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Peer-To-Peer Accommodation Service Process: A Framework of Service Blueprint

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***Abstract*—Sharing economy is the result of technological developments that create an innovative new business model and create a revolution in how business entities interact. Peer-to-peer accommodation (P2P) creates an online marketplace where peer providers and consumers meet each other's needs and can exchange roles. Without ownership of assets, P2P accommodation becomes a strong competitor of hotels. This phenomenon creates opportunities for Indonesia in improving competitiveness among other ASEAN countries. This preliminary study becomes important and relevant to the phenomenon of sharing economy, considering that not much research discusses the uniqueness and dynamics of interactions that occurs in the perspective of service-dominant logic (SDL). This study uses the Soft System Methodology (SSM) approach, precisely the first stage which is defining an unstructured situation. Approaches of gathering data include using participant observation, online observation, and in-depth interview. Interactions between actors can be explored using a service blueprint framework. In the perspective of SDL, the ability to identify operant resources (people and process) is crucial for value co-creation.**

***Index Terms*—sharing economy, peer-to-peer accommodation, Airbnb, service-dominant logic**

I. Introduction

The growth of sharing economy or peer-to-peer (P2P) economy in the world has implications for changing the business landscape and changing the pattern of interaction among business people. Sharing economy is a new economic power generated from disruptive technology that allows owners of the supply to be connected to potential customers (demand) coordinated through community-based online services [1]. Thus, the sharing economy is defined as the business activity of the economic actors who utilize an online platform as an enabler on the basis of sharing access to ownership to peers, either free or paid [2]. The total economic wealth generated by the sharing economy in 2025 is predicted to be around $ 335 billion [3] ranging from P2P accommodation, car sharing, music or video sharing to P2P finance. Some of the actors of P2P accommodation are Airbnb, Couchsurfing, and Airy Rooms. In the study of co-creation in P2P accommodation service, this study will explore Airbnb with some considerations. First, by 2015 Airbnb is already used by 17 million people worldwide. This figure grew about 350% in the same period in 2010 [4]. Secondly, since Airbnb is a market leader at an international level, it has the greatest potential to bring in foreign tourists compared to other P2P accommodations, although for the domestic tourist category, Airbnb does not dominate the market (not a market leader). P2P accommodation's capability in bringing multiple supplies from the peer service provider to the demand from the consumer causes consumers to have many alternative places and reduce the potential of asymmetric information as it has been in the era of conventional economy. The services system that occurs in P2P accommodation is very different from hotel services that already have standards, but is quite rigid in terms of the interaction between the service provider (hotel) and its guest. Of course, this results in a difference in terms of service expectation and service perception when compared with non-P2P accommodation. In the context of P2P accommodation, there are three actors involved i.e. the service platform (Airbnb), the peer provider (host or owner of the house), and the consumer, while in the hotel it is simpler because it only involves two parties. Given the potential and dominance of P2P accommodation as created by Airbnb, it is important to make a study of the patterns of interaction and co-creation between the three parties involved in this online platform. The Service-Dominant Logic (SDL), proposed by Vargo and Lusch [5] explained the growing popularity of the sharing economy. SDL claims that the paradigm has shifted from company-centric value creation to co-creating value with consumers [6]. SDL emphasizes the importance of interaction between consumers and service providers, as this is the enabler of co-creation of value [5]). Shaw et al. (2011) introduced the concept of SDL as a research paradigm in a tourism management setting, and discussed the main features of SDL particularly in terms of the notions of the experience economy.

II. Literature Review

There are three main actors involved in P2P accommodation, which are peer providers, customers, and the platform provider as illustrated in the Figure I.

