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RESEARCH REPORT

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Innovation resistance and its effect on adoption of a disruptive innovation

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Abstract

The literature shows that resistance and adoption factors differ and by solely focussing on the one and ignoring the other, diffusion of an innovation will be limited. Resistance factors have largely been ignored while companies continue to focus on increasing innovation attributes which can be detrimental to the success of an innovation. The research sets out to explore and identify the factors that influence resistance towards a disruptive innovation and how these factors can be mitigated to increase adoption. A qualitative study in the form of in-depth interviews were conducted with 14 individuals who have resisted the adoption of a disruptive innovation, namely Airbnb.

The study found that resistance and adoption factors differ with resistance influenced predominantly by cognitive and situational factors. Adoption was closely related to innovation characteristics which will supersede an incumbent innovation. The risk associated with the adoption of a new innovation and especially a disruptive innovation is related to lack of knowledge and the impact word-of-mouth has on resistance and adoption was a recurring theme. Word-of-mouth can mitigate resistance factors through the transfer of knowledge and information. The study concludes by providing theoretical and practical contributes and recommendations for future research.

Keywords

Innovation resistance, disruptive innovation, Airbnb, diffusion of innovation, accommodation, word-of-mouth.

Declaration

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

Johannes Hendrik Nel

Date

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1. Introduction to the Research Problem

1.1. Introduction

The development of new products and services requires significant resource expenditure for a company to ensure the longevity and promote growth. The average new product failure rate of 41% (Castellion & Markham, 2013) elude to the risk companies face with the development of a new product or service and can result in significant financial losses. The factors that influence adoption and non-adoption differ and according to Patsiotis, Hughes and Webber (2013) who states that it is “neither simple nor linear”. This means that the factors that influence adoption and non-adoption do not always correlate and thus increased focus on the one or the other can result in failure of the innovation.

The diffusion of an innovation and more specifically a disruptive innovation, need to be examined differently to gain further insight into the aspects that affect non-adoption or resistance (Reinhardt & Gurtner, 2015). The difference between non-adoption or resistance factors and adoption factors can result in ineffective marketing or product positioning strategies. The disruptive nature of certain innovations can be attributed to the effectiveness in how organisation managed to mitigate or overcoming these resistant factors which allow them to overtake incumbent innovations and capture the market (Sood & Tellis, 2011).

The adoption of an innovation is influenced, according to Rogers (2003), by five key factors namely relative advantage, compatibility between consumer requirements and innovation characteristics, level of complexity, trialability and observability. The five factors have traditionally been important for developers of innovation and business as they seek to understand the adoption behaviour of the consumer. Various researchers have built on the model first proposed by Rogers (1962) to illustrate further how consumer adopt certain innovations. The technology acceptance model proposed by Davis (1989) sheds light on two key factors that influence consumers to adopt a certain technology namely ease of use and perceived usefulness. Innovators and business can improve adoption, according to Davis (1989) by illustrating to the consumer that the innovation will be easier to use and will improve their lifestyle if adopted.

The two previously mentioned models do not take into account the human element and the emotional distress placed on a consumer during the adoption of a new innovation

(Kulviwat, Bruner II, Kumar, Nasco, & Clark, 2007). The adoption of a new innovation requires consumers to deviate from the status quo (Ram, 1987; Polites & Karahanna, 2012; Waheed, Kaur, Ain, & Sanni, 2015) which results in resistance in various forms (Heidenreich & Handrich, 2015). Adoption can also be influenced by the consumers emotional state (Waheed et al., 2015), the effect early adopters have on diffusion (Frattini, Bianchi, Massis, & Sikimic, 2014), word of mouth (Kawakami & Parry, 2013) and group dynamics (Ma, Yang, & Mourali, 2014).

Consumers adoption of a particular innovation may be increased if it generates excitement within them and they feel intrigued to investigate it further (Kulviwat et al., 2007). The ability of a business to communicate this message and illustrate to a potential customer the benefits the innovation holds is important during this process (Talke & Colarelli O'Connor, 2011). The attachment or excitement generated within the potential consumer can be linked to the physical attributes of the innovation, which mainly refers back to the five key attributes listed by Rogers (2003), or can be due to the individuals' own characteristics (Ma et al., 2014). Certain individuals will be inclined to adopt new and radical innovation as early as possible (Frattini et al., 2014), while another group may be inclined to wait for diffusion to occur and then consider adoption (Bayerl, Lauche, & Axtell, 2016). The two different groups will influence one another and can increase adoption or resistance, depending on their initial experience and evaluation of the innovation (Bayerl et al., 2016).

The increased connectivity amongst consumer in the modern rea and ease of communication through various platforms such as social media, blogs, reviews and discussion board (Verhoef et al., 2017) can influence the adoption or resistance of an innovation. Consumers can be influenced through word-of-mouth to adopt an innovation (Kawakami & Parry, 2013), even without any previous experience or perceived usefulness due to the trust they place in these sources. The opposite can also occur where resistance is generated due to negative word-of-mouth (Kawakami & Parry, 2013). The rate of diffusion can thus be influenced by word-of-mouth (Stephen & Lehmann, 2016) through the encouragement of positive word-of-mouth. Resistance can thus occur within consumers even with limited or no exposure to a certain innovation due to the effect word-of-mouth has on their perception of an innovation (Parry & Kawakami, 2015).

Heidenreich and Handrich (2015) stated that most consumers have high resistance towards change and want to maintain the status quo. The adoption of an innovation can

thus only occur if the initial resistance towards change has been overcome (Ram, 1987). The factors that influence resistance towards an innovation differs to adoption, as previously mentioned, which requires companies to change their approach towards individuals that resist their product or service.

Ram (1987) highlighted the following two advantages for business if the resistant process is understood. The first advantage is that increase knowledge of resistance can contribute to the marketing operations of a firm in terms of product position to reduce resistance towards adoption (Ram, 1987). The second advantage is that they can use the information to increase resistance towards competitors' products (Ram, 1987). The resistance towards change continues to influence companies even those with similar service innovations (Laukkanen, 2016) and will only increase with disruptive innovations due to the change in the status quo (Talke & Heidenreich, 2014).

Resistance towards the adoption of a product can result in the failure of an innovation if the adoption barriers are not understood and identified. The active and passive resistance towards a disruptive innovation can increase adoption time and result in a loss of investment (Heidenreich, Kraemer, & Handrich, 2016). Understanding why these barriers to adoption exist can allow business to alter their marketing to reduce consumer resistance (Heidenreich & Handrich, 2015). Active innovation resistance is developed after an initial investigation of the innovation was unsatisfactory (Talke & Heidenreich, 2014). Passive innovation resistance occurs due to a number a reason, mainly contributed to fear of change to status quo (Ram, 1987), which results in non-adoption (Heidenreich & Handrich, 2015).

The resistance towards an innovation and in the case of the current study, a disruptive innovation, can further refine and contribute to adoption theory (Talke & Heidenreich, 2014). The initial resistance toward the adoption of a disruptive innovation results in ignorance on behalf of the incumbent firms such as highlighted by Christensen (1997), for example, the hard disk drive and mechanical industry. Incumbent firms ignore the disruptive innovation due to lack of adoption which results in the failure of these firms once resistance towards adoption is overcome by the disruptive innovation firms.

The effect of disruptive innovation in the form of smaller drives and hydraulics respectively influenced the previously mentioned industries after initial scepticism of the consumer towards adoption (Christensen, The innovator's Dilemma: When new

technologies cause great firms to fail, 1997). The term disruptive innovation has been disputed over the past two decades (Obal, 2013) or so as researchers aim to better define it and gain an understanding of which innovations are truly disruptive (Sood & Tellis, 2011). Understanding and evaluating how consumers resist a disruptive innovation and how this can be overcome can contribute to the business understanding of the failure of products and companies. The approach of this research paper is thus to not focus on the innovation itself, but rather on the consumer and how they perceive the innovation in terms of resistance factors they have towards this.

1.2. Research objectives

The focus of the current study will be to identify the attributes that result in the resistance of a disruptive innovation. This will be achieved by analysing consumers resistance towards a disruptive innovation and why and how adoption occurs of current innovations. The factors with regards to the adoption and rejection of a disruptive innovation are not similar to one another (Kleijnen, Lee, & Wetzels, 2009) and there is a need to identify the individual characteristics of the disruptive innovation.

The need to investigate the link between innovation resistance and a specific innovation was highlighted by Talke and Heidenreich (2014) to contribute to the adoption literature. The disruptive nature of certain innovation can result in resistance due to various factors. The researcher will investigate if there is a difference between adoption and resistance factors and if so, how these factors can be reduced. Resistance towards an innovation occurs concurrently with adoption (Kim & Kankanhalli, 2009) and it is thus important to understand what causes resistance amongst consumer when they experience a disruptive innovation.

The research paper further aims to understand the link between factors that influence resistance amongst the participants and how this links with maintaining the status quo. The research objectives are in summary thus:

- To determine if there is a difference between adoption and resistance factors.
- To determine the key characteristics, if any, of a disruptive innovation, compared to continuous innovations that influence resistance.
- To determine how resistance factors can be reduced to increase adoption of a disruptive innovation.

1.3. Theoretical need

This proposal will discuss the theory with regards to disruptive innovation as well as active and passive resistance towards the adoption of an innovation. The literature review will highlight the key aspects of disruptive innovation and active and passive resistance to allow the researcher to formulate a methodology. The methodology will be discussed and the process that will be followed to allow the researcher to answer the research question will be presented. The research question revolves around gaining a deeper understanding of the experiences consumers have of a disruptive innovation and how this translates into active and passive resistance towards it.

1.4. Business need

The managerial implication of the study will aim to assist companies to gain deeper insights into the consumer perception and experience towards a disruptive innovation and what influences the resistance towards it (Laukkanen, 2016). This can guide companies to reduce the possibility of a disruptive innovation being rejected, how to increase the take-up of the innovation and to gain a better understanding of the thought process of the consumer (Talke & Heidenreich, 2014).

The choice of a disruptive innovation to be analysed is important and the framework established by Schmidt and Druehl (2008) was used to determine if a product will be disruptive or not. This framework was applied to Airbnb to identify the characteristics that validate it as a disruptive innovation. Airbnb disrupted and is still disrupting online travel agencies and the hotel industry by creating a convenient means of accessing accommodation, making the process simpler and increase the benefits for the consumer and owners of properties.

The growth of Airbnb globally as well as in South Africa has been staggering with the national trade association for the hospitality industry in South Africa (FEDHASA) reporting a year-on-year growth of 163% for local homes listed (Thabo, n.d.). The growth in terms of nights booked has increased year-on-year by 259% (Thabo, n.d.). Airbnb continues to grow globally and is disrupting the previously mentioned industries with an increased demand compared to hotels of almost 1.7% in September 2015 (Skift, 2016). Guttentag (2015) discusses the disruptive characteristics of Airbnb as a low-end

encroachment disruptive innovation and the rapid growth compared to traditional brick-and-mortar travel accommodation.

1.5. Motivation for research

The term disruptive innovation and the impact it has on incumbent firms and innovations is still hotly debated (Tellis, 2006), but the research and evidence provided by Christensen (2006) can't be ignored. The distinct characteristics of an innovation that contributes towards its disruptive nature is still unclear and researcher continue to evaluate such innovation's against their peers (Sood & Tellis, 2011). The motivation for this research is to approach the problem from a different view, namely the consumer and the perception the consumer has of an innovation that is deemed to be disruptive. The factors that influence resistance results in lower adoption, but as these factors are overcome and in the modern age at a higher rate, diffusion occurs at a rapid pace which influences the disruptive nature of the innovation. The research thus aims to gain an understanding of these factors that can be used to evaluate a disruptive innovation and contribute to both innovation adoption and resistance theory of a disruptive innovation.

1.6. Chapter summary

The study will aim to understand the factors that influence resistance with regards to the adoption of Airbnb, which was chosen as a case study of a disruptive innovation for this research paper. This will be achieved by analysing consumer's experiences and the interaction they have had with the disruptive innovation. The current practice and the perceived benefits for consumers will be investigated to gain further insight into what contributes to them maintaining the status quo and how this increases resistance. One of the key attributes of Airbnb, namely the sharing economy, can result in lack of diffusion due to the diversity in South Africa and the current economic and social state.

2. Literature Review

2.1. Introduction

The chapter will provide insights into the core theoretical concepts that were used to formulate the research questions. The different antecedents of consumer adoption and resistance and the need to further investigate how resistance can be reduced will be highlighted. The theory of innovation resistance is built out of the theory of adoption (Ram, 1987) and this chapter will build on adoption to illustrate the important part consumer resistance plays in the adoption and diffusion of an innovation. The two main forms of resistance namely active and passive will be defined.

The term innovation and more specifically disruptive innovation will be defined to illustrate to the reader why Airbnb was chosen as the subject company for the current study, and one that represents a disruptive innovation. Innovation characteristics will be evaluated and the characteristics that define an innovation as disruptive will be discussed. The argument against disruptive innovation will also be highlighted to provide insights to the reader with regards to the continuous need for further research. The disruptive nature of Airbnb can be argued due to various factors, but seen as the literature is still being developed and refined, the innovation was deemed disruptive due to the effect it has had on incumbent firms.

2.2. Consumer adoption of an innovation

The adoption and diffusion of an innovation are important for the success of a company and gaining insight into the thought and adoption process of the consumer is critical for managers (Arts, Frambach, & Bijmolt, 2011). Various different theoretical models have been developed to explain the adoption of an innovation by consumers (Arts et al., 2011). The majority of studies are built upon the work conducted by Rogers (1962) and his theory of diffusion of an innovation. The innovation diffusion theory was used by Davis (1989) to build upon and the Technology Acceptance Model (TAM) was the result of his research. The two models have been used extensively to explain the adoption of an innovation.

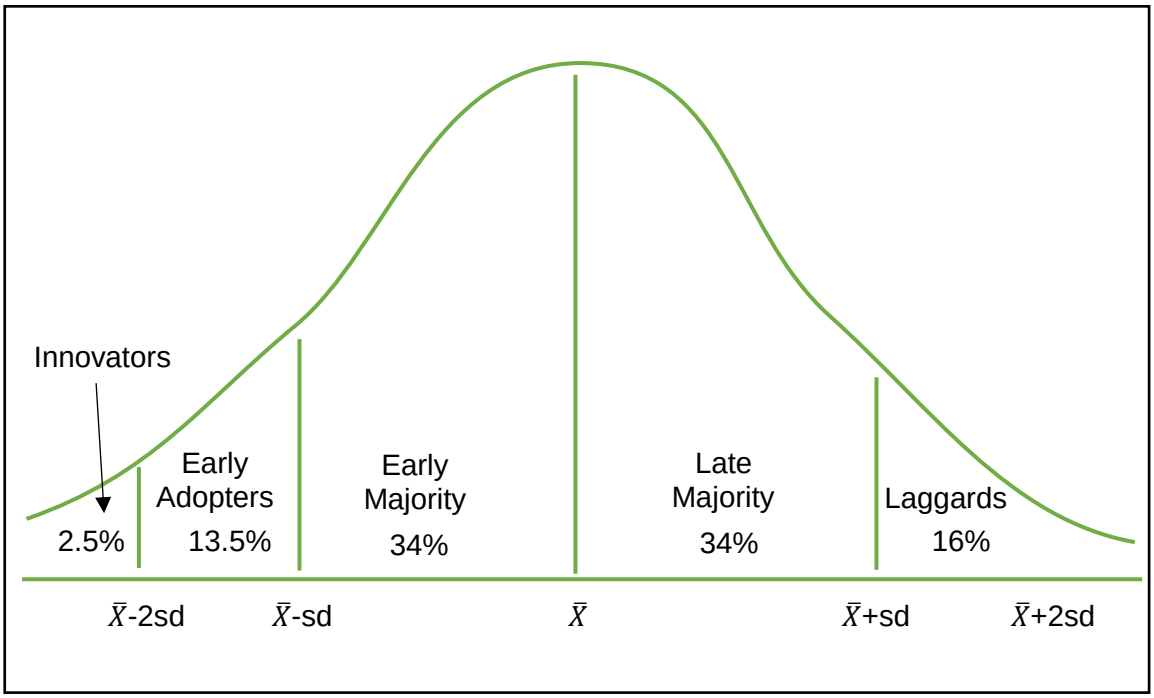
Rogers (2003) highlighted five attributes which influence the diffusion of an innovation and the rate of adoption. The perception of the innovation from the consumer point of

view with regards to the characteristics of the innovation influences the rate of adoption (Rogers, 2003, p. 219). The five attributes are

- The relative advantage which is "the degree to which an innovation is perceived as being better than the idea it supersedes" according to Rogers (2003, p. 229).
- Compatibility with current consumer values and past experiences with other innovations and how this tie in with current needs of consumers (Rogers, 2003, p. 15)
- Complexity which negatively affects the rate of adoption (Rogers, 2003, p. 15) due to the perceived difficulty to use the new innovation.
- Trialability is important for the consumer seen as the increased use of an innovation will reduce the perceived difficulty and increase familiarity to increase adoption (Rogers, 2003, p. 16)
- Observability is defined by Rogers (2003, p 16) as "the degree to which the results of an innovation are visible".

Innovations are adopted by different consumer types along the diffusion process and are illustrated in the figure below.

Figure 1: Adopter categorization on the basis of innovativeness (Rogers E. M., 2003)



The different adopters are categorized according to Rogers (2003) as innovators, early adopters, early majority, late majority and laggards and noted that incomplete and non-adopters do not form part of the adopter classification.

The technology acceptance model (TAM) developed by Davis (1989) which states that consumer intention to adopt or current use correlates with perceived usefulness. The consumers perceived benefits that could arise from using the innovation influences thus adoption. Ease of use was significantly correlated as well with regards to current and future use while usefulness had a significantly higher correlation compared with the ease of use for consumer adoption (Davis, 1989). The perceived usefulness (Davis, 1989) is similar to Rogers (2003) "perceived relative advantage" and ease of use (Davis, 1989) can be compared to the perception of an innovation complexity as described by Rogers (2003). The two models thus state that innovation will be adopted by consumers if they perceive that it will be useful to fulfil a certain problem they have and if it is easy to use. Increased complexity will reduce adoption and limit diffusion of the innovation (Rogers E. M., 2003).

Researchers have used these base theories to develop further insight into the adoption behaviour of consumers. The following sections will elaborate on current research seen as Rogers (2003) has been critiqued for not considering the influence consumer's emotional constructs have on the adoption of an innovation. The influence of the different forms of word of mouth, namely virtual, written and personal, the role of early adopters, consumer emotions and group adoption dynamics will be discussed

2.2.1. Word of mouth

Duhan, Johnson, Wilcox and Harrel (1997) highlights the importance of word-of-mouth communication with regards to the adoption of a new product or service. The adoption of a product is influenced by the advocacy for the product or service through word-of-mouth and is considered to be an important component to reach more customers and influence their decision to adopt (Graham & Havlena, 2007). Word-of-mouth strongly influences online searches and creates interest amongst non-adopter to consider an innovation (Graham & Havlena, 2007).

Word of mouth is divided into three key kinds according to literature. Personal word-of-mouth is a face-to-face interaction between two or more individuals where the

participants have met before or know one another personally (Allsop, Bassett, & Hoskins, 2007). Virtual word-of-mouth differs from personal word of mouth seen as the individuals have never met personally and do not know one another (Park & Lee, 2009). Communication through an individual with virtual word-of-mouth occurs over a virtual platform such as the internet via blogs, reviews or any other form that involves a digital platform (Park & Lee, 2009). Kawakami and Parry (2013) refer to the third form of word-of-mouth communication namely written word-of-mouth. Written word-of-mouth differs from the previous two mentioned as the communication is delivered to the recipient through physical publications such as newspapers and magazines (Kawakami & Parry, 2013)

The perceived usefulness of an innovation is increased through word of mouth via a perceived credible source (Kawakami & Parry, 2013). Written and virtual word-of-mouth (Parry & Kawakami, 2015) is perceived to have higher credibility than personal word-of-mouth due to the “access to expertise” via these sources (Kawakami & Parry, 2013). Virtual word-of-mouth also influences consumers’ willingness to pay for a product or service seen as it increases the perceived hedonic value (Parry & Kawakami, 2015). The perceived usefulness (Davis, 1989) or “perceived relative advantage” (Rogers E. M., 2003) are thus influenced by all three types of word-of-mouth communication (Kawakami & Parry, 2013) which is a key attribute that influences adoption. The manner in which companies manage word-of-mouth communication can thus influence adoption of an innovation.

Talke and Colarelli O'Connor (2011) states that the type of information in terms of usability and money during the launch of a product can influence market performance. The launch message influences customers and contributes to the relative advantage (Rogers E. M., 2003) of the product as well as perceived usefulness (Davis, 1989; Rogers, 2003). The monetary value linked to the purchase of an innovation is a strong predictor of adoption while technical messages can be less effective, even for expert customers (Talke & Colarelli O'Connor, 2011). The product or service message can thus negatively affect word-of-mouth and decrease adoption seen as an overload of technical information can force customers to focus on the unknown (Talke & Colarelli O'Connor, 2011) which increases decreases perceived usefulness (Kawakami & Parry, 2013).

The increased connectivity amongst consumers in the modern era (Verhoef, et al., 2017) has influenced the effect word-of-mouth has on the diffusion of an innovation (Stephen

& Lehmann, 2016). The ability of an organisation to facilitate knowledge sharing amongst personal connection can increase adoption (Stephen & Lehmann, 2016). Organisation gather a large amount of data about their consumers and this can be used to not only better understand the customer, but also how they can increase word-of-mouth (Verhoef, et al., 2017).

2.2.2. Consumer emotions

The innovation diffusion theory (Rogers E. M., 2003) does not take into account the effect consumer emotions and attitudes have on the adoption of an innovation but focusses solely on individual beliefs and cognition (Waheed et al., 2015). Kulviwat et al. (2007) findings support the notion that consumer emotions and attitudes impact intention to adopt. The ability to create excitement (Kulviwat et al., 2007) is a key attribute that will increase adoption and adds to the previously mentioned five attributes of innovation diffusion theory (Rogers E. M., 2003). Consumers with a strong emotional connection to a current innovation will experience a decrease in intention to adopt a new innovation (Waheed et al., 2015).

