Trust Dynamics: Shaping Trust in User Reviews Within Serbia's Sharing Community

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***Abstract**. This research explores the influence of socio-demographic factors and the frequency of sharing economy service usage on trust in reviews within sharing economy platforms in Serbia. Conducted through an online survey, the study unveils distinct gender variations in trust, indicating lower trust levels reported by men. Additionally, it identifies age-related patterns, showcasing higher trust among younger individuals and students, with a decline as age increases. Notably, a positive relationship was found between the frequency of using sharing economy services and trust in reviews. Conversely, individuals who have never engaged with these services exhibit significantly lower trust levels, underscoring the pivotal role of initial interactions. This paper can serve as a guide for shaping trust in sharing economy service reviews in Serbia, providing valuable insights for platform operators and policymakers navigating the dynamic landscape of the sharing economy.*

***Keywords.** Sharing economy, Trust dynamics, Usage frequency, Socio-demographic characteristics, Hypothesis testing*

1 Introduction

In recent years, the sharing economy has become a dynamic and transformative force, reshaping traditional models of consumption and commerce. This phenomenon, driven by technological advancements and changing societal attitudes, has created a new era where individuals can leverage their assets for personal and collaborative consumption. This shift from ownership to access is not merely a change in business models but a cultural and economic paradigm shift (Sundararajan, 2016). The universality of the sharing economy has sparked numerous disagreements and debates over the appropriate terminology. However, judging by its trajectory over time, it has transcended the status of merely being "another idea of sustainable development." Instead, it has evolved into a central and independent topic for scientific inquiry, professional discourse, and public engagement (Živojinović et al., 2022).

An interesting subject is the role of trust in the sharing economy. Trust is the cornerstone of the sharing economy, supporting the interactions between users and providers on digital platforms. In this context, individuals must rely on the reputation systems and reviews embedded in these platforms to make informed decisions about whom to engage with (Akhmedova et al., 2021). The level of trust influences users' willingness to share assets, services, or experiences with strangers, shaping the success and sustainability of the sharing economy (Räisänen et al., 2020). Understanding the dynamics of trust is crucial for both platform operators and users, as it directly impacts participation, collaboration, and the overall effectiveness of shared resources.

This research aims to explore how socio-demographic factors and the frequency of sharing economy services usage impact trust in user reviews on sharing economy platforms among respondents in Serbia. Building upon previous research that has highlighted the significance of trust in the sharing economy, particularly within emerging market contexts like Serbia, this paper contributes by focusing on the impact of socio-demographic factors and the frequency of sharing economy service usage on trust in user reviews. Notably, there is a scarcity of research conducted in Serbia within this domain, emphasizing the novelty and importance of this study. By addressing this gap in the literature, this study aims to provide valuable insights into the dynamics of trust formation in sharing economy

reviews specifically within the Serbian context. This research not only enhances understanding of trust mechanisms within the sharing economy, but also offers practical implications for platform operators and users alike, ultimately contributing to the sustainable development of the sharing economy ecosystem.

The research methodology involves a survey-based approach, with data collected through a questionnaire. The subsequent analysis uses nonparametric tests, allowing for a structured examination of the mentioned variables. Following the introduction, the subsequent section is dedicated to a literature review. The third section provides details on the research methodology and data collection, while the fourth section presents the research results. With a focus on the results, the final segment engages in a discussion that shapes the final conclusion.

2 Literature Review

The literature surrounding the role of trust in the sharing economy is a dynamic and significant field of study. Recent research has delved into the complex dynamics of trust, recognising its important role in shaping user behaviour within sharing economy platforms.

The research by Li and Wang (2020) on peer-to-peer accommodation platforms like Airbnb and Xiaozhu uses structural equation modelling (SEM) to investigate online trust-building mechanisms. Results reveal that safety-related mechanisms and reviews positively impact providers' trust in the platform, which, in turn, influences trust in consumers. This research contributes to enhancing trust mechanisms in the sharing economy. The study by Gu et al. (2021) explores trust and risk perceptions in the sharing economy, which is crucial for collaborative success. With 1,336 respondents, the study employs structural equation modelling (SEM) to identify key factors influencing customer trust and risk perceptions. The research confirms the moderating role of social identity threats and establishes links between trust and risk perceptions and positive outcomes, including customer satisfaction and positive word-of-mouth. Chen et al. (2022) researched customer trust in China's home-sharing economy. Their research establishes a positive link between trust, engagement, and loyalty. Acting as a mediator, customer engagement is influenced by trust, while the study also investigates artificial intelligence's potential negative impact on host trust, customer engagement, and loyalty. This study provides valuable insights for marketing and artificial intelligence in the home-sharing industry.

In their study, Räisänen et al. (2020) conducted a systematic literature review on trust-building in the sharing economy, highlighting its vital role in sustainability and collaborative success. They identify reputation systems, ratings, and reviews as key technological tools for fostering trust among users and platforms. Their work offers a theoretical model and practical resources beneficial for both researchers and practitioners, enhancing understanding of trust mechanisms in the sharing economy. Integrating their findings enriches literature review by emphasizing the significance of reputation systems and reviews in building trust within sharing platforms. Overall, their research emphasizes the crucial role of trust in shaping consumer decisions and promoting cooperative behaviors in peer-to-peer transactions.