The three actors interact actively through 3 stages: pre-consumption stage, mid-stage, and post-consumption stage:

- Pre-consumption stage is an early stage among the actors in which they communicate and interact with each other through online platforms [7], [8], [9], [10], [11], [6], [12], [13].
- The second stage, which is the mid-stage, deals with something more than functional but social and emotional

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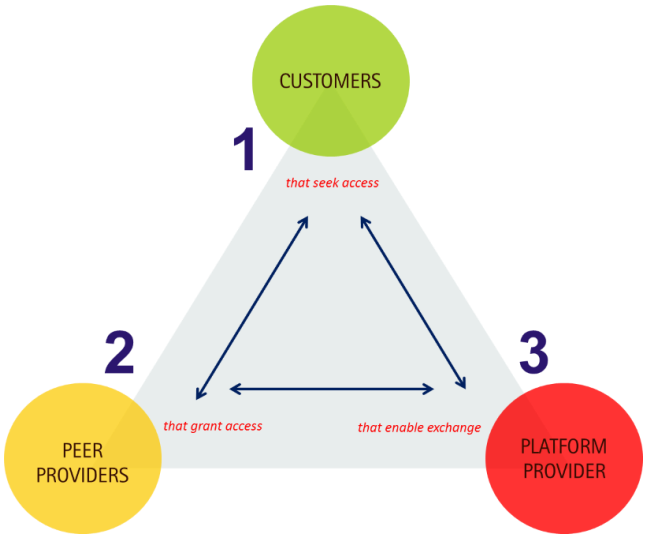

FIGURE I: Triangle of Peer-to-Peer Service System

interaction that occurs when consumers enjoy P2P accommodation which also involves the three actors [10], [14].

- The third stage is post-stage consumption, which is the third party's assessment or perceptions about the performance of P2P on each side after consumption.

Blueprinting is a method to visualize service processes [15]. A service blueprint is a picture or map that gives an overview of the service system so that the different actors involved in providing it can understand and deal with it objectively regardless of their roles' point of view [16]. Kingman-Brundage et al. [15] suggest connecting the customer, the employee and the technical logic of services in order to form an integrated system of "service logic". Customer logic refers to the customer's role as the consumer and co-producer as well. Technical logic comprises the basic principles that govern service production. Employee logic contains the underlying rationale that drives employee behavior [15]. The service logic model interprets the dynamics of this bridging activity [15]. To understand customer logic, the service blueprint is to be read from the top to the bottom, while to understand management's logic and reading of the service blueprint starts from the bottom and ends at the top zone [16].

III. Research Methodology

This study uses the Soft System Methodology (SSM) approach with the premise that it can be well used to capture phenomena that are considered quite complex and involve several actors or entities. Another basic consideration is that humans and all their activities are not mechanistic but involve behavioral aspects so that the qualitative approach in obtaining data, namely online observation, participant observation, and in-depth interview, is considered in the first stage of the SSM: the unstructured problem situation. In relation to the three phases that occur in P2P accommodation, the unit of analysis in this study are customers (foreign tourists who come to Indonesia), peer providers (the owner of the property that leases the area of his house where he does not live separately and can interact directly with customers), and platform provider (Airbnb), while the scope of the study is in Bandung. Considering that this paper is a preliminary study, what has been done in this stage is online observation. The online observation was conducted in 2017 until April 2018 by observing the interaction between actors (peer service providers and consumers) in Airbnb's website. Observation is done on one peer service provider. In-depth interviews were conducted with four peer service providers that have a high rating (super-host). The P2P accommodation used for research is Airbnb where foreign consumers have a variety of residential alternatives. The unique selling proposition (USP) of Airbnb appears on the tagline "Find homes on Airbnb". This is different from its competitors who simply offer a place to stay at a cheap price. Airbnb is a platform that tries to capture the potential of each region along with the uniqueness of different cultural characteristics.

IV. Result

A. Gap: Using the Blueprint

In the process of understanding more about the business model of P2P accommodation, an in-depth interview is conducted to explore what the consumer is doing in the searching process until the closing of P2P accommodation through the Airbnb online platform. In order to get a complete picture, the in-depth interview is not only done to consumers, but also the peer provider considering Airbnb as an online platform, to bring a different dashboard from these two actors. On the next page, diagram 1 will present the results of the in-depth interview in the form of the Airbnb service blueprint that occurs now.

