Collaboration between companies in sharing economy and Skanska

Joseph Hanosh
Otto Myllynpää

2018

Student Thesis, Master Degree (One Year), 15 Credits
Business Administration
Master Programme in Business Administration (MBA): Business Management 60 Credits
Master Thesis in Business Administration 15 Credits

Supervisor: Maria Fregidou - Malama
Examiner: Akmal Hyder
Abstract

**Purpose:** The aim is to investigate the content of the collaboration between car sharing companies and the construction company. The authors aim to map the different phases of collaboration and create a reasonable model to exhibit the collaboration.

**Methodology:** This paper used qualitative approach as the method. Primary and secondary data were used. Primary data was gathered through phone interviews. The respondents were divided into three different categories in order to achieve the most comprehensive understanding. The categories are car sharing, construction company and city official organizations. In total the research had fourteen respondents from eleven different organizations.

**Findings:** The authors developed a business model that may be used as a general outline if the closed-pool systems are applied to other major cities. The approximate costs were calculated and the general motivations for parties to advance to business making were mapped. The city hopes to increase alternative travelling methods and save for other purposes. The construction company aims to achieve zoning benefits in terms of cost-reduction and to have more space where to build. The car sharing companies aim to increase their market share and build their business.

**Conclusion:** The findings indicate that the collaboration between car sharing companies and the construction company is possible within the city’s influence. The zoning benefits may be acquired with correct advancement through phases and, in theory, they would ensure a working business model that enables that the needs of all parties are satisfied.

**Practical Contribution:** Decision makers of all parties may use the information of the study to build the optimal service to the Finnish business environment. The study is additionally intended to provide insight to individuals who are interested concerning zoning and closed-pool car sharing systems.

**Limitations:** This study is delimited to understand the industry from the perspectives of car sharing companies, construction company and the city officials. Thus, the study does not investigate the open-pool business model characteristics of car sharing companies nor
provide a follow-up information concerning the success of the collaboration. The study only involves companies operating in the Finnish business environment.

**Suggestions regarding future research:** Future research should conduct a similar study like this, but in a larger scale, meaning in at least two different countries. Future studies can focus on more than one city within a country to raise the validity and reliability of the results and conclusions.

**Keywords:** car sharing, business development, sharing economy, business collaboration, zoning.
Acknowledgements

The master thesis is written at Högskolan I Gävle, Autumn, 2018. The paper is written at a Master level and constitute our final component in our education. The study consists of 15 higher education credits (hp) and is written within the course "Master Thesis in Business Administration".

We would like to thank all our wonderful respondents that took their time to participate in our interviews and helped us during the journey. Without the respondents, this thesis would not be possible to be completed. Finally, we want to express our gratitude to our supervisor Maria Fregidou-Malama for her guidance during the study.

Thank you for your valuable time.
Gävle 2018.

Warm Greetings,
Joseph Hanosh
Otto Myllynpää
# Table of Contents

CHAPTER 1: INTRODUCTION ................................................................. 1

1.1 BACKGROUND ........................................................................... 1
1.2 RESEARCH QUESTIONS AND AIM ............................................. 3
1.3 SCOPE OF THE RESEARCH ..................................................... 4
1.4 THEORETICAL CONTRIBUTION ............................................... 4

CHAPTER 2: LITERATURE REVIEW .................................................... 5

2.1 SKANSKA HOMES ........................................................................ 5
2.2 SHARING ECONOMY .................................................................. 6
   2.2.1 DEFINING SHARING ECONOMY ......................................... 7
   2.2.2 PROPOSED SHARING ECONOMY FRAMEWORK ............... 8
   2.2.3 CARSHARING AND RIDESHARING .................................. 9
   2.2.4 CLOSED-POOL VERSUS OPEN-POOL CAR SHARING .......... 10
2.3 BUSINESS COLLABORATION .................................................... 11
   2.3.1 DEFINING BUSINESS COLLABORATION ......................... 12
      2.3.1.1 Collaborative type 1: Strategic alliance collaboration ....... 13
      2.3.1.2 Collaborative type 2: Subcontract collaboration ............ 14
      2.3.1.3 Collaborative type 3: Joint venture collaboration ........... 15
   2.3.2 SHARING AND RIDESHARING........................................ 17
   2.4 THEORETICAL FRAMEWORK & SUGGESTED BUSINESS MODEL 17

CHAPTER 3: METHODOLOGY ............................................................. 19

3.1 RESEARCH DESIGN ..................................................................... 19
3.2 DATA COLLECTION ..................................................................... 19
   3.2.1 PRIMARY AND SECONDARY DATA COLLECTION ............. 19
   3.2.2 QUALITATIVE APPROACH & INDUCTIVE APPROACH ......... 20
3.3 CASE SELECTION ....................................................................... 21
   3.3.1 SAMPLE ........................................................................... 21
      3.3.1.1 Information on the organizations ................................. 21
   3.3.2 INTERVIEW CHANNELS ................................................... 22
      3.3.2.1 Information about respondents ................................. 23
3.4 PROCESSING AND ANALYZING .............................................. 24
   3.4.1 OPERATIONALIZATION .................................................... 24
   3.4.2 ANALYZING METHOD ...................................................... 30
3.5 TRUSTWORTHINESS ................................................................... 31
   3.5.1 VALIDITY AND RELIABILITY ........................................... 31
   3.5.2 ETHICS ............................................................................ 32

CHAPTER 4: FINDINGS ...................................................................... 33

4.1 CAR SHARING COMPANIES .................................................... 33
4.2 CONSTRUCTION COMPANY .................................................... 34
4.3 CITY OFFICIALS ........................................................................ 39
CHAPTER 5: ANALYSIS & DISCUSSION

5.1 CAR SHARING COMPANIES ................................................................................. 42
5.2 CONSTRUCTION COMPANY ................................................................................. 43
5.3 CITY OFFICIALS ................................................................................................. 44
5.4 THE SUGGESTED CHOICE OF PARTNERS FOR THE CONSTRUCTION COMPANY ....... 45
  5.4.1 THE SUGGESTED COLLABORATION BUSINESS MODEL .................................. 46
5.5 THE CONNECTION OF APPLYING THE RESPONDENT TO THE MODEL ................. 47
5.6 COSTS FOR THE CONSTRUCTION COMPANY IN CONTRACTUAL PHASE .......... 49

CHAPTER 6: CONCLUSION ......................................................................................... 52

  6.1 CONCLUSIONS CONNECTED TO THE PURPOSE OF THE STUDY ......................... 53
    6.1.1 THE NEW COLLABORATIVE BUSINESS MODEL ............................................. 53
    6.1.2 THE MOTIVATIONS AND DRIVERS TO MOVE INTO THE BUSINESS ............... 54

6.2 APPLICABILITY OF THE VALUE CREATION MODEL TO THE SUGGESTED
    COLLABORATION BUSINESS MODEL ................................................................... 54

6.3 DISCUSSION ....................................................................................................... 55

6.4 LIMITATIONS ...................................................................................................... 56

6.5 SUGGESTIONS FOR FURTHER STUDIES ............................................................ 56

REFERENCES ........................................................................................................... 57

APPENDICES ............................................................................................................ 64

APPENDIX 1: QUESTIONNAIRE FOR CAR SHARING COMPANY .................................... 64
APPENDIX 2: QUESTIONNAIRE FOR THE CONSTRUCTION COMPANY ......................... 65
APPENDIX 3: QUESTIONNAIRE FOR THE CITY REPRESENTATIVE .............................. 66

List of Figures

Figure 1. The process for Residential Development and value creation .......................... 6
Figure 2. The proposed framework for Sharing Economy ............................................. 9
Figure 3. Components of sharing economy business models ...................................... 11
Figure 4. Theoretical Framework ............................................................................. 17
Figure 5. Relationship model for the collaborational phases ...................................... 46
Figure 6. Value creation model to the suggested collaboration business model ............ 54

List of Table

Table 1. Information of the organizations selected for this study .................................. 22
Table 2. Information of respondents from each company ........................................... 24
Table 3. Car sharing candidates - The theory and purpose behind Appendix 1 .............. 26
Table 4. Construction Company candidates - The theory and purpose behind Appendix 2 ...... 28
Table 5. City Officials candidates - The theory and purpose behind Appendix 3 ............. 30
Glossary

**Building owner.** A person/organization who owns a certain apartment or a building.

**Car sharing.** A vehicle that may be booked for customer use. The ownership of the vehicle belongs to the service provider.

**Closed-pool.** A car sharing system that is only available for certain amount or type of people. For example, employees of a company or residents of a building.

**Construction company.** The builder of a building or an apartment complex. In this study, the company involved is Skanska.

**Open-pool.** A car sharing system that enables everyone to book a vehicle for personal use.

**Sharing economy.** The sharing economy is an economic model often defined as a peer-to-peer based activity of acquiring, providing or sharing access to goods and services that are implemented by a community based online platform.

**Zoning.** Construction companies must follow the preset zoning rules how the city wishes the city the be built. The zoning rules between cities and countries may differ.

**Zoning benefits.** Some cities in Finland give zoning benefits in order to promote sustainable living and to reduce carbon emissions. Car sharing parking spots may be deducted from the overall amount of parking spots.
Chapter 1: Introduction

This chapter offers an overall introduction of the problem that the study is investigating and introduces the aim of the study.

1.1 Background

We intend to investigate the new business model characteristics between car sharing companies and the construction company. Thus, in order to understand the characteristics, the authors investigated previous literature concerning business model creation and the sharing economy. The concept of sharing economy is highly appreciated by customers since products and services that are normally expensive or exclusive become available for more people at lower cost (Cusumano, 2015). According to Millard-Ball (2005), car sharing is a service that enables the member with an access to vehicles on an hourly basis. Customers reserve a vehicle online and open the doors. They are charged based on usage of the vehicle. Car sharing can be considered as a substitute for car ownership. Car sharing may be for-profit operators with social change and environmental mission. Several studies have investigated the costs and benefits associated with car sharing (Cervero & Tsai, 2004; Huwer, 2004; Katzev 2003; Costain, Ardron, & Habib, 2012). These studies imply that car sharing eliminates the fixed costs associated with typical usage of cars. The service was seen in a positive light especially by the occasional drivers. However, the advantages of car sharing in rural areas are not as effective as in densely populated areas (Grifoni, D'Andrea, Ferri, Guzzo, Felicioni, Praticò, & Vignoli, 2018; Byun, Lee, Kee, & Do, 2017). For example, a company LH Happy Carsharing in Korea which implemented closed-pool system noticed that the most influential factor targeting certain areas is the potential amount of users within the area (Bauyn, 2017). According to Byun et al. (2017), the business model of closed-pools has been noticed to work most efficiently apartment complex is not too far away from the downtown since the usage of the cars was on average 23,2 kilometers.

It can be argued that the construction companies are moving to the car sharing industry in order to produce income for their business (Millard-Ball, 2005). In order to understand the underlying reasons why construction companies would collaborate with car sharing companies, we must understand the new opportunity provided by the city of Helsinki. According to City Council of Helsinki (2015), the aim of the zoning rules of the city are as follows:
• The parking conditions of the residents are intended to be organized that it allows a compact implementation of zoning and the expansion of the city.

• The zoning plan must allow that residents have equal access to parking- and bicycle spots.

• Residents do not own the parking spots instead possess a right to use them.

• The user of the parking spot is responsible for the parking spot.

• The service concept is intended to reduce the usage of cars in general.

According to City Council of Helsinki (2015), the owner of the property is obligated to build parking spots in correlation with apartments in the ratio of 1:1 or 1: 30 gross-m2. Owner of the property is obligated to demonstrate that car sharing cars will be permanently adapted as a part of the property’s parking area. This allows the property owner to deduct five parking spots from the overall amount of obligated parking spots. The total amount of spots reserved for car sharing cars may not exceed ten percent of the overall amount of parking spots. The property owner must demonstrate the functionality of the service while applying for the building permit, otherwise, the car sharing spots may not be deducted from the overall amount. The owner of the property must demonstrate a long-lasting mutual agreement with the car sharing company where the car sharing company demonstrates as many car sharing cars what has been agreed in the contract (City Council of Helsinki, 2015). These rules set the framework for how the parking spots are built in the city and what are the circumstances for the collaboration.