2.2.3. The role of early adopters in the diffusion of an innovation

The early adopters play a crucial role in the diffusion of an innovation and Rogers (2003) state that these types of people usually hold a leadership role within the community. Rogers (2003, p 283) also state that “early adopters put their stamp of approval on a new idea by adopting it” which facilitate diffusion. Early adopters fulfil two crucial roles in the diffusion process namely dissemination and imitation (Frattini et al., 2014). Adoption is increased through word-of-mouth by early adopters (Frattini et al., 2014) who provide information about the innovation. Early adopter displays both “positive affective and behavioural responses” towards an innovation which further increases diffusion (Escobar-Rodríguez & Romero-Alonso, 2014, p. 1239).

The two roles namely dissemination and imitation that early adopters fulfil (Frattini et al., 2014) rely on word of mouth to increase adoption. Dissemination occurs when early adopters “spread information regarding their opinion about the value for money, properties, advantages, and disadvantages of the new product” (Frattini et al., 2014, p. 476) which influences adoption. The influence that word-of-mouth has on adoption was discussed in section 2.2.1 and further highlights the importance of both word-of-mouth and early adopters.

The second role early adopter fulfil is imitation where the willingness of early adopters to use an innovation (Escobar-Rodríguez & Romero-Alonso, 2014) compared to late adopters, result in imitating behaviour as late adopter do not want to lose out to any advantage the new innovation may hold (Frattini et al., 2014). Imitation only occurs if the innovation is adopted by significant individuals (Frattini et al., 2014) as highlighted by Rogers (2003, p. 283) as well who refers to these individuals as “leaders”. The influence of early adopters and word-of-mouth is further illustrated in the following section when individuals operate in a group.

2.2.4. Group dynamics and the effect on adoption

The adoption of an innovation can be influenced due to group dynamics (Bayerl et al., 2016). The individuals that form part of these groups differ in the type of innovation they prefer to adopt (Ma et al., 2014). Individuals who consider themselves independent of others will consider adopting an innovation that is completely new and different to anything else on the market (Ma et al., 2014). The view that one is part of a group results in an inclination to gravitate towards innovation that improves on previous innovation and do not introduce something completely new (Ma et al., 2014). The interaction between the two sets of individuals within a group can thus result in adoption or resistance to a particular innovation.

Bayerl et al. (2016) refer to four key different technology adoption states namely:

- Congruent adoption
- Congruent non-adoption
- Disparate adoption
- Disparate non-adoption

The first two occur when subgroups have similar positive or negative views toward the innovation for the same reason compared to the following two where they have different views (Bayerl et al., 2016). The type of people within the group and the credibility that they carry can result in positive or negative word-of-mouth which can affect adoption of a particular innovation (Kawakami & Parry, 2013).

In summary, adoption or non-adoption can occur if individuals within a group, who have an affinity for a particular type of innovation, convinces another sub-group to adopt or to

reject adoption. This can result in non-adoption amongst a particular sub-group, even if independently they might have adopted an innovation (Bayerl et al., 2016). The impact word-of-mouth and individual characteristics thus play an important role in the diffusion of an innovation within a group.

2.2.5. Shortcomings

The majority of consumers experience some form of resistance towards and innovation before adoption occurs (Laukkanen, 2016). The antecedent of adoption barriers is thus resistance barriers and if these are not initially overcome, no form of effort by an innovator to increase adoption will thus occur. Kim and Kankanhalli (2009) state that user resistance occurs simultaneously with adoption and for an innovation to succeed, both need to be overcome to increase adoption. One of the underlying reason for consumer resistance is the preference to maintain status quo and any change to this state results in some form of resistance (Kim & Kankanhalli, 2009).

Rogers (2003) stated that innovation will be adopted if they meet the previously five mentioned attributes. These attributes do not take into consideration the emotional state of the consumer which results in non-adoption (Kulviwat et al., 2007; Waheed et al., 2015). This can result in, for example, the non-adoption amongst older consumer if an organisation solely focusses on physical attributes of an innovation and neglect the experience generated and service provided (Lee & Coughlin, 2015). Consumer perception of an innovation can also be influenced by the product it replaces (Gerlach, Stock, & Buxmann, 2014). The perception created with regards to the new innovation and the potential desirable attributes, need to overcome the resistance to adopt a new innovation due to the change in status quo for the consumer (Gerlach et al., 2014). Innovation attributes can thus also result in resistance for a certain consumer group while increasing adoption for another (Wu, Wu, & Chang, 2016).

The benefits to increase adoption for the success of an innovation is thus vitally important to the future of an organisation (Rogers, 2003; Frattini et al., 2014; Escobar-Rodríguez & Romero-Alonso, 2014), but the need to investigate resistance is of equal importance (Polites & Karahanna, 2012). The following section will discuss the importance of resistance and the influence it has on adoption of an innovation.

2.3. Resistance

The adoption of a new innovation is influenced by the resistance consumers have towards the new innovation (Ram, 1987). Innovation resistance is a special case of resistance to change and occurs when a new innovation changes the status quo for consumers (Ram, 1987). Laukkanen (2016) differentiates between two forms of resistance namely adoption postponement and rejection. Adoption postponement can elude to future intention to reconsider the adoption of the innovation where rejection is a final decision and stops the innovation adoption decision process (Laukkanen, 2016). The rejection of an innovation is not a characteristic of the consumer but rather the decision taken with regards to the consumption of an innovation (Laukkanen, 2016).

The following section will discuss the resistance consumers have towards a change in their status quo when they are confronted with a new innovation. The difference between adoption and resistance barriers will be highlighted to illustrate further the need to go beyond evaluating solely adoption with regards to the diffusion of an innovation. The diffusion model will be discussed and the different forms of resistance that occur with each phase will be illustrated. Active and passive resistance will be defined and the section will conclude with an explanation why the need to evaluate resistance is important during the diffusion of a disruptive innovation.

2.3.1. The effect of change on the consumer

Consumer prefers to maintain status quo by continuing to make use of an innovation due to the impact of inertia and habit (Polites & Karahanna, 2012). Inertia in terms of innovation resistance is defined by Polites and Karahanna (2012, p. 24) as an “attachment to, and persistence in, using an incumbent system (i.e., the status quo), even if there are better alternatives or incentives to change”. This definition illustrates the cognitive decision process of the consumer to actively (Bagozzi & Lee, 1999) choose not to change in terms of adoption of a new innovation (Polites & Karahanna, 2012). Habit is more a behavioural construct where a consumer may resist change (Bagozzi & Lee, 1999) due to the automatic response in a habitual process (Polites & Karahanna, 2012).

Inertia and habit influences resistance to change due to the familiarity with a current system (Polites & Karahanna, 2012) and decreases two of the main characteristics of an innovation which can influence adoption namely relative advantage (Rogers E. M., 2003)

and perceived ease of use (Davis, 1989). The perceived switching cost associated with the adoption of an innovation, which includes monetary and non-monetary values, decreases the perceived value of a new innovation (Kim & Kankanhalli, 2009). The consumer will also experience inertia if the transition and sunk cost are perceived to be too high which increases the desire to maintain the status quo (Polites & Karahanna, 2012).

A consumer with a higher self-efficacy will be less resisted towards change (Ellen, Bearden, & Sharma, 1991) due to a lower cost associated with switching to a new system (Kim & Kankanhalli, 2009). This is due to the perceived abilities by consumers to learn and adapt to a new innovation (Ellen et al., 1991) which lowers their inclination to stay with a current innovation (Kim & Kankanhalli, 2009), even if the newer innovation has perceived higher value. Complexity can thus increase resistance towards adoption (Zolkepli & Kamarulzaman, 2015) especially if the consumer believes that their ability to learn and adapt to a new innovation is not sufficient.

The consumer own perceived ability, resistance to change and habitual patterns can thus influence adoption. Resistance characteristics thus differ compared to adoption barriers as previously discussed can influence adoption. The following section will discuss the impact this can have on adoption and how adopter and non-adopters differ in terms of their perception of an innovation.

2.3.2. The impact of resistance on adoption

The previous section illustrated that adoption and resistance towards an innovation differ in terms of the perception a consumer has towards an innovation. The feedback from adopters differs from non-adopters with adopters focussing on certain key attributes such as ease of use (Patsiotis et al., 2013) of the innovation (Gounaris & Koritos, 2012). Non-adopters have no or limited exposure to the innovation and their influence to resist is driven by their own thoughts and perception of the innovation and not necessarily the attributes of the innovation (Gounaris & Koritos, 2012). This can result in postponement, rejection or opposition towards the innovation which is influenced by a variety of perceived risk associated with the adoption of the new innovation (Kleijnen et al., 2009).

Kleijnen et al. (2009) proposed that innovation resistance increases from postponement followed by rejection and onto the strongest form namely opposition. Four types of risk

factors namely physical, economic, functional and social were associated with the adoption of an innovation (Kleijnen et al., 2009). The usage patterns, traditions and norms as well as perceived image also influences consumer's decision to adopt (Kleijnen et al., 2009). Economic risk, due to monetary expenditure (Kim & Kankanhalli, 2009), and current usage patterns, associated with habit (Polites & Karahanna, 2012), can result in postponement (Kleijnen et al., 2009).

Rejection includes both usage patterns and economic risk with the additional risk of functional, social and perceived image (Kleijnen et al., 2009). Perceived image is also influenced by the individual (Ma et al., 2014) who may or may not perceive himself as influenced by the decisions of others, or by group-based thinking (Bayerl et al., 2016) where an individual's decision to adopt or reject is influenced by the decision of peers or social group which forms part of social risk as well.

Opposition, which is the strongest form of resistance according to Kleijnen et al. (2009), share functional and social risk with rejection as well as perceived image. The strength of opposition lies in the addition of physical risk and tradition and norms (Kleijnen et al., 2009). Physical risk of an innovation can result in injuries or fatalities which deepens resistance amongst consumers (Kleijnen et al., 2009). Kleijnen et al. (2009) found that consumers that oppose the adoption of an innovation have an increased inclination to voice their opinion through various forms of word-of-mouth. Word-of-mouth influences adoption (Kawakami & Parry, 2013; Parry & Kawakami, 2015) and negative word of mouth can result in resistance amongst consumer due to group-based thinking (Bayerl et al., 2016). Patsiotis et al. (2013) findings in terms of innovation functionality are contrary to Kleijnen et al. (2009) as they found that it is associated more with usage and post-adoption than with pre-adoption.

Patsiotis et al. (2013) suggest that organisation should not view the attributes that contribute to adoption or non-adoption as linear. The risks associated with the adoption of an innovation which results in resistance, do not translate into benefits for the consumer once adoption occurs (Kleijnen et al., 2009). Consumers identify different aspects of an innovation with regards to the use of it which influences adoption and non-adoption (Patsiotis et al., 2013). By focussing solely on the information received from consumers that have adopted and innovation, resistance will not be decreased and future adoption will not occur (Patsiotis et al., 2013).

Continuous focus on the physical attributes of the innovation, while not addressing the cognitive challenges consumers endure (Gounaris & Koritos, 2012), will also result in non-adoption. The cognitive attributes consumers associated with an innovation are not always logical and require a different approach to mitigate. Changing the innovations physical characteristics may not reduce the resistance towards it and thus requires interaction between the consumer and the organisation to address concerns (Gounaris & Koritos, 2012).

2.3.3. Factors that influence resistance

The various adoption barriers can provide insight into the consumer's perception of a disruptive innovation and how this translates into resistance towards the adoption of the innovation. Arts et al. (2011) investigated the innovation characteristics, adopter socio-demographics and psychographics with regards to adoption intention and behaviour. The characteristics of an innovation are important with regards to adoption and uncertainty with regards to the new innovation the most important element (Arts et al., 2011). The findings correlate with findings by Laukkanen (2016) that state that the value barrier, which refers to the perceived benefits of the adoption of the new innovation, as the most significant barrier. Consumer resistance towards adoption will thus theoretically increase if they are unsure of the benefits of the new innovation. The uncertainty with regards to a disruptive innovation is higher due to the characteristics discussed in section 2.4.

The demographics of the consumer was found to play a crucial role in the adoption or rejections of service innovation in the study conducted by Laukkanen (2016). Age, gender (Laukkanen, 2016) and education (Arts et al., 2011) are the key demographic characteristics. Mature consumer's resistance is predominantly focussed on the perceived risk and as such uncertainty, of the new innovation (Laukkanen, Sinkkonen, Kivijärvi, & Laukkanen, 2007). The various factors affecting adoption and resistance is summarised in the table below:

Table 1: Adoption and resistance factors (Claudy, Garcia, & O'Driscoll, 2015)

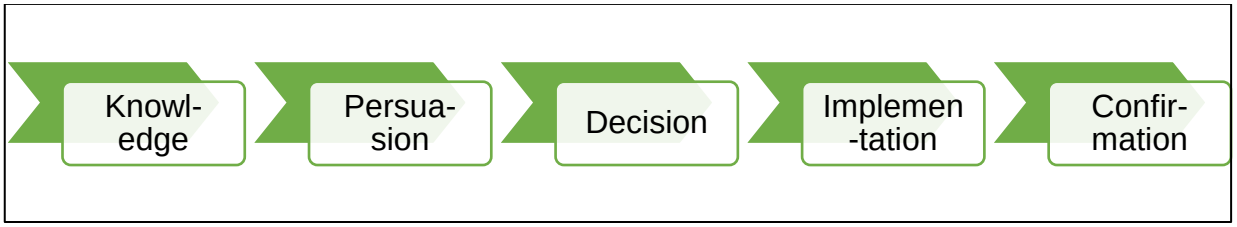
Adoption factors	**Resistance factors**
Innovation attributes	*Functional barriers*
Relative advantage	Usage barriers
Compatibility	Value barriers
Complexity	Risk barriers
Trialability	
Observability	*Psychological barriers*
Perceived usefulness	Tradition and norm barriers
Perceived ease of use	Image barriers

The various barriers previously mentioned and discussed contribute to the resistance towards the adoption of a disruptive innovation. Talke and Heidenreich (2014) suggest that the resistance consumers experience can be divided into two categories namely passive and active innovation resistance. The innovation attributes, functional barriers and psychological barriers can have an influence on both active and passive resistance. Evaluating the experience consumers have had with the disruptive innovation (in the case of the current study - Airbnb) can assist managers to develop a business plan to counter the resistance. Claudy, Garcia and O'Driscoll (2015) state that by actively targeting the barriers towards adoption for the consumer instead of an increased focus on emphasising the positive attributes of the innovation can result in an innovation adoption increase.

2.3.4. The effect of resistance on the innovation diffusion model

Talke and Heidenreich (2014) designed their framework with regards to active and passive resistance around the model developed by Rogers (2003, p. 170).

Figure 2: Model for the innovation-decision process broken down into five stages (Rogers E. M., 2003)



The first stage is the knowledge stage during which the consumer gathers information regarding a new innovation and is exposed to its characteristics (Rogers E. M., 2003). The persuasion stage is the first stage where resistance towards the adoption of the innovation can occur (Talke & Heidenreich, 2014) due to the outcome after evaluating the information gathered during the first stage (Rogers E. M., 2003). The consumer decides during the third stage to either adopt or reject the innovation (Rogers E. M., 2003) which will result in either active or passive resistance towards adoption. The final two stages depend on the type of resistance. Passive resistant consumers will decide not to proceed to the implementation stage and make use of the innovation while active resistant consumers will implement the decision (Rogers, 2003; Talke & Heidenreich, 2014). Negative experiences after the implementation stage will result in active innovation resistance forming at the confirmation stage (Talke & Heidenreich, 2014). The following section will elaborate further on passive and active resistance and the influence it has on adoption.

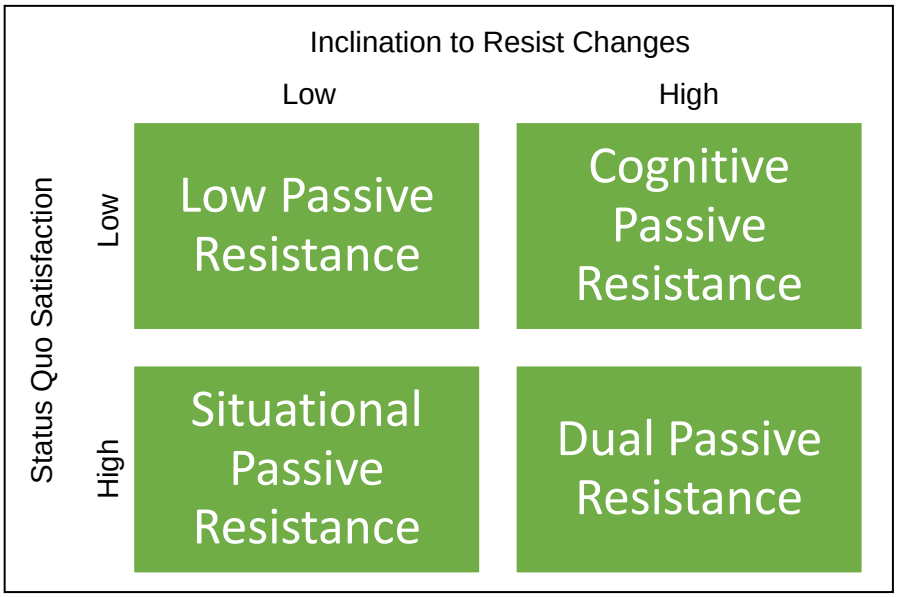
2.3.5. Passive and active innovation resistance

Passive innovation resistance is defined as the consumer's perception of an innovation before the new innovation has been evaluated (Talke & Heidenreich, 2014). Active innovation resistance is an outcome after the new innovation was evaluated and the outcome was unsatisfactory (Talke & Heidenreich, 2014). Understanding the impact these two factors have on the adoption of a disruptive innovation can assist managers in taking corrective actions and altering their approach with regards to the introduction of a disruptive technology (Talke & Heidenreich, 2014).

Passive innovation resistance is a combination of a consumer's cognitive and situational styles (Heidenreich & Kraemer, 2016). Developing a system to simulate the use of a new innovation can assist in reducing cognitive passive innovation resistance (Heidenreich & Kraemer, 2016). Heidenreich and Handrich (2015) found that the most important dimension of cognitive passive innovation resistance is short-term focus followed by emotional reaction to change, routine seeking and finally cognitive rigidity as least important (Heidenreich & Handrich, 2015). The findings show how consumers are aware of the short-term impact the change will have when adopting a new innovation. There is an unwillingness to change the status quo and the cognitive aspects with regards to resistance have a stronger impact compared to situational resistance (Heidenreich & Handrich, 2015). Situational resistance is influenced by the circumstances a consumer

is experiencing and the lack of desire to adopt a certain innovation for a number of reasons (Talke & Heidenreich, 2014). The figure below shows the relationship between cognitive and situational factors influencing passive innovation resistance.

Figure 3: Four different forms of passive innovation resistance (Talke & Heidenreich, 2014)



Products with a perception of increased novelty will appeal more to individuals with a lower state of passive resistance (Heidenreich et al., 2016). The independent individual as mentioned by Ma et al. (2014), who prefers new an innovative product, will thus have a lower state of passive resistance according to Heidenreich et al. (2016). Radical new innovation (Ma et al., 2014) and in the current study disruptive innovation, will thus appeal more to an individual with a lower passive resistance or who are classified according to Ma et al. (2014) as independent. This individual can thus benefit the diffusion of a disruptive innovation if they are targeted by developers of a disruptive innovation.

The sources of active innovation resistance developed by Talke and Heidenreich (2014) includes the previously mentioned factors in Table 1 which influences innovation adoption. Active innovation resistance is made up of functional and psychological barriers that are related to the innovation-specific factors (Talke & Heidenreich, 2014). Functional barriers include value, complexity, trialability, compatibility, co-dependence, visibility, communicability, amenability and realisation barriers (Talke & Heidenreich,

2014). Psychological barriers include norm, image, usage, information, personal, functional, economic and social risk barriers.

2.4. Innovation

The importance of innovation has increased over the past few decades for all forms of business including small and medium enterprises (Petkovska, 2015). The perception of innovation was researched by Baskaran and Mehta (2016) amongst youths and was found to be linked closely with technology. Innovation through technology has had a profound impact on the standard of living and has resulted in improvements which have played a critical role in developing economic wellbeing (Baskaran & Mehta, 2016). The meaning of technological innovation may still have different meanings amongst the youth in terms of context and cultural perception (Baskaran & Mehta, 2016). The link between technology and innovation was also observed by Lowe and Alpert (2015). The perceived innovativeness of a product by a consumer is also linked to the newness of the concept as well as a perceived relative advantage (Lowe & Alpert, 2015).

2.4.1. Innovation characteristics

The unidimensional abstract concept with regards to consumer perceived innovativeness differs from previous research conducted that concluded that it was a multidimensional concept (Lowe & Alpert, 2015). The unidimensional construct is supported by the antecedents namely perceived concept newness, relative advantage and technological newness (Lowe & Alpert, 2015). The change in terms of design and packaging of an innovation can increase consumer perception of newness, even though the underlying product or service is not fundamentally new or revolutionary (Lowe & Alpert, 2015). The technology perceived newness can be either visible to the consumer or hidden (Lowe & Alpert, 2015), such as a new formula for washing liquid. The new formula developed by a company for washing liquid may not be visible to the consumer in terms of the fundamental change, but the effect can be observed and it can increase the perceived technological newness of the innovation (Lowe & Alpert, 2015). The previous examples tie in with the perceived relative advantage seen as the product will be perceived as superior to a competitor's product and increase the consumer's perception of innovativeness for the product.

Innovations can be classified as either a new service, process or product (Witell, Snyder, Gustafsson, Fombelle, & Kristensson, 2016) and defining the characteristics of an

innovation is important to align it to a certain type of innovation. Chapter 1 and the previous section discussed the characteristics of Airbnb which establishes it as an innovation. Connecting consumers and clients to each other through a platform provides a service and changed the process of the accommodation sector and as thus challenges certain assumptions in terms of research conducted on service innovation (Witell et al., 2016). Service innovations result in a behaviour change amongst consumers by combining uniform or customized properties of current operations (Martin, Gustafsson, & Choi, 2016).