Based on the service blueprint which is composed of all the information obtained, a workflow of P2P service system is then compiled. On the consideration that the service platform brings together two main actors, peer service providers and consumers, the goal of getting as many peer providers as possible is as important as bringing in as many consumers as possible. The process begins with a peer service provider registering his/her home to Airbnb as a service platform. Once approved, the important thing that the homeowner must do is contact the community leader to informally notify that his house will be a place to stay for a number of people, including foreign tourists. This stage becomes very important for business sustainability because of the magnitude of potential conflicts that can occur in the future due to cultural differences.

B. Proposed: Using the Blueprint

Based on diagram 1, the tangible aspects that are perceived by the consumer are from the website, the quality of the information and the images listed, and the information from previous consumers who have been staying and interacting with the peer service provider. Another thing that can be seen is a long process must be passed by consumers ranging from searching to the final stage. If analyzed further, this is in line with the results of the literature review which states that collaborative consumption involves three stages. This means that the provider's platform must prepare the details of the transaction process well. Although based on the results of in-depth interviews with both parties, peer providers and consumers assess that the provider platform has a very good online system, but is not yet optimum in providing the photographs of several things. To follow up on these findings, a proposal for improving the Airbnb service blueprint is expected to improve the current weaknesses. Based on the consideration that the stages are quite long, so the stages do not need to be added, but there are some features that should be improved by Airbnb.

The addition of features on the proposed website information system is the presence of interactive media information, or in other words the information presented is not only in the form of images, but in a more interactive format such as video and 360 degrees camera. Airbnb should be integrated with online transport application. Additionally, the results of consumer reviews should also be integrated with social networks like YouTube and Instagram. The addition in the 'customer action' aspect makes it possible for consumers to request certain things such as halal or even vegetarian food. Meanwhile the aspect of 'support system' in the service blueprint proposed is a multi-payment system that supports more currencies and not only credit card payment, but can also use debit cards through a more greater choice of banks. All aspects of improvements mentioned in the paragraph above have been compiled in diagram 2

V. Discussion

There is a shifting from the role of the consumer who then transforms into a consumer who is capable as a value co-creator [17]. Engagement that is dynamically created between the actors and entities around it enables the creation of value [18], [17]. The service-dominant logic theory states that value created is not something that arises from the relationship of two actors only (dyadic interaction) but also involves many other actors or entities which are, of course, always the beneficiary. The beneficiary is the factor that ultimately determines the value within a context with the actor-generated institutions and institutional arrangements [5].

Diagram 3 shows the next step as a follow up of the blueprint service proposal on diagram 2. Another thing to be noticed is that the transfer to peer provider is done by Airbnb one day after the customer arrives at his/her house as shown by the picture of the 'bank' as a business entity closely related to P2P accommodation. Diagram 3 illustrates the 12 process or workflow streams between the three actors involved in P2P accommodation.

This diagram illustrates how a service system that exists in the peer-to-peer accommodation context includes the interaction not only between actors who are directly involved (consumers, peer service providers, service platforms) but also interactions with other entities such as banks and communities or community leader. This process can be arranged based on the results of exploration through online observation and in-depth interviews with consumers and peer service providers, as well as participant observation on Airbnb as the service platform. The perspective used is service-dominant logic with the aim of making improvements to interactions that occur in multiple entities to jointly create win-win outcomes for all entities.

VI. Conclusion

Considering that this paper is a preliminary study, in the future, it is necessary to conduct a more comprehensive next stage which focuses on the study on interaction patterns among entities and observe more about the co-creation process that has occurred and the potential co-creation in the process. For that, the next stage needs to be prepared, namely the Focus Group Discussion (FGD). The FDG is planned to be conducted by involving entities involved in P2P accommodation ecosystem i.e. local community, customer, government, etc. In future research, soft system methodology should be employed as the research design. Soft system methodology is used to structure thinking in a complex problem. It consists of human activity with the consideration that it involves stakeholders in which each of them has a different point of view, interest, and belief [20]. Soft Systems Methodology attempts to foster learning and appreciation of the problem situation between groups of stakeholders to investigate the pattern of interaction among the actors involved in collaborative consumption. Specifically, the second and subsequent stages can be investigated in future research.