The business and research environment in this study is the city of Helsinki and the companies operating within this area. According to Siren (2018), in the Helsinki area, only fifteen percent of respondents (out of 608) were willing to let go of their privately held car and replace it with car sharing car. The willingness to change the transportation method does not change tremendously based on the location within a city where the citizen is living. The research was in line with other previous studies made by Trafi (Finnish Transport Safety Agency) and the Ministry of Transportation (Siren, 2018).
Despite the relatively low demand for car sharing cars, there are at least ten car sharing operators in the Finnish business environment according to Siren (2018).

Previous studies have focused mainly on open-pool business models where anyone registered to the company’s database may use the car sharing cars based on hourly fee (Al-Atawi, 2016; Siren, 2018). These studies do not investigate closed-pools where the service is only available for a certain group of people usually, these people are the residents of a condominium or the employees of a certain company. Only few closed-pool studies have been conducted (Byun et al. 2017). In the study, they investigated the car usage frequency between different areas from the socio-economic perspective. After review of previous literature, it appears that the business-to-business characteristics of closed pool systems remain unknown. It is still a mystery why the companies are collaborating and on what matters the agreements are based on.

1.2 Research Questions and Aim

- What are the motives and drivers of construction companies and car sharing companies to move into the collaboration?

- How will the new collaborative business model be between construction companies and closed-pool car sharing organizations?

The aim is to investigate the content of the collaboration between car sharing companies and the construction company. The authors aim to map the different phases of collaboration and create a reasonable model to exhibit the collaboration.

The previous literature mainly focuses on open-pools where the user can be anyone who wishes to use the car. Additionally, the previous literature does not provide information concerning the motivations and drivers why the construction company and car sharing companies collaborate. The construction company in this study is the second one to provide such service in the Finnish business environment and the characteristics of the industry remain unknown for a greater audience.

The study is intended to contribute to the academic community by introducing the collaborative business model between car sharing companies and construction company.
The study investigates the different requirements and drivers of all parties to create a deeper understanding of the underlying matters which will formulate the foundation of the new collaborative business model.

1.3 Scope of the Research
This study is delimited to understand the industry from the perspectives of car sharing companies and the construction company. Thus, the study does not investigate the open-pool characteristics of car sharing companies nor provide follow-up information concerning the success of the industry. The study only involves companies operating in the Finnish business environment. The study only investigates the zoning matters based on Helsinki’s regulations, thus the results may vary in different cities.

1.4 Theoretical Contribution
This study is intended to contribute to the academic community by introducing the unification of the business model of car sharing companies to the construction company’s business model. The study merges the different requirements and drivers of city, car sharing companies and Skanska to create a deeper understanding of the underlying matters which will formulate the foundation of the new industry.
Chapter 2: Literature Review

This chapter presents the literature used during the study. Since the topic of car sharing is relatively new, the first part of the literature review is intended present the general outlines and thoughts within the topic to give the reader a solid foundation. Then we proceed to go in depth with the relevant theories and explanations of car sharing and organizational development. Finally, a conceptual framework figure is presented to give the reader a visual understanding of the connection between the car sharing business model and the contractor’s business model.

2.1 Skanska Homes

Skanska business actions may be divided into three different sections in the Finnish business environment; infrastructure, renovating and Homes. This study focuses on the collaboration with the Homes section. According to Skanska Homes (2017), the section is focusing on building single and multi-family housing. The company designs, constructs, markets and sales the apartments. The value creation process starts with an analysis of macroeconomic factors and demographic trends of where the growth is located. This is continued by specifying the target group and what they need and want.

Before making land purchases, Skanska analyzes local conditions. This is continued by a process which ultimately aims to offer the customers with the best possible value. During the planning stage, Skanska establishes a collaboration agreement with the municipal authorities. Lastly, the neighborhood is designed and built based on residents needs and environmental considerations. The sales team finishes the overall process by selling the houses to the right target groups (Skanska Homes, 2017).
Figure 1. The process for Residential Development and value creation. (Skanska Homes, 2017)

Figure 1. Figure one explains the value creation process for Skanska. The value creation process of Skanska will be included in the research as a relevant factor which affects the content of the business collaboration with car sharing companies.

2.2 Sharing Economy

Driving a car that is not owned by the driver and can be used by a certain number of selected individuals for a small amount of money is an action that can be described as a sharing economy. The phenomenon does, however, have multiple established names to describe itself, like “collaborative consumption” and “peer to peer economy” (Cheng, 2016). However, the act of sharing is a moral issue and has been done for as long as humans have existed, therefore these labels on the act of sharing might be modern, whilst the phenomenon is old. Mostly, the act of sharing occurs within family members and close friends instead of with strangers or neighbors that live across in the same apartment complex (Belk, 2014).

- “[Sharing is] the most universal form of human economic behavior, distinct from and more fundamental than reciprocity. Sharing has probably been the most basic form of economic distribution in hominid societies for several hundred thousand years” (Price, 1975, p. 7).
Prices’ definition of sharing describes how the act of sharing is and have essentially always been more important than exchange within economical terms. According to Cheng (2016), the growth of the public's interest in sharing economy concepts has increased rapidly between 2011 and 2016 mainly due to social economic conditions. The rapid advancement of technology combined with the human need for social connection is changing attitudes regarding ownership of product and services. However, even though more companies and organization are implementing, or possibly are based on the concept of sharing economy as their business model, there exists no generally accepted definition of the term sharing economy (Ranjbari, Morales-Alonso & Carrasco-Gallego, 2018). Therefore, this field of research is new, and concepts, definitions or frameworks of sharing economy are few.

2.2.1 Defining sharing economy

Even though there is no scientifically established definition of sharing economy, a few researchers have provided the community with a proposal that suits this papers definition of what sharing economy consists of. By analyzing 67 various definitions of sharing economy in 193 papers, Ranjbari et al. (2018) define sharing economy as:

“An economic system, whose intermediary companies utilize online platforms to facilitate and lower the cost of the for-profit transactions of giving temporary access—without the transfer of ownership—to idle resources of consumers in the peer-to-peer networks that it has created, because of the trust built among its members, who may be individuals or businesses.”

This definition is derived out of 11 key features that sharing economy most likely consists of, which are Online platform, Idle capacity (underutilized resources), Collaborative form of consumption, For-profit activities, Temporary access/non-ownership, Accessibility and flexibility (convenience of participants), Peer-to-peer connection, Trust and network-based activity, Sustainability, Intermediary role and lastly Capability of operating at near zero marginal cost (Ranjbari et al., 2018).

The online platform is the most frequent term used in any other sharing economy definition, which is due to the fact that we live in a highly technological and digitized society (Ranjbari et al., 2018). The following, however, are three of the earlier attempts
of defining sharing economy derived from three different sources, the dictionary, a conference and academic article, between the years 2010 to 2016:

— “An economic system in which assets or services are shared between private individuals, either for free or for a fee, typically by means of the Internet.” (Stevenson, 2010)

— “A peer-to-peer based activity of obtaining, giving, or sharing the access to goods and services, coordinated through community-based online services.” (Andersson, Hjalmarsson & Avital, 2013)

— “A socio-economic ecosystem built around the sharing of human and physical resources. It includes the shared creation, production, distribution trade and consumption of goods and services by different people and organizations.” (Hamari, Sjöklint & Ukkonen, 2016)

Other definitions of sharing economy do not go in depth to explain what characterizes sharing economy or what their components are, compared to Ranjbari. Therefore, Ranjbari proposal is the best attempt to define the sharing economy.

2.2.2 Proposed sharing economy framework
Figure 2 visually explains the process within sharing economy transactions. Note that the supplier and the demander, can both be a company or a customer, meaning that this model explains B2B, B2C, and C2C sharing economy transactions. The intermediary is moreover labeled as an online platform since that is where most of the transactions are being done (Ranjbari et al., 2018), even though the sharing practice have existed before the advent of online platforms (Frenken, 2017).
The figure above is a proposed framework for sharing economy, consisting of the supplier contributing the consumer with temporary access to a product or a service with no transfer of ownership. In return, the consumer compensates the supplier for the time the product or the service has been consumed. This exchange takes place through some sort of online platform since that is the intermediary between the supplier and the demander. Trust in the online platform between those two is the main basis for continuous activity.

2.2.3 Carsharing and ridesharing

When discussing car sharing companies, models and concepts from the perspective of a sharing economy, it is important to understand the difference between car sharing and ridesharing since the terms can easily be mixed together. According to Grifoni, D’Andrea, Ferri, Guzzo, Felicioni, Praticò & Vignoli (2018) both car sharing- and ridesharing companies aim to provide all the benefits that come along when owning a car at a lower cost than regular taxi services or traditional car rental companies. However, car sharing is the concept of renting a car for short trips and charge the consumer by the minute or the hour, meaning that the consumer drives the car themselves, while ridesharing is closer
to taxi services, and the consumer sits in the car while the owner of the car drives the consumer to the desired destination (Grifoni et al. 2018).

The benefits of car sharing are many, both to the consumer, the provider and the environment (Grifoni et al. 2018). From a financial perspective, the benefits for the consumer are the low cost since there are no gasoline or oil changes or any car-related maintenance. From a health perspective, the consumer has an increase in personal health due to an increase in biking or walking, presuming that car sharing is the only alternative to access a car (Grifoni et al. 2018). Moreover, the consumer experiences freedom and convenience in the form of mobility (May, Ross, Grebert & Segarra, 2008). From an environmental perspective, the more consumers who switch to car sharing results in fewer cars in the roads, since individuals tend to sell their cars when using car sharing services frequently (Grifoni et al. 2018). This is supported by other researchers who have concluded that car sharing in bigger cities tend to result in individuals selling their car in the long term and only using and depending on car sharing services, which ultimately benefits the environment because of the lower CO2 emissions (Firnkorn & Müller, 2011). This naturally results in more business opportunities in the form of higher demand and more customers for the provider of car sharing services.

2.2.4 Closed-Pool versus Open-Pool Car sharing

According to Cohen & Kietzmann (2014), there are more than 600 car sharing business operating around the globe, and they are focused on two different customer categories. Car sharing companies can operate within two different categories of customers, which are closed-pool (business users) or open-pool (personal users) customers (Millard-Ball, 2005). The first alternative, closed-pool, focuses on a certain number of people that can use the car sharing service, for example, the people living in an apartment complex or the employees of a certain business. Meaning, the customers of a closed-pool car sharing company are geographically limited. While the latter, open-pool, focus on any type of customer and is not bounded to a geographic region as a closed-pool. However, the region is still limited to the city the company is operating in since it is highly unlikely for a customer to use a car sharing service to travel from one city to another city. (Millard-Ball, 2005).
2.3 Business collaboration

According to Grifoni et al. (2018, p. 65), “...the new collaborative or sharing projects invent a new business and therefore generate new economic activity”. Meaning, a new type of business is being produced when two companies come together for a project. According to D’Andrea et al. (2011), success in sharing and collaborative economy requires trust, transparency, and authenticity with your customers. The business models basis represents traditional characteristics of any company - how the company differentiates and defines its offerings, how they select the customers, define the task to be performed, adjusts its resources, creates utility, enters markets, and captures the profits. According to Grifoni et al. (2018), this type of sharing economy has weaknesses. The authors argue that car sharing requires a sizeable amount of planning and the whole process have been noticed by the customers to take time and they started to look for alternative options.