2.4.2. The bricolage concept

The bricolage concept was used by Witell et al. (2016) to develop a framework for service innovations operating in a resource-constrained environment. Bricolage was defined by Baker and Nelson (2005, p. 333) as "making do by applying combinations of the resources at hand to new problems and opportunities". Organisations providing a service require resources, and by changing or developing new combinations of these resources can result in a new service organisation (Witell et al., 2016).

Airbnb combined the services of accommodation and the Internet to connect customers and develop a new service innovation. The bricolage concept consists of four different capabilities namely (Witell, et al., 2017):

- Actively avoid or address resource constraints
- Make do with current resources available that are either cheap or free
- Improvise through the use of available information and existing resources
- Create external partnership through networking.

The four capabilities of bricolage can be used to explain the service innovation developed by Airbnb. Resource constraints were addressed by eliminating the need to acquire physical assets by utilising current assets owned by external partners. Available resources in the form of the internet and application of mobile phones were used to create a networking platform.

Airbnb has been classified as an innovation and more specifically a service innovation through the current literature review (Guttentag, 2015). The following section will discuss the characteristics of a special form of innovation, namely disruptive innovation and how to identify a specific innovation as disruptive or not.

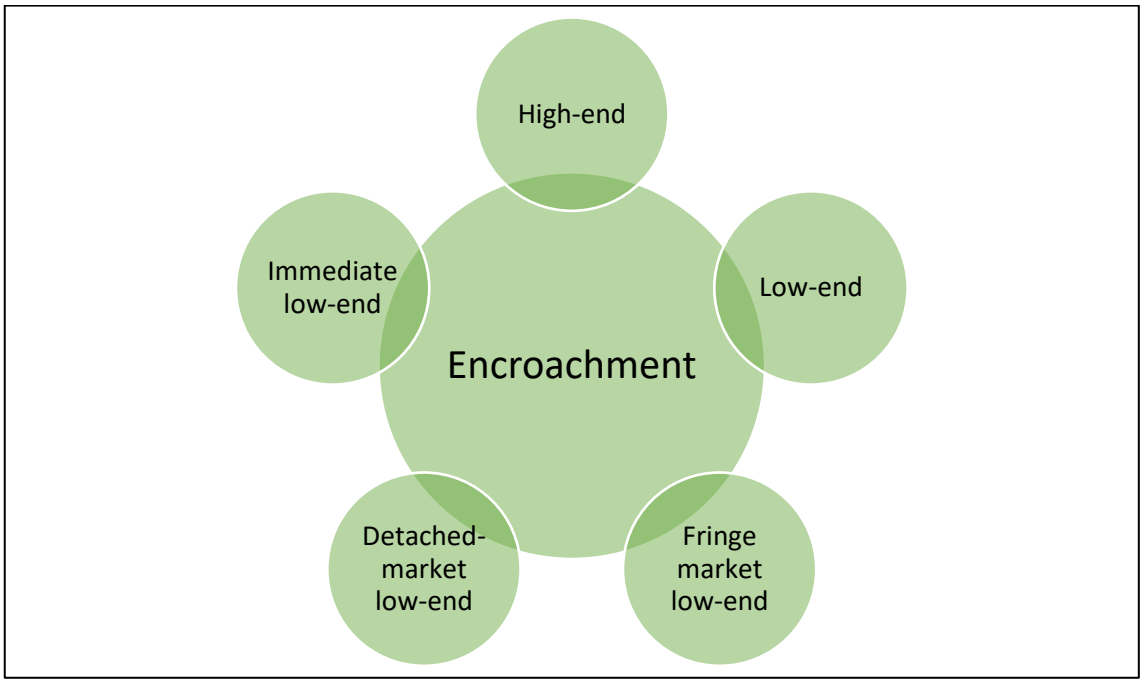
2.4.3. Disruptive Innovation

The term disruptive technology is synonymous with Christensen (1997) who defined it as an innovation which initially underperforms compared to established services or products. Improvement and development of the technology results in the disruptive innovation surpassing the dominant innovation that has been traditionally used by the majority of customers (Obal, 2013). The reason behind the effect that disruptive innovations have on incumbents is their lack of development and interest in new innovations (Obal, 2013). Disruptive innovations change how products are consumed and the dimensions of the market (Obal, 2013). The effect of disruptive innovations can thus be devastating on incumbents which creates a need to allow these organisations to be able to predict if a new innovation will be disruptive or not (Nagy, Schuessler, & Dubinsky, 2016).

2.4.4. Identifying a disruptive innovation

Defining the characteristics of a disruptive innovation is essential in the development of a framework on how to identify if an innovation is disruptive (Schmidt & Druehl, 2008; Nagy et al., 2016). Schmidt and Druehl (2008) specify five different types of diffusions in terms of encroachment and is illustrated in the figure below.

Figure 4: Diffusion maps for disruptive innovation (Schmidt & Druehl, 2008)



High-end encroachment disruptive innovations result in a product entering an existing market and encroach on the lower end market by diffusing downward (Schmidt & Druehl, 2008) as innovation cost reduces and adoption increases. Low-end encroachment occurs where a product with a lower cost enters the current market and diffuses upwards (Schmidt & Druehl, 2008). Fringe and detached markets both develop new products but differ in terms of the customers they target where immediate low-end only focus on the low-end (Schmidt & Druehl, 2008). Nagy et al. (2016) built on this model by focussing on innovation adoption theory and not on the market characteristics to ground the definition in terms of technology.

2.4.5. Airbnb as a disruptive innovation

Airbnb was founded in 2008 by Brian Chesky, Joe Gebbia and Nathan Blecharczyk (About Us, 2016) to develop a marketplace where individuals with space available such as a room, house or cottage, can connect with a broader customer base. The use of technology (website and mobile application) allows these individuals to list and rent space while providing a unique experience. The growth of the innovation can be contributed to two key factors namely the elasticity of supply and new technology innovations (Zervas, Proserpio, & Byers, 2017).

The total listing on Airbnb rose to four million worldwide in 2016 with more than 200 million guests accommodated since 2008 (Airbnb, 2017). The company has experienced significant growth amongst the senior population as well as woman (Airbnb, 2017) with the largest number of bookings (total of two and a half million compared to an average of two million) on the 5th of August 2017 (Airbnb, 2017). The website (https://www.airbnb.com/) allows visitors to search for desired accommodation type in a specific area and apply filters according to travel dates, price range, number of guest that can be accommodated, amenities, facilities and many more. This provides a personal approach where individuals can obtain a list of available accommodation according to their preference.

Airbnb can be perceived by the consumer as an innovation according to the dimensions mentioned by Baskaran and Mehta (2016) and Lowe and Alpert (2015) as previously discussed. The accommodation sector is not new and the sector has implemented various forms of technology. The perceived concept newness of Airbnb for the consumer

is contributed to by the ability to link private homes (Guttentag, Smith, Potwarka, & Havitz, 2018), previously not part of the accommodation sector, and bed and breakfast accommodation together (Schmidt & Druehl, 2008). The facilitation of a reliable platform with the use of technology that can be used to connect clients and owners increases perceived technological newness amongst consumers.

2.4.6. The different views regarding disruptive innovation

The term disruptive innovation and the theory behind it has influenced the business and academic world (King & Baatartogtokh, 2015), but controversy has also followed it as academics question the applicability (Markides, 2006), predictability (Sood & Tellis, 2011) and usability (Ansari, Garud, & Kumaraswamy, 2016). Christensen (2016) stated in an interview that the term disruptive innovation is often misused and incorrectly applied. After severe criticism from academics after his first book was released (Christensen, 1997) he published a paper (Christensen, 2006) stating that disruptive innovation is a developing theory and that he welcomes any constructive feedback and research.

The terms disruptive innovation created a platform for future research and through awareness amongst researchers and industry of the effect disruptive technology can have on the success of organisations (Danneels, 2004). Sood and Tellis (2011) developed a model that builds on four weaknesses previously mentioned by academics which adds to our understanding of a disruptive innovation and which increases the predictability of a disruptive innovation. The effect that a disruptive innovation has on a consumer warrant more research (Danneels, 2004; Kahl & Grodal, 2016; Ansari et al., 2016) seen as the consumer influences the adoption process.

The connection organisation develops with their consumer through various communication platforms can increase adoption (Kahl & Grodal, 2016). The organisation need to look beyond pure technical innovation attributes to convince the consumer to adopt a disruptive innovation, but connect on a deeper basis that engages the consumer (Kahl & Grodal, 2016). Understanding consumer behaviour can also benefit incumbent firms as they can become aware of the effect of a disruptive innovation and the impact it may have on their own products (Roy & Sarkar, 2016).The theory of disruptive innovation is thus not absolute and continuous to evolve and grow through academic research. The

effect consumer has on the diffusion of a disruptive innovation warrants future research and this research paper aim is to add to the current literature of disruptive innovation.

2.5. Chapter summary

The diffusion of innovation model (DOI) proposed by Rogers (2003) has been an important theory which companies have used to determine the adoption of an innovation. The five innovation characteristics proposed by Rogers (2003) has been evaluated by various academics (Davis, 1989; Kawakami & Parry, 2013; Escobar-Rodríguez & Romero-Alonso, 2014; Frattini et al., 2014; Lee & Coughlin, 2015) and have contributed to the theory in various ways such as discussed in this chapter. The importance of adoption and the ability of the organisation to reduce the barriers to increase diffusion cannot be neglected, but as important, if not more, is the ability to reduce resistance amongst consumers (Polites & Karahanna, 2012).

Resistance towards adoption is inherent in all consumers (Ram, 1987). Individuals feel comfortable with the status quo and do not want to change seen as it involves risk and uncertainty (Kim & Kankanhalli, 2009; Polites & Karahanna, 2012). Resistance decreases adoption seen as the consumer will spread negativity (Kawakami & Parry, 2013; Parry & Kawakami, 2015) if, as literature suggest, they experience rejection or opposition towards an innovation (Kleijnen et al., 2009). The need to investigate resistance towards an innovation was highlighted by academia (Heidenreich & Handrich, 2015; Heidenreich et al., 2016; Laukkanen, 2016) seen as the barriers differ from adoption barriers.

The terms disruptive innovation has influence academic and business research since it was first developed by Christensen (1997) due to the effect it can have on incumbent firms. The traditional approach has been to investigate the technical characteristics of a disruptive innovation to determine the effect, if any, it will have on incumbent firms (Sood & Tellis, 2011). It was proposed by Kahl and Grodal (2016) as well as Roy and Sarkar (2016) that to gain a better understanding of a disruptive innovation, one needs to consider the consumer and the effect they have of adoption and diffusion. The study thus proposes that as resistance towards a disruptive innovation is decreased, adoption increases and influences the disruptive nature of an innovation.

3. Research Questions

3.1. Research question 1

Which innovation characteristics influences participants to continue to make use of current innovations?

Purpose of the question: The consumer wants to maintain status quo according to what Ram (1987) originally proposed and a change to the status quo creates resistance (Heidenreich et al., 2016) within the consumer towards a disruptive innovation. The characteristics of the currently used innovation can help the researcher understand what aspects may influence resistance towards the disruptive innovation.

3.2. Research question 2

What are the predominant factors that influence participants to resist a disruptive innovation?

Purpose of the question: The characteristics of a disruptive innovation results in resistance towards adoptions. The adoption can be influenced by previous experience or lack of experience that results in active or passive adoption. The question aims to understand user's perceptions of a disruptive innovation and the experience they have of it that results in resistance towards adoption.

3.3. Research question 3

How does resistance of a disruptive innovation occur amongst participants?

Purpose of the question: The different forms of resistance outlined in Chapter 2 requires a different approach by the organisation to increase adoption amongst the consumer. The aim of the questions is to discover if the consumer will consider adopting the innovation or if there is no desire to adopt the innovation at all. The different forms of resistance will be evaluated as well as the influence this has on word-of-mouth which may influence other consumers.

3.4. Research question 4

What factors may influence the adoption of a disruptive innovation amongst participants?

Purpose of the question: The difference between disruptive and continuous innovation appeals to different consumers with regards to their personality (Ma et al., 2014). The question aims to discover consumers perceive a disruptive innovation as negative or positive and if positive, why do resistance still occur. The questions also aim to determine what the consumer perceive will add value for them and how this can result in adoption.

4. Research Methodology

The following section will discuss the research methodology and design the researcher implemented to answer the research questions posed in Chapter 3. The study was a qualitative study through the use of individual face-to-face interviews with an individual who haven't made use of Airbnb. A qualitative study was chosen to assist the researcher to gain deeper insights into the thought pattern, mental block and perception the consumer has of Airbnb. Qualitative research allows a researcher to understand a problem better in the business or social environment by analysing the deeper meaning that individual relate to it (Creswell, 2014).

4.1. Choice of methodology

The study focused on gaining a deeper understanding of the consumer adoption of a disruptive innovation which requires an interpretivism philosophy. Saunders and Lewis (2012, p. 106) state that "Interpretivism relates to the study of social phenomena in their natural environment" which fits the intended study. The behaviour of the consumer is a unique phenomenon in terms of how they analyse the product and develop resistance towards it. The engagement between the researcher and the participants allowed the researcher to gain further insights into the research topic through an open dialogue of their experience and perception (Creswell, 2014).

The effect that active and passive resistance has on the adoption of a specific innovation was highlighted by Talke and Heidenreich (2014) as well as Laukkanen (2016) for further research. The inductive approach was used to evaluate these effects on the adoption of a disruptive innovation by testing a theoretical proposition (Saunders & Lewis, 2012, p. 109). The exploratory study aimed to gain a deeper insight into the phenomena (Saunders & Lewis, 2012, p. 101) with regards to why consumers adopt or reject a disruptive innovation through active and passive resistance. Human beings are complex (Vaughn & Turner, 2016) and individuals will have different experiences' between one another. The inductive approach through an exploratory study assisted the researcher to understand how individuals differ as well as the similarity between them. These individual qualities were used to evaluate the key resistant behaviours of the consumer. The amount of research conducted on this research topic is limited which fits an inductive approach.

The type of strategy that the researcher chooses to analyse the research question posed is important to ensure that the research objective is achieved (Saunders & Lewis, 2012, p. 114). Interviews through individual face-to-face interviews were conducted and this resulted in mono-method. The individual face-to-face interviews conducted focussed on a single case of which one disruptive innovation, namely Airbnb, is analysed with regards to active and passive resistance. The interviews were a combination of semi-structured and unstructured interviews.

The structure of the semi-structured interview was formulated prior to conducting the individual interviews to ensure the researcher cover the main theme of adoption in terms of active and passive resistance of an innovation (Saunders, Lewis and Thornhill, 2009, p. 320). This helped to ensure the main research questions with regards to the research problem were covered. The interviews were allowed to go into an unstructured format if the researcher deemed the currently explored avenue as useful. The use of the unstructured interview is to "explore in depth" (Saunders et al., 2009) the view of the consumer with regards to the adoption of a disruptive innovation. The interviews were conducted face-to-face. The major drawback of this strategy was the time-consuming nature of the process and obtaining users that fit the criteria. Appendix 2 provides additional information with regards to the preparation, format and agenda of the interviews conducted within a face-to-face interview.

The time limitation resulted in the study being cross-sectional where data were obtained "from participants at only one period in time" (Saunders & Lewis, 2012, p. 123). The interviews were transcribed and coded for analysis after the interview has been conducted and were combined with the notes made by the researcher to assist analysis. The researcher made use of external professional services for the transcription of the interviews to ensure it meets the required standards.

4.2. Population

The population of the study were consumers that have resisted the adoption of Airbnb either passively or actively. The group of consumers can be broadly described as individuals with the need for accommodation for leisure or business activities. Individuals will not be restricted to users that make accommodation bookings for themselves only, but also make bookings for their family. The individuals are thus resisting future adoption of the disruptive innovation.

The study did not exclude the part of the population that make use of alternative accommodation such as hotels or traditional bed and breakfast due to bias towards the disruptive innovation that can distort the final conclusion of the study. The impact Airbnb has had on the South African hotel industry can result in the establishment of a negative bias. The researcher is aware that these individuals have an impact on the overall adoption of a disruptive innovation.

4.3. Unit of analysis

The unit of analysis was through the concept of phenomenography in terms of the analysis of individual interviews. The methodology approach of phenomenography is a qualitative study that focusses on the various experiences consumers have of phenomena (Yates, Partridge, & Bruce, 2012), in this case, Airbnb as a disruptive innovation. These individuals will be the general public that actively or passively resists the use of the disruptive innovation. Watkins and Bond (2007) stipulate that the structural component of phenomenography and this will be used in the study as follows:

- The difference experienced with regards to Airbnb when compared to other innovations.
- The contextual definition of aspects related to the experience and how this correlates to the final experience with regards to the disruptive innovation.

4.4. Sampling method and size

Data for the study could not be collected from the entire population due to the time-consuming nature of an interview. The search for consumers who have rejected the adoption of the disruptive innovation (Airbnb) was accomplished through purposive sampling. The need for statistical inference was deemed to not be important and it is not likely that the sample will be representative of the population due to the small number of individuals being interviewed. The establishment of a sampling frame was difficult due to the large population size and the difficulty in obtaining a list of all the users and potential users of Airbnb in South Africa.

The exploratory nature of the study leads to self-selection sampling as the appropriate choice, but as Saunders and Lewis (2012) point out, there is a difference between the people who choose to take part or not due to their strong feelings towards the study.

Purposive sampling was chosen as previously mentioned seen as Yates et al. (2012) state that it is the preferred sampling method for a phenomenography study.

The sample chosen was that of individuals who have rejected the disruptive innovation after initial experience with the innovation or those who have never used it. Heterogeneous groups were interviewed to assist in obtaining key themes with regards to the purpose of the study namely the reasons for adoption and resistance towards a disruptive innovation.

The sample size was determined by means of saturation (Yates et al., 2012) to ensure that all possible variations are covered. Taking into consideration time constraints, the total sample size was desirably kept below 15 interviews through or until saturation is reached. The total interviews conducted in the end were 14 due to saturation that was achieved after 11 interviews. Saturation was achieved due to the number of new codes developed in the last two interviews which fell two one, two and zero in the final three interview respectively.

Previous resistance towards the innovation for consumers of the disruptive innovation was determined. The interviewer confirmed with each individual that they have not made use of Airbnb or if they made use of it once, what their intention was to make use of it again. All participants have never made use of the service before, although three participants did mention that they have explored the website and have evaluated their service. This was important to determine the reason for adoption after prior resistance towards the innovation. Consumers will be chosen from South Africa and more specifically Johannesburg due to time constraints.

4.5. Measurement instrument

The face-to-face interview is used in phenomenography as the measurement instrument as stated by Ashworth and Lucas (2000). The main purpose of the interview is to determine the variation in experience between different consumers of a certain phenomenon such as the disruptive innovation being analysed (Yates et al., 2012).

Preparation for semi and unstructured interviews are important to ensure that the interviews do not go off topic (Saunders et al., 2009). The preparation for interviews took into consideration the following (Saunders & Lewis, 2012):

- The development of initial questions to discuss.
- The interviewee will be asked to choose the location to ensure that they feel at ease.
- The researcher will be appropriately dressed seen as he is a representative of the Gordon Institute of Business Science.
- A consent form will be developed and presented to the interviewee.
- Recording devices for the interview.

The interviews were semi-structured to ensure that the desired feedback with regards to resistance towards a certain disruptive innovation, namely Airbnb, was achieved. The initial part of the interview with the individual who has resisted the adoption of the disruptive innovation was to determine if they actively or passively resisted the innovation. The consumer was asked if they have any experience with the innovation. Consumers who have rejected the innovation after they have experienced it formed part of the active resistant consumers with regards to adoption. A draft interview structure for the face-to-face interviews is available in Appendix 2. Individuals who have not experienced the disruptive innovation but resist the adoption of the innovation formed part of the second group namely passive resistant consumers.

The follow-up questions for active resistant consumers revolved around the reason that influenced the adoption of the innovation after the experience. The consumer was asked to discuss all the aspects which affected the final rejection of the innovation. Passive resistance consumers were asked why they have never considered experiencing the innovation. The final part of the interview was unstructured to allow deeper insight into the topic (Saunders & Lewis, 2012).

4.6. Pilot interviews

The researcher had limited experience conducting an interview for data collection for the final aim to be used in a research paper. Seidman (2013, p. 42) states that it is strongly advised to conduct a pilot interview before commencing with data collection. A pilot interview can assist the researcher to determine if the research structure is appropriate, what is the limitations of the study as well as their own and practice certain interview techniques (Seidman, 2013). Pilot interviews can also assist to determine where improvements can be made and test the equipment that will be used such as voice recorder (Creswell, 2014, Saunders & Lewis, 2012).

The researcher conducted two pilot interviews which were recorded along with the notes taken during the interview. The researcher also requested feedback from the interviewee's after the interview was concluded with regards to his style and the manner in how he conducted himself. The constructive feedback was used to make notes for the researcher himself in terms of how to conduct himself in the following interviews. The researcher determined from the pilot interviews that there is a need to alter certain questions as well as rephrase another as one of the two participants in the pilot interview highlighted that it might be misleading.

4.7. Data gathering process

The interviews were recorded and were transcribed as Saunders et al. (2009) prescribes for ensuring that the full account of the conversation is reproduced in written words. The transcribed document included notations that the researcher made during the interview with regards to the tone and non-verbal cues the interviewee had as suggested by Saunders et al. (2009). The participants were encouraged to be themselves throughout the process and that there is no right or wrong answer, only their own experience and perceptions.

The researcher ensured that each participant was as comfortable as possible by allowing the participant to choose the location and to recommend a location if the participant stated that it is not of importance to them. The majority of the interviews (11 out of 14) were conducted at the participant's home seen as it was the most desirable location for the participant. Participants feel safe and at ease in their own home and it creates a calm atmosphere which contributes to the information that the researcher can extract from the participant. McCracken (1988) advises that it is beneficial to interview a participant in such an environment seen as it reduces the anxiety of the participants and allows them to open up. The remaining three interviews were conducted at a neutral site which was chosen by the participant.