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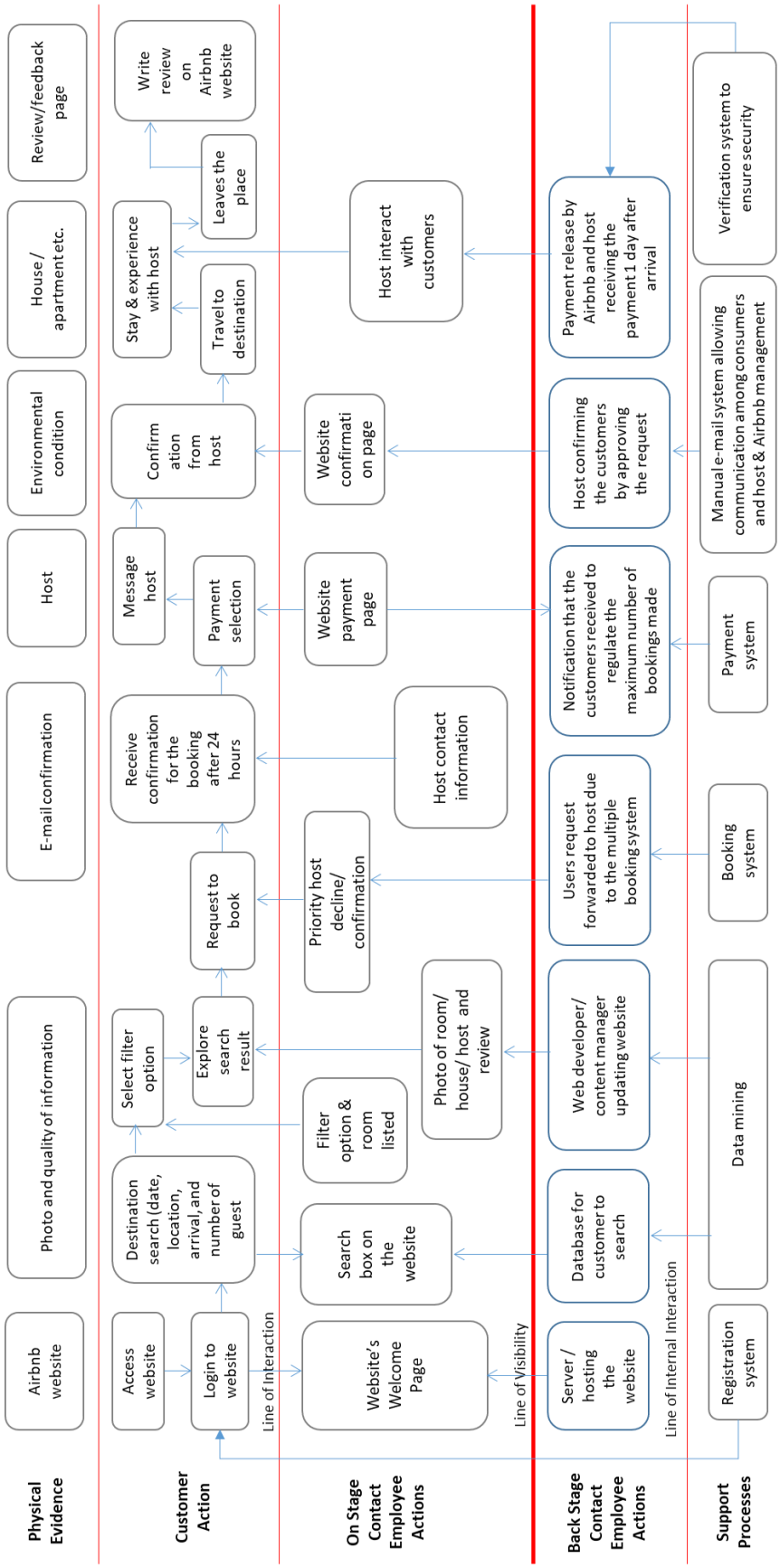