According to Pett & Dibrell (2001), companies are attempting to scale and improve competitiveness by mutually developing new sources for business models in order to create new organizational models. Companies improve their competitiveness in comparison to other players in the markets as they share the resources required to enter new markets. Partnership and alliances exist because the companies involved expect economic success from the project (Stanek, 2004). Companies assume that alliances and partnerships bring more economic profit than it would if working solely. The benefits of the alliances and partnerships are competitive preempting, risk sharing, access to markets and rapid access to resources (Stanek, 2004).

![Figure 3. Components of sharing economy business models. (Grifoni et al. 2018, p. 67)](image)
According to Grifoni et al. (2018), the Components of sharing economy business models (Figure 3) express how the sharing economy business model is supporting mutual collaboration between companies to maintain and develop common strategies and find suitable partners to accept profitable orders. The B2B platform is the most relevant for this study since it illustrates the basis of transactions and how the companies operate in the markets. The B2B can help companies to perform better and develop their internal operations according to a profit-driven approach (Grifoni et al. 2018).

2.3.1 Defining business collaboration
Defining words are important to eliminate misunderstandings and misinterpretations. Collaboration is unifying, and when discussing business collaboration, we mean cross-sector business collaboration, meaning collaboration between two different industries. Cross-sector business collaborations are seen as innovative ways of producing products, services or public goods, especially regarding infrastructure since that sector involves all individuals of society (Tulder, Seitanidi, Crane, & Brammer, 2016). Cross-sector business collaborations have increased due to problems that can only be solved if two or more businesses combine their alliances and develop new and innovative solutions (Le Ber & Branzei, 2009). Therefore, business collaboration is important from both environmental, social and financial perspectives. However, unifying two businesses is rarely an easy task and often perceived as the last choice of solution available, since collaboration between two businesses generally requires sharing information, resources, activities, and capabilities with each other (Bryson, Crosby & Stone, 2006).

The definition that best explains business collaboration and is closest to our case study, is provided by Bryson, Crosby & Stone. Business collaboration is defined as “the linking or sharing of information, resources, activities, and capabilities by organizations in two or more sectors to achieve jointly an outcome that could not be achieved by organizations in one sector separately” (Bryson et al. 2006, p. 44). This definition explains what connections there are between two organizations when they are collaborating and why they are collaborating, which is mainly due to some goal or project that is incapable of being achieved by one organization alone.

The general aim of the most cross-sector collaboration is to solve issues regarding economy-, social problems and environmental problems (Crane, 1998). However, cross-
sector collaborations are a phenomenon that is still under development and not researched enough, therefore, there could be other reasons than only economic-, social- or environmental problems that cross-sector collaborations are done (van Tulder, Seitanidi, Crane, & Brammer, 2016). van Tulder et al. (2016) explains that cross-sector collaborations tend to be the strategy of choice when two or more companies want a community to realize the benefits of the potentially possible business collaboration.

Furthermore, business collaborations could be seen as a type of partnership. These partnerships can be divided into different types of collaborations. The next three sections provide three potentially applicable collaboration types to the case of Skanska.

2.3.1.1 Collaborative type 1: Strategic alliance collaboration

Strategic alliance contracts are important within interorganizational business development and are one of the most common collaboration types used by organizations worldwide (Albers, Wohlgezogen & Zajac, 2016). Complex societal issues can be effectively solved through strategic alliances (Gajda, 2004) and a competitive edge in the marketplace (Das & Rahman, 2010). However, despite the importance of this type of collaboration contract, the general decision makers understanding regarding what collaborative strategy they should implement is low, compared to findings in the literature (O’ Farrell & WOOD, 1999).

According to Todeva & Knoke (2005) strategic alliances “create interdependence between autonomous economic units, bringing new benefits to the partners in the form of intangible assets, and obligating them to make continuing contributions to their partnership”. This explanation of strategic alliances postulate that each organization has to bring continues developing value in some form that the other organization needs in order to reach a common goal, and vice versa. There can be no alliance between two companies if only one partner contributes continually, it must be mutual. This definition is supported by Das & Teng (1998), who defines strategic alliances as “interfirm cooperative arrangements aimed at achieving the strategic objectives of the partners.”.

Moreover, the authors explain how the two or more partners involved are required to be confident in themselves as a company and in their shared product or service, in order to make sure the strategic alliance will reach success. Low confidence levels raise suspicion
between partners in a strategic alliance regarding their ability to deliver promised results (Das & Teng, 1998). Applying this in the theoretical context of Skanska and a potential car sharing company, if the car sharing company illustrates traits of low confidence in their products and services, Skanska will begin to suspect the chosen partner in their strategic alliance as a weak choice.

Cheng, Li, Love & Irani (2004) explains how a strategic alliance usually binds the independent organizations that are involved in collaborative activities through a formal contract. However, the authors argue that in the construction industry, strategic alliances are mostly informal and passive. Cheng et al. (2004) define strategic alliance in the construction industry as a “*long-term relationship formed between two parties (or more) within a supply chain to develop mutually agreed strategies in terms of goals and objectives for the involved parties to pursue jointly.*”.

Moreover, the long-term relationship process of a strategic alliance is divided into three different stages, which are creation, implementation, and evaluation. The authors argue that the most important factor regarding the success of a strategic alliance is the commitment from the involved organizations within the alliance. For example, a car sharing company must be committed to providing the necessary services and cars to the closed-pool consumers whilst Skanska must commit to building complexes that support the car sharing company requirements to successfully and functionally operate.

2.3.1.2 Collaborative type 2: Subcontract collaboration

Another type of cross-sector business collaboration is subcontracting. According to Kaelin (2016) subcontract is defined as “*any contract entered into by a subcontractor to furnish supplies or services for performance of a prime contractor or a subcontractor*”. Subcontracting could be everything between materials and services. Investopedia (2018) supports the above definition by defining subcontracting as “*the practice of assigning part of the obligations and tasks under a contract to another party known as a subcontractor*”. Furthermore, they explain that this form of collaboration is often applied in industries that are of high complexity, such as the construction- or IT industry. In construction, subcontracting is explained as the construction firm collaborating with a general contractor who can perform a chosen part of the general contractor’s work (Arditi & Chotibhongs, 2005). Subcontractors within the construction industry is therefore
important and vital to complete the construction projects. Subcontracting is beneficial for construction companies from a financial perspective since construction companies can obtain skilled craftsmen or specialized equipment for the limited time these are needed without having to own them (Arditi & Chotibhongs, 2005).

Within the construction industry, one of the most used and established definitions in the literature regarding subcontract partnering is provided by the Construction Industry Institute (Bygballe, Jahre, & Swärd, 2010).

- “A long-term commitment by two or more organizations for the purpose of achieving specific business objectives by maximizing the effectiveness of each participant’s resources. This requires changing traditional relationships to a shared culture without regard to organizational boundaries. The relationship is based on trust, dedication to common goals, and an understanding of each other’s individual expectations and values. Expected benefits include improved efficiency and cost-effectiveness, increased opportunity for innovation, and the continuous improvement of quality products and services.” (Construction Industry Institute, 1991, p. 5)

The Construction Industry Institute definition covers the time frame between two or more collaborators, what actions that are required to establish the collaboration and three factors that determine the outcome and sustainability of the collaboration relationship. However, despite the financial benefits or completion benefits, there are many issues in subcontracting. For example, it is common for the subcontractor to obtain late payments, due to general contractors’ tendency to pay when they have been paid themselves (Arditi & Chotibhongs, 2005). Other issues with subcontracting are bidding-, bonding-, insurance-, safety- and productivity issues.

2.3.1.3 Collaborative type 3: Joint venture collaboration

Cross-sector collaborations, or inter-firm collaborations which are another term that explains collaboration between two organizations, can be done through joint ventures. Joint ventures as a collaborative type of choice dramatically started to increase at the beginning of the year 1980 and are still one of the most common collaborative types to be used (Caloghirou, Ioannides & Vonortas, 2003). Joint ventures are defined as “organizations, jointly controlled by at least two participating entities, whose primary
purpose is to engage in cooperative research and development” (Caloghirou et al. 2003). A more modern and up to date definition of joint ventures are declared as a “long-term transactional relationship between at least two independent companies, which have established a new legal entity for jointly executing new activities” (van der Meer-Kooistra & Kamminga, 2015). Thus, a joint venture consists of two or more organizations that create a new legal cooperative business to reach their common goals more effectively through engagement in research and development activities.

In relation to Skanska potentially collaborating by creating a joint venture with a car sharing company, the nature of the joint venture will have an international nature, since both Skanska and the choice of the car sharing company will most likely be international as well. Organizations must think of and develop solutions to risks that are naturally included in international joint ventures, such as technical abilities, economic and political environments, social environments and differentiating country laws (Razzaq, Thaheem, Maqsoom & Gabriel, 2018). These external risks impact the amount of success an international joint venture will experience. Specifically, international construction joint ventures, since they are obligated to follow the host countries’ constructional rules and regulations (Razzaq et al. 2018). Furthermore, there must be a competition in the construction market in order to encourage companies to collaborate through joint ventures, since joint venture collaborations often tend to occur when organizations need each other’s skills, products or services (Walker & Johannes, 2003).
2.4 Theoretical Framework & Suggested business model

The theoretical framework is based on the first figure provided in this study, The process for Residential Development and value creation (Skanska Homes, 2017). This figure is essential for the study since it is this figure the study is based on and further developed into a business model in the fifth chapter. However, this figure can only be applied to this particular construction company, therefore it is not a universal business model, instead, it is geographically limited.

The theoretical framework is divided into two major sections, the Sharing Economy section (Price, 1975; Cheng, 2016; Ranjbari et al. 2018; Stevenson, 2010; Andersson et al. 2013; Hamari et al. 2016; Frenken, 2017; Grifoni et al. 2018; May, 2008; Firnkorn & Müller, 2011; Cohen & Kietzmann, 2014; Millard-Ball, 2005) and the Business Collaboration section (Grifoni et al. 2018; D’Andrea et al. 2011; Pett & Dibrell, 2001; Stanek, 2004; Tulder et al. 2016; Le Ber & Branzei, 2009; Bryson et al. 2006; Crane, 1998; van Tulder, 2016). Under each of the major section, there is the main definition.
provided to make the major sections as clear as possible for the reader. Further, each major section is compiled of different amount of minor models, theories and concepts.

The first section, the Sharing Economy, consists of a proposed sharing economy framework (Ranjbari et al. 2018, p. 13), the difference between car sharing and ridesharing concepts (Grifoni et al. 2018; May et al. 2008; Firnkorn & Müller, 2011) and the different focus groups between closed-pool and open-pool car sharing (Cohen & Kietzmann, 2014; Millard-Ball, 2005).

The second section, the Business Collaboration, consists of a business model for three different platform types and their components that makes up for a sharing economy business model (Grifoni et al. 2018, p. 67). Lastly, there are three potentially applicable collaboration types provided for this particular case, which are; Strategic alliance collaboration (Todeva & Knoke 2005), Subcontract collaboration (Kaelin, 2016), Joint venture collaboration (Caloghirou et al. 2003).

The suggested business model is provided in the conclusion section 6.2 since the theoretical framework does not provide enough information to create a suggested business model. The model is based on theoretical and empirical findings.
Chapter 3: Methodology

In order to achieve the purpose of the research and to answer the research questions, in this part, the authors justify the usage of the chosen methodology. The authors will introduce the research design, the data collection, approaches used, discuss the sample, introduce the channel used, explain the analysis method, and conclude the methodology by discussing ethics together with validity and reliability.

3.1 Research Design

The purpose of this research is to investigate the collaboration between the construction company and car sharing companies. In order to achieve the goal, the authors seek to map the characteristics of the collaboration which is the initial goal of this research. The main reason to apply qualitative method is to understand phenomena and to close the previous gaps in the literature. This serves the purpose of this particular research and the aim of the research (Fletcher, De Massis & Nordqvist, 2016). The authors expect that the interviews will provide previously unknown information, thus inductive approach will be used as a part of the research to fill the gaps.