The interviews started by the researcher explaining to the participant what the consent form entails and the importance to gain approval from them. It was pointed out to them that they will be kept anonymous and that they have the full right to abstain from participating or to retract themselves and everything that they have divulged at any time until submission. The interviewer continued to obtained certain key demographic

information as well as travel information in terms of the average travel per year of the past three to five years and when they last booked accommodation for any form of travel. The previous questions were used as screening questions to ensure that the individuals do indeed travel on a regular basis and in doing so book accommodation when travelling. It provided further insights into the frequency of travel which could be useful for the analysis approach.

The researcher continued to introduce himself and to provide a brief summarisation of the research topic as well as the future benefits that it may provide for business and academia. The participants were asked if they are comfortable and if there are any uncertainties or points of clarification. Issues or concerns that were raised regarding the process or the environment such as ergonomics were addressed and the interview commenced.

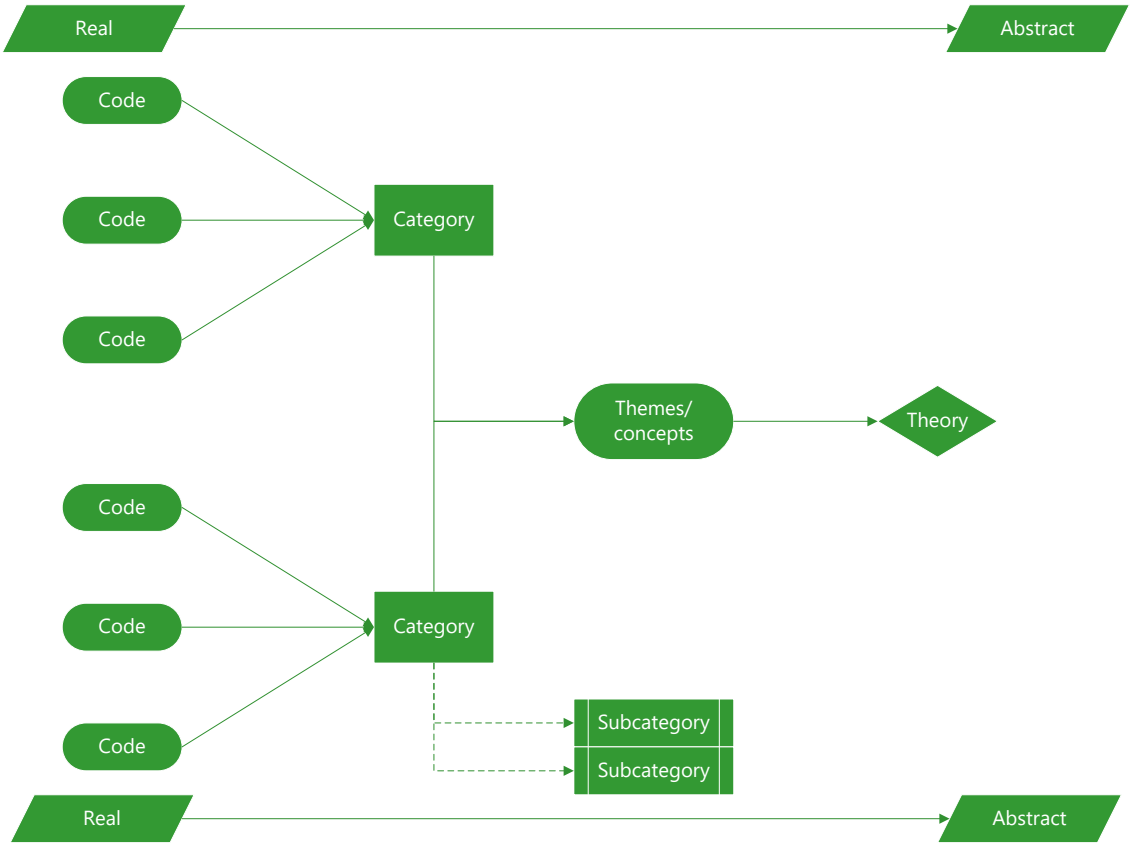
The recording device was started and the researcher made notes in terms of key talking points, follow up question, points of clarification and observations regarding the body language and tone of the participant. The interviews lasted between 13 and 48 minutes, with an average interview length of 26 minutes, which were guided by predefined questions as shown in Appendix 2 as well as additional questions that were deemed important by the researcher. The additional questions were added after the researcher analysed the first three interviews and determined that there are certain themes that would be beneficial to explore further. The themes that were discussed further were the value drivers for the participant when choosing accommodation for travel as well as the benefit of email correspondence. The impact of word-of-mouth became apparent throughout the interview process and as previously mentioned by Kawakami and Parry (2013) as well as Parry and Kawakami (2015) influences adoption. The researcher decided to evaluate the impact it may have on resistance as well by asking participants what they have heard about Airbnb.

4.8. Analysis approach

The interviews were coded according to the main recurring themes present in the interviews. The main focus was with regards to the experience the consumers had and the variation between the individuals. It will be important to gather data with regards to the effect the disruptive innovation has had on their lack of adoption.

The formation of categories is important during the data gathering process for data analysis to be completed (Yates et al., 2012, Saldaña, 2009). The categories define the different experiences consumers have of the disruptive innovation and refers to the entire sample group rather than to each individual experience. The process of forming categories follows seven stages as detailed by McCosker, Barnard and Gerber (2004) and Dahlgren and Fallsberg (1991).

Figure 5: The development of theory from codes during a qualitative study (Saldaña, 2009, p. 12)



The first stage is familiarisation where the researcher will generate an overall view of the data. The data will be condensed according to recurring themes as previously mentioned to start the creation of categories. The different sets of data condensed will be compared in the next stage and the data gathered with similar themes will be grouped together. The grouped data will be articulated to gain a deeper understanding of the underlying experiences that results in them being grouped together. These groups will be labelled in the next step and contrasted with each other. Dahlgren and Fallsberg (1991), as well as McCosker et al. (2004), explains that this process of data gathering is iterative.

The categories developed during the data gathering process will be used during the analysis process. Yates et al. (2012) state that it is important to distinguish between experiences of the individual and how this translates to the different categories developed. The categories will be discussed in terms of their "referential and structural aspects" (Yates et al., 2012) with regards to the experience of the disruptive innovation.

The meaning consumers assign to a certain innovation and how they experience it refers to the referential aspects (Yates et al., 2012). The categories developed that describe the disruptive innovation will be analysed to determine how Airbnb is experienced by the consumer and how they define it. This will represent the inherent qualities of the innovation and what results in a resistance or how adoption can be increased by addressing the perceived characteristics of the innovation that contribute to resistance. The characteristics of the innovation in terms of value, use and benefits will become clear to determine why the resistance towards the innovation occurs.

The structural aspects are split between an internal and external horizon (Yates et al., 2012). The context wherein Airbnb operates and what distinguishes it from the environment relates to the external horizon. The internal horizon focusses on the key attributes that distinguish Airbnb and how consumers perceive it. These two aspects form the basis of the structural aspects (Yates et al., 2012) and assist in determining the characteristics of the innovation that results in resistance to adoption. These aspects can guide companies in evaluating how the innovation is perceived by the consumer and why adoption of the innovation is not occurring. This will be important to evaluate if the needs of the consumer are truly met or if there is a misalignment between the organisation and the consumer.

The final method of data analysis is to evaluate the outcomes space which determines how the innovation is experienced as well as the various other methods of experience (Yates et al., 2012). The relation between the innovation and the various categories will be illustrated through a diagram. The diagram will focus on the following aspects.

- The relation between categories and innovation
- Categories relation between themselves

The interviews were all transcribed by an external company from audio files into a Microsoft Word documents. The transcribed interviews were then uploaded into Atlas.ti version 8 in which the data analysis process as previously described was performed.

Codes were generated by starting with the first interview conducted and the researcher formed categories from these codes which were used to develop the major themes that will be discussed in Chapter 5, 6 and 7.

4.9. Credibility of data

Saunders et al. (2009, p. 156) state that is difficult to know if the data that you gathered and the conclusion you have made after analysing the information is reliable and valid for the sample size. This does not mean that a researcher should thus be negligent, but rather focus on minimizing the risk of an inaccurate answer or incorrect data representation (Saunders et al., p. 156). Saunders et al. (2009, p. 156) mention two important aspects, namely reliability and validity, that can help a researcher to reduce the risk of an incorrect answer. The researcher evaluated the data against four additional measures namely conformability, transferability, credibility and dependability (Murphy & Yielder, 2010). The following section will discuss these six aspects that contribute to the credibility of the data.

4.9.1. Reliability

The manner in how the data obtained as well as how the data was analysed is an important aspect when considering reliability. The researcher is advised to ask himself three questions and responds accordingly that would be beneficial to improve the reliability of results (Easterby-Smith, Thorpe, Jackson, & Lowe, 2008, p. 109). The reliability of the study will be increased if the data collection and analysis methods will result in the same conclusions if conducted on a different occasion. The researcher will aim to improve reliability through this by making explaining the data collection and analysis process as accurately and thoroughly as possible. This will allow future researchers to conduct the same research using the same methods in terms of data collection and analysis to determine if results can be replicated. The data will also be made available for analysis by other researchers which will increase transparency.

The reliability of a study is also influenced by the researcher and their abilities (Cypress, 2017). The creativity (Cypress, 2017) of the researcher when analysing the data as well as skill when using the application namely Atlas.ti will influence the reliability. The data can thus be interpreted differently by another researcher which may influence reliability. The availability of the data, as previously mentioned, will thus counter the reliability deficit

seen as increased rigour, through analysis by different individuals, can improve reliability and enhance the study.

4.9.2. Validity

Validity is stated by Saunders et al. (2009, p. 157) as “whether the findings are really about what they appear to be about”. The validity of the data can thus be obscured and misinterpreted through various measures such as individuals fear that they may be negatively influenced through the research process, historical events may influence their response and their own views may be influenced by peers (Saunders et al., 2009, p. 157). Dennis (2018) highlights the influence the researcher has in the interview as well as the data analysis process. It is important to understand yourself as a researcher and the impact you may have on the interpretation of the data through your own experiences, biases, personal interest, selective hearing and leading questions (Dennis, 2018).

The researcher aimed to improve validity through the interview process by restating certain key questions throughout the interview process to validate if the answers are consistent. The feedback received was analysed to determine if there is consistency with regards to the responses from the interviewee which improves validity. The researcher aimed to ask to the best of his ability questions that require further insights and not questions that may lead the interviewee. The data analysis phase was conducted with no reference to prior research seen as the research follows an inductive approach. This was to ensure that the researcher minimized any bias or influence this may have on his objectivity and to focus solely on the data available.

4.9.3. Conformability

The interpretation of the data and the results obtained from the analysis process will increase in terms of conformability if it can be replicated by others or confirmed by them (Murphy & Yielder, 2010). It is also important that the results reflect the information obtained through the interview and analysis phase and not the individual views of the researcher (Petty, Thomson, & Stew, 2012). The data analysis and results will be evaluated by the researchers’ supervisor before final submission. Feedback received will be discussed between the researcher and supervisor to ensure that the researcher remained as objective as possible during the data analysis phase. The researcher will also make the data analysis trail available which can provide an audit trail to investigate and confirm conformability between data and results.

4.9.4. Transferability

The transferability of a study is determined by the extent to which the findings can explain or provide further insight into another group of individuals or environment (Murphy & Yielder, 2010). The time constraint and demographic group of this study limit the transferability. Individuals below 35 years of age and above 55 years of age was selectively chosen by the researcher to determine if age or experience influences resistance of a disruptive innovation. The results discussed in Chapter 5 will provide further insights into the findings. The study also focussed on a singular innovation, namely Airbnb, to determine the individual characteristics of the disruptive innovation that influences resistance. The findings of the study can be used to evaluate a different disruptive innovation to determine if it is transferable. Future studies where the outcomes of the research are applied to different demographic groups, as well as other disruptive innovation, will provide further insights into the transferability of the current study.

4.9.5. Credibility

The credibility of a study can be improved through various initiatives such as triangulation, member checking, prolonged engagement, peer review and different data collection methods (Petty et al., 2012). The different methods can assist to ensure the reader that the data is truthful and accurate represent the participant's viewpoints and perception of the disruptive innovation (Cypress, 2017). Two methods were used by the researcher to ensure credibility namely triangulation and peer review. The previously discussed tactic where the researcher restated the question and approached a topic from a different perspective was used to determine if the participant gave an honest and unbiased answer. The academic supervisor reviewed the data and analysis of the data to determine if the interpretation of the researcher is correct and truthful. The time constraint of the study limits the possibility of member checking, prolonged engagement and the use of different collection methods.

4.9.6. Dependability

The researcher aims to provide detailed insights into the data collection process, data analysis and results formulation to provide an audit trail. An audit trail improves dependability according to Murphy and Yielder (Murphy & Yielder, 2010) as well as by Petty et al. (2012) as it allows another individual to make a judgement in terms of the

thoroughness and accuracy. The researcher provides a detailed description of the data collection, analysis and interpretation in this document that serves as an audit trail.

4.10. Methodology study limitations

The cross-sectional nature of the study limits the ability to analyse the change in resistance or adoption of the consumer due to the “snapshot” view (Saunders & Lewis, 2012). This limits the ability to analyse the factors that change resistance towards the innovation to later adoption and how that occurred. Consumers perception can also change during the interview process as they are confronted to analyse their own thoughts and perceptions.

The limitation of a phenomenography study is that it serves as a way to explain how the consumer experiences the innovation at present and does not capture all possible reasons (Yates et al., 2012). This is further limited by the time constraint and the biases participants may have that can be difficult to pick up on.

The inaccuracy of response from participants was difficult to evaluate (Zikmund, Babin, Carr, & Griffin, 2013), although certain measures were put in place such as the rephrasing of questions, too reduce the possibility of this occurring. The researcher will thus have to modify certain question during the interview process seen as it is not possible to prepare all question before the time (Saunders & Lewis, 2012).

The researcher had to be aware of his own biases to ensure that he did not influence the participants during the interview process (Zikmund et al., 2013). Bias can also influence the data analysis process and this is a disadvantage of the research methodology (Zikmund et al., 2013) seen as a different researcher can analyse and code the interviews in their own unique way. The study focused on one disruptive innovation, namely Airbnb, which can limit the transferability between different disruptive innovations.

5. Results

5.1. Introduction

The chapter will describe the results of the interview process conducted by the researcher. The chapter will begin by describing the demographics of all participants as well as key attributes such as average travel per year and date of last travel. This will be done to highlight to the reader that the participants that were interview do travel frequently and make use of various booking platforms for accommodation. The chapter will highlight the recurring themes that became evident throughout the data analysis phase and which aims to answer the four research questions posed in Chapter 3. The chapter will also make use of important quotations from participants to highlight and provide further insights regarding the research questions. The quotations provided are examples only and not the totality of quotations.

5.2. Discussion regarding participants of the study

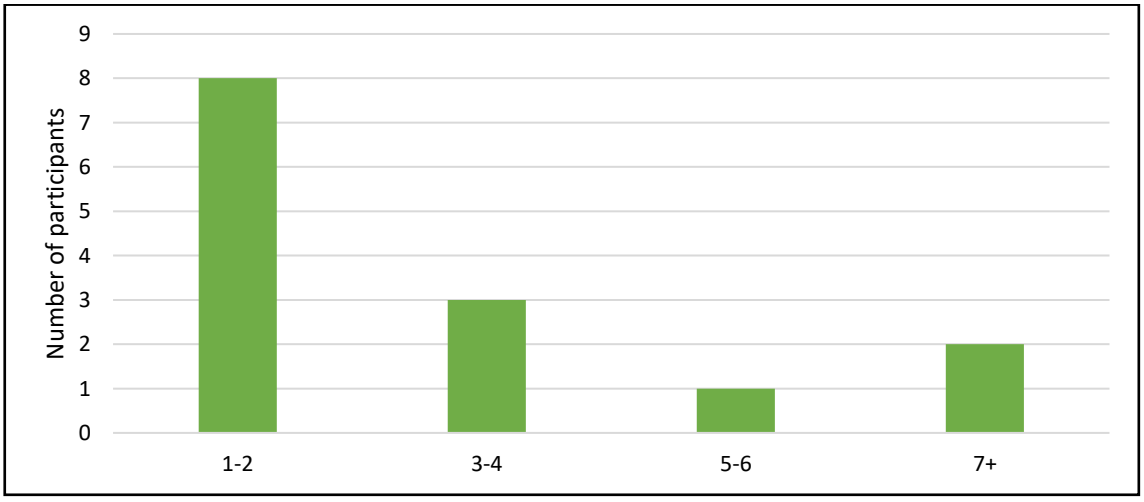
The study consisted of 14 participants with eight females and six males whom all reside within and around the Johannesburg area. The total of participants with an age below 35 years were nine with an average age of 29 with the remaining five being older than 55 years of age with an average age of 60. The data in terms of demographics are summarized in the table below which also include average travel and date of last travel.

Table 2: Participant age, gender, average travel per year and date of last travel

	Age	Gender	Average travel per year	Date of last travel
Participant 1	31	Male	1-2	Sep-17
Participant 2	63	Female	6+	Dec-17
Participant 3	30	Male	2	Oct-17
Participant 4	56	Female	1	Apr-17
Participant 5	62	Female	1-2	Dec-17
Participant 6	28	Male	5-8	Dec-17
Participant 7	32	Female	4	Dec-17
Participant 8	23	Female	3-5	Sep-17
Participant 9	24	Male	5-7	Dec-17
Participant 10	60	Male	3-5	Dec-17
Participant 11	30	Female	1	Jan-18
Participant 12	55	Female	2	Jul-17
Participant 13	30	Female	1-2	Dec-17
Participant 14	29	Male	1-2	Dec-17

A large number of the participants (eight) have travelled less than two times a year on average in the last three years with all participant's date of last travel within a year of when the interview was conducted. This was important for the researcher to ensure that the process of accommodation booking and the steps, as well as experiences, are fresh in the participant's mind to limit the possibility of them guessing or making use of assumptions. Two participants travelled more than seven times a year over the past three years.

Figure 6: Average travel per year over the past three years



5.3. Research question one

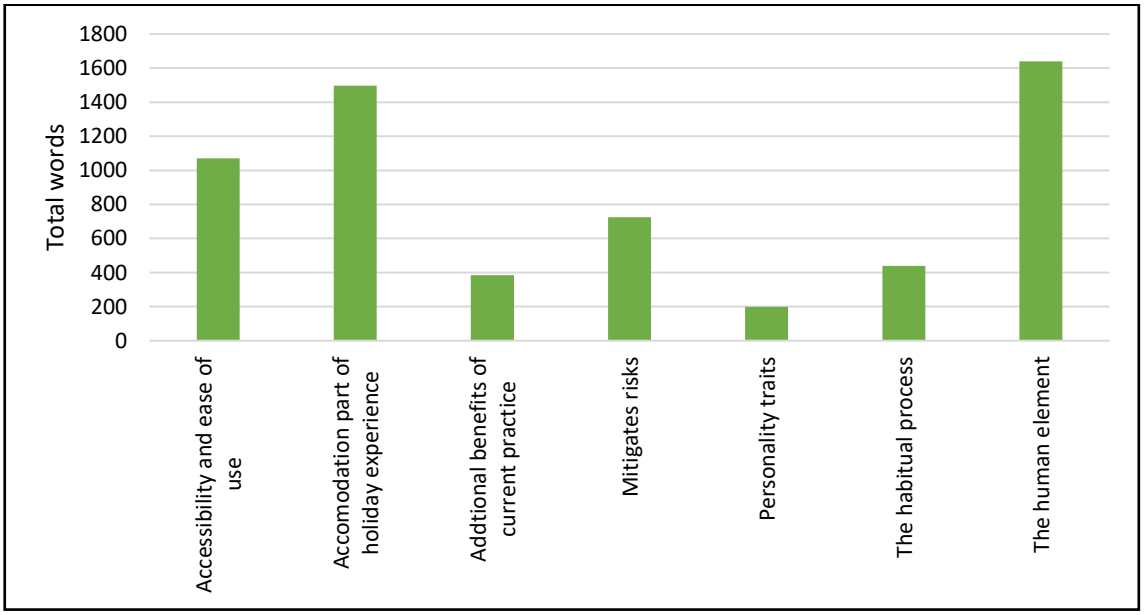
5.3.1. Introduction

The purpose of the first research question was to gain insights into which characteristics of current innovations influence the participants to maintain status quo. The researcher focussed on how the consumer experienced the process of booking accommodation and why they prefer to make use of the current practice. The interview discussion guide in Appendix 2 was used to guide the researcher in the first research question. Feedback received from the participant was noted and further insight was gained through follow up questions and the results obtained are summarised in Table 3 below with total word count for each factor represented in Figure 7.

Table 3: Factors that influence participants to maintain status quo

Rank	Factor	Frequency
1	The human element	50
2	Accommodation part of the holiday experience	44
3	Accessibility and ease of use	40
4	Mitigates risks	23
5	The habitual process	19
6	Additional benefits of the current practice	12
7	Personality traits	6

Figure 7: Word count for factors that influence participants to maintain status quo



5.3.2. Factors that influence consumers to maintain status quo

The following section will elaborate further on the previously mentioned factors in Table 3 and provide proof through quotes from participants.

5.3.2.1. The human element

The personal connection between participants and various booking forms was evident during the analysis of the interviews. The factor made up 28% of the total word count with regards to maintaining the status quo and the preference consumers have towards current practice. All participants with the exception of participant six made reference to the importance of some form of personal interaction during the booking process. The human element provides various benefits for the participants namely gathering further information regarding accommodation and surroundings, knowledge associated with individual, recommendations and trust which will be discussed.

Participants of the study mentioned that the ability to interact with a person holds various benefits. The benefits include the ability to inquire further information regarding the accommodation as well as the ability to negotiate price. This allows them to obtain the best deal in terms of both monetary value and the type of accommodation that they require for the particular trip.