FIGURE II: Existing Service Blueprint Airbnb

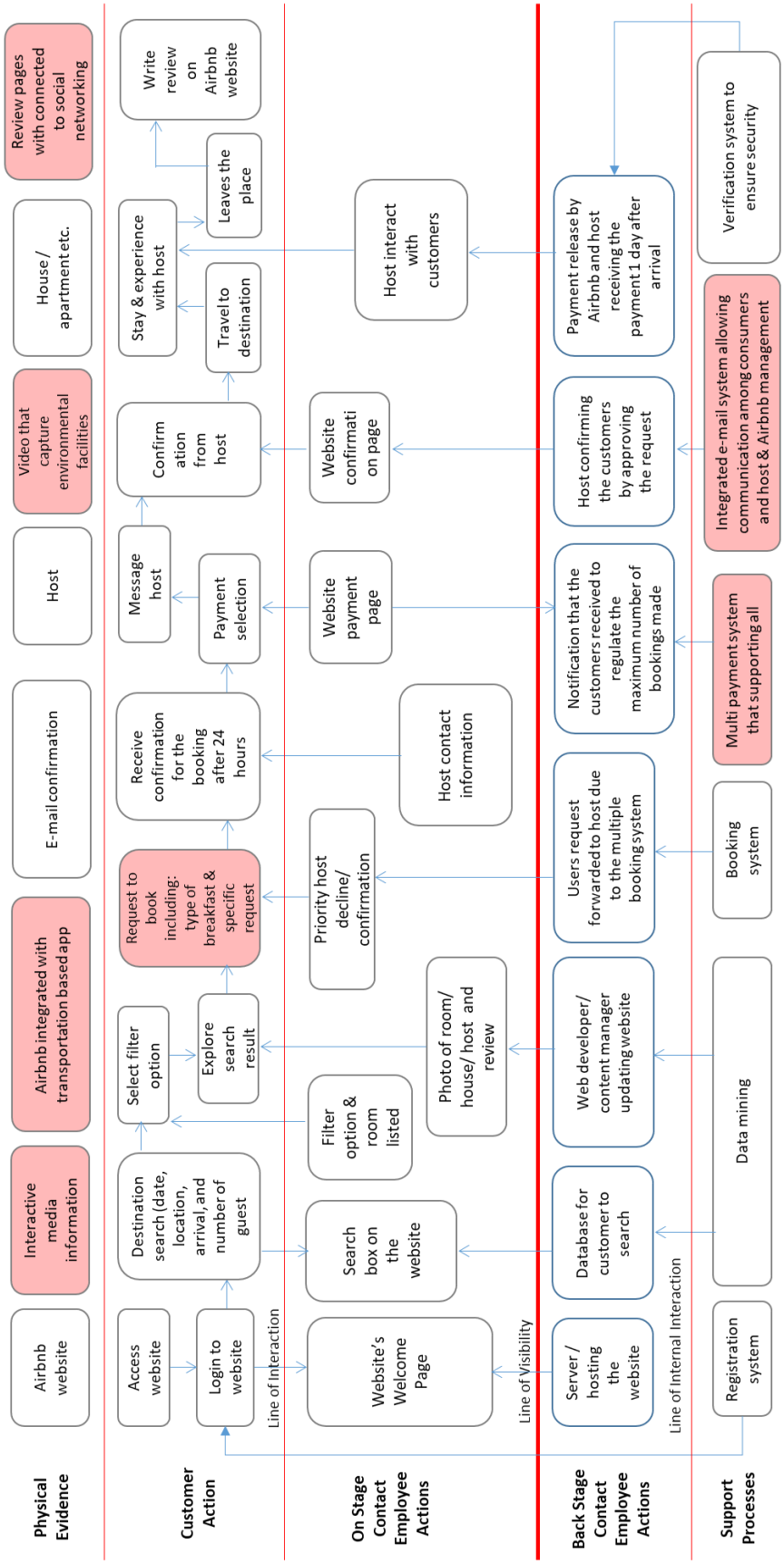

FIGURE III: Service Blueprint Airbnb - Propose