3.2 Data collection

3.2.1 Primary and secondary data collection

Primary data, in this case, will be gathered by phone interviews. Since different parties have different point-of-view towards the topic, the questionnaire contains three different versions. The different perspectives are; the city representatives, representatives from the construction company and representatives from car sharing companies. This is done due to the fact that the authors wanted different perspectives in order to have the most comprehensive results possible.

According to Bui (2009), secondary sources are typically published in research journals in four common forms, which are meta-analyses, literature synthesis, research reviews, and textbooks. However, encyclopedias, handbooks, indexes, and dictionaries are classified as secondary data as a form of reference material as well. These sources have been gathered through the internet as the primary engine, and since the internet is a disorganized source of information (Hox & Boeije, 2005), appropriate keywords have
been implemented to stay effective and precise. Secondary data was gathered through scientific articles published in research journals.

### 3.2.2 Qualitative Approach & Inductive Approach

According to Golafshani (2003), qualitative relates to any type of research that produces findings that are not derived by means of statistical procedures or other means of quantification, instead, the type of research that produces findings derived from real-world settings where the phenomenon of interest unfolds naturally. According to Creswell (2009), the aim of qualitative research is to investigate the meaning of the participant’s experiences and how people view a particular issue or case. The qualitative research has an exploratory nature, thus qualitative questions traditionally commence with words, such as how and what. Additionally, it is important to note that the qualitative research possesses an inductive nature.

According to Elkatawneh (2016), the quantitative approach is intended to examine the relationship between variables. The quantitative approach is intended to collect more than one type of data in order to compare them to make conclusions what is going on in the field. Based on the definition of the approaches, the qualitative method appears to be more suitable for this research, since in this study there is a lack of previous data concerning the research topic. The topic is new. The aim of the research is to map and investigate, thus the inductive nature of the qualitative approach is more suitable for the research. However, the qualitative method requires a substantial amount of time to be spent in the research environment, it is additionally possible to use mixed method (Elkatawneh, 2016). Thus, we will rely mainly on performing qualitative research. We seek to perform 14 interviews, and even though, the interviews would be done in the office environment it can be argued that it would not change the results tremendously.

According to Thomas (2006), the primary purpose of the inductive approach is to allow findings to emerge from the dominant, frequent or significant themes in the raw data. Key themes are often reframed, obscured or left invisible because of the preconceptions in the data collection. According to Saunders (2012), inductive approach is intended to summarize the theory and the theory focuses on developing new theoretical perspectives based on existing literature. According to Thomas (2006), the benefits of inductive approach in qualitative context are:
1. To summarize the extensive and varied raw text.

2. To establish clear links between the research objectives and the summary findings derived from the raw data.

3. To develop a model or theory about the underlying structure of experiences or processes which are existing in the text (raw data).

The method was chosen by the authors as it fits the aim of the study comprehensively. The method enables the authors to draw a model and theories based on raw data and can be used for summarizing.

3.3 Case selection

3.3.1 Sample

The sample pool in this research was divided into three bundles, the car sharing companies, construction company, and the city officials. In general, the topic has relatively many aspects and the participants will most likely have different perspectives towards the topic. The only one which intentionally was left out was the customer’s perspective but since the service has not been applied in the Finnish market widely and the research focus is highly on business-to-business perspective, the customer’s opinion could have only been used to evaluate the opinion towards the service afterward.

We included eight different car sharing companies operating in the Finnish business environment. Three different respondents from the construction company, the planning director, marketing manager, and land purchasing responsible. And two city official who specialize on zoning matters.

3.3.1.1 Information on the organizations

The table below presents the organizations selected for this study, which industry they operate within and the year they were founded.
<table>
<thead>
<tr>
<th>Company</th>
<th>Industry</th>
<th>Founded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ekorent</td>
<td>Car sharing</td>
<td>2014</td>
</tr>
<tr>
<td>24 Rent</td>
<td>Car sharing</td>
<td>2013</td>
</tr>
<tr>
<td>City Car Club</td>
<td>Car sharing</td>
<td>1999</td>
</tr>
<tr>
<td>ALD Sharing</td>
<td>Car sharing</td>
<td>2016</td>
</tr>
<tr>
<td>Drive Now</td>
<td>Car sharing</td>
<td>2016</td>
</tr>
<tr>
<td>Hertz car Sharing</td>
<td>Car sharing</td>
<td>2016</td>
</tr>
<tr>
<td>Omago</td>
<td>Car sharing</td>
<td>2016</td>
</tr>
<tr>
<td>Europcar</td>
<td>Car sharing</td>
<td>2017</td>
</tr>
<tr>
<td>Skanska</td>
<td>Construction</td>
<td>1887</td>
</tr>
<tr>
<td>City of Helsinki</td>
<td>Government</td>
<td>1873</td>
</tr>
<tr>
<td>City of Espoo</td>
<td>Government</td>
<td>1968</td>
</tr>
</tbody>
</table>

*Table 1. Information of the organizations selected for this study. (Own, 2018).*

### 3.3.2 Interview Channels

According to Carr & Worth (2001), there is solid support in the previous literature for the telephone interviews as legitimate data collection method. Studies which compared telephone and face-to-face interviews have concluded that telephone interviews produce data which is at least comparable in quality to that attained by face-to-face interviews. There are some noted advantages in terms of smaller interview effect, lower costs and effectiveness. When comparing different methods to conduct the research, we chose phone interviews. Face-to-face interviews would provide the most accurate data (Crescentini & Mainardi, 2009). But since we have fourteen respondents in eleven different organizations and the interviewers and respondents are situated in a different country, the travel expenses would be increasingly high. E-mail interviews are in our case risky since the questions are relatively complex and discuss the topic in-depth manner, there is a possibility that the respondents do not understand the questions.

According to Crescentini & Mainardi, 2009, qualitative research requires the interviewer to be in contact with the respondents, thus as the travelling expenses narrow face-to-face interviews out the only option is to do a phone interview. E-mail interviews cannot be
considered as an interactive situation. Thus, phone interviews were selected as the most optimal way to conduct the research as they do not require us to travel and the respondents may be helped while asking the questions.

3.3.2.1 Information about respondents

The below figure 4 presents information about the respondents, who the representatives were, what occupation they have and what gender they are.

<table>
<thead>
<tr>
<th>Firm</th>
<th>Representatives</th>
<th>Occupation</th>
<th>Gender</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ekorent</td>
<td>Juha Saarinen</td>
<td>Owner/s</td>
<td>Male</td>
</tr>
<tr>
<td></td>
<td>Juha Putkiranta Aarno</td>
<td></td>
<td>Male</td>
</tr>
<tr>
<td></td>
<td>Törmälä</td>
<td></td>
<td>Male</td>
</tr>
<tr>
<td>24 Rent</td>
<td>Matti Hänninen Ville</td>
<td>Owner/s</td>
<td>Male</td>
</tr>
<tr>
<td></td>
<td>Ville Vikström</td>
<td></td>
<td>Male</td>
</tr>
<tr>
<td>City Car Club</td>
<td>Pekka Pere</td>
<td>Owner/s</td>
<td>Male</td>
</tr>
<tr>
<td>ALD Sharing</td>
<td>Aslak Eloranta</td>
<td>Owner/s</td>
<td>Male</td>
</tr>
<tr>
<td></td>
<td>Emmi Rahikka</td>
<td></td>
<td>Female</td>
</tr>
<tr>
<td>Drive Now</td>
<td>Jarkko Lappalainen</td>
<td>Owner/s</td>
<td>Male</td>
</tr>
<tr>
<td>Hertz car Sharing</td>
<td>Ida Myllys</td>
<td>Owner/s</td>
<td>Female</td>
</tr>
<tr>
<td>Omago</td>
<td>Tommi Jokelainen</td>
<td>Owner/s</td>
<td>Male</td>
</tr>
<tr>
<td>Europcar</td>
<td>Katri Hakala</td>
<td>Owner/s</td>
<td>Female</td>
</tr>
<tr>
<td>Skanska</td>
<td>Hille Kaukonen</td>
<td>Planning Development</td>
<td>Female</td>
</tr>
<tr>
<td></td>
<td>Manager - Architect</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Skanska</td>
<td>Marja Kuosma</td>
<td>Director of Marketing</td>
<td>Female</td>
</tr>
<tr>
<td></td>
<td>and Sales (Member of the board)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Skanska</td>
<td>Toni Tuomola</td>
<td>District Manager</td>
<td>Male</td>
</tr>
</tbody>
</table>
The interviews were conducted via phone and recorded with an application that is intended for recording phone conversations. We asked a permission before conducting the research whether it is appropriate to record, and the respondents answered in every case that it is acceptable to record.

The time spent conducting the research was between thirty minutes and one hour. The bundles had different amount of questions and questionnaires intended for the construction company and car sharing companies consumed most time. The questionnaire for city officials lasted thirty minutes. The lengthier questionnaires for construction companies and car sharing companies lasted one hour. The majority of the interviews were conducted in November and December in 2018. Only one (Skanska, Marja Kuosma) was conducted in January 2019 due to the busy schedule of the respondent.

### 3.4 Processing and analyzing

#### 3.4.1 Operationalization

The interview questions are based on the previous literature concerning the topic. The authors divided the sample into three different groups, therefore three tables are provided for each group. The rooting of questions is explained in the three tables below.

<table>
<thead>
<tr>
<th>Question</th>
<th>Theory</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. How does the process work?</strong></td>
<td>Grifoni et al. (2018)</td>
<td>Gain understanding of the process of their service.</td>
</tr>
<tr>
<td></td>
<td>Ranjbari et al. (2018)</td>
<td></td>
</tr>
<tr>
<td><strong>2. How one finds the car sharing car?</strong></td>
<td>Grifoni et al. (2018)</td>
<td>Gain understanding of the process of their service.</td>
</tr>
<tr>
<td></td>
<td>Ranjbari et al. (2018)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Question</td>
<td>Reference</td>
</tr>
<tr>
<td>---</td>
<td>--------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------</td>
</tr>
<tr>
<td>3.</td>
<td>How the car can be booked?</td>
<td>Grifoni et al. (2018)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ranjbari et al. (2018)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ranjbari et al. (2018)</td>
</tr>
<tr>
<td>5.</td>
<td>How will you open the doors of the car?</td>
<td>Grifoni et al. (2018)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ranjbari et al. (2018)</td>
</tr>
<tr>
<td>6.</td>
<td>What is the company’s operational area?</td>
<td>Grifoni et al. (2018)</td>
</tr>
<tr>
<td>7.</td>
<td>Possible location of the parking spot (on the street, on the yard, at the garage)?</td>
<td>Firnkorn &amp; Müller (2011)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Pett &amp; Dibrell (2001)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cohen &amp; Kietzmann (2014)</td>
</tr>
<tr>
<td>10.</td>
<td>The service is open to whom?</td>
<td>Millard-Ball (2005)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cohen &amp; Kietzmann (2014)</td>
</tr>
<tr>
<td>11.</td>
<td>How is the service paid, what is it based on?</td>
<td>Grifoni et al. (2018)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ranjbari et al. (2018)</td>
</tr>
</tbody>
</table>
12. Resignation is done how?

Grifoni et al. (2018)
Ranjbari et al. (2018)
Gain understanding of the process of their service.

13. What does it cost to condominium or Skanska?

Grifoni et al. (2018)
Ranjbari et al. (2018)
To estimate the financial costs of the business collaboration.

14. Is there a possibility to form a long-term contract?

D’Andrea et al. (2011)
Todeva & Knoke (2005)
Kaelin (2016)
Caloghirou et al. (2003)
Outsource which applicable business collaboration strategies that can be used.

15. A contract with Skanska homes?

Todeva & Knoke (2005)
Kaelin (2016)
Caloghirou et al. (2003)
Investigate if any of the business collaboration strategies can be used.

16. What construction company is already using the service?

Todeva & Knoke (2005)
Kaelin (2016)
Caloghirou et al. (2003)
Relevant to gain a understanding of the reality of the possible business collaboration.

