on evaluation practices within the collaborative economy, Brabant). This attitude is linked to their actions improving social or ecological sustainable. This mapping resulted in the identification of two sub-groups of sharing organisations. Group 1 has a more «operational attitude» towards improving social and ecological sustainability, being overall stronger in favour of evaluation tools but score on average lower on investing in various social-educational tools. Group 2 has a more «social transformational attitude» towards improving social and ecological sustainability, being overall not interested and/or not in favour of evaluation tools, but scoring on average high on investing in various social-educational tools.

This distinction will be at the basic of the development of a well-designed sustainability label for the sharing economy, matching the needs and demands of the sharing economy organisations (cf. final policy brief).

1. Sustainable impact of sharing organisations

The sustainable impact of sharing organisations have been discussed many times in the literature. In this research, both ecologic and social sustainability impact are included. As such, a full approach is respected of the sustainability impact of sharing economy organisations.

1.1 Ecologic sustainability

Carsharing platforms help to reduce the abundance of cars in Brussels. Studies show that the average car sits unused for more than 90% of the time, carries on average just one and a half persons and costs on average €6.500 a year to own and run (Transport and Environment, 2017). One US study indicates the global car fleet could be reduced by a third if sharing schemes were widely adopted (UC Davis, 2017). Another study in Lisbon shows that just 10% of the vehicles could maintain the same level of mobility if shared (The International Transport Forum, 2016). Lastly, car sharing schemes, be they point-to-point or free-floating, also lead to reduced car ownership with studies indicating that 5 - 15 cars are replaced for each shared car added to the fleet (Transport and Environment, 2017).

The sharing economy also includes several promising sustainability initiatives focused on recovering food and reducing food waste. Currently, around 1.3 billion tonnes of food are thrown away every year worldwide, which actually amounts to close to a third of all food production (FAO, 2011). The platform TooGoodToGo already saved more than 23 million meals since it was launched in 2018 (TooGoodToGo, 2020). A last example of sustainable sharing initiatives is oriented on the sharing of tools. The tool library Tournevie, located in Brussels, or the platform Peerby.be where neighbours exchange tools with each other, results in the need for fewer resources, since one tool is used by many.

In addition to the environmental sustainability, the sharing economy raises also some known and new social sustainability issues.

1.2 Social sustainability

Beyond the discussions on the legal requirements for satisfying basic social and consumer rights, social sustainability includes also broader dimensions such as inclusion, competence development, educational aspects, job creation or promoting social citizenship. Community oriented sharing economy organisations explicitly aim to contribute to these aspects of social sustainability (cf. paper on motivators for collective agency in the sharing economy, Brabant, K. 2020).

Looking at the issue of loneliness, sharing accommodation organisations such as the cohousing platform '1 toit 2 âges' could be part of the solution. 70 percent of houses in Belgium are currently underinhabited (Coppens, 2019, 26 October, De Standaard), often by single elderly. By stimulating youngsters to move in with elderly people living often alone in a big house, '1 toit 2 âges' applies the principles of the sharing economy and helps optimize the occupational level of houses while fighting loneliness.

Although the many examples of how sharing organisations contribute to a more sustainable society, there is still a lack of transparency of what exactly is that impact. To reduce the confusion of available information in the market regarding sustainable impact, evaluation practices can bring consolation. As such, the attitude of sharing organisations towards the usage of evaluation practices has been investigated in this research.

2. Diversity of evaluation practices

There is a certain asymmetry in the available information in the market between providers and customers, which leads to uncertainty and confusion with citizens and policy makers. Questions related to the sustainable value of a product can be tackled by selecting a proper evaluation tool. Since evaluation leads to the creation of information, it can reduce the information mismatch on the market. We zoom in on different evaluation tools, variating from self-regulated (internal) to public

regulated (external). Both are applied in the sharing economy and serve different goals (cf. report on evaluation practices within the collaborative economy, Brabant, K. 2020).