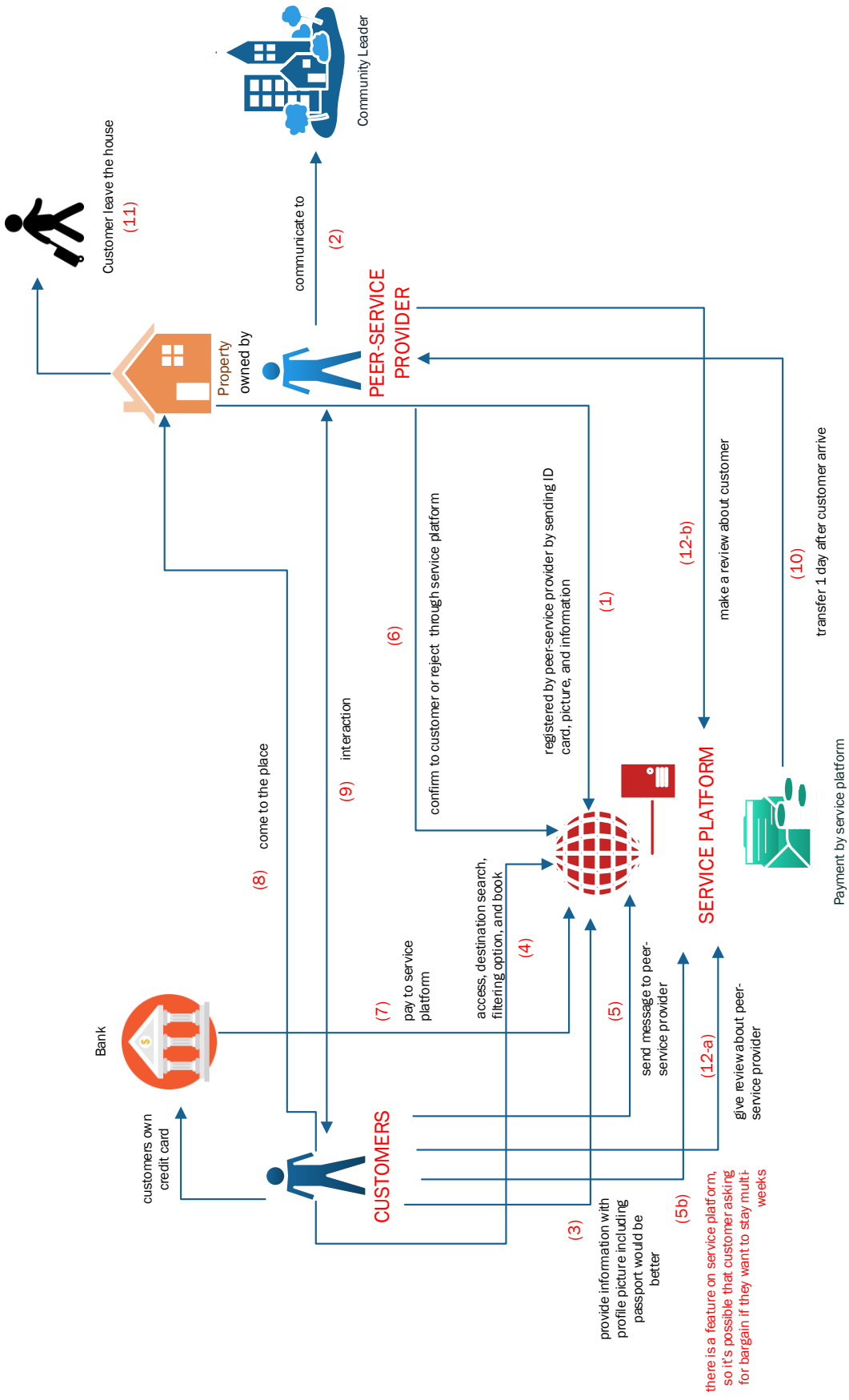

FIGURE IV: Service System – Workflow

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