<table>
<thead>
<tr>
<th>Question</th>
<th>Theory</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Why does Skanska plan to advance into the collaboration?</td>
<td>Grifoni et al. (2018)</td>
<td>Reveal the underlying motives and drivers of the construction company's reason to get in business.</td>
</tr>
<tr>
<td>2. What are the risks and benefits for the construction company?</td>
<td>Grifoni et al. (2018)</td>
<td>To identify if there is a deeper reason as to why the business collaboration occurs.</td>
</tr>
</tbody>
</table>

Table 3. Car sharing candidates - The theory and purpose behind Appendix 1. (Own, 2018).
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>4. How would you explain a closed-pool system which is done to one of the company’s sites?</td>
<td>Cohen &amp; Kietzmann (2014) Millard-Ball (2005)</td>
<td>Gain knowledge of how the construction company perceives a closed-pool car sharing system.</td>
</tr>
<tr>
<td>6. Can you further elaborate the structure of the service in the sites?</td>
<td>Ranjbari et al. (2018)</td>
<td>To understand how much the car sharing companies have to adapt.</td>
</tr>
<tr>
<td>7. How the value creation process of Skanska is included to the collaboration?</td>
<td>Skanska Homes (2017)</td>
<td>To identify how this is a base model and why it is a crucial model for the construction company.</td>
</tr>
<tr>
<td>Question</td>
<td>Reference</td>
<td>Purpose</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>10. What is the likelihood that the business model will be applied to other cities as well?</td>
<td>Bryson et al. (2006)</td>
<td>To investigate if the collaboration could potentially be generalized and create a universal business model.</td>
</tr>
<tr>
<td>11. Is there a preference for car models or does the area create a demand for certain type of car model?</td>
<td>Millard-Ball (2005)</td>
<td>Do gain knowledge about the customer of the service and reveal if they have any major impact on the service.</td>
</tr>
<tr>
<td>12. What are the characteristics of the contract?</td>
<td>Todeva &amp; Knoke (2005)</td>
<td>To identify which potential business collaboration contract is most likely to be used and applied.</td>
</tr>
<tr>
<td></td>
<td>Kaelin (2016)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Caloghirou et al. (2003)</td>
<td></td>
</tr>
<tr>
<td>13. How does Skanska see the part of customer?</td>
<td>Grifoni et al. (2018)</td>
<td>To further reveal if the customers have any major impact on the service.</td>
</tr>
<tr>
<td>14. Does construction company receive income based on the car sharing service at the sites?</td>
<td>Todeva &amp; Knoke (2005)</td>
<td>To understand what type of contract would be the most suitable.</td>
</tr>
<tr>
<td></td>
<td>Kaelin (2016)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Caloghirou et al. (2003)</td>
<td></td>
</tr>
<tr>
<td>15. What areas are the most suitable for carsharing? And why?</td>
<td>Firnkorn &amp; Müller (2011)</td>
<td>To gain knowledge of what geographical areas are the most collaboration friendly.</td>
</tr>
<tr>
<td>16. What are the costs in terms of parking spots?</td>
<td>Todeva &amp; Knoke (2005)</td>
<td>To gain knowledge of what factor that is most crucial between the two organizations to form a business collaboration.</td>
</tr>
<tr>
<td></td>
<td>Kaelin (2016)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Caloghirou et al. (2003)</td>
<td></td>
</tr>
</tbody>
</table>

*Table 4. Construction Company candidates - The theory and purpose behind Appendix 2. (Own, 2018).*
<table>
<thead>
<tr>
<th>Question</th>
<th>Theory</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Can you further introduce the goals of the zoning rules in terms of car sharing?</td>
<td>Grifoni et al. (2018)</td>
<td>To understand the platform type and how these rules decides what business contract is most relevant.</td>
</tr>
<tr>
<td>2. How does the city see the role of the length of the contract?</td>
<td>Todeva &amp; Knoke (2005)</td>
<td>Gain knowledge of the long-term and short-term contracts from the city official’s perspective.</td>
</tr>
<tr>
<td></td>
<td>Kaelin (2016)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Caloghirou et al. (2003)</td>
<td></td>
</tr>
<tr>
<td>3. What is the stance of the city in terms of zoning, car sharing and main contractor?</td>
<td>Todeva &amp; Knoke (2005)</td>
<td>To reveal the established and expected relationship between all involved parties in the business collaboration.</td>
</tr>
<tr>
<td></td>
<td>Kaelin (2016)</td>
<td></td>
</tr>
<tr>
<td>4. There seems to be an alternative motivation for construction companies to achieve the zoning benefits, how the city ensures that its goals are fulfilled after the obligation time to receive the benefits wears off?</td>
<td>Grifoni et al. (2018)</td>
<td>To reveal if there is underlying factors further than profitable motives and drivers from the construction company and what requirements the city officials set.</td>
</tr>
<tr>
<td></td>
<td>van Tulder et al. (2016)</td>
<td></td>
</tr>
<tr>
<td>5. What kind of factors are investigated in terms of building rights when the companies will apply for them?</td>
<td>Grifoni et al. (2018)</td>
<td>To reveal the pros and cons for the construction company and what benefits they obtain.</td>
</tr>
<tr>
<td></td>
<td>Crane (1998)</td>
<td></td>
</tr>
<tr>
<td>6. Does the city monitor the implementation of the articles in the contract?</td>
<td>Todeva &amp; Knoke (2005)</td>
<td>To gain a deeper knowledge of the relationship between the construction company and the city officials.</td>
</tr>
<tr>
<td></td>
<td>Kaelin (2016)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Caloghirou et al. (2003)</td>
<td></td>
</tr>
</tbody>
</table>
7. Can you elaborate why the city concluded the ratio to be one to five and the maximum to be ten percent of the total amount? 

Crane (1998) van Tulder et al. (2016) 

Gain knowledge of the reasoning behind the rules of the city concerning construction companies. 

| Table 5. City Officials candidates - The theory and purpose behind Appendix 3. (Own, 2018). |
|-----------------------------|---------------------------------|----------------------------------|

3.4.2 Analyzing method 

According to Marshall & Rossman, (1999), the fundamental idea of data analysis is to bring order and structure to the mass of collected data. Qualitative data analysis is a search for general statements concerning the relationships among the data.

According to Nowell, Norris, White & Moules (2017), there are several ways how to conduct a qualitative research, additionally, a few sophisticated tools are available to researchers for conducting thematic analysis. Thematic analysis may be used to analyze large qualitative data sets and is commonly used in research teams. The thematic analysis is intended to be used in organizing, describing, identifying and reporting themes found in data set. Thematic analysis is commonly used between researchers who use different research methods to communicate with each other. The method is suitable for the research as the authors aim to map the themes and patterns based on collected qualitative data.

We will use thematic analysis technique to derive different pinpoint and to formulate model based on data. How this happens in practice is that the respondents are divided to three different groups and different questions will be compared with the questions from other questionnaires. If the pattern is strong (the matter is being confirmed by many respondents) then it will be added to the model.
3.5 Trustworthiness

3.5.1 Validity and reliability

According to Brink (2014), reliability and validity are the key aspects of any research. Having attention to these aspects can make the difference between solid research and poorly conducted research. The main points where risks for validity and reliability may happen are; the researcher, the subjects participating in the project, the situation or social context, the methods of data collection and analysis. According to Yin (2009), validity may be increased if the research questions are carefully planned beforehand. The research questions in this study have been revised several times by the researchers and external academic experts.

“There are two major threats that exist for construct validity, the first major one being that the construct is underrepresented because it has limited facets of the construct, or too few relevant items to accurately assess the desired topic. The next major threat is ‘construct-irrelevant variance’, meaning that the test has too much reliable variance, for instance, making certain items easier or harder for certain learners, in such a way that is irrelevant to the construct being measured.” (Cronbach and Meehl 1955, p. 283). In order to create validity for this research, we formulated the questions to have in-depth structure rooted it to previous literature properly. Additionally, the authors aim to keep the variance minimum and that the questionnaire remains consistent for the respondent.

According to Golafshani (2003), reliability may be seen as a synonym for quality. A solid qualitative study can help researchers “to understand a situation that would otherwise be enigmatic or confusing”. The author’s aim for the research correlates with having research aimed to map business that is relatively unknown for the academic community. According to Neumann (2003), a study can be seen as reliable when it can be used by a number of different researchers in steady conditions, with consistent results and the results do not vary. Therefore, we have made sure that our primary data that was gathered through phone interviews were as identical as possible with each other, in order to maintain consistency in our approach. Reliability reflects consistency and replicability over time. We aim to reflect the results with previous literature in order to observe the reliability. In general, if the research results have similar results in comparison to previous ones, the reliability should be at the relatively high level. To support the approach,
according to Golafshani, (2003, p. 601), “...To ensure reliability in qualitative research, examination of trustworthiness is crucial”.

3.5.2 Ethics

The qualitative research possesses some ethical issues to be considered. According to Creswell (2009), respondents’ beliefs, rights and values should be respected. The ethical treatment of respondents was ensured by receiving approval for conducting the research from the participants. The study includes many participants; thus, we explained the context of the study and where it will be available for the participants. The research was based on voluntarism; thus, the respondents were not forced to respond to the questionnaire.

According to Orb, Eisenhauer, Wynaden (2001), three types of ethical problems may affect qualitative studies: the researcher/participant relationship, the researcher's subjective interpretations of data and the design of the research. When preparing for the protocols, researchers should consider the potential issues beforehand, such as confidentiality, informed consent, data generation and analysis, research relationship and final outcome of the report. The authors recognize some possible ethical issues for the research. One of them is to ensure beforehand that the participants are not giving away information that is not intended to be published outside the company. Most of the companies have information in terms of business making, and the authors will formulate the questions that the respondent will not have to perform such questions. Additionally, in order to maintain confidentiality as a possible possibility, the authors highlight the possibility to retain the answers as anonymous. The researchers acknowledge that they do not have an existing relationship with any of the participant, and this should lead the research to have an unbiased perspective.
Chapter 4: Findings

This chapter introduces the data collected from different respondents. The findings are presented based on the selected approach and groups are being presented individually. The groups represent a bundle of individuals belonging to that particular group.

4.1 Car Sharing Companies

All of the companies were relatively new, the oldest one was launched in late ‘90s and others were launched in the 20th century. However, the mother company in some cases has been operational for many years whilst the car sharing branch in every case is relatively new. For example, Hertz car sharing operates under Hertz Global brand and the mother company has been offering renting services for years.

The companies mainly operate with an online business model. This is done with an application or an online booking system which enables the user to find the car, book the car, resigning from the service and open the doors. In few cases, the doors were opened with a text message and only in one case the system required the customer to come to register at the company’s office (24 Rent). Six respondents answered that the car can be returned to the same location and four respondents said the return location must be either company’s designated location (such as their headquarters) or they only have open-pool service available. This means the difference in business model, the open-pool is a system that is open for everyone who would wish to use the service. Closed-pool means that the service is only open for a certain group of people, such as employees of a company or residents of a building.

All of the companies were operating in the Helsinki area, and five companies were able to operate in the four biggest cities in the Finnish business environment. Eight companies stated that the location at the site where the car can be returned may exist anywhere (in terms of the position of the parking spot).

Only one (Europcar) stated that the construction company needs to organize the electric car charging possibility while three stated (Hertz, ALD and DriveNow) that their third-party partner may organize the charging possibility. The rest stated that they do not have electric cars in their fleet. The widest fleets of all type of vehicles of over 50 cars were
with Europcar, Hertz, and ALD. The models in the fleet, in general, vary between the companies.

ALD, Hertz, Drive now, Omago had the possibility to offer closed-pool system. The payment system for every company involved is based on data usage. This data usage may be observed through an application or an online website. In other words, the more the customer uses the service, the more the customer has to pay for the use. The companies had different charging mechanism for the usage. Some companies base their charging on kilometer fee and some on an hourly fee. Some have different “packages” or “option” from where the customer can choose the desired one. The different monthly prices for the construction company were 500 euros (Europcar), 750 euros (Drive now), 420 euros (Hertz), 360 euros (Omago), 420 euros (ALD), and 500 euros (24 Rent). The actual usage of the car is paid by the customer.