2.1 Internal evaluation practices

Internal evaluation tools such as charters, assessments and web analytics are often used by sharing organisations. Results from previous research show a link between the type of organisation and the type of internal evaluation practice used. Where non-profit oriented organisations tend more to rely on charters to align sustainable behaviour through guidelines, for-profit organisations prefer a more formal assessment where predefined objectives and KPI's are measured in order to optimize the organisation's efficiency. Web-analytics are in general for all collaborative organisations a promising tool, however, often the knowledge and skills to perform data-mining and data-analysis is missing in SME's.

2.2 External evaluation practices

External evaluation tools can take the form of performance reports or sustainability labels. However, the latter are sometimes overrated by their developers. Although there is a raising sale of products that have a sustainability claim on-pack, consumers feel confusion created by the large number of closely-related ecolabels. They tend to prefer ecolabels that are developed by sponsors they believe to be more trustworthy, such as a government and environmental NGO's. Certified third party labels appear to be of great value in tackling this feeling of confusion.

Based on these outcomes, labels are given a central position in this research. Especially the usage of a sustainable label, covering both ecologic and social sustainability, will be given special attention in our future research. Since such a label could be part of the answer to create more transparency and trust regarding the sustainability impact of a sharing organisations.

3. Research design

3.1 Variated sample of Brussels sharing economy organisations

The city4coEn project organized therefore a set of in depth semi-structured interviews on existing organisational resources for sustainability evaluations with 23 sharing economy organisations between August 2019 and January 2020, which were selected to cover the main areas of study of the project (sharing in the areas of food, housing, objects and mobility). The sample also represented the main business models present in Brussels, including six social economy organisations (both social cooperatives and non-profit businesses), twelve small-scale citizen grassroots organisations, one large-scale international for-profit business and three start-ups (for more details on the business models, cf. Lambert et al., 2019).

3.2 Coding sharing organisations

All interviews were fully transcribed and analysed in the software program Nvivo 12. A double coding scheme was used: a first one related to the organisational resources for conducting sustainability evaluations and a second one related to the sustainability criteria. The coding schemes were based on previous research (Lambert et al., 2019) and on criteria used in existing Brussels labels and awards evaluating social and ecologic sustainability, such as the label eco-dynamic enterprise and the award for sharing platforms contributing to sustainable mobility (for a detailed description of existing

Brussels labels and awards, cf. report on designing a label for 'Sustainable resource sharing organisations' in the Brussels Region, Marique, E. 2020).

The first coding is related to the organisational resources for conducting sustainability evaluations. This resulted in three Likert scales mapping the sharing organisations' attitude towards A/ labels, B/ external evaluation and C/ internal evaluation. Following working definitions are used:

A/ Labels are considered as an added value for the sharing organisation.

1=   Not interested in labels, not convinced of its value

2=   Tried or considered labels in the past, but not using them anymore (negative experience)

3=   Interested in labels but not using them for the moment

4=   Works actively with labels to attract new customers

5=   Works actively with labels for creating transparency towards users/stakeholders

B/ External evaluation is considered as bringing added value to the sharing organisation.

1=   Never used (projects with) external evaluation, because negative attitude towards it

2=   Used external evaluation in the past, but no not anymore (negative experience)

3=   Usage of external evaluation tools but with a negative attitude towards it

4=   Usage of obliged external evaluation tools for financiers or audit, with a neutral attitude (just fine)

5=   Usage of obliged external evaluation tools for financiers or audit, with a positive attitude (well organized)

C/ Internal evaluation is considered as bringing added value to the sharing organisation.

1=   No internal evaluation used because negative attitude towards it

2=   Used internal evaluation in the past, but no not anymore (negative experience)

3=   Shows positive interest, but does not really use it

4=   Usage of internal evaluation for optimizing internal working

5=   Usage of internal evaluation for creating transparency towards users/stakeholders

The second coding is related to the sustainability criteria operationalizing ecologic and social sustainability. The interviews were coded based on the level of involvement in the following activities:

1. Ecologic sustainability:
-       sustainable activities oriented on the product/service offered
-       sustainable activities oriented on the internal processes of the organisation

2. Social sustainability:
-       community building: contributing to local social cohesion
-       competence development: development of personal competences of members or citizens
-       education, awareness: organising activities to transfer knowledge about sustainable topics to members or to a broader public