While numerous studies examine trust within the sharing economy, there is a notable gap in research focused on emerging markets like Serbia. Only a minority of studies delve into trust dynamics in such contexts, such as work by Živojinović et al. (2023) exploring the impact of online information and reviews on participation in the sharing economy, specifically carpooling. However, neither of these works deeply investigates socio-demographic factors, highlighting a significant opportunity for further research in this area, especially within emerging market contexts like Serbia.

3 Case Study Setting

To explore the impact of socio-demographic factors and frequency of using sharing economy services on trust in user reviews on sharing economy platforms, an anonymous survey was conducted using the Google Forms platform in January and February 2024. The comprehensive survey, consisting of 12 structured questions, gathered socio-demographic information, including gender, age, and employment status. Additionally, the survey delved into various facets of trust within the sharing

economy, examining both the degree and manner in which individuals engage with shared economy services. Trust in reviews on sharing economy platforms was evaluated using a 10-point Likert scale. This aspect aimed to capture varying degrees of trust attributed to user reviews. Additionally, participants' involvement with sharing economy services was evaluated based on a frequency scale, ranging from never to daily engagement.

The Mann-Whitney and Kruskal-Wallis tests were chosen as analytical tools for this study due to their suitability in assessing non-parametric data and group comparisons. In the context of examining trust in reviews on sharing economy platforms, where data do not conform to a normal distribution, these tests offer robustness and reliability. Version 23 of SPSS was used to conduct this analysis.

4 Results

4.1 Sample description

In this study, 209 respondents residing in the territory of Serbia participated. The gender distribution within the sample covered showed that 142 women (67.9%) and 67 men (32.1%) took part in the study. This distribution aligns with findings by Smith (2008), asserting that women are often the predominant participants in survey research, possibly due to their higher engagement or interest in such studies. Regarding age distribution, the survey reveals that 41.6% of respondents fall within the 18-24 age group, with an additional 34% belonging to the 25-34 age bracket. This indicates that slightly over 75% of participants are under 34. Recognising this demographic emphasis is important as it may impact the interpretation of results, given the potential influence of generational factors on trust and engagement with sharing economy platforms. Participants aged 35-44 constitute 14.8%, while those in the 45-54 age group account for 7.7%. Additionally, respondents aged 55-64 comprise 1.9% of the sample. Notably, neither participants younger than 18 nor older than 65 participated in the survey. Regarding employment status, a significant portion, 60.8%, reported being employed full-time, while 8.1% were employed part-time, suggesting that the employed population is well-represented in the sample. Approximately 30.1% of the participants were students, indicating a significant proportion of individuals within an educational setting.

Regarding sharing economy service utilisation, 19.6% of respondents expressed never having used these services, which suggests a notable portion of the sample has not yet ventured into the sharing economy landscape, indicating potential untapped markets or areas for awareness and adoption. A substantial group, 27.8%, reported rare usage, while the predominant segment, constituting 33% of respondents, engages with these services on a monthly basis. This could indicate a moderate level of acceptance and integration into monthly routines, reflecting a more consistent engagement compared to occasional or rare usage. Those participating on a weekly basis make up 13.9%, and the smallest proportion, a mere 5.7%, uses these services daily. This indicates that the sharing economy in Serbia is not fully matured, leaving room for development, as a limited number of individuals are integrating it into their daily routines.

4.2 Results Analysis

The Mann-Whitney test was employed to investigate whether there are gender differences in the level of trust in reviews within sharing economy platforms. The results (Z: -4.066, $p<0.001$) revealed a statistically significant difference between men and women concerning their trust in reviews. Observing the mean ranks, 116.60 for women and 80.43 for men, suggests that women tend to place greater trust in the reviews they encounter on sharing economy platforms. Further insights from the Mann-Whitney test's frequency table illustrate that among women, the predominant trust level is 6, with 25 individuals, followed by 22 women with a trust level of 7. Notably, a substantial majority of women, totalling 98 or 69%, exhibit a trust level of 5 or higher in reviews on sharing economy platforms. Conversely, the analysis of men indicates that the highest number, 12 individuals, holds a confidence level of 3, followed by 11 men with a confidence level of 5. Notably, 45 out of 67 men, equivalent to 67%, exhibit a confidence level of 5 or lower in reviews on sharing economy platforms. In summary, the Mann-Whitney test outcomes underscore a significant gender-based disparity in trust towards reviews, with women showcasing a stronger inclination to trust compared to their male

counterparts. It is essential to note that the sample may not be gender-balanced, potentially impacting interpretations of gender-related findings. Therefore, caution is advised when considering the observed differences in trust levels between men and women.