In general, the companies have not collaborated with construction companies extensively. Only Hertz and 24 Rent had collaborated with single medium-size construction companies in Finland. The companies are Avain and Kojamo. Six companies responded that the close-pool is possible to be built and the length of the contracts varied. The lengths of the contracts were: Europcar, 3-10 years, Hertz 3-10 years, Omago 3 years, ALD 5 years, 24 Rent 1-10 years.

4.2 Construction Company
The first question asked the underlying reasons why the company is moving to the business. Respondent one, Hille Kaukonen, told that there are two acknowledged reasons. The first reason is the zoning rules which allow the deduction of the overall amount of parking spots. Secondly, the car sharing service is seen to create an attraction to buy apartments from the company. Respondent two, Jussi Järvelä, additionally answered that there are two reasons for moving into the business. The service is seen to create possibilities to serve customers more properly and improve customer experience. Another reason is the zoning benefits offered by the city. Respondent three, Toni Tuomola, was on the same line with other respondents. According to him, the zoning benefits are the most important one and to save space. This space can be used to build something else. Respondent four, Marja Kuosma, sees the car sharing service as easy to use and it does have environmental benefits.
“...our goal is to offer a new service to the markets, we see this creating more attraction towards buying apartments from us.” - Hille Kaukonen

“We see that the collaboration would have a positive effect on customer experience.” - Jussi Järvelä

The second question asked about the risks and benefits that the construction company acknowledges. Respondent one sees risks that the provider of the service will have problems providing the service while the contract is still valid. The respondent specified that the fleet is not wide enough, or the quality of cars might be low can be risky for the company. Additionally, the respondent highlighted that the customer behavior cannot be assumed at the sites, thus they could stop using the service for a previously unknown reason. Respondent two was on the same line with respondent one, stating that the biggest risk is the customer experience. He highlighted that the construction company easily gets the blame, even though, it has nothing to do with providing the service. Respondent three was on the same line with respondent two, stating that if the car sharing service at Skanska’s buildings does not function properly, the customers most likely will blame construction company rather than car sharing service provider due to the fact that the car is situated in Skanska’s sites. Respondent four was supporting the answer of respondent three that the partner may not provide a quality service, or the partner might not correlate with Skanska’s values.

“I feel that the residents will blame the construction company if something goes wrong, even though, the construction company is not the provider of the service.” - Jussi Järvelä

“One of the risks is that the service provider will stop providing the services when the contract is still valid.” - Hille Kaukonen

When asking about the benefits, respondent one and two answered the zoning benefits and the requirement not to build the parking spots. Respondent one additionally highlighted that there is more space to build after the zoning rules are applied and that it’s generally beneficial that the residents do not necessarily have to own a car. Respondent three added that one of the benefits is the added value for the customer. Respondent four
stated that the service might be seen from customer’s perspective as “convenient way to travel” or as great customer experience.

The third question focused on partner selection and what factors it is based on. Respondent one named that trustability, a wide fleet with a wide selection of models, stable financial situation, experience concerning the rental business, the usability of the service and the application, and applicability with the company’s sites. She also mentioned that the company should have closed-pool service available and not to focus solely on open-pool systems.

Respondent two responded that particularly in the construction industry, the partner needs to have its “things in order”. He specified that many companies manage their things questionably what it comes to the ethical side of the business and financial matters. This statement most likely refers to tax evasion and not following the articles of the contracts. Respondent three additionally mentioned that on fundamental level, the service must work properly. He wants the service to be carried by the service provider and wishes that the partner would carry its responsibility. Respondent four mentioned three different things. According to her, the important matters are how the service can be implemented in all major cities, what is the quality of the car sharing service concept, and the car models. She additionally mentioned that the partner must follow ethical standards.

“Trustability, a wide fleet with multiple models, stable financial situation, experience about the business, usability of the service and the application, and applicability with the company sites.” - Hille Kaukonen

Question four discussed the closed-pool system that is planned to be done in the company’s sites. The respondent one responded that the closed-pool is a system that is open for a certain amount of people. According to her, they can be residents of the apartment complex or employees of the company operating in the building. The respondent two used the term neighborhood. He stated that one possible way could be to bundle many buildings together and offer many cars for certain neighborhood. He gave an example where ten buildings would have ten cars. Respondent three did not have an opinion to share. Respondent four was not familiar with the planned concept.
Question five asked the respondent to characterize the contract type. Respondent one stated that the contract would most likely be a cooperation agreement. Respondent two stated that it is a collaboration agreement. Respondent three stated that the contract is a cooperation agreement but with a fixed term. Respondent four’s answer correlated with respondent two’s answer that the agreement is a collaboration agreement.

Question six was intended to understand the offered car sharing service at the company’s sites and what are its characteristics. Only respondent one contributed by referring to an example case done in Tampere, Finland, where an open-pool was made available. The respondent said that the service has been piloted, however, it is not similar to closed-pool. Respondent two, three and four did not have any further elaboration concerning the matter.

Question seven discussed the value creation of Skanska Homes and how it is involved into the process. The respondent one responded that it is important the partner is chosen in the application phase. According to her, long-term contract is required, and the minimum time is ten years in order to achieve the zoning benefits. Respondent two mentioned that the partner is not included in the first phase and it is carried solely by the construction company. In the zoning and marketing phase, the selection of partners must already be completed in order to achieve the zoning benefits. He additionally mentioned that not all sites are similar to each other and need to be planned and implemented individually. Respondent three stated that the cooperation agreement must be active with the partner before Skanska applies for building permit. He additionally mentioned that the contract must continue with condominium or with the building owner. Respondent four did not have an opinion about the matter.

Question eight discussed the opinion of respondents concerning car sharing industry. Respondent one noted it to grow steadily despite the current statistics. She additionally mentions that the target group are young adults who are aware of sharing economy. According to her, the city officials will recognize the benefits more comprehensively in the future. Respondent two had a more reserve opinion concerning the car sharing industry. He sees the industry’s current situation messy and hard to understand who is doing what. He additionally mentions that the car sharing seems to be the business of the future. Respondent three stated that the industry seems to be the future, but the current
state remains unclear to him. Respondent four sees the industry in positive light. She thinks that car sharing industry is a great example of working sharing economy.

Question nine discussed how the zoning rules will be applied by the company. All respondents (except respondent four, who did not have an opinion about it) responded that the service is done according to the city’s guidance, in ratio of 1:5.

Question ten discussed the applicability of the collaboration model to other cities. Respondent one said that the company needs to understand the demand first how customers perceive the service. Respondent two was on the same line that if the service is successful in this case, it is highly likely that its used as well. Respondent three agreed with others that the model could be applied in most of them. He mentions Helsinki area as the most suitable one. Respondent four did not see any major barriers why the service would not be applied.

Question eleven questioned the model and does the operating area create demand for the certain model. Respondent one responded that it can be assumed that it does. The model selection is highly dependent on price and if a certain model is too expensive, the company needs to rethink its stance towards the model pick. Respondent two highlighted the importance of customer’s opinion and he emphasized the free choice of model. Respondent three gave an example where a van could be the most suitable option when surrounded by rental apartments. Respondent four thinks that same model should be applied to every site. However, despite the improved ability to control the service, she thinks that the customer is at the heart of the service. According to her, the customer decides what model should be at the site.

All respondents had no further information concerning the characteristics of the contract.

Question thirteen asked how the company sees the part of the customer. The respondent one and four told that the customer is the most important. She emphasized that customer are the ones who create the demand and will eventually decide how largely the service will be implemented. Respondent two had similar kind of answer, the residents should be served to the best ability. Respondent three was mimicking the same style, as he sees the collaboration to create extra value for the customer.
All respondents answered that the construction company won’t receive income in question fourteen.

Question fifteen asked the opinion of respondents concerning the best area for car sharing and why is that certain area the most suitable. All respondents answered that the most suitable area is the Helsinki area and respondent one highlighted the reason to be the density of population and awareness towards sharing economy. Urban lifestyle is seen important.

The final question, question sixteen, asked the costs of parking spots. Respondent one gave approximate prices, and she reminded the many variables affecting the final price. According to her, outside spots are around 5000 euros, small sheltered ones are 10 000 euros, and those parking spots which are built into a garage are approximately worth 20 000 euros. Respondent two, three and four did not participate in the question.

4.3 City Officials

The first question requested the opinion of the officials considering the city’s goals in terms of car sharing. Respondent one highlighted that the city’s goals are to reduce the overall amount of cars in the traffic, and car sharing is among the factors which can reduce traffic jams. Respondent one additionally stated that car sharing is still considered as less convenient than owning a private car, however, the car sharing service at its current state can serve certain necessities in people’s life. Respondent two stated that car sharing reduces the required space for parking spots, which is among the city’s goals. Respondent two additionally mentioned that the city aims to reduce carbon emissions, thus it fits the long-term goals of the city.

“The city also wants to encourage other options than car usage and wants to reduce the amount of carbon emissions within the city.” - Markku Antinoja

Both respondents highlighted long-term contracts. Respondent one explained that the quality assurances need to be included in the contract. The main quality assurance according to respondent one is that how the parties ensure the continuation after the contract time expires. Respondent two highlighted the same type of approach by stating
that the contract should consider that the usage is consistent truthful. Respondent two additionally mentioned that parking spots are difficult to build afterward.

“The city insists long-term contracts so that the car sharing cars are truthfully and consistently being used by the residents. In general, it is difficult to produce more parking spots afterwards if the service does not work.” - Markku Antinoja

“The contract are long-term contracts and they require certain quality and other assurances.” - Aulis Palola

The third question discussed the city’s stance in terms of the parties emerging to the business. Respondent one repeated the importance of assurances in the contract. The respondent exhibited the statement with an example of bankruptcy during the contract period. According to respondent one, the service must still be provided to the residents and it needs to be included into the contract. Respondent two responded that the aim is that all parties would be happy with the contract. The respondent explained that the stance is that it hopes that construction companies will save in costs and the city receives better moving possibilities for the residents and nearby companies.

The fourth question discussed the alternative motivations that the construction companies might try to achieve. And asked the respondent to clarify how obligations are intended to be full-filled after the contract expires. Respondent one stated that quality standards need to be displayed considering the car sharing service when the contract is being drafted. This should ensure that the service would still be offered after the obligation time expires. Respondent two stated that the contract should have an abiding and continuous nature. The respondent acknowledged that it is a challenge for the city to monitor the service once the obligation time expires.

The fifth question asked the building rights. The question was intended to understand underlying factors that affect the decision making when the joint companies apply for them. Respondent one stated that the “quality standards” need to be clearly listed and exhibit why the companies should receive the car sharing benefits. Respondent two had a similar type of response stating that car sharing service provided must provide the
condominium enough vehicles for the spots that are reserved for that use. The respondent emphasized the continuation of the service.

Question six discussed the implementation of monitoring and whether the city performs it’s or not. Both respondents stated that it is not being implemented, however, the respondent two used the term “almost non-existent”.

Question seven discussed the ratios and the parking spots that are deductible from the overall amount. Respondent one did not elaborate furtherly on what basis the decision was made. The respondent emphasized that the city is aware that some resident does require parking spots. Respondent two quoted Motiva (a major Finnish data collection and statistics company) in its response, stating that the ratio may be high as fifteen parking spots replaced, however, the city wants to proceed with caution and observe how the service will be implemented. The respondent stated that the number of replaceable spots can be changed in the future.

The last question, question eight, discussed possible unnecessary car sharing cars. The question discussed building rights and how the city takes into consideration the possible unnecessary cars due to the collaboration. Respondent one stated that it is not included into city’s responsibilities. Respondent two stated that the current situation of these type of collaboration has a minor effect on society and the car sharing companies are not particularly monitored.
Chapter 5: Analysis & Discussion

The aim of this chapter is to analyze the primary data from the phone interviews and discuss the results with the theoretical models and concepts from the literature review. The chapter is structured with identical main head titles as the previous chapter.