"*We can ask all sorts of questions and it is different to the internet. We find the internet a lot more impersonal.*" Participant 2

"*I'd rather prefer to check a relatively good prices and then contact the person or the guest house or whichever, directly for accommodation bookings.*" Participant 3

"…with SanParks I will go into their offices because I get that personal interactions and I can go in to ask questions and likewise with TravelStart I like to speak to someone so that I can ask my questions and liaise and negotiate." Participant 5

"*I feel like if I can talk to someone directly, I can ask the questions I want to ask, instead of making an online booking*." Participant 8

The ability to interact with another person allows the participant to inquire further knowledge regarding the surrounding areas and to ask follow up questions if they are uncertain about certain aspects.

"*I think the reason I say that is because, I will sometimes have external questions, maybe something that they have not advertised, then I can ask them, instead of sending an email and then not knowing how long they will take to reply to me. Whereas on a phone, if I ask them they can answer me directly.*" Participant 8

One participant did mention that they have always been able to obtain all relevant information from the website, but still made use of a phone call to book accommodation.

"*I do not think there has ever been an instance where we cannot get a good opinion of a place from the info that is on their site.*" Participant 10

The lack of knowledge of a new place and arranging holiday results in participants making use of a personal connection, such as travel or booking agents, to arrange the holiday. The participants felt that the travel or booking agents will have better knowledge of the place and can provide recommendations. This reduces the need for further research and reduces planning time for the participants. The majority of feedback received regarding this point was for international travel seen as the participants were confident that they knew enough of South Africa to make bookings themselves.

"*So a good example was when I was booking our honeymoon, I went to a travel agent with like three different ideas and I was like, do that sort of thing.*" Participant 1

"*Where as they are experienced at this and they know if you are going to walk 20 to 25 km a day. They know where the next village is and then they have looked at all these places and they have got feedback from walkers on these places and they know which B&B's are nice and which ones are not.*" Participant 2

"*Just it is a piece of mind thing. But I would rely on them and I think when I look at that my trade-off is simply that I am going somewhere that is very unknown to me. So I trust them…*" Participant 11

"*The first time you go you always go through the travel agent and kind of use those connections.*" Participant 12

The ability to interact with a person during the booking phase is thus important for the participants seen as it fulfils various roles.

5.3.2.2. Accommodation part of the holiday experience

The type of accommodation and the contribution to the overall holiday experienced is perceived as high by the majority of participants (11 out of 14 made reference to this factor). The factor had the second highest word count with a total of 25% which is only 3% less than the human factor and was mentioned six times less. The participants felt that accommodation increases the holiday experience through various factors such as housekeeping, access to surrounding activities, location and service which increases important aspects such as relaxation.

The location of accommodation plays an important role for the participants as it allows them access to activities nearby. This reduces travel time and cost during a holiday seen as a large number of the participants (9 out of 14) vacations revolve around experiences various activities in a certain area.

"*So, location would obviously be the best option. I'd rather pay more and be able to go for a run, cycle, or walk to the shops or to the long street of wherever I am, the party street of wherever I am, or good restaurants. Close to good restaurants, close to shopping mall, close to the beach, close to an activity area. Activity area would be best, yeah.*" Participant 9

"*I like … that are close, nearby and how people rate them as well. So I like that aspect because it is the whole encapsulated travel experience. Where you stay and the sights around it.*" Participant 11

"*Good restaurants, good places to eat, can you walk because otherwise you get… I don't know. I like to walk, I get claustrophobic. And are you close to the sites? So if there's a temple or, how far is it? Do I have to get on endless busses?*" Participant 12

The services provided during a holiday stay is important for the participants. The cost associated with a holiday and the limited opportunities participants have to go on holidays influence their decision making. The participants made reference on a number of occasions that they would be willing to pay more if it increases their experience. This can be achieved through staying at a place which is "better" than their own home and has certain housekeeping activities performed for them. The holiday experience is also a breakaway from normal activities such as work, traffic and a busy lifestyle. It is a time for the participants to relax and recuperate energy until the next holiday. This increases the value aspect of accommodation seen as a bad holiday experience has a high cost associated with it.

"*I'd rather go on holiday and go fewer times, but have everything done for you so that you can literally sit back, drink your margarita that gets delivered every 15 minutes instead of having to do it yourself*." Participant 1

"*But my accommodation has to be very comfortable and very… Yeah, I put more value in my accommodation than a lot of the other stuff that I do, when I go away*" Participant 7

"*And I think if we go away we want to be out of everything. No traffic, no loud music, no people. You just want to escape from this mad life.*" Participant 13

The value attributed to accommodation is thus high and the cost incurred by the participant with a bad experience influences their decision process. This will limit their decision to change as it can come at a high cost if the accommodation is not satisfactory.

5.3.2.3. Accessibility and ease of use

The ability to access information and the ease of which it is currently done is a factor that influences the status quo. The factor achieved the third highest word count with a total of 18%. The participants frequently referred to Google (17 out of 40 times) during the interviews as a form to access information. Google provides not only access to accommodation but links various activities and additional factors that influence their holiday destination. The ability to view all these aspects together was an important factor and contributed to their preference for this method of acquiring accommodation.

"*But Google is just the easiest way because you find a whole bunch of things if you just type Mozambique. So, I didn't just find accommodation,… I found holiday plans, I found accommodation, I found activities to do. So it wasn't one specific thing I found, that's what I enjoyed about google, it's quite diverse.*" Participant 9

"*Because the internet is so much more convenient and you do it at home at your leisure your convenience whatever.*" Participant 10

"*It's easier. If you Google all of the accommodation will pop up*." Participant 14

The participants also mentioned other sites such as Booking.com, Tripadvisor, Lekkerslaap and Trivago during the interviews. The benefits for them was the same as Google seen as they provide a platform to access various form of information, it is all centralised and it reduces the workload seen as they do not have to jump between places. The additional benefit of these sites is that they have user reviews and ratings which they can use to evaluate the different accommodation options. This makes it easy to evaluate potential accommodation and to narrow down their search to a few options which they can then contact directly. Two participants have made use of two different platforms seen as the application was pre-installed on their phone. This further reduced the workload on the participants as they did not have to search for and download the application. They have made continuous use of the application due to the benefit of accessibility and a centralised platform.

"*Everything's in one place, you don't have to go to ten websites and see if it's good before you choose a specific place. They've got one website with twenty places, and then you chose three which websites you want to go to.*" Participant 3

"*It's a convenience thing. Why do I need to go look at multiple sites if everything's on Booking.com?*" Participant 6

"*Yeah, I found it on my phone and I started using it, and it's just been there. So, I've not even explored the other platforms much, so, yeah.*" Participant 7

5.3.2.4. Mitigates risks

The participants emphasised, as previously discussed, that accommodation is important during their holiday and they want to mitigate the risk of something unplanned occurring. The expectations associated with the current practice is managed through repeat behaviour and the perception they have of current offerings such as hotels and B&B's. The total word count for this factor was 12% which is the final factor with a total word count above 10% with the remaining three all with single-digit word counts. The risk was also mitigated seen as there was some form of accountability and they can thus address any shortcomings.

"*If you book a hotel, and it's crap you go and crap on the manager or you find the travel agent that booked the hotel*." Participant 1

"*I just dial nine on telephone, and somebody is there within five minutes to change my sheets, without trying to fight with me, without telling me or explaining to me how they work, because they know their expectation.*" Participant 7

5.3.2.5. The habitual process

The process of accommodation booking and the type of accommodation can become a habit due to familiarity and previous positive experiences. This factor was prevalent amongst the group above 55 years of age with a total word count of 84% for this group even though they were the minority (5 out of the total of 14 participants). Females participants word count was 95% percent and illustrates the tendency to continue with known practices.

"…*we keep going back the same place so they kind of get to know us.*" Participant 2

"*I don't know, it is the way I have always done it. It is probably a case of do what you know and avoid what is foreign to you. Because you know the area, you are probably more relaxed,…*" Participant 4

"*You know, when I look at things like Trivago, to be honest, it's just what I've known to use, now that I think about it. There is not a particular thing that I'll say is the 'it' thing that.*" Participant 7

5.3.2.6. Additional benefits of the current practice

A number of additional benefits influence the consumer to maintain status quo namely reward systems, speed, time saved and enjoyment to organise a holiday themselves with the dominate additional benefit being specials. The different systems mostly relate to monetary value and money saved during the booking process and entice the participants to return to the current practice.

"*No I think I mainly go to one but because I compared in the past. Then I go to the one because I know they usually have the good deals. They're aware of all the good deals.*" Participant 5

"*I think with Booking.com also they tend to retain you so they send you emails and give you discounts or give you "tier". So recently they said I am part of their "genius club" where I am getting 10% discounts on certain bookings I make. So that is something that is retaining me towards Booking.com.*" Participant 6

5.3.2.7. Personality traits

Personality traits had the lowest frequency with a value of 6 and made mostly reference and were only mentioned by five participants

"I was brought up that if I want to ask someone something, instead of just sending them a text, rather call them and then you get the answer directly. It is also a way of being brought up and also just from how I have developed myself." Participant 8

5.3.3. Section summary

The value attributed to accommodation in both monetary and opportunity cost was highlighted by the participants. This influences the decision to maintain the status quo and to continue to make use of the current practice. The familiarity with the current offerings and the variety of information that can be accessed on one site or through one platform makes it easier for the consumer to use. This results in a lower inclination to look for other options. The influence of age and gender was minimal throughout the findings, although a significant difference was perceived in the factor that involves the habitual process. Female participants, as well as individuals above 55, were more inclined to continue to make use of known methods.

5.4. Research question two

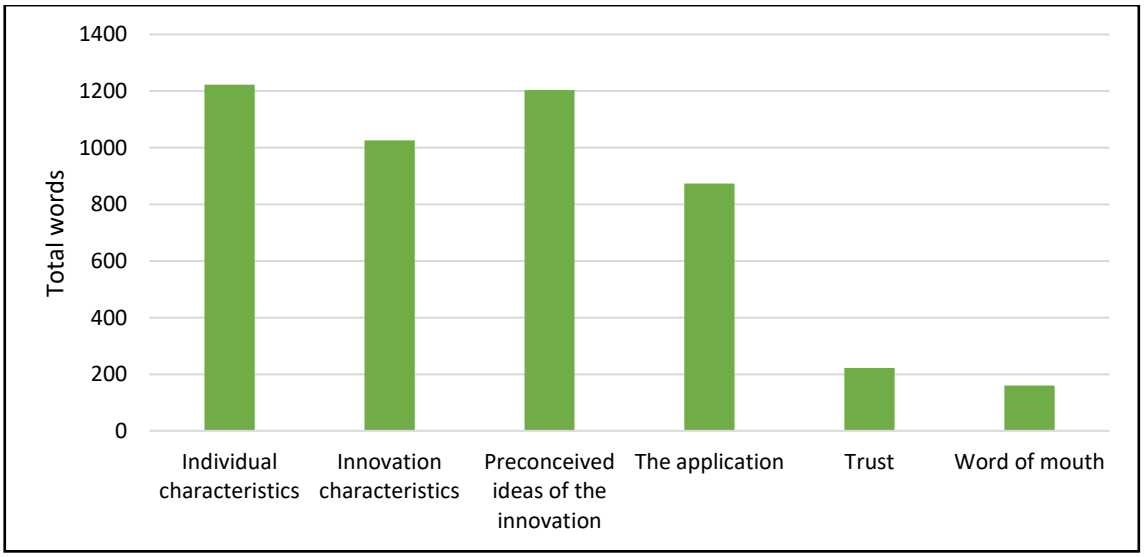
5.4.1. Introduction

The characteristics of a disruptive innovation results in resistance towards adoptions. The adoption can be influenced by previous experience or lack of experience that results in active or passive resistance. The question aims to understand user's perceptions of a disruptive innovation and the experiences they have of it or relate to it that results in resistance towards adoption. The interview discussion guide in Appendix 2 was used to guide the researcher in the second research question. Feedback received from the participant was noted and further insight was gained through follow up questions and the results obtained are summarised in Table 4 below with total word count for each factor represented in Figure 8.

Table 4: Factors that influence participant's resistance toward the adoption of Airbnb

Rank	Factor	Frequency
1	Individual characteristics	34
2	Preconceived ideas of the innovation	25
3	Innovation characteristics	24
4	The application	20
5	Trust	6
6	Word of mouth	3

Figure 8: Word count for factors that influence participant's resistance toward the adoption of Airbnb



5.4.2. Factors that influence consumer's resistance toward the adoption of Airbnb

5.4.2.1. Individual characteristics

The participant's individual characteristics had the biggest influence on their resistance towards the adoption of the disruptive innovation. The word count of the factor was percentage wise (26%) almost the same as preconceived ideas of the innovation but had a higher frequency rate of 34 compared to 25. The higher frequency rate was mostly attributed to the repeated emphasis the participant's place on the importance of personal space to them. The participants emphasised that one of the most important aspects of them when on holiday is privacy and no or limited impact on their own personal space. The shared economy principle which Airbnb makes use of can result in consumer interacting with the host who accommodates them during the stay.

"*I want to do my own thing and have my own space as opposed to sharing it with someone.*" Participant 6

"*Like I would never open up my bedroom for somebody else to sleep in, it's a bit scared, you know?"* Participant 7

"*I think the thing that disturbs me about Airbnb is that there are other options and I can think of nothing worse than having strangers stay in my home, so I just don't imagine how anyone would want to give up their home.*" Participant 12

"*I prefer the place that's specifically for that reason. Not someone who quickly moves out for a weekend or a month or whatever.*" Participant 14

The importance of personal space can be linked to upbringing with two participants mentioning that they were raised that your room is a private place.

"*So, in African culture, for example, the main bedroom, like my parents' bedroom, isn't something you just enter whenever you want. It's sort of a sacred, there's something sacred about the main bedroom in the house. You knock as a child, you ask for permission to go in if you are looking for something. …. A bedroom like… If I have to find*

somebody, even somebody I know, like for instance, my sister sleeping in my bedroom, I'd be very offended." Participant 7

The age of participants was only mentioned by two of the five participants aged 55 above but with a frequency rate of five out of the total of 34 and was evident with one particular participant. The remaining three participants aged 55 above did not make reference to their age, even after being asked by the researcher.

"*But I think as you get older it's 'Oh my God is this another thing I have to learn about? Enough now.'*" Participant 12

Three of the 14 participants mentioned ignorance as an important characteristic. The willingness to investigate further is not evident and there is no desire to change. The three participants have never looked at the innovation but have formed a resistance towards the adoption due to a combination of their own characteristics and certain parts of the following factor namely preconceived ideas of the innovation.

"*No. Nothing for nothing against. I have heard of them I know about them but it has never really cross my mind. Maybe that is it, it has just never crossed my mind.*" Participant 2

"*I think there is a little bit of ignorance involved, you usually heard about it via other people, but you don't even go in and have a look.*" Participant 4

"*Probably more ignorance of everything that it offers and how it works. There's nothing that's been exposed to me to explore it other than when I'm going to need it.*" Participant 5

Three participants, interesting enough below the age of 35, made reference to them not being a risk taker or an early adopter. They prefer to wait and see how the innovation gets adopted and will then be persuaded to evaluate the innovation after a recommendation was received from a reliable source.

"*Look, I don't think I'm an early adopter in any way. I'm not somebody who wants to go out and get the latest technology or anything like that, so my fascination was never sort of there.*" Participant 1

"*I'm a follower, a lot… So I think that's another problem that comes with me that I just want to hear first 'hey, Vele, this thing is really working, or people are really happy with it' before I take it on.*" Participant 7

5.4.2.2. Preconceived ideas of the innovation

Three key perceived innovation characteristics namely lack of accountability, safety and services provided was highlighted by the participants and made up 18 out of the 25 preconceived ideas regarding the innovation. It is important to mention that none of these individuals has ever made use of the innovation and these were all perception they have created for themselves through their own thoughts or word of mouth.

The lack of accountability was highlighted seven out of the total of 25 times and it was highlighted by the participants that they do not perceive that there is any form of available system to ensure that expectations are met. These expectations include basic services provided by current accommodation options such as availability, cleanliness and a contact person in case something is not in order.

"*I would rather and my perception of Airbnb and that's one of the probably one of the barriers, it is if you book a house for four days and you get there and it's not what you want, the owners are not there and you can't go and shout at them or like deal with it.*" Participant 1

"*So, I do not know where the guarantees are. If there maybe was a certain guarantee if something went wrong would I be reimbursed then maybe it would potentially be the reason why I used it more.*" Participant 11

The perceived risk to their own safety was highlighted by the participants in terms of how Airbnb evaluates the people renting out their properties. There was no mention made regarding attacks on them from outside, but all comments made by participants regarding safety was possible attacks on them by the owners of the property. One participant realised during the interview that the same can occur at a hotel, but he placed higher risk factor on accommodation provided by Airbnb than by a recognised hotel chain.

"*Ya – maybe I land up at a host where there is some paedophile or some strange character. So I haven't – I suppose I should check on their website to see what security measures they have taken but that is my concern about going that route.*" Participant 5

"*And there's still trust issues as well for me, in terms of South Africa and crime, and now I'm putting myself on the other side if I have to say, would I rent out my house to somebody, ill always think 'what if I'm bringing a psycho who's going to kill me in my own house, what happens to me when this person is in the house? How does it work? Do we clash with each other on the passage way? Do I lock myself in my room while they're having access to my house?' No, actually there's a lot of dynamics to this air BNB for me, yeah.*" Participant 7

"*I mean, there's the typical you know, what if the person is a psychopath? You know, that kills you in your sleep or, if they're a grumpy owner or, this… But at the same time, there's the same risk at a hotel, you know? Someone could lose their mind and an employee could do the same thing.*" Participant 9

The participants held services they received from accommodation providers as an important aspect. The participants felt that the perceived self-catering aspect of Airbnb, which is not always the case, results in resistance. This is due to the fact that they want to have certain housekeeping performed such as someone that makes the bed, provision for breakfast and overall cleanliness.

"*Maybe Airbnb offer services where there is somebody that comes in and does the cleaning every day or something like that. But, my perception of it is that it's not*." Participant 1

"*Because literally whenever someone goes out of the holiday home they clean. I don't know if they necessarily clean it better but they clean it. Whereas if you live in a house they don't clean it every few days or whatever.*" Participant 14

5.4.2.3. Innovation characteristics

The attributes associated with the innovation was the third highest factor with a frequency one lower than preconceived ideas of the innovation. The participants felt that one of the definitive characteristics of the innovation, namely the shared economy, made them feel

uncomfortable and will distract from the holiday experience. The interaction with the host will be unpleasant and one felt that you will feel like a guest and will not benefit from traditional services provided by traditional accommodation options. One participant felt that one will feel like you are intrusive and will limit or distract from the holiday experience.

"*I'm a bit worried I'm going to be a guest if that make sense? My perception, it's like being a guest without the help….You know, for me it's like it's like the hotel experience without lots of the benefit.*" Participant 1

"*You don't relax and use the amenities as much because you feel your intruding*." Participant 3

"*That's first of all. And second of all, I don't… Like you can't walk there in your towel for example. You have to be very neat and look great and… no. I want to sit there in my pyjamas with no makeup, drink coffee, and not speak to anyone.*" Participant 13

The limited interaction with a person who manages the booking was highlighted as an important factor seen as this provides surety for the participants.

"*The human part, I know, is not automated to say there is this room. I know this person checks and sees that there is this room, if there isn't they tell me. I just, probably the automated thing might work better, but I have this comfort that this person can check and really verify the system, that it is there.*" Participant 7

Participants who have visited the site and made enquiries have found that the cost is higher than traditional accommodation and is viewed as an upmarket booking site.

"*They are not as cheap as people say they are, specially… it depends on the area where you are*." Participant 7

"*Most of the accommodation was expensive, it seemed like an upmarket venue thing or more on the expensive side.*" Participant 14

5.4.2.4. The application

Technology has assisted Airbnb to develop into the company they are today through the development of their website as well as an application that can be downloaded to mobile phones. The participants that have made use of the application or that have looked at it briefly was asked about the experience of using it and why it resulted in them not making use of Airbnb. The booking process was found to be the biggest resistance factor seen as it is not only difficult to use but showed amounts in a different currency namely dollars. This made the participant feel that it was additional work to convert to rand and can result in incorrect booking amounts which increases risk.

"So, it wasn't like, I can't just go looking for places in Cape Town, I have to specify the day. And if the day … isn't available, you don't see that house. So, that was the massive thing I didn't enjoy…" Participant 9

"*Actually, I have downloaded the app but I was a bit irritated with it because I, for example, was searching for Marloth Park and it didn't really give me what I wanted. It gave me expensive sites or places to go. If you want to go away, obviously money plays a big part of it so if you can only pay a certain amount you are limited to where you can go.*" Participant 13

"*Yeah, it was in dollars instead of Rands so a bit foreign.*" Participant 14

The options available are also limited which influences usability and the display of accommodation is problematic. The application and website will provide results that you did not specify which can become frustrating for certain participants.

"*Third world countries are placed where people want to go everywhere, so if there are only ten options, you're less likely to have people to use Air BNB to go into Mozambique, because they're probably not the best ten options either.*" Participant 9

Two female participants made reference to the use of technology and their capabilities. They felt that they were not technological literate which limited their use of the service and seen as they also prefer a personal interaction, which is not provided according to them. Safety concerns with technology were only pointed out by one participant.

"*I'll just have to subconsciously be aware of my lack of forward thinking when it comes to technology.*" Participant 7

"*That is a bit of both because I want to be technologically literate as that is the way the world is going, but then where I am at the moment, I have to say no it would not help me.*" Participant 8

"*It is not bad but I feel this is more on a sense of safety because that is on a desktop now if someone takes my phone. I do not have a lock I do not like those lock things. So I worry if I have got apps on, what can happen. Maybe it is illogical but it is how I feel.*" Participant 11

5.4.2.5. Trust

A number of participants felt that they do not trust the platform and the service in terms of the availability of accommodation as well as that they will find what they paid for.