- inclusion, diversity: contributing to equality and being aware of the organisations' accessibility
- job creation: creation of new jobs (can be both in the regular as social economy)
- partnerships, collaboration: developing collaborations with like-minded organisations in their environment
- privacy of personal data: not selling personal data of users

3. Type of business model, based on the four clusters defined by Lambert et al. (2019).

3.3 Refinement of coding schemes

A clustering of the first coding resulted in three binary value sets, illustrating a sharing organisations' attitude towards different forms of evaluation practices (labels, external evaluation, internal evaluation):

- Labels: score 1 (not interested) versus scores 2-5 (have or had an interest in labels)
- External evaluation: score 1-3 (neg. attitude) versus score 4 (neutral attitude) *(no score 5)*
- Internal evaluation: score 1-3 (neg. attitude or no use) versus score 4-5 (pos. attitude)

The second coding resulted in narrowing down the sustainability criteria to three social sustainability activities. These criteria were selected based on their high variety in level of involvement between sharing organisations. These three social sustainability criteria are:

- community building: contributing to local social cohesion
- competence development: development of personal competences of members or citizens
- education, awareness: organising activities to transfer knowledge about sustainable topics to members or to a broader public

4. Sustainable profiles of sharing organisations

4.1 Identifying two sub-groups of sharing organisations

A mapping of the sharing organisations resulted in the identification of two sub-groups of sharing organisations. The first group has a more « **operational attitude** » towards improving social and ecological sustainability. They characterize themselves by an overall stronger positive attitude towards evaluation tools, but they score on average lower on investing in various social-educational tools. The second group has a more « **social transformational attitude** » towards improving social and ecological sustainability, with a neutral or negative attitude towards evaluation tools, but scoring on average high on investing in various social-educational tools. Underneath, we elaborate further on these two groups and illustrate them with several examples.

a) Operational attitude

Sharing economy organisations with a more operational attitude towards improving social and ecological sustainability can be found in the more formal and larger organisations, addressing individual users often through digital platforms. They value evaluation tools and apply more formal evaluation mechanisms that can build transparency and trust between the organisation and the individual users. Surveys with users are popular and are regularly engaged by organisations such as

Scooty, Usitoo, Bed&Brussels, Deliveroo, etc. Scooty explains: *"We organise surveys with users. The survey is developed by ourselves and distributed and analysed through Qualtrics. Last time we obtained 1.700 completed surveys. The reports are used for internal use and are discussed together with the whole team."* Another way of collecting feedback is illustrated by Bed&Brussels. They organise thematic evenings for the owners, where there is time for Q&A and networking.

This sub-group uses clear indicators and KPI's, with the purpose to evaluate and coordinate their own performance. Usitoo says: *"Il y avait un suivi hebdomadaire avec 27 indicateurs. Aujourd'hui tous les trois mois, j'exporte toute l'activité en Excel et je sors 3-4 chiffres clés. … Notre impact principal c'est le service, ce que l'on suit c'est la croissance : Combien de points relais ? Combien d'utilisateurs ? Combien de locations en fait ? Les locations c'est notre vrai impact, car on dit que chaque location évite des achats. On avait les KPI que l'on veut suivre notamment sur les impact."* This is in line with the internal evaluation procedures of Deliveroo: *"On recueille des chiffres sur le nombre de coursiers qui utilisent des scooters et des vélos, on a des quotas, qu'on regarde si on ne les dépasse pas. Mais on n'évalue pas les émissions CO2 ni l'impact des emballages ou des scooters. On a des quotas internes pour éviter que du jour au lendemain on se retrouve avec 50% de scooters."*

Regarding external evaluation, Usitoo adds : *"Ça se fait indirectement par les bourses, appels à projets, subsides que l'on a eu. On a un comité de suivi de BeCircular à qui on présente ces KPI par exemple. La Fondation Roi Baudouin aussi demande un petit rapport."*