5.1 Car Sharing Companies

The empirical findings concerning the car sharing companies proved that the proposed framework for Sharing Economy by Ranjbari et al. (2018) is an accurate theory of sharing economy. The authors emphasize that bookings and contact between the supplier and demander must be done through an online platform. All of the car sharing companies interviewed in this study support that statement since they either use an application or their own website as the intermediary between themselves and their customers. Since the focus of customers in this study is individuals that gather in the same geographical area, meaning the apartment complex, there might not be much of a difference for them whether the bookings are done through a mobile application or through a website on a computer. However, for efficiency reasons, since society is moving towards being as mobile as possible (Chan, 2018), the desired online platform would be through an online mobile application.

The theoretical framework suggested that there are more than 600 car sharing companies operating around the globe either within open-pool or closed-pool car sharing (Cohen & Kietzmann, 2014). The eight car sharing companies in this study appeared to differentiate regarding the category of desired customers. Only one of the car sharing companies desired to focus on closed-pool customers, four car sharing companies customer focus was within open-pool customers while the rest focused on both open-pool and closed-pool customers. Since this study focuses on customers that are within a geographically places area, the desired category of car sharing companies would be within closed-pool. This automatically eliminates half of the candidates that were interviewed concerning potential car sharing partners.

The findings displayed that all the car sharing companies were able to operate within the Helsinki area and that four of them were also able to further develop and operate in the four biggest cities in the Finnish business environment. The theoretical framework
suggested that car sharing companies should aim to operate in bigger cities rather than smaller ones since there are more people living there, which naturally results in more business opportunities in the form of higher demand and more customers for the provider of car sharing services (Firnkorn & Müller, 2011). Since the findings showed that the car sharing companies were able to develop, this is an indication of future business possibilities for mainly the car sharing companies, but also possible future collaborations with construction companies if this collaboration case shows successful results. Unfortunately, only time can display if the business collaboration is successful or not.

5.2 Construction Company
The findings displayed that there is a diversity in the reasons regarding why construction companies sought a collaboration. The theoretical framework suggested that the main reason a company seeks to collaborate with other companies is because they both have a common goal or vision that cannot be achieved unless they collaborate with each other (Bryson et al. 2006; Todeva & Knoke, 2005; Cheng et al., 2004; Bygballe, Jahre, & Swärd, 2010). The findings does however fully correspond with the definition of what a sharing economy is, provided in the theoretical framework (Ranjbari et al., 2018; Stevenson, 2010; Andersson, Hjalmarsson & Avital, 2013; Hamari, Sjöklint & Ukkonen, 2016), since the construction company, in this case, sought the collaboration relationship mainly out of profitable intentions combined with temporary access to idle resources of consumers.

The theoretical framework suggested that there could be three possible types of conducting a business collaboration, which was Strategic alliance collaboration (Todeva & Knoke, 2005), Subcontract collaboration (Kaelin, 2016) & Joint venture collaboration (Caloghirou et al. 2003; van der Meer-Kooistra & Kamminga, 2015). Relating the collaborative types from the theoretical framework to the empirical findings, there seems to be an exceptional correlation to the first collaborative type, the Strategic alliance collaboration. Todeva & Knoke (2005) explained that in a strategic alliance collaboration, all the involved companies need to be confident in themselves, both as a company but also in their ability to provide their service or product. If there is a lack of confidence, there is a possibility there will occur doubtful thoughts within the collaboration, which will lead to mistrust and eventually to an end of the collaboration. The empirical findings
showed that the construction companies were doubtful regarding the car sharing companies’ ability to provide their services.

Figure 2, The proposed framework for Sharing Economy (Ranjbari et al., 2018), established that trust in the online platform between the supplier and demander is the main basis for continuous activity for the car sharing companies. Meaning, their online platform needs to be of high quality and trustworthy in order to keep their customers satisfied and active. The respondents of the construction company emphasized trustability as one of the important factors when selecting a car sharing company, which in return supports the theoretical frameworks suggestion of a sharing economy. All of the interviewed car sharing companies were operating within the theoretical frameworks’ academic definition (Price, 1975; Ranjbari et al., 2018; Stevenson, 2010; Andersson, Hjalmarsson & Avital, 2013; Hamari, Sjöklint & Ukkonen, 2016) of a sharing economy.

5.3 City Officials

The findings revealed that one of the main aims of the city officials is to reduce the overall number of cars in the traffic through the implementation and usage of car sharing. The theoretical framework supports their statement by concluding that car sharing in bigger cities tend to result in individuals selling their car in the long term and only using and depending on car sharing services, which ultimately benefits the environment because of the lower CO2 emissions (Firnkorn & Müller, 2011). However, even if this is beneficial from a socio-economic perspective, this never seemed to be neither the possible motives or drivers of the construction company to collaborate with the car sharing companies.

It appears that long-term collaborations are essential but not formally demanded in business collaboration between a construction company, car sharing company and the city officials, due to the complexity of unifying two or more businesses together which requires sharing information, resources, activities, and capabilities with each other. The city officials did not demand long-term contracts, instead, they highlighted it by focusing on the importance of an agreed partnership after the complex have been built by the construction company.

The theoretical framework suggested that there are three different collaborative strategies (Todeva & Knoke, 2005; Kaelin, 2016; Caloghirou et al. 2003; van der Meer-Kooistra &
Kamminga, 2015) that can be applied by the involved organizations, and all of them are long-term oriented. However, strategic alliance as a collaborative choice stands out as the most suitable strategy due to the reason that the involved companies remain independent while being in business through a formal contract.

5.4 The suggested choice of partners for the construction company

The study included eight different companies in Finland. The amount is relatively high and the respondent from construction company emphasized in the questionnaire that there will be partner selection in question three. Thus, we want to make recommendations for the choice of partner and analyze the raw data. The selected partners will be added to the model that exhibits the different phases for the collaboration.

The choice of suitable partners is deeply connected to the preset requirements of the construction company. Question three for the construction company discussed the main factors when choosing the optimal partners. Respondents one, two, three and four from the construction company explained that the selection is based on stable financial situation, experience concerning the business, partner should make ethical business, the usability of the service and the application, and the applicability with the company’s sites, and that the partner should have a closed-pool system available.

There were eight different possible partners included in the research from to choose partners. Many of the companies may be ruled out as unfitting when comparing the requirements (question three) of the construction company to the responses gained from car sharing companies. The relevant questions from the car sharing companies were mainly questions six, seven, nine, ten, thirteen, fourteen and fifteen. These questions discussed the operational area, the location of the parking spot, models available, the possibility for closed-pools, what the potential costs would be for the construction company, the possibility for a long-term contract, and the possibility to form closed-pool system contract.

Hertz, ALD, and Omago are the suggested candidates for selected partners as car sharing service provider. The suggestion is based on the fact that these companies are the most suitable when comparing the companies between each other. These companies especially excel in the size of the fleet, experience concerning rental business, stable financial
situation, brand, and that they have a closed-pool system available. The decision is based on the answers from the car sharing questionnaire in questions six, seven, nine, ten, thirteen, fourteen and fifteen and comparing them to the requirements asked from the construction company in question three, four and eleven.

5.4.1 The suggested collaboration business model

A business model illustrates how an organization does business and creates value for the customers. Figure 5, *The relationship model for the collaborational phases*, illustrates the relationship between the selected partners for the car sharing, the owner of the apartment complex/condominium and the construction company with ten-year contract example.

The relationship model consists of four main parts during the collaboration between the involved parties. The **first part**, the dark blue section that approximately lasts one year is independent and is the phase where the construction company purchases land. The **second part**, the light blue section that lasts between five and seven years, represents the collaboration between the construction company and the car sharing company. The number six represents the average value creation time (Skanska Homes). The **third part**, the green section consists of four years in this case since it is the phase where the construction company has a liability to pay for the service since the city zoning rules require the relationship to be long-term, ten-year represents the maximum for contract length. The **fourth and last part**, the red section which is not time-limited, but rather
infinite, consists of the contractual phase between the car sharing company and the owner of the apartment complex according to the responses from city officials that the contract are aimed to be infinite.

A represents the start of all actions and the beginning of collaboration process. At this stage, the construction company is operating solely since there is no need for partnership at this stage. B at this point, construction company and car sharing company should have reached agreement on the terms of the contract in order to achieve the zoning benefits. C represents the stage when the building is on average completed and the construction company can exit the collaboration. However, the liability to pay for the car sharing service might make the construction company still liable to pay for the service. D represents the beginning of the contractual period made between an apartment complex owner and car sharing service. E The continued contractual agreement between apartment complex owner and the car sharing service which was originally between the construction company and the selected car sharing partners. F At this stage, the construction company is not liable anymore to pay for the service, except with a special type of contract.

5.5 The connection of applying the respondent to the model
We built the model to exhibit the general characteristics of the collaboration. The authors want to justify and exemplify the different stages of the collaboration in order to rationalize it into a compact model that can be used by all parties and other influencers. The model is based on previous literature and answers from the respondents. The model needs to correlate with the answers from the respondents and must follow the requirements of different parties, otherwise, it won't be applicable because it does not satisfy the needs of everybody. The model must also correlate how houses are being built by Skanska (figure one), thus the model won’t interrupt the existing business making of Skanska but rather supports it.

The analyzing process relies on reasoning, comparing answers, and eliminating all other possibilities. According to Grifoni (2018), B2B projects in sharing economy are profits driven. Thus, when analyzing car sharing companies and the construction company, we expect them to be profit driven.
The reason why the model has a contract length of ten years is that the city representatives were almost unanimous concerning the length of the contract. The length of the contract according to them should be ten years and should have an infinite nature. We can assume that this is because parking spots are hard to be modified for other purposes when they have been completed.

Another noticeable factor is the six-year collaboration time between car sharing companies and construction company. This is derived from the value creation model which states that the average time spent with a project is five to seven years. We took the average of these numbers and according to the figure one, it is six years.

The first year in the collaboration model is dedicated to land purchasing. At this stage, the collaboration is not ongoing, and the justification of the statement is derived from the answers of the construction company in question seven that this is done solely by the construction company.

According to the value creation model, the next stage is the planning phase. When compared to the answer of the construction company and city officials, we can see that in order to achieve the zoning benefits, the collaboration agreement must exist. Thus, this is the starting point of the collaboration. Additionally, at this stage, the collaboration agreement articles must state and exhibit that the collaboration between the companies is long-term and the contract will continue with an owner of the apartment or condominium after the house is being built. This was stated by both city officials in question two, three, four, and five. The period lasts, in general, for five years (figure six). This is deduced from the fact that since the house is finished on the sixth year and the collaboration is not ongoing in land purchasing phase, then the only possible solution is that the collaboration lasts for five years. However, the time what it takes to complete a project is not always the same. Thus, the time frame might differ in a different site.

After the house has been built, Skanska will have nothing to do with the service anymore and the phase which exhibits the collaboration between the apartment complex and selected car sharing companies starts. The collaboration between car sharing companies and the construction company must come to end after the house has been built, this is
derived from the responses of construction company questionnaire in questions four, five and fourteen.

The red phase, where the collaboration is done between condominium and car sharing companies, has been given infinity marks. This is derived from the answers of city officials, who stated that the new agreement must have an infinite nature since the city does not want temporary solutions in questions one, two, three, and four.

The green line represents the time when the construction company is still liable to pay for the service and has four-year length. This is derived from the city official’s answer that the contract must be long-term, preferably ten-years in length. The length of the period is four years because the apartments are in general built in six years, but the mandatory length of the contract is ten years, thus the period must have a length of four years.

The overall length of the collaboration has been set to ten years. The number is derived from the questionnaire to the city officials who stated in questions one and two that long-term contracts are required by the city. This long-term matter is additionally one of the requirements set by the construction company for partner selection.