"The internet, you can put the nicest pictures in the world up but if it's not a recognized institution like a guest house, in a way, you're still taking your chances." Participant 3

"*I would be very careful of is it's a very reputable place that I'm booking through, because of access to my banking details.*" Participant 5

"*Yeah, the booking platform is just my experience that has just made me a bit like, I hope what they actually end up booking is really what I'm booking.*" Participant 7

5.4.2.6. Word of mouth

The resistance of an innovation can be influenced by word of mouth and participants mentioned that they have rejected even investigating the service due to word of mouth. Negative experiences by trusted friends or family members influenced the participants to not consider Airbnb as they felt the risk was too high.

"T*o many people have had bad experiences, especially overseas, a cheap room in New York, yes, it is a cheap room, but literally it's a cheap shit room and so to go and try and do that and then you in New York, you spending so much money in booking themselves into Hotels*" Participant 1

"*My business partner moved out of her house because she's building, and they delayed with the building, and she wanted to use air BNB for the month, or until they finished the house. And she said, the cost around the area where she was in, maybe it's the area, is just the same as actually staying at a hotel.*" Participant 7

5.4.3. Section summary

Individual's characteristics influenced the resistance towards the disruptive innovation seen as they do not perceive themselves as risk takers. The high value placed on personal space is an important factor and aligns with the shared economy characteristic of the innovation. Participants found this unappealing as they feel it is intrusive and also perceive that this will result in a lack of accountability.

5.5. Research question three

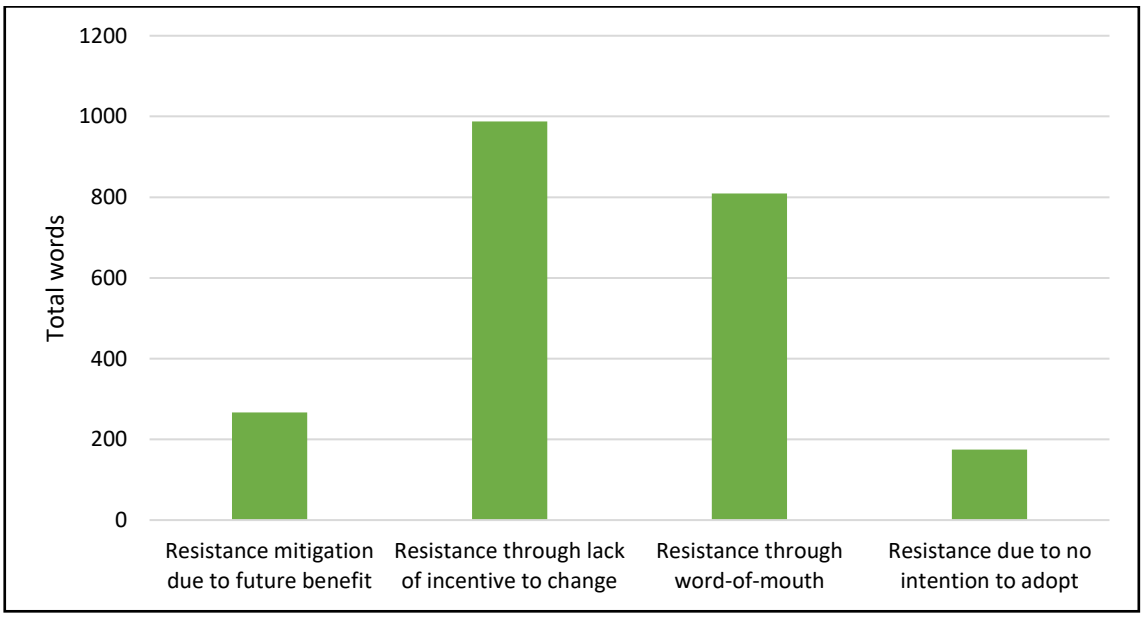
5.5.1. Introduction

The participants experience various forms of resistance towards the innovation which can influence future adoption of the disruptive innovation. The type of resistance can be the result of negative experience with the innovation or a perceived risk and lack of benefit which influences non-adoption. The effect word-of-mouth has on the resistance amongst the participants was analysed to determine the effect, if any, it had on resistance. It was also important to analyse if future adoption will occur or if the participant was completely against the adoption of the innovation. The interview discussion guide in Appendix 2 was used to guide the researcher in the third research question. Feedback received from the participant was noted and further insight was gained through follow up questions and the results obtained are summarised in Table 5 below with total word count for each factor represented in Figure 9.

Table 5: Factors that influence participant's various forms of resistance

Rank	Factor	Frequency
1	Resistance through lack of incentive to change	29
2	Resistance through word-of-mouth	21
3	Resistance mitigation due to future benefit	9
4	Resistance due to no intention to adopt	5

Figure 9: Word count for factors that influence participant's various forms of resistance



5.5.2. Factors that influence participant's various forms of resistance

5.5.2.1. Resistance through lack of incentive to change

The participants experienced resistance towards the adoption of the innovation due to the lack of incentive to change. The participants felt that the service does not provide additional or better benefits to the system they are currently using. The factor had the highest frequency rate with a total of 29 as well as the highest word count with a total of 44%. The participants largely felt that although there was nothing wrong with the innovation, they did not feel the need to investigate it further.

"*No. Nothing for nothing against. I have heard of them I know about them but it has never really cross my mind. Maybe that is it, it has just never crossed my mind.*" Participant 2

"*Like I said, I've got nothing against the principle; I think it's actually good. It's just not knowing what you're getting because it's only a person renting out one room; it's the same as buying a house over the internet.*" Participant 3

"*Nothing would really have to change – just the need to travel. I'm not anti-trying or exploring it, but I just haven't had an occasion to travel to somewhere I would need that kind of accommodation.*" Participant 5

"*No, because we are not that prolific travellers. There is no particular reason why we have not made use of it.*" Participant 10

A number of participants did evaluate the service and after evaluation had the same level of resistance, or even higher depending on the experience.

"*Yes, Airbnb, I've looked at the website. The website is fine, there's nothing wrong with it. There's just the inherent trust, the reviews there doesn't necessarily mean anything.*" Participant 3

"*I have looked at it. I think the level of information that is forthcoming is of a good standard.*" Participant 10

5.5.2.2. Resistance through word-of-mouth

The participants made several references to the influence word-of-mouth has had on their resistance towards the adoption of the innovation.

"*Well Airbnb seems fine, but I like a lot of my friends that have used it, some have had amazing experiences, but again it's like renting a house and then, but then you hear the negative is where guys see these things on Airbnb and it's actually crap.*" Participant 1

The reference was not always bad but positive for certain participants which influenced their decision to investigate. Resistance was formed after the initial investigation was not positive and thus resistance was formed.

"*First of all, just the curiosity. There's so much… I listen to podcasts, I teach at a school with kids that speak about all the latest stuff, Instagram, social media… You just hear a lot of hype*" Participant 9

"*Well they say it's cheap – there are cheap places on but I did not experience that at all. And there's a few people that are really fond of it.*" Participant 13

"*Also just word-of-mouth, someone said I must book accommodation through them if I'm looking for something.*" Participant 14

Certain participants mentioned that even a positive reference did not influence their intention to investigate.

"*They just said they looked on Airbnb or they booked through Airbnb but nothing more. They have said nothing more on whether it was good or bad. It was just in passing.*" Participant 2

"*I have heard it via people, and it sounds interesting but because I have not seen huge adverts about it or a big process about it, I think maybe that has limited me.*" Participant 4

The exposure to Airbnb, which participants was limited, influenced their decision to resist the innovation as well.

"*You do not really think about it as much as sort of Uber which is more in your face that Airbnb is possibly.*" Participant 10

5.5.2.3. Resistance mitigation due to future benefit

The intention to adopt in the future was mentioned by seven of the 14 participants if certain aspects were to change. The remaining seven participants felt they were indifferent towards future adoption with five persons not interested to adopt the innovation at all in the near future. The current state of resistance can thus change if, according to the participants, certain aspects are altered or concerns are addressed.

"*Ya probably. Again it comes down to affordability and location so if it's far from where I want to be or it's not something I'm really interested in.*" Participant 6

"*I like the whole homely aspect of it, so like it is not a hotel it is a flat. It has got that aspect, I do not know it is weird maybe.*" Participant 11

5.5.2.4. Resistance due to no intention to adopt

The current form of the innovation and the benefits perceived by the participants creates a strong sense of resistance amongst them. This is due to the lack of benefits for their current needs, prior experience with the service or key attributes of the service.

"*I think that it is, that they have managed to lower the cost of travel a lot and to give lots of people gigs, which is also smart, but it's, I don't feel like it's, I promise you I'm not interested in taking my family to stay in somebody else's house in a room while they still there.*" Participant 1

"*I really didn't like it. It wasn't… I really didn't like it.*" Participant 13

5.5.3. Section summary

Resistance is largely influenced by the lack of incentive to change and this is a form of passive innovation resistance. The participants resist the adoption of the innovation with limited experience seen as they feel it does not provide additional benefits or are superior to current offerings. Word-of-mouth had an influence on adoption and several participants have never evaluated the innovation due to negative word-of-mouth.

5.6. Research question four

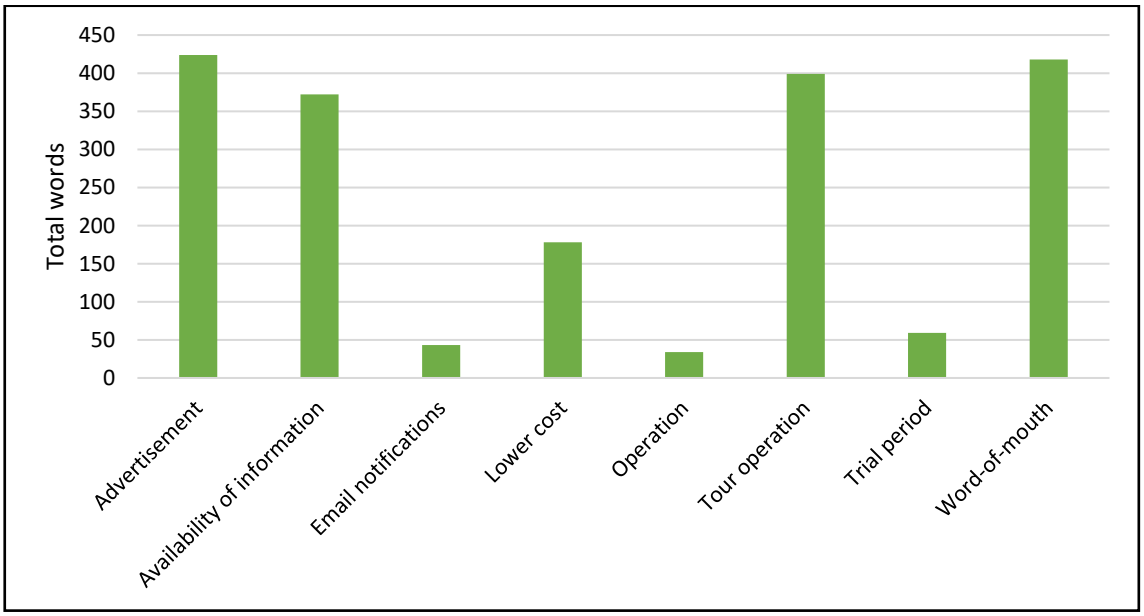
5.6.1. Introduction

The question aims to discover how participants perceive a disruptive innovation as negative or positive and if positive, why do resistance still occur. The questions also aim to determine what the consumer perceive will add value for them and how this can result in adoption. The interview discussion guide in Appendix 2 was used to guide the researcher in the third research question. Feedback received from the participant was noted and further insight was gained through follow up questions and the results obtained are summarised in Table 6 below with total word count for each factor represented in Figure 10.

Table 6: Factors that will influence participants to consider future adoption

Rank	Factor	Frequency
1	Word-of-mouth	12
2	Advertisement	9
3	Lower cost	5
4	Tour operation	4
5	Availability of information	3
6	Email notifications	1
7	Operation	1
8	Trial period	1

Figure 10: Word count for factors that will influence participants to consider future adoption



The participants were asked to describe their view of a disruptive innovation and the feeling they had towards it. The majority of the participants had a positive perception of the term disruptive innovation as they felt that contributed to society and was necessary to improve quality of life. The participants also mentioned that companies and consumer need to accept that these innovations exist and adapt and evolve. It was thus interesting to note that while all of them resisted the adoption of a disruptive innovation, they still perceive it as positive.

"It's brilliant, it's just that we must move from, we must be more open to it. …. So, I find that it's brilliant, and now I'm asking myself, as much as this is brilliant, why are you not completely maximising utilisation thereof? So, that's where I think the gap is. That you find that there is so much disruptive technologies, or innovative technologies that are there, but they are failing to pull the traction that they deserve. Because, yeah, we are still very resistant to technology for some odd reasons, even people who know better, like I should know better. Like, I sit here, I'm thinking, .. come on, you should not even be saying what you're saying," Participant 7

"I love it, to be honest! … But I find it so exciting that overnight, an app can pop up and all of a sudden, you have riots all over the world because taxi drivers are out of business." Participant 9

One person perceived Airbnb as not disruptive.

"*I also don't just understand what the huge big difference is between Airbnb and ordinary BnBs other than the price.*" Participant 5

The following is key perception participants have of Airbnb and a disruptive innovation in general.

"*Yeah, that's what disruption for me means, it means a different way of thinking that shakes everything else that you were doing, the way you were doing it. The ecosystem now, wanting to adapt to this new thing that you cannot stay, you cannot just refuse and stay in what you want to do. You have to adapt eventually.*" Participant 7

5.6.2. Factors that will influence participants to consider future adoption

5.6.2.1. Word-of-mouth

The effect word-of-mouth has on future adoption was highlighted by the participant with the highest frequency rate and second highest word count, slightly less than advertising. Participants made reference to the type of source and the reliability and trust they place in these sources. A recommendation from a close family member or friend was the most important factor followed by reliable reviews that were cross-referenced and deemed to be reliable.

"*I think if someone actually were to have a conversation with me and tell me more about it…. Just people talking, mentioning it*" Participant 2

"*Let me rephrase this; I would say people like" close family and "friends that I know I can trust because some people are just acquaintances… People who I have been forming a bond/relationship with, not just someone I have met once and know I have their number.*" Participant 8

"*…saying that they have had a fantastic experience and then you start… It's like catching a taxi. Suddenly you start having that frame of reference which you've just never had before. And that's probably what would do it.*" Participant 12

5.6.2.2. Advertisement

The lack of advertisement was highlighted by the participants with the highest word count and second highest frequency rate. Advertising was deemed to be important as it will entice certain participants to investigate and evaluate the service. This was particularly important for the age group 55 and above compared to 35 and younger and females versus females with a word count of 91% for both of total word count.

"*I think a little bit more advertising with some examples behind it. I think it would be good to say that this was used and that was used, and this is what the clients had to say about it. I think that a little bit more visibility would be good.*" Participant 4

"*Probably advertise a bit more. I haven't seen – I really haven't seen. I have only heard of Airbnb through word-of-mouth, I haven't seen any advertisement or exposure on TV, billboards or anything.*" Participant 5

5.6.2.3. Lower cost

The influence of specials and lower cost for accommodation was mentioned by the participants as the third most frequent response in terms of factors that will entice them to consider adoption. The total word count was only the fifth highest seen as the participants did not elaborate more than just mentioning any form of special offer that lowered cost will be beneficial.

"*But yeah I think I would use it in future if it were cheap... I am a sucker for you can get a 10 or 20 percent discount on your first booking with us. … So I think that would entice me to at least to trial and from there could potentially be something that becomes a first a choice because I had a pleasant first experience.*" Participant 11

"*Probably if it's cheaper but it must be significantly cheaper*." Participant 14

5.6.2.4. Tour operation

The ability to provide an overall experience was mentioned by the participants as an aspect that can increase adoption. By providing the participant's opportunities to enhance their holiday experiences such as tours and individual proposals, the participants will consider adoption.

"*But in terms of me using it, maybe if you would to book like, if they were to set up tours, like I'd say a gastro experience around the south of France and Airbnb set it up, that would be fantastic. As long as it's all organised, if that makes any sense. Do you know what I mean? Someone's going to come pick you up, take you to this other restaurant, but that should all be on the platform. That sort of tour would make more sense, especially when you know.*" Participant 1

"*You know, punch in that I'm a male between 20 and 30, I enjoy Europe and I enjoy warm places and I enjoy skiing, and I enjoy this, and my budget, average budget usually would be between, say, ten and 20 thousand rand for a trip. Totality. So, spending money, accommodation and this, this is what I'd be willing to spend, you know. And getting told about the best places on their site to go to, based on that information. I would probably, that for me, would probably be the best.*" Participant 9

5.6.2.5. Availability of information

The uncertainty about particular service and concerns the participants have towards the innovation was perceived to not be addressed due to the lack of information and ease of finding it. This made them apprehensive and they felt that this can be more clearly portrayed by the company through various platforms.

"*See I do not know what type of guarantees Airbnb offers because while they are the middle man, they are the middleman. So, I do not know where the guarantees are. If*

there maybe was a certain guarantee if something went wrong would I be reimbursed, then maybe it would potentially be the reason why I used it more." Participant 11

"*You know I'm saying this, and I'm sure they do but I've never actually looked into AirBnB is what are the safety aspects? How do they make sure that your money's not going to disappear? You want to know that when you pay your deposit you are not going to lose it and that when you get there, this place actually exists and they actually leave the key under the mat or whatever it is they do. I don't know.*" Participant 12

5.7. Chapter summary

The results of the four research questions were discussed in the chapter by highlighting the key factors related to each question substantiated by quotes. The following chapter will further discuss the research question and provide further insights by combining the results with the theory as discussed in Chapter 2. The combination of research results and literature will be used to develop key themes that the researcher observed during the analysis phase.

6. Discussion of results and findings

6.1. Introduction

The chapter will discuss the results obtained through the data collection and analysis process and will relate back to the research questions posed in Chapter 3. The literature study conducted in Chapter 2 will be used to provide insights and to compare to the results obtained in Chapter 5. The chapter will conclude with a summary of the results discussed and provide a model for how the various research questions interact due illustrate how status quo and the attributes of current practice influences resistance.

6.2. Discussion of research question one results

The first research question focused on gaining an understanding of why the participants maintained status quo due to the characteristics and experiences associated with current offerings. The results are shown in Table 3 and Figure 7 and represent seven different factors and the word count of each of these factors respectively. The resistance to change and thus to maintain the status quo is influenced by the discomfort consumers may experience during change (Ram, 1987; Kim & Kankanhalli, 2009; Polites & Karahanna, 2012). The factors that influence adoption can be either related to the innovation (Rogers E. M., 2003) or to the individual characteristics (Waheed et al., 2015).

The results obtained (Table 3) show that it is a combination of both innovation and individual characteristics which contribute towards the participants maintaining status quo. This is in line with literature (Kulviwat et al., 2007) that adoption is also influenced by the consumers' emotional state and do not only occur due to the innovation attributes. The participants fell into a habitual process and the effort for them to change to a new innovation increases the desire to maintain the status quo (Polites & Karahanna, 2012).

The participants had a strong connection with their current practice seen as it reduces the risk of something going wrong which is important due to the high value they place on the holiday experience. The strong connection reduces intention to adopt a new system (Waheed et al., 2015) seen as the participants will attribute a higher value to their current practice. Participants that had good experiences with the current innovations do not see a need to change as they do not feel that it will add significantly more value. This emotional attachment was highlighted by Kulviwat et al. (2007) as an important factor that influences participants to maintain status quo.

Seven key factors were found to influence the participants to maintain status quo and it is a combination of individual and current innovation characteristics. The results were obtained by performing a frequency analysis in terms of the number of times that the factor was discussed. The factors were discussed on multiple times with the same participants during the interview process as the researcher asked a probing question and rephrased the question to ensure that the response was as accurate as possible. The seven factors were ranked from highest to lowest frequency and the total word count was used to illustrate further the total conversation time. This is a further indication of the emphasis the participants placed on the factor. The factor will be discussed in the next section according to highest to lowest frequency rate.

6.2.1. The seven key factors that influence participants to maintain the status quo

The results obtained for research question one from the data analysis performed on the fourteen interviews namely the human element, accommodation part of holiday experience, accessibility and ease of use, mitigates risks, the habitual process, additional benefits of current practice and personality traits will be discussed in the section. The frequency rates and word count for each of the seven factors are displayed in Table 3 and Figure 7 respectively.

6.2.1.1. The human element

The interaction with another person during the booking process was the most important factor which influences the participants to maintain status quo. The factor had a frequency of 50 occurrences during the fourteen interviews and a word count that represented 28% of all seven factors. The ability to interact with another person during the booking process of current innovations mediates the individuals perceived own short-comings (Waheed et al., 2015) in terms of knowledge of holiday destination and accommodation. The participants felt that they did not have enough knowledge of the areas that they planned to visit or could not obtain sufficient information from the website in terms of the type of accommodation and what is available. The conversation they could have with someone with knowledge, such as travel agent, booking agent or hotel administration employee, allowed them to gather further information. The ability to interact with another person is important and can elude to a higher level of trust placed

in personal interactions compared to the use of platforms. The participants' places trust in individuals, more so than in technology and this also influences their decision to interact with someone.

This attribute contributes to ease of use of the innovation itself (Davis, 1989; Rogers, 2003) seen as it allows individuals to interact in an efficient way directly which is beneficial for them. The ability to ask follow up questions during the conversation increases ease of use compared to increased difficulty when making use of a platform. This is due to the possibility of waiting for a response via email or another means which erodes value and increases perceived difficulty. This contributes to maintaining status quo seen as changing to a different system that only works through a platform will diminish ease of use and thus contribute to switching cost (Kim & Kankanhalli, 2009).

6.2.1.2. Accommodation part of the holiday experience

Accommodation plays an important part of the overall holiday experience and was the second highest factor which influences the participants to maintain status quo. The factor had a frequency of 44 occurrences during the fourteen interviews and a word count that represented 25% of all seven factors. The high value associated with accommodation was an important aspect towards maintaining the status quo. The lower average holiday excursions as evident in Figure 6 may influence the perceived higher value and increased risk associated with accommodation. The lower holiday frequency rate increases value seen as it will be an extended time before such an experience occurs again. Holidays are vitally important for the participants seen as it allows them a time to relax and experience new and different locations.