This sub-group of sharing economy organisations with a more operational attitude shows or showed interest in the usage of labels or certificates. Scooty clarifies: *"Certification could be very interesting, for example through BECI. However for the moment there is no system available or at least not known. It could be interesting to know how is your component, where are the other players situated on the market, how are the other players scoring on certain aspects, etc."* Also Bed&Brussels worked with labels before: *"We strived to have a recognition of EU Sustainable lodging: Label Clé Verte, but this was not a success. There were a lot of criteria and it includes every year control. This was too much, too complex and not adapted for small initiatives. There is nothing adapted for sustainable lodging on small scale."*

Taking a look at these groups' performance on sustainability, we learn that they are mostly engaged in ecologic sustainability focussed on the offered products or services. Usitoo states : *"La soutenabilité écologique doit se calculer de manière rationnelle sur un impact in fine qui est soit de moins de consommation de ressources, ou moins d'impact par des rejets."* Scooty tries to reduce the amount of plastic of their suppliers. Much less plastic has already been used to pack their scooters or parts. Bed&Brussels on the other hand provides free stickers to hang up in the accommodation, emphasizing for example the reduction of water usage by the visitors.

On the other hand, activities oriented to ecologic sustainability focussed on internal processes and to social-educational tools, are rather limited. However, also in this sub-group some inspiring examples can be found. For example Deliveroo states: *"Ce qu'on fait en première en Belgique, dans la ville de Hasselt, c'est de développer un circuit fermé d'emballages, où on va faire de la réutilisation."*

b) Social transformational attitude

The second group with a more social transformational attitude towards improving social and ecological sustainability, are overall not interested and/or not in favour of evaluation tools, as they are too formal and do not match their organisational practices. As 'GASAP de Molenbeek' points out: *"Nous on n'a rien de tout ça. Je trouve que ces systèmes d'évaluation restent fort individualistes. Je trouve*

plus intéressant d'avoir une discussion collective." Also 'Repair Café des Marolles' admits that evaluation is one of their weaknesses.

This sub-group is more in favour of community based evaluation and their way of creating trust on their sustainability criteria relies more on community discussions, awareness raising events and citizen engagement. Communa illustrates clearly the importance of community building: *"Ici on essaie de créer une communauté où la valeur qui est générée est partagée par tous. … Là tu génères de la valeur en commun. A partir du moment où tu as une communauté de gens qui se retrouvent autour du projet de Communa, ce qui veut dire des choses différentes pour chacun, pour certains c'est la lutte contre la vacance immobilière, pour d'autres c'est contre la précarité, pour d'autres c'est l'empowerment des gens, pour d'autres c'est le droit à la ville, c'est un mélange de tout ça, un idéal pas très défini, tous ces gens se mettent à tisser des liens et partagent."* Also collective food production initiatives such as 'La ferme de Chant des Cailles', emphasize the importance of the community: *"L'idée de départ de la ferme c'était de démontrer que l'agriculture comme on la pense ça a d'autres fonctions que uniquement produire de la nourriture et avoir une activité économique. L'agriculture peut aussi : créer de la cohésion sociale, sensibiliser les gens à une alimentation durable, à des questions environnementales, etc. Et l'auto récolte permet ça. Les gens ne viennent pas chercher leur panier en 5minutes et le mettent dans leur coffre, quand ils viennent chercher les légumes, ils se baladent, se rencontrer, discutent de recettes de cuisine, il y a des liens qui se tissent, etc."*

Here we also notice the importance these organisations place on investing in educational tools, striving towards creating awareness on sustainability issues and towards competence building. The travel community Trustroots creates awareness through their platform: *"We encourage hitchhiking, dumpster diving and sharing, we encourage a lifestyle that is based on using of what is already there instead of buying new, on recycling, reusing, … it is a platform used as a means."* Other sharing organisations focus more on the aspect of competence building, for example '1 vélo 10 ans': *"Le premier partage, c'est le partage des ressources : on a une flotte de vélo qu'on met en commun pour 250 enfants. Le deuxième partage, c'est tout ce qui concerne les entretiens pédagogiques : on partage nos connaissances sur la mécanique vélo. Ça se passe beaucoup avec les parents dans la pratique, ils se familiarisent au vélo et aux outils ils voient qu'on peut entretenir soi-même son vélo, au lieu de l'envoyer chez un vélociste."* Also Tournevie invests in competence development: *"Les formations c'est une extension de notre activité principale, c'est une manière de faciliter l'accès en donnant des compétences aux gens. Par exemple il y a une personne qui a suivi une formation et qui maintenant est devenue bénévole. Une autre qui a suivi une formation et qui nous contacté maintenant pour aider à gérer l'atelier."*