To assess the impact of age on trust in reviews within sharing economy platforms, the Kruskal-Wallis test (Chi-Square: 88.527, $p<0.001$) was applied. The results revealed a statistically significant difference across the observed age groups. Notably, the group of 18-24 years of age exhibited the highest mean rank at 143.93, suggesting that younger generations manifest the greatest inclination to trust online reviews on sharing economy platforms. Subsequently, the 25-34 age group displayed a mean rank of 100.11, positioning them as the next highest in terms of trust level. A subsequent Mann-Whitney test (Z: -5.331, $p<0.001$), comparing these two groups, underscored a statistically significant difference between them. In contrast, the 35-44 years old group exhibited a considerably lower mean rank of 52.73, indicating a notable decrease in trust within this cohort. The subsequent age groups, namely 45-54 years old with a mean rank of 32.82, and 55-64 years old with a mean rank of 39.13, demonstrated the lowest levels of trust. The independent Mann-Whitney test (Z: -0.246, $p>0.8$) between these two older groups found no statistically significant difference. In summary, the Kruskal-Wallis test outcomes highlight a substantial age-related variation in trust towards reviews, with younger individuals expressing higher levels of trust compared to their older counterparts.

The Kruskal-Wallis test was also used to assess trust in reviews on sharing economy platforms among distinct respondent groups in terms of employment, specifically full-time employees, part-time employees, and students. The test outcomes (Chi-Square: 18.046, $p<0.001$) indicated a statistically significant difference among these groups. Notably, students exhibited the highest mean rank at 130.4, signifying the highest degree of trust in reviews, followed by full-time employees with 93.08 and part-time employees with 87.59. Subsequent independent Mann-Whitney test (Z: -0.187, $p>0.05$) revealed no statistically significant difference between part-time and full-time employees. Once again, the findings reinforce a pattern observed in the previously explained age-related results, where students, aligning with the younger generation, demonstrated the highest inclination to trust reviews on sharing economy platforms. This suggests a consistent trend across demographic factors, emphasising the influence of age and employment level on trust dynamics within the context of online reviews.

Examining the influence of sharing economy service usage frequency on trust in reviews on sharing economy platforms was conducted using the Kruskal-Wallis test (Chi-Square: 112.284, $p<0.001$). The test revealed a statistically significant difference among these groups. Significantly, respondents who have never used sharing economy services displayed a markedly lower degree of trust in reviews on sharing economy platforms, as indicated by a mean rank of 34.27. Trust shows a slight increase among those who rarely use these services, with a mean rank of 84.84. Notably, individuals who utilise these services on a monthly basis demonstrated a significant boost in trust, with a mean rank of 130.85. Those engaging on a weekly basis exhibited a mean rank of 155.84, while the daily users attained the highest mean rank at 172.58, signifying a heightened level of trust within these groups. Moreover, independent Mann-Whitney tests were conducted, comparing the monthly and weekly usage groups (Z: -3.031, $p<0.003$), as well as the weekly and daily usage groups (Z: -1.815, $p>0.05$). The findings revealed a statistically significant difference between users who engaged with sharing economy services on a monthly and weekly basis, while no such difference was observed between those who used services on a weekly and daily basis. This suggests that frequent users, particularly on a weekly or daily basis, have already established a substantial level of trust, leading to a lack of statistical distinction between these high-frequency usage patterns. In summary, the results underscore a positive correlation between increased frequency of sharing economy service usage and heightened trust in reviews, with a plateau observed when services are utilised weekly or daily. Remarkably, non-usage of these services is associated with a notably low level of trust in online reviews.

5 Discussion and conclusions

The primary aim of this study was to investigate how socio-demographic factors and the frequency of sharing economy service usage influence trust in reviews on sharing economy platforms. Valuable findings emerged from the conducted empirical study in the Republic of Serbia. Notably, women

exhibited higher trust in reviews on these platforms than men. However, it is important to exercise caution in interpreting this observation due to potential biases stemming from the non-gender-balanced sample used in this study. Additionally, a generational trend revealed that younger age groups tend to have higher trust, with a decline as the age limit increases. In accordance with years, students demonstrated the highest trust in online reviews of sharing economy services. Furthermore, an intriguing correlation was observed between the frequency of sharing economy service usage and trust in online reviews. Those who had never used these services displayed a notably low level of trust, emphasising the pivotal role of initial engagement in building trust. As users increased their frequency of service usage, trust in online reviews also increased. Remarkably, when users reached a weekly or daily usage level, their trust level was high. These findings highlight the intricate relationship between user socio-demographic factors, frequency of service usage, and the establishment of trust in the sharing economy landscape. Interestingly, these findings resonate with prior research on carpooling, suggesting that individuals with prior experience in sharing economy services are more inclined to trust platform-generated information.

The findings underscore the importance of tailoring approaches to cultivate trust among diverse demographic groups, particularly emphasising consideration for the elderly population, men, and individuals yet to engage with sharing economy services. Adapting strategies based on these insights not only holds the potential to enhance trust but also paves the way for increased adoption of sharing economy practices in Serbia. By implementing targeted actions, including awareness campaigns, educational initiatives, and a focus on user privacy and security, the level of trust in sharing platforms can be increased. This multifaceted strategy aims to build trust across all segments, ultimately fostering sustained growth in the sharing economy trend within the country.

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