It was mentioned on several occasions that the risk is too high to switch seen as if the accommodation is bad, the entire holiday experience is ruined. The limited holiday opportunities thus increase the risk associated with inadequate accommodation. The majority of the participants mentioned that in general, they prefer accommodation with a higher standard than what they have at home. This contributes to the holiday experience and is a form of reward for a period of hard work and dedication. The services provided during a stay, such as housekeeping and breakfast is important as this contributes to the holiday experience. Gerlach et al. (2014) highlighted that the sensory attributes of an innovation are an important factor in the adoption of an innovation. The experience is

just as important as the cognitive attributes seen as it enhances the value perceived by the consumer (Gerlach et al., 2014).

6.2.1.3. Accessibility and ease of use

Accessibility to a variety of information and the ease of how this is done and was the third highest factor which influences the participants to maintain status quo. The factor had a frequency of 40 occurrences during the fourteen interviews and a word count that represented 18% of all seven factors.

The name Google was mentioned a number of times as the preferred method by participants as this provides them with a platform to access a variety of information. During the accommodation booking experience, participants appreciate the ability to obtain additional information such as historical sites, restaurants, reviews, holiday plans and activities. This contributes to the overall experience and adds value seen as it negates the need to perform additional searches to obtain information regarding these services. This is similar to the findings of Laukkanen (2016) that the adoption of the innovation is not necessarily related to the characteristics of the innovation, but linked to how it is consumed. Consumers are thus satisfied with current operations (Heidenreich et al., 2016) seen as the value they obtain from their current experience is linked to overall experience and not only to specific attributes.

6.2.1.4. Mitigates risks

The mitigation of risk was the fourth highest factor which influences the participants to maintain status quo. The factor had a frequency of 23 occurrences during the fourteen interviews and a word count that represented 12% of all seven factors. The main benefit of maintaining a current practice which mitigates risk is the fact that participants feel incumbent innovations had better accountability. This reduces the risk of accommodation being inadequate and if so, they are aware of certain practices in place which can be utilised to correct the inadequacy. The risk is mitigated due to the knowledge of current practice which increases consumer's preference to maintain status quo (Polites & Karahanna, 2012). The factor links with the next factor namely the habitual process.

Psychological barriers (Talke & Heidenreich, 2014) forms part of the emotional state consumer experience (Waheed et al., 2015) which is heightened by factor two namely the high value placed on holidays. The ability to contact a travel agent, booking agent or

any hotel personnel if the service is not adequate, mitigates the risk perceived by the consumer. The negative prior experience did not significantly influence this factor as participants, who have had a bad experience, maintained status quo seen as some form of accountability was present which corrected the poor service. The risk is thus mitigated by the knowledge that the system to address concern are known and in place. This illustrates the importance of this factor and how it can result in trust being formed between consumer and incumbent service. The ability to resolve a query adequately mitigates the tendency to generate resistance and in contrary reaffirms the belief to maintain the status quo (Kulviwat et al., 2007).

6.2.1.5. The habitual process

The habitual process was the fifth highest factor which influences the participants to maintain status quo. The factor had a frequency of 19 occurrences during the fourteen interviews and a word count that represented 7% of all seven factors. The inertia to change is influenced by the habitual process (Polites & Karahanna, 2012). The majority of the respondent in the study that highlighted that they have continued to make use of the service because that is what they have always done, as females.

This might relate to some form of risk-taking as the majority of them stated that they even go to the same type of holiday destination as they know what they will get for the money they pay. They made reference to them not being an early adopter which influenced the inclination to evaluate a new and radical service (Escobar-Rodríguez & Romero-Alonso, 2014). The combination of perceived risk and previous knowledge of good experience associated with current practice increases inertia towards change and enhances the tendency to maintain the status quo (Escobar-Rodríguez & Romero-Alonso, 2014). The diffusion of an innovation will be limited (Reinhardt & Gurtner, 2015) due to the influence they have on their immediate groups as they have a strong emotional connection towards their current service (Kulviwat et al., 2007).

6.2.1.6. Additional benefits of the current practice

The additional benefits provided by current practice employed was the sixth highest factor which influences the participants to maintain status quo. The factor had a frequency of 12 occurrences during the fourteen interviews and a word count that represented 6% of all seven factors. The incumbent innovations provide additional benefits on top of purely accommodation such as specials and loyalty clubs which retains

individuals. These characteristics can contribute towards trust between the consumer and the innovation (Stathopoulou & Balabanis, 2016) which further increases the desire to maintain status quo.

6.2.1.7. Personality traits

The individuals' own personality traits and perception of themselves as the seventh highest factor which influences the participants to maintain status quo. The factor had a frequency of 6 occurrences during the fourteen interviews and a word count that represented 3% of all seven factors. The main personality trait, which aligns with the habitual process is where some participants made reference to their upbringing. The manner in which they traditionally consumed the innovation in both childhood and adulthood has an influence on adoption. This can allude to the influence a group in the form of family or friends (Ma et al., 2014) has on consumption and to maintain status quo (Bayerl et al., 2016).

The bedroom is seen as a very personal space and this results in a perceived intimate connection between the consumer and the homeowner. The connection was not evident when discussing traditional accommodation seen as participants felt that they were designed for that purpose. The intrusive nature associated with the innovation was thus highlighted and the effect it has on how the innovation is consumed (Obal, 2013).

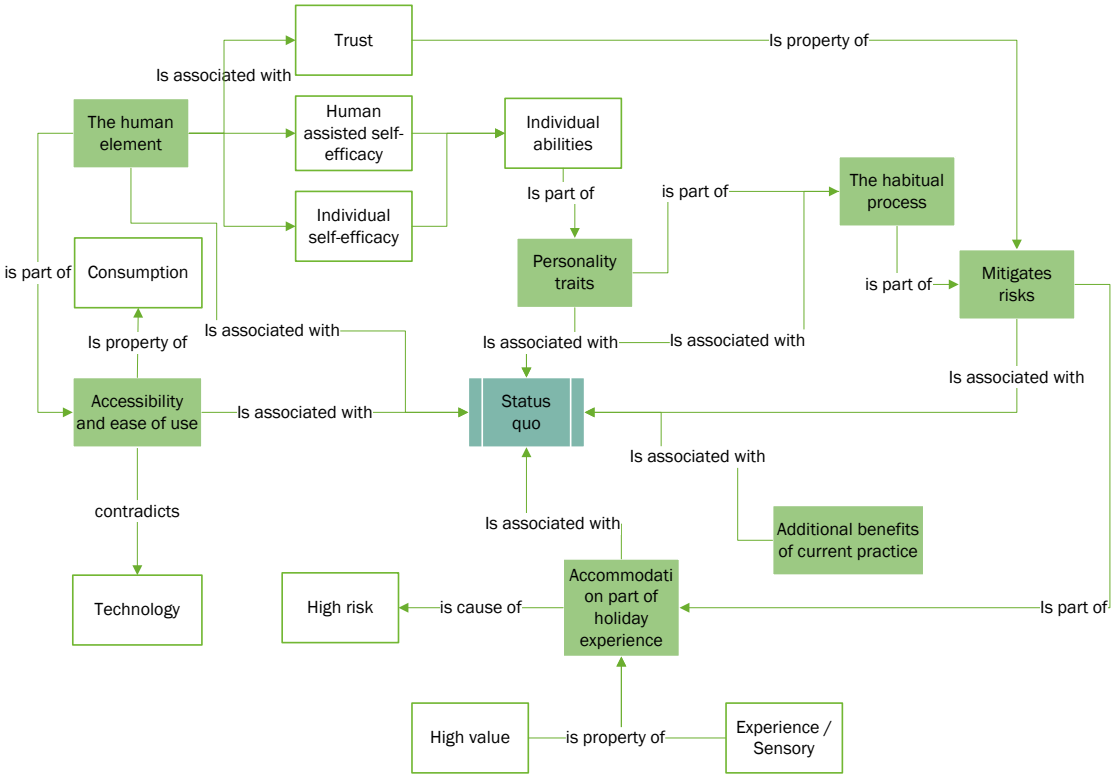
6.2.2. Summary for results discussion of research question one

All seven factors namely human element, accommodation part of holiday experience, accessibility and ease of use, mitigate risks, the habitual process, additional benefits of current practice and personality traits were found to be associated with status quo. The inclination towards the continued use of current innovation was mostly influenced by the human element where individuals felt that it mitigated risk through the trust they place in another person. The human element also links with their own personality traits where the lack of self-efficacy contributes to the preferred methods to rely on the knowledge of someone associated with the innovation such as travel agents. This also made the innovation easier to use through various factors such as ease to obtain additional information.

The mitigation of risks was important due to the high value the participant's place in accommodation during a holiday. Accommodation plays an important part in the total

holiday experience and due to the lower number of holiday excursion, participants want to ensure that risk is mitigated through the habitual process. The reliance on known methods mitigates risk further as a proven past experience reduces the risk. Figure 11 is a network map of the seven key factors and the interaction between them.

Figure 11: Network map for research question one



6.3. Discussion of research question two results

The second research question focused on understanding the various factors that influence the participants to resist the innovation. The results are shown in Table 4 and Figure 8 and represent six different factors along with the word count for each of these factors respectively. Resistance towards the adoption of an innovation can be influenced by a number of factors namely innovation characteristics, adopter's socio-demographic and psychographics (Arts et al., 2011). The difference between adoption and resistance was highlighted by Kleijnen et al. (2009) who eluded to the point that the factors are not linear. The aim of this research question is thus to determine if the factors that influence resistance is different to the factors that influence adoption as discussed in the previous section.

Six key factors were found to influence the participants to resist the adoption of the disruptive innovation namely Airbnb. The results were obtained by performing a frequency analysis in terms of the number of times that the factor was discussed. The factors were discussed on multiple times with the same participants during the interview process as the researcher asked a probing question and rephrased the question to ensure that the response was as accurate as possible. The six factors were ranked from highest to lowest frequency and the total word count was used to illustrate further the total conversation time. This is a further indication of the emphasis the participants placed on the factor. The factor will be discussed in the next section according to highest to lowest frequency rate.

6.3.1. The six key factors that influence participants' resistance toward the adoption of Airbnb

The results obtained for research question two from the data analysis performed on the fourteen interviews namely the individual characteristics, preconceived ideas of the innovation, innovation characteristics, the application, trust and word of mouth will be discussed in the section. The frequency rates and word count for each of the seven factors are displayed in Table 4 and Figure 8 respectively.

6.3.1.1. Individual characteristics

The individual's characteristics were the highest factor which influences the participants to resist the adoption of the innovation. The factor had a frequency of 34 occurrences during the fourteen interviews and a word count that represented 26% of all six factors. The most important individual characteristics mentioned by the participants were personal space which can be linked to how their upbringing. The deep personal attachment they have with a bedroom as well as bathroom results in resistance towards the disruptive innovation as they feel that it is intrusive to stay in someone else bedroom (Arts et al., 2011). There is no such connection with traditional accommodation such as hotels, even though other people have slept in the bed before (Kleijnen et al., 2009).

Individuals also elaborated that they do not perceive themselves as early adopters and that they are thus not interested in being the first people to adopt a new innovation (Escobar-Rodríguez & Romero-Alonso, 2014). The disruptive nature of the innovation is thus not the determining factor that influences resistance amongst these individuals, but

just the fact that the innovation is new and different (Ma et al., 2014). The consumer will rely on the referral of a personal connection through word-of-mouth (Stephen & Lehmann, 2016) or wait for diffusion to occur and became a late adopter (Rogers, 2003). The ability to reach these individuals through word-of-mouth can reduce the diffusion period and increase adoption. The individuals may be known to be late adopters amongst their peers and by managing to reduce resistance amongst them, adoption can be influenced on their fellow peers through word-of-mouth of these individuals (Bayerl et al., 2016).

Reference was also made to some form of ignorance as they are hesitant to investigate what they innovation entails and how it works (Gounaris & Koritos, 2012). The limited interest to investigate further results in resistance, even if the innovation may be beneficial to them for various reasons (Laukkanen, 2016). The resistance can be overcome through the distribution of knowledge by means of advertising (Graham & Havlena, 2007), word-of-mouth or special offers. This can be used to highlight the systems in place which will counter the resistance amongst these consumers while illustrating the benefits of adoption compared to incumbent innovations.

6.3.1.2. Preconceived ideas of the innovation

The preconceived ideas about the innovation that participants have were the second highest factor which influences the participants to resist the adoption of the innovation. The factor had a frequency of 25 occurrences during the fourteen interviews and a word count that represented 26% of all six factors. This factor and previous factor thus combine for more than half of the total word count as well a number of times mentioned during analysis of the data. Individuals develop their own characteristic of the innovation even though they have had limited exposure to it.

The model by Talke and Heidenreich (2014) which illustrates how resistance can occur during the five stages of adoption as mentioned by Rogers (2003) firstly involves the gathering of knowledge. A consumer who has limited knowledge of an innovation and does not actively seek further information regarding it will develop their own preconceived ideas which will influence resistance. This may influence the perceived lack of accountability mentioned by participants (Poon & Huang, 2017). Accountability is a perceived risk control or mitigation measure for participants in case the accommodation is not satisfactory. The lack of knowledge due to lack of additional research conducted

by the participants results in increased resistance as they believe that there is limited accountability. Resistance is thus increased through fear of the unknown and how misfortune during their stay will be no corrected. This results in passive resistance (Talke & Heidenreich, 2014) where consumer resists the innovation due to limited knowledge.

6.3.1.3. Innovation characteristics

The innovation characteristics were the third highest factor which influences the participants to resist the adoption of the innovation. The factor had a frequency of 24 occurrences during the fourteen interviews and a word count that represented 26% of all six factors. The innovation is known for utilising consumers unused space or empty houses to provide accommodation through a centralised platform (Guttentag et al., 2018). This characteristic was found to be unappealing for the participants as they felt it was intrusive (Poon & Huang, 2017). The relation to the first two factors was prevalent as participants felt that this attribute was intrusive and resulted in resistance. The characteristics thus reduce the perceived value and result in a significant barrier (Laukkanen, 2016). The radical nature of this innovation with regards to the shared economy (Witell et al., 2016) can also result in resistance (Ma et al., 2014) as it does not align with their individual personality.

6.3.1.4. The application

The application, which refers to the technological aspect of the innovation, was the fourth highest factor which influences the participants to resist the adoption of the innovation. The factor had a frequency of 20 occurrences during the fourteen interviews and a word count that represented 19% of all six factors. The application of technology has influenced innovation in the modern era and Airbnb has built their company on a digital platform that connects homeowners and consumers (Guttentag, 2015). Technology can influence adoption amongst the older demographic according to Lee and Coughlin (2015). Limited evidence to support this was found while emphasis was placed on the usability of the application.

The usability and ease of use of an application can promote adoption (Davis, 1989; Rogers, 2003), but can also result in resistance if the new innovation is more difficult to use than the incumbent innovation. This was the case in the study where participant made several references to the difficulty experienced during limited exposure to the

innovation via their website or application. The finding was one of the few linear correlations between adoption and resistance.

6.3.1.5. Trust

The trust participants have in the service was the second lowest factor which influences the participants to resist the adoption of the innovation. The factor had a frequency of six occurrences during the fourteen interviews and a word count that represented 5% of all six factors. The lack of trust for the safeguarding of banking information as well as the believe that accommodation provided will be satisfactory was important of certain participants resulted in resistance towards the innovation (Kim & Kankanhalli, 2009). The participant group was in general of a lower income group and the potential loss of money or wasteful expenditure due to inadequate service due to lack of trust results in resistance.

6.3.1.6. Word of mouth

The impact word of mouth has on resistance was the lowest factor which influences the participants to resist the adoption of the innovation. The factor had a frequency of three occurrences during the fourteen interviews and a word count that represented 3% of all six factors. Negative word of mouth can influence resistance (Parry & Kawakami, 2015) amongst consumer even with limited or no exposure due to the trust they place in the source. The participants mentioned that close friends mentioned a negative experience they had with the innovation which influenced their resistance to adopt. Higher levels of trust are placed in personal word-of-mouth compared to written or virtual word-of-mouth (Kawakami & Parry, 2013).

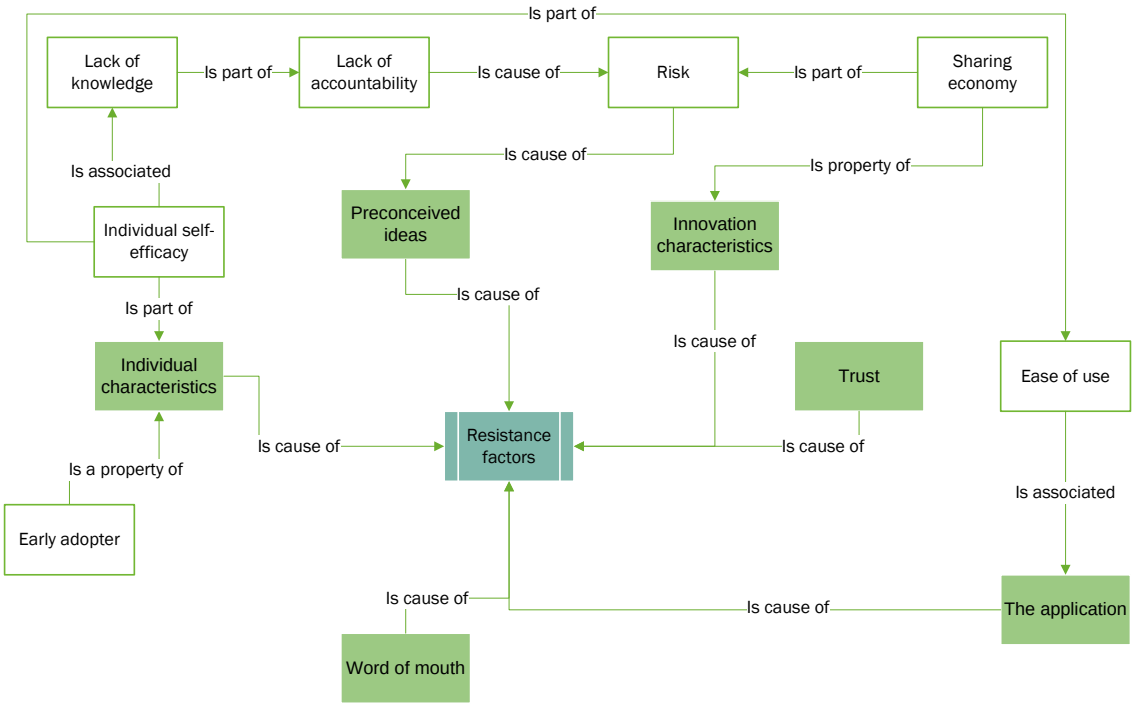
6.3.2. Summary for results discussion of research question two

The six factors discussed namely individual characteristics, preconceived ideas of the innovation, innovation characteristics, the application, trust and word of mouth all contribute towards the resistance of a disruptive innovation. The interconnectedness between individual characteristics, perceived ideas regarding the innovation and innovation characteristics is evident in Figure 12. Three factors are related to each other due to the inherent risk perceived by the participants.

The lack of individual self-efficacy is associated with limited knowledge of the innovation. The limited knowledge results in participants perceiving a lack of accountability with the use of the innovation which increases risk. The shared economy characteristic (Witell et al., 2016) of the innovation is a negative attribute of the innovation and also contribute towards risk. This results in individuals' hesitation to adopt the innovation and increases resistance.

The abilities of the participants and believe in themselves to effectively make use of the platform influences ease of use which results in the application and platform becoming a form of resistance. Negative word-of-mouth through personal interaction with close friends or family had a contribution towards resistance to the innovation. Limited to no reference was made to written or virtual word-of-mouth.

Figure 12: Network map for research question two



6.4. Discussion of research question three results

The third research question focused on gaining an understanding of the different forms of resistance experienced by the participants. The results are shown in Table 5 and Figure 9 and represent four different factors and the word count of each of these factors respectively. Innovation resistance is a special case of resistance to change and occurs

when a new innovation changes the status quo for consumers (Ram, 1987). Two forms of resistance can occur amongst consumers according to Laukkanen (2016) namely active and passive resistance. Passive innovation resistance is defined as the consumer's perception of an innovation before the new innovation has been evaluated (Talke & Heidenreich, 2014). Active innovation resistance is an outcome after the new innovation was evaluated and the outcome was unsatisfactory (Talke & Heidenreich, 2014).

The results obtained illustrate that the two different forms of resistance occur namely active and passive innovation resistance with passive innovation resistance (Talke & Heidenreich, 2014) by far the dominant form. This correlates with the previous research point that illustrated that lack of knowledge influenced various factors that contribute towards resistance. The results showed that postponement (Kleijnen et al., 2009) is also one of the dominant forms of resistance due to lack of perceived benefits. Limited results were obtained that elude to the rejection of the innovation with opposition not evident amongst the results (Kleijnen et al., 2009). The adoption of the innovation can thus be increased if certain key resistance factors are overcome through increased exposure and knowledge transfer that mitigates concerns consumer have (Claudy et al., 2015).

Four key factors were found to influence the form of resistance participants has towards the disruptive innovation. The results were obtained by performing a frequency analysis in terms of the number of times that the factor was discussed. The factors were discussed on multiple times with the same participants during the interview process as the researcher asked a probing question and rephrased the question to ensure that the response was as accurate as possible. The four factors were ranked from highest to lowest frequency and the total word count was used to illustrate further the total conversation time. This is a further indication of the emphasis the participants placed on the factor. The factor will be discussed in the next section according to highest to lowest frequency rate.

6.4.1. The four key factors that influence participant's various forms of resistance

The results obtained for research question three from the data analysis performed on the fourteen interviews namely resistance through lack of incentive to change, resistance through word-of-mouth, resistance mitigation due to future benefit and resistance due to

no intention to adopt will be discussed in the section. The frequency rates and word count for each of the seven factors are displayed in Table 4 and Figure 7 respectively.