Although the impact of this second group with a more social transformational attitude on improving social and ecological sustainability is clearly visible in our surroundings, it is still unclear how to measure and evaluate that impact. There is need for more transparency in this matter, which would benefit both customer, policy makers as other stakeholders, in making informed choices regarding which sharing economy organisation to choose when thinking of their sustainable contribution.

Besides the identification of two sub-groups of sharing economy organisations, two other results of the qualitative analysis are worthwhile mentioning, when considering the development of a sustainability label for the sharing economy.

4.2 External evaluation is threshold

Based on the first coding of the organisational resources for conducting sustainability evaluations, a remarkable result was found. Looking at the sharing organisations' attitude towards external evaluation, we notice that external evaluation is generally considered as a barrier. Zero cases were found under the value 5 of the Likert scale on external evaluation, referring to the 'usage of obliged external evaluation tools for financiers or audit, with a positive attitude (well organized)'. This implies that not a single organisation of our sample perceives external evaluation positively. In general, external evaluation is executed as a necessity in order to receive or to keep external funding or to oblige to legal requirements.

This result needs to be taken into account when preparing a sustainability label in cooperation with a third party. The challenge is to create an evaluation tool that is not perceived as a threshold by the sharing economy organisations.

4.3 Under-representation of internal ecologic sustainability

In the second coding of organisations' level of involvement in ecologic and social sustainable activities, a distinction was made between ecologic activities oriented on the product/service offered and ecologic activities oriented on the internal processes of the organisation. The coding shows that there is an overall stronger focus on the activities oriented on the product/service offered (e.g. sharing of electric cars, collective gardening without pesticides, amongst others), then on the internal processes (e.g. using green energy for the website, minimize the use of plastics, producing own energy, amongst others). If we make a comparative analysis between the four predefined clusters of sharing economy organisations, only cluster 4 (citizen initiatives) shows an appreciable level of engagement in ecologic sustainable activities with an internal focus.

5. Conclusion

The survey clearly indicated two distinct clusters of sharing economy organisations:

- One group of sharing economy organisations, such as the Cambio car sharing organisation or Usitoo tool sharing organisation, has a more **operational attitude** towards improving social and ecological sustainability. They believe in the added value of formal evaluation mechanisms and are overall stronger in favour of these tools.
- A second group of sharing economy organisations, such as the GASAP collective food buying group or the network of repair cafés, has a more **social transformational attitude** towards improving social and ecological sustainability and are more community based. They believe in the value of communities and dialogues. They are overall more in favour of participatory and community-based evaluation of their practices.

6. Discussion

A well-designed sustainability label for the sharing economy needs to match the needs and demands of the sharing economy organisations and asks for different implementation pathways: 1) One could opt for two sub-labels: one having a higher focus on « operational-evaluation » aspects and one having a higher focus on « sustainability education/social transformation » aspects, or 2) one could have one label, with a threshold of criteria to satisfy (as in eco-dynamic enterprise), but where it is

sufficient to score high on « operational » criteria or on « sustainability education/social transformation » aspects.

Regardless the choice, an innovative evaluation tool would be valuable in the sustainability debate, creating more transparency. This is also recognised by the sharing organisations themselves: "*On est venu nous chercher avec des financements où il fallait produire des KPI. C'est chiant, c'est du contrôle plus que de l'évaluation. L'année dernière on s'est formé justement sur ces questions d'impact social, pour avoir une réflexion critique sur ça. Aujourd'hui c'est un chantier mais dans l'ordre des priorités on n'arrive pas à le mettre tout en haut. L'idéal serait de produire un outil d'évaluation qui impliquerait les différentes parties prenantes." (Communa)*

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