5.6 Costs for the construction company in contractual phase

We see that calculations concerning the costs would make the reader more aware of the likelihood of someone wanting to use the service. The second reason that commonly every product or service is given a price. A price of the service additionally shows whether the service may be applied in large scale to other cities and countries which was among the original practical implications stated in the abstract.

While investigating the topic it was found that a few cost-structure possibilities are available. Few respondent companies indicated that their closed-pool system could have a monthly fee for the condominium or the construction company. The period when the car sharing service is launched at the apartment complex or condominium is the starting point for the costs. The construction company is still obligated by the long-term contract, exhibited in the responses of the officials in questions two and five, to pay for the service. The average time for the value creation process of the construction company is six years (Figure one). Thus, if the contract formed in the planning face was ten years, then the
obligation time is four years. When comparing the monthly fees from the car sharing respondents, we noticed that they varied between the minimum of 360 euros and the maximum of 600 euros. Thus, given the four-year period the total fee for the construction companies is between 17280-28800 euros (the formula used is, \textit{the price of service monthly* the total number of months}).

However, the exhibited numbers have many variables affecting the outcome. The model type changes the price (questions nine and thirteen), and the length of the contract changes the amount to be paid for the car sharing companies. However, the model can give general outlines for the costs for condominiums and apartment complexes.

We additionally asked the costs for the user. The choice of partners was based on the criteria of the construction company (question three, four and eleven) and comparing them with the answers from car sharing companies. The example calculations are based on the fees charged by the selected partners and are calculated with 50-kilometer average travel amount:

\textbf{Option one (ALD)}.

Three options based on car model: 13,90e/day, 16,08e/day, and 26,54e/day. These prices do not include gasoline. These prices will have the additional monthly cost for condominium 420-500 euros monthly (Derived from question thirteen for car sharing companies questionnaire).

\textbf{Option two (Omago)}.

5 euros hourly plus 0,50 cent per kilometer. Thus, the price for 50 kilometer travel is: \((50*0,50) + 5 = 30\) euros. Assuming that the 50 kilometers are driven in an hour. (360e monthly fee is added to the final price). (Derived from question thirteen for car sharing companies questionnaire).

\textbf{Option three (Hertz)}.

The respondent stated that the pricing is 4-5 euros per hour and 0,08 - 0,10 per kilometer. Thus, with average \((50*0,09) + 4,50 = 9\) euros. (390 euros are monthly added to the final price). (Derived from question thirteen for car sharing companies questionnaire).
The calculated cost structure proves that the characteristics of closed-pools do vary. The billing structure is implemented in different ways but with 50-kilometer example calculations, there was not a tremendous difference in pricing.
Chapter 6: Conclusion

The purpose of the last chapter is to provide theoretical and practical conclusions and suggestions based on previous analysis and discussion of the gathered primary data. A suggested collaboration business model is also contributed to the case of this study. The research questions are answered and suggestions for future research lastly provided.

6.6 Contribution

This study contributes by offering a general contract-based framework when and what should be done at each stage of the collaboration. This enables decision makers, entrepreneurs and city officials to have a deeper understanding concerning the topic and understand what matters the parties observe as important.

6.6.1 Societal contribution

This study investigated closed-pool systems in Finnish business environment and how car sharing cars have an effect to the society. Thus, the study contributes by creating a deeper understanding whether cities and other densely populated areas should adapt closed-pool systems as one travelling method. The car sharing industry has been noted as one of the ways to improve environmental sustainability, thus if the service is widely adopted, it can have a remarkable effect how cities are built in the future. However, the closed-pool service has not yet been widely tested.

6.6.2 Theoretical contribution

The study intends to contribute to the academic community by introducing the collaborative business model between car sharing companies and construction company. The study investigates the different requirements and drivers of all parties to create a deeper understanding of the underlying matters which will formulate the foundation of the new collaborative business model. The results of this study may be used if closed-pool systems are investigated in another context.

6.6.3 Practical Contribution

Decision makers of all parties may use the information of the study to build the optimal service to the Finnish business environment. The study is additionally intended to provide insight to individuals who are interested concerning zoning and closed-pool car sharing systems.
6.1 Conclusions connected to the purpose of the study

The initial purpose of the study was to find answers for two major questions. First, to explore how the new collaborative business model would be between construction company and car sharing organizations, and secondly, to explore the motives and drivers of construction companies who choose to move into the business.

6.1.1 The new collaborative business model

The business model has certain distinct characteristics. The value creation process plays a major part and together with the phases (Figure 6) there is a certain structure how and when things are done. The model is done in correlation with the city’s zoning articles by setting rules and code of conduct for collaboration. The city’s regulations do not just narrow the business making, however, it additionally enables the business to be launched based on zoning benefits at the first place. The general outlines of the business model may be seen from figure 6.

Based on the research and comparing the answers with each other, we can conclude that the business is mainly done via the application provided by the car sharing companies. The car sharing companies are operating solely at the apartment complexes while cooperating with Skanska and at some point, with the condominium or building’s owner. In other words, Skanska aims that the car sharing companies will provide the service and the company does not have anything to do with how the service is implemented once it has been launched.

The characteristics of the contract, that are agreed beforehand, will set the structure for the service. The variables which might differ between sites are the type of car model provided, pricing of the service, and location of the car sharing parking spot. Additionally, the time frame in value creation process might change as some buildings are completed in a different time than others. The length of the contract does not vary since it is formulated together with the city and the city requires long-term contracts, preferably 10 years in length. It appears that the contract type is a cooperation or collaboration agreement and must be renewed with the condominium after Skanska has completed the building. Once the building is completed, Skanska will not have anything to do with the previous collaboration and will move to a new construction project together with car sharing companies in order to achieve the zoning benefits. At any stage, Skanska is not
the provider of the service however it seeks the zoning benefits which effects its business making.

6.1.2 The motivations and drivers to move into the business
In general, it is safe to say that companies want to move into unexplored business possibilities. At the heart of the business are the city’s zoning benefits which will allow the business to happen. The cooperation from car sharing companies’ point-of-view naturally expands their business to Skanska’s sites and this way they have more car sharing cars in major cities. According to the research, the city’s goals are to save space for more buildings, offer alternative ways to travel and to reduce pollution. Thus, the nature of sharing economy fits the agenda of collaboration well and it can be assumed that is the reason why the city set the zoning benefits in the first place. Skanska will seek the benefits of the collaboration through not building as much parking spots what it was required previously, and these cost-savings are accompanied by the benefits to having more space where to build.

6.2 Applicability of the value creation model to the suggested collaboration business model

Figure six is made to visualize and illustrate that our suggested collaboration business model in the analysis chapter is applicable to the value creation model (figure one). The
value creation model is the main model this study was based on, therefore this visual applicability is necessary for the reader to gain a visual understanding of our suggested model and why our suggested model is created the way it is. The relationship model for the collaborational phases (figure five) can also be seen as an extension to the process for Residential Development and value creation model (figure one). The starting point is when the collaborating companies apply for building permit in order to achieve the zoning benefits. The model and collaboration end when the building is finished, and the keys are given to the residents. However, if the partners have agreed that the construction companies will pay for the service until the contract period is over, the agreement is still ongoing. In this case, the green bar that consists of a four-year period is the period where the construction company is liable to pay for the service.

6.3 Discussion

The business idea and business model are relatively simple from outsider’s perspective. The idea is simply to offer car sharing cars near houses that are built by Skanska. However, behind the system there are various factors such as, contract formulation, achieving zoning benefits, ensuring that all parties can make business, and adapting the service to existing value creation model etc. These matters do make the service more complex and require more investigation. This is the reason why this study was conducted.

Alternative explanations for the results do exist. The model itself is solid since it relies on many agreeing opinions concerning the correct structure. The biggest alternative explanations and variable is that the value creation model of Skanska does vary. Not all projects are the same and the time which is needed for a house to be built varies. Additionally, there might be delays but the model compiled does flex to some extent alongside the timeline.

Another alternative explanation may change the results. The service is not widely implemented and tested. The prices and what kind of service the customers want might change the service as time passes. If the service becomes unpopular, there is a high chance that the collaboration will be stopped. However, if the service creates economic profit and is well-received from Skanska’s customers, there is a possibility that the service is more widely spread to other cities. Many cities in Finland, and additionally the government, have committed to reduce carbon emissions, thus the service is in general seen in positive
light. We must remember that the city of Helsinki made the zoning benefits possible in order to create possibilities for car sharing cars.

6.4 Limitations
One of the most obvious limitations regarding this study is the geographical area studied. Meaning, the results, and conclusions are drawn in this study might only be applicable for this certain geographically placed construction company. In terms of reliability and validity factors, they are of high standard. Meaning, the validity, and reliability of the study is high enough for the readers to perceive the results and conclusions as close as possible to the truth. The estimated high value of the validity and reliability of the study is based on the high amount of respondents interviewed in this study, that originate from three different categories of industries, and the eleven different companies that were involved in this study.

6.5 Suggestions for further studies
For further studies, we suggest researchers study the collaborative relationship between construction companies and car sharing companies in more than one country. In this case, the authors were able to provide a suggested collaboration business model (Figure 5) based on a specific company operating in Finland, thus making it impossible to be universally applicable. Therefore, the suggested model can only be applied to this certain geographical area. Therefore, future studies should conduct a similar study like this one, but in a larger scale. Suggested topics would be to study the collaborative relationship between construction companies and car sharing companies in minimum two different countries to be able to analyze and compare. Furthermore, if possible, future studies should focus on more than one city within a country, in order to eventually establish a collaboration business model that could be universally applicable.
References


Appendices

Appendix 1: Questionnaire for car sharing company

1. How does the process work?
2. How one finds the car sharing car?
3. How the car can be booked?
4. Where do you return the car?
5. How will you open the doors of the car?
6. What is the company’s operational area?
7. Possible location of the parking spot (on the street, on the yard, at the garage)?
8. Does the company offer charging possibility for electric cars?
9. Models available?
10. The service is open to whom?
11. How is the service paid, what is it based on?
12. Resignation is done how?
13. What does it cost to condominium or Skanska?
14. Is there a possibility to form a long-term contract?
15. A contract with Skanska homes?
16. What construction company is already using the service?
Appendix 2: Questionnaire for the construction company

1. Why does the construction company plan to advance into the collaboration?
2. What are the risks and benefits for the construction company?
3. On what factor will the selection of the partners will be based on?
4. How would you explain a closed-pool system which is done to one of the company’s sites?
5. How would you characterize the contract (subcontract, alliance etc.)?
6. Can you further elaborate the structure of the service in the sites?
7. How the value creation process of Skanska is included to the collaboration?
8. How do you see the car sharing economy?
9. How will the company apply the zoning rules?
10. What is the likelihood that the business model will be applied to other cities as well?
11. Is there a preference for car models or does the area create a demand for certain type of car model?
12. What are the characteristics of the contract?
13. How does construction company see the part of customer?
14. Does Skanska receive income based on the car sharing service at the sites?
15. What areas are the most suitable for carsharing? And why?
16. What are the costs in terms of parking spots?
Appendix 3: Questionnaire for the city representative

1. Can you further introduce the goals of the zoning rules in terms of car sharing?
2. How does the city see the role of the length of the contract?
3. What is the stance of the city in terms of zoning, car sharing and main contractor?
4. There seems to be an alternative motivation for construction companies to achieve the zoning benefits, how the city ensures that its goals are fulfilled after the obligation time to receive the benefits expires?
5. What kind of factors are investigated in terms of building rights when the companies will apply for them?
6. Does the city monitor the implementation of the articles in the contract?
7. Can you elaborate why the city concluded the ratio to be one to five and the maximum to be ten percent of the total amount?
8. The collaboration might produce unnecessary /correct amount of car sharing cars for certain areas within the city. When giving building permit rights, will the city investigate the matter as a whole?