6.4.1.1. Resistance through lack of incentive to change

The resistance through lack of incentive to change was the highest form of resistance amongst the participants. The factor had a frequency of 29 occurrences during the fourteen interviews and a word count that represented 44% of all four factors. The passive resistance towards (Heidenreich & Handrich, 2015) the disruptive innovation was illustrated in the results as participants felt that there was no perceived benefit to change, even if they have nothing particular against the innovation.

This is in contrast with the findings of research question two which illustrate various factors that influence resistance. The participants felt that the innovation in its totality is fine, but certain aspect results in resistance. The influence of the individuals' cognitive style (Heidenreich & Kraemer, 2016) is thus evident when comparing these two findings. The inability to distinguish between their own cognitive resistance factors and the innovation characteristics (Lowe & Alpert, 2015) results in resistance. Individuals with a high cognitive resistance, as evident in this study, prefer an innovation with a low level of newness and will thus resist a disruptive innovation (Heidenreich et al., 2016). The perceptions these individuals have of a disruptive innovation will have to change initially before adoption can occur which will be influenced by the innovation characteristics.

The communication between the developer and the consumer is thus important to mitigate the cognitive resistance factors (Talke & Colarelli O'Connor, 2011). Overemphasis on the innovation characteristics, while ignoring the cognitive resistance factors, can result in failure of an innovation. The ease of communication in the modern age has allowed companies to connect more efficiently and faster which has accelerated the impact a disruptive innovation has had on the market (Verhoef et al., 2017). This can also have the opposite effect where negative word-of-mouth results in increased resistance (Parry & Kawakami, 2015).

The short-term focus in terms of the perceived benefits the innovation results in passive innovation resistance (Heidenreich & Handrich, 2015) as the participants are content with their current practice. The lack of perceived benefits to change diminishes intention to adopt and results in resistance. Improved knowledge transfer by the company in terms

of the innovation characteristics of the innovation as well as addressing cognitive resistance factors can increase adoption and lower resistance respectively.

6.4.1.2. Resistance through word-of-mouth

The resistance through negative word-of-mouth was the second highest form of resistance amongst the participants. The factor had a frequency of 21 occurrences during the fourteen interviews and a word count that represented 36% of all four factors. The impact of word-of-mouth on resistance was high compared to the impact word of mouth had on adoption factors. The information received by participants about the innovation from personal acquaintances influences their intention to adopt and is thus a form of active resistance. (Talke & Heidenreich, 2014). The innovation was evaluated indirectly through someone else who gave negative feedback to the participants and this influenced their resistance.

The negative word-of-mouth influenced perceived usefulness (Davis, 1989) or benefits to make use of the innovation (Rogers E. M., 2003). Written and virtual word-of-mouth influences adoption more compared to personal word-of-mouth (Parry & Kawakami, 2015) with the opposite found to be true when evaluating resistance. The resistance towards an innovation is strongly influenced by personal word-of-mouth due to the trust individuals place in these sources. Individuals mentioned that if they are influenced to adopt due to positive word of mouth, they will rely on written or virtual word-of-mouth to further evaluate the service (Parry & Kawakami, 2015).

This highlights the untapped potential to reduce resistance towards a disruptive innovation through personal word-of-mouth. The connectivity amongst individual and ease of communication (Verhoef, et al., 2017) can be utilised to reduce the resistance of a disruptive innovation. Innovators and companies can use positive experiences to market the innovation to friends and families of these individuals through social media or advertisements. This will reduce resistance and increase intention to adopt.

6.4.1.3. Resistance mitigation due to future benefit

The resistance through lack of incentive to change was the highest form of resistance amongst the participants. The factor had a frequency of 9 occurrences during the fourteen interviews and a word count that represented 12% of all four factors. Resistance was marginally reduced, although still present, due to the perceived future benefits if

certain innovation characteristics are changed (Lowe & Alpert, 2015). The availability of a cheaper option will reduce resistance and participants are willing to overlook certain resistance factors due to the impact monetary value (Kim & Kankanhalli, 2009).

6.4.1.4. Resistance due to no intention to adopt

The resistance through lack of incentive to change was the highest form of resistance amongst the participants. The factor had a frequency of 5 occurrences during the fourteen interviews and a word count that represented 8% of all four factors. The intention not to adopt was a form of rejection (Kleijnen et al., 2009), but the participants did not influence resistance amongst another individual which can result in opposition.

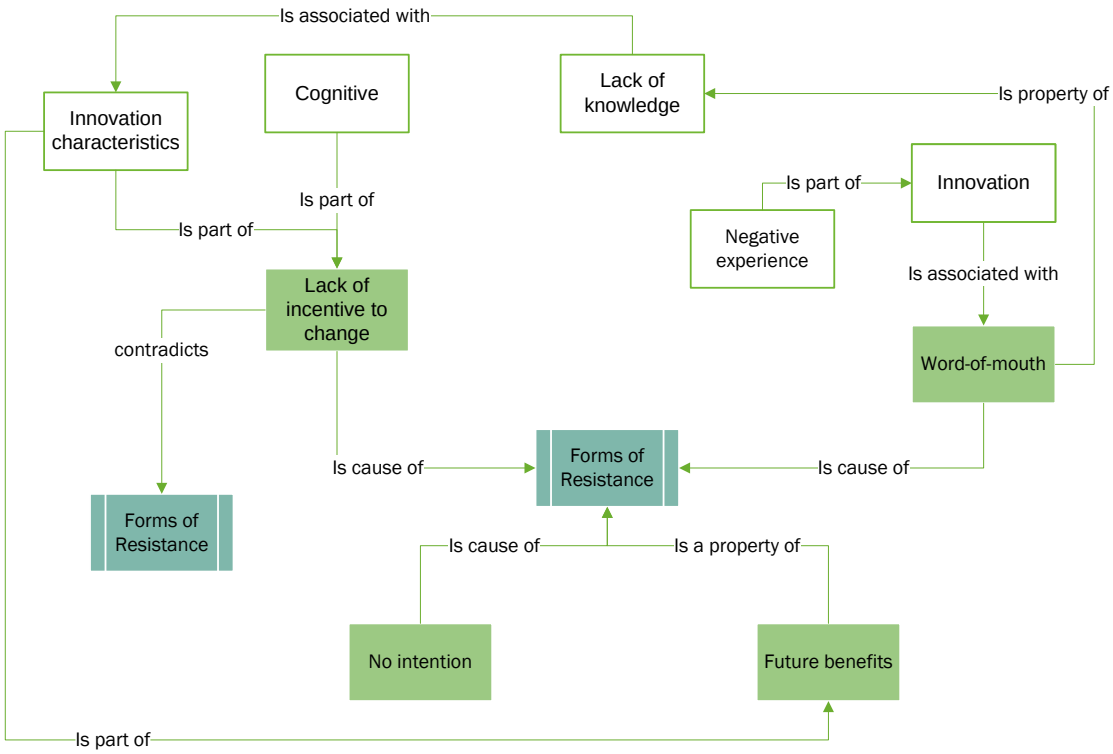
6.4.2. Summary for results discussion of research question three

The four different factors that influence the various form's of resistance were discussed in the section. Passive innovation resistance was a recurring theme as participants are reluctant to adopt the innovation now due to lack of short-term benefits. The lack of knowledge of the participants became evident as a contributing factor towards resistance as they perceive a lack of benefits as a form of resistance.

The influence of negative word-of-mouth became apparent and the trust individuals place in personal connection. Resistance was created, even with a lack of knowledge or experience, through the trust individuals have in personal word-of-mouth. Future benefits are a form of postponement as individuals believe that resistance can be reduced if certain innovation characteristics are changed.

The ability of companies to address the cognitive resistance factors amongst consumer will increase adoption and reduce resistance. The innovation characteristics influence adoption more while perceptions and consumer cogntive process influences resistance more. The connectivity of the modern age can be used by companies to decrease resistance, but it must be managed actively to ensure that negative word-of-mouth does not increase resistance. Proactive measures can be beneficial and the monitoring of social media can provide a perspective of how the innovation is perceived and evaluated.

Figure 13: Network map for research question three



6.5. Discussion of research question four results

The fourth and final research questions focused on understanding the perception participants have of a disruptive innovation and how this can be overcome. The results are shown in Table 6 and Figure 10 and represent six different factors and the word count of each of these factors respectively. An innovation is deemed disruptive if it initially underperforms with regards to the incumbent innovations, but overtakes it later on and captures the market (Christensen, 1997). Disruptive innovation alters the consumption of consumer (Obal, 2013) and due to this requires a different approach to determine how adoption can occur. The interaction between innovators and consumer have an influence on the adoption of a disruptive innovation (Kahl & Grodal, 2016) and this was found to be an important aspect throughout the research paper.

The participants viewed the disruptive innovation in general as positive and struggled to define why they resist or what has resulted in non-adoption. The previous section has shed light on this aspect with the availability of information to increase knowledge of the innovation a recurring theme. This became evident again during the analysis of this

research question as the majority of a factor related to transfer of information through various platforms that will influence adoption (Kahl & Grodal, 2016).

The section will aim to highlight how the availability of information and the perception consumers have of a disruptive innovation influences intention to adopt.

6.5.1. The factors that will influence participants to consider future adoption

The results obtained for research question four from the data analysis performed on the fourteen interviews namely word-of-mouth, advertisement, lower cost, tour operation, availability of information, email notifications, operation and trial period will be discussed in the section. The frequency rates and word count for each of the seven factors are displayed in Table 6 and Figure 8 respectively.

6.5.1.1. Availability of information

The availability of information which will increase the knowledge consumer have of a disruptive innovation can occur through various forms. The research found that the five key factors namely word-of-mouth, advertisement, availability of information, email notifications and a trial period can assist consumers to gain further knowledge of an innovation.

The effect that word-of-mouth has on resistance has been discussed previously. The trust individuals place in a personal connection can both reduce resistance and increase adoption of a disruptive innovation (Kawakami & Parry, 2013). Advertising can also increase knowledge and increase the availability of information (Graham & Havlena, 2007) which will alleviate certain resistance factors. The lack of knowledge and the effect it has on resistance has been discussed at length throughout this section and influences the perception consumers to have of an innovation. Consumers will generate their own perception of an innovation, even with limited exposure towards the innovation which will increase resistance.

6.5.1.2. Perception of innovation

The participants had, in general, a positive perception of Airbnb in general but still resisted it due to perceptions formed of the disruptive innovation. This is contradictory

and further highlights the difference between cognitive behaviour and innovation characteristics (Heidenreich et al., 2016). The perceived higher cost of the innovation, the perceived benefits of tour operations and operational difficulties experienced negatively affect adoption. Two of these factors namely lower cost and operation can be changed by the company to increase adoption, if required, with the tour operation, not an aspect that is associated with the company. This will require a completely different business model and can thus diminish the adoption amongst these group of individuals.

6.5.2. Summary for results discussion of research question four

The results of research question four highlights how the participant's lack knowledge of the service influences their decision to adopt. This has been a recurring theme and influences various other factors of non-adoption and resistance towards the adoption of the innovation.

The positive view participants have of Airbnb and how a disruptive innovation works do not result in adoption and this was found to be confusing, even to the participants themselves. Several participants highlighted during the interview process that it does not make sense to them through the discussion why they haven't adopted the innovation before. The realisation within them that they do have some form of resistance that they themselves are unaware become apparent. This resulted in them questioning their own practices and to be honest with themselves with regards why they resist the innovation, even though they have a positive view of it and disruptive innovations in general.

6.6. Chapter summary

The chapter discussed the results obtained in Chapter 5 for the four research questions posed in Chapter 3. The results indicate that the positive perception individuals have of disruptive innovation is not reflected in adoption, but rather resistance occurs. Resistance is influenced by the perception consumer generate of the innovation with limited knowledge of the services provided and this results in a lower perceived value. The influence word-of-mouth has on resistance and intention to adopt became apparent due to the trust individuals have in personal connection. Resistance can be mitigated if the consumer receives a positive review from a close friend or family member whose opinion they trust. The benefits of increased information availability through word-of-mouth and advertising can be beneficial as it will reduce resistance through intention to adopt and investigate further.

7. Conclusion

7.1. Introduction

The chapter will discuss the key findings from this research and evaluate them against the original objectives as stipulated in Chapter 1. The research paper aimed to determine what characteristics of a disruptive innovation results in resistance, the difference between adoption and resistance factors and how resistance can be reduced by business. The limitations of the study will be discussed and recommendations will be made for future study based on the findings of the research conducted.

7.2. Summary of key findings

7.2.1. Introduction

The research analysed consumers' perception of Airbnb and the exploratory findings will be discussed in this section. The difference between adoption and resistance factors as well as the major themes that contribute to resistance will provide insights of the consumer.

7.2.2. The difference between adoption and resistance

One of the important objectives of the research was to determine the different factors that influence adoption and resistance. The factors that influence resistance and adoption is not linear (Patsiotis et al., 2013) and this was found to be the case in this exploratory study. The major benefit of incumbent innovations was found to be the human element which contributes to an increased element of trust which further mitigates risk. The ease of use and the accessibility of various sources of information is important as the consumer lacks self-efficacy (Ellen et al., 1991). The interaction with another person increases information access and the consumer places significant trust in their knowledge of the unknown, such as a planned holiday to a new country. Innovations with these factors will thus increase adoption and are linked predominantly to the characteristics of the innovation (Rogers, 2003) and less with the consumer cognitive and situational environment (Gounaris & Koritos, 2012).

The resistance factors were dominated by psychological and cognitive factors (Talke & Heidenreich, 2014). Consumers do not perceive themselves as an early adopter and are

thus less inclined to adopt a new or radical innovation (Frattini et al., 2014). The potential benefits of a disruptive innovation are thus overlooked due to the perception of themselves as not being a risk taker. Consumers developed perceptions of the innovation in the absence of experimentation which influences resistance (Heidenreich et al., 2016). Factors such as lack of accountability are perceived to be a characteristic of the disruptive innovation. The perceived characteristic and the fear it creates within the consumer results in resistance towards the innovation (Polites & Karahanna, 2012).

The known benefits of current innovations result in higher inertia towards change and contribute to consumers to maintain the status quo (Polites & Karahanna, 2012). Demographics such as age (Lee & Coughlin, 2015) was found to have some impact on inertia as well as the gender with females referring to themselves as technologically illiterate (Talke & Heidenreich, 2014).

The research thus succeeded in not only determining the prominent factors that influence resistance and adoption but further illustrated that resistance related to the consumers own cognitive process and adoption closer related to the innovation characteristics.

7.2.3. The perceived characteristics of a disruptive innovation

One of the goals of the research was to determine what characteristics of the innovation results in resistance amongst consumers. The limited experience the participants have of Airbnb resulted in perceived characteristics which might not be associated with actual characteristics. This increases resistance and can be a concern to developers of disruptive innovations seen as the perceived characteristics might not be reflective of the innovation itself (Poon & Huang, 2017). The perception of the innovation is also influenced by the consumer's own doubts and fears (Arts et al., 2011). The lack of information and risk associated with the innovation will be discussed in this section and illustrates how consumers develop their own perceived characteristics of an innovation.

7.2.3.1. Lack of information

The lack of information with regards to disruptive innovation results in resistance amongst the consumers. The result of research question four show's that the effective transfer of knowledge through advertising or word-of-mouth can be used to mitigate resistance and increase adoption. The perception consumers have developed with regards to the disruptive innovation can be changed through efficient transfer of

information. The link between the cognitive factors (Heidenreich et al., 2016) and resistance can be overcome and the physical attributes of the innovation can be highlighted, which increases adoption.

The first stage where resistance occurs according to Talke and Heidenreich (2014) is the knowledge phase. The lack of knowledge will thus limit the intention to adopt and the model developed by Rogers (2003) will become redundant. The critique of Roger's (2003) model is thus justified (Kulviwat et al., 2007) and it important to consider the process of knowledge transfer to the consumer. The information provided to the consumer should address both the cognitive as well as individual characteristics. The consumer won't have to rely on perceived characteristics but can evaluate the innovation on physical attributes which influences their cognitive process.

7.2.3.2. Risk

The risk associated with the adoption of the innovation was evident during the research. Risk was deemed to be not only associated with the use of a new service but also a physical risk that can occur. Physical harm was perceived to be associated with the innovation due to the shared economy characteristics (Guttentag et al., 2018) where a person can be attacked during the stay. The lack of proof was evident and this aspect was only perceived as an outcome by the consumer due to the lack of trust in society. This is similar to the findings of Laukkanen (2016) that the adoption of the innovation is not necessarily related to the characteristics of the innovation, but linked to how it is consumed.

The value associated with a holiday is high amongst consumers due to the low-frequency rate and the benefits of good accommodation. Accommodation plays an integral part of the entire holiday experience (Lin, Wang, & Wu, 2017) and a less than desirable outcome can affect the entire holiday. The risk associated with changing to a new innovation is thus too high and consumers are thus satisfied with current operations (Heidenreich et al., 2016). Individuals reward themselves with accommodation which is better than their own homes and this increases the risk associated with the adoption of a new innovation. The perceived characteristics in terms of lack of accountability, shared economy and lack of information thus increase risk (Claudy et al., 2015).

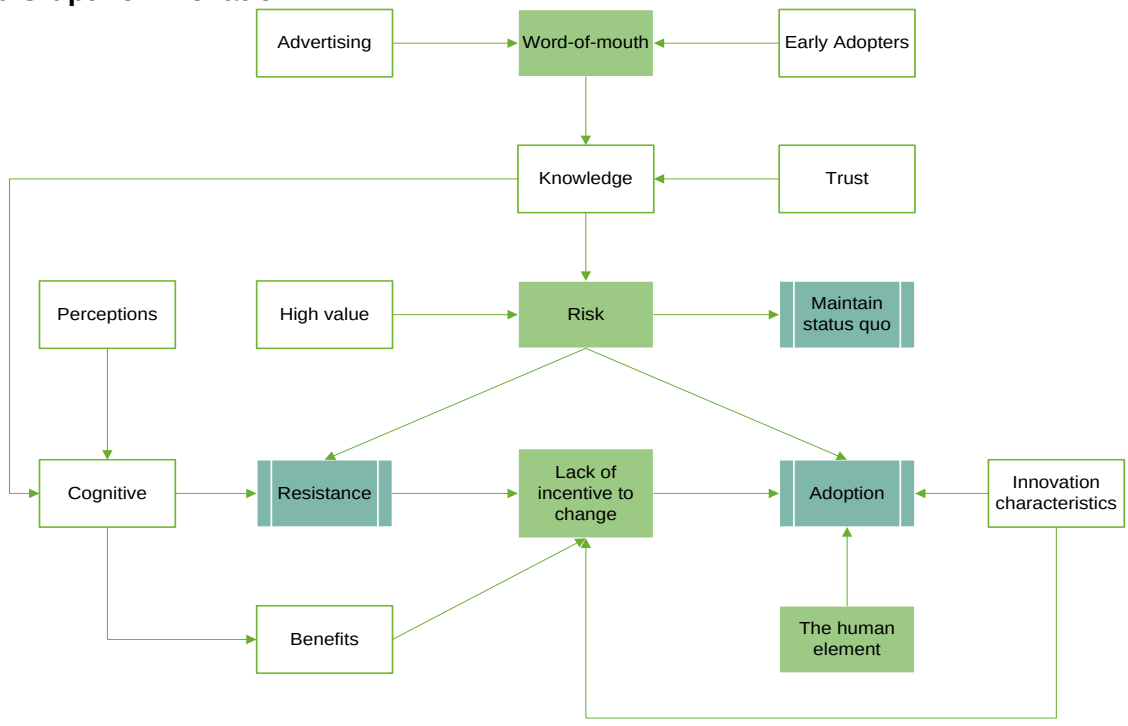
7.2.4. The dual effect of word-of-mouth

The research further aimed to understand how resistance can be reduced. The previous sections have discussed the different factors that influenced resistance and adoption amongst consumers and one of the reoccurring themes was the effect of word-of-mouth. Word-of-mouth can both increase and reduce resistance amongst consumers and the mechanism developed by Stephen and Lehmann (2016) can facilitate communication amongst business and consumers. The perceived usefulness of the innovation can be influenced by word-of-mouth (Kawakami & Parry, 2013) and in the case of this study, especially through personal connection (Allsop et al., 2007). The accessibility amongst consumers can be utilised to reduce resistance through various platforms (Graham & Havlena, 2007).

7.2.5. Model for innovation resistance and its effect on adoption of a disruptive innovation

The following model summarises the key findings of the research and illustrates the link between adoption and resistance.

Figure 14: Model for innovation resistance and its effect on adoption of a disruptive innovation



The model illustrates that resistance is influenced by cognitive resistance factors which are formed by consumer's perceptions of an innovation. The cognitive resistance factors can be reduced through knowledge transfer via word-of-mouth. Word-of-mouth can result in either resistance of adoption by increasing or reducing the risk respectively depending on the information which is transferred. The transfer of knowledge is influenced by trust consumer's place in the person. The high value associated with accommodation during the holiday experience influences risk and results in an inclination to maintain the status quo. The lack of incentive to change is the gap that needs to be overcome by an organisation which can be the result of better benefits or the mitigation of cognitive resistance factors. Innovation characteristics, which can change, can also increase the incentive to change. Word-of-mouth can be increased through advertising or by making use of early adopters to spread the word.

7.3. Business recommendations

The researcher found a number of factors which influences resistance amongst consumers towards a disruptive innovation. The resistance factors influences adoption and companies need to distinguish between these factors to increase the diffusion of their innovations. The following section will list recommendations for business to reduce resistance.

- Business needs to be aware that resistance factors differ from adoption factors and by distinguishing between the two, diffusion of an innovation can be increased. The correct questions need to be asked of the consumer to ensure that resistance factors are addressed, seen as the study illustrated that continuous focus on an innovation's characteristics will not increase adoption. Resistance is mainly a cognitive process where perception regarding the innovation is formed which can be irrational.

- Disruptive innovation appeal more to early adopters or risk takers. These individuals see themselves as leaders during the adoption process and their independence of others further allows them to make independent decisions. Early adopters increase adoption further down the diffusion path as they influence individuals due to the status they hold. It is recommended that business target these individuals when launching a disruptive innovation.

- The trust individuals place in another person was found to be a contributing factor in the adoption of an innovation. It is recommended that business continue to assist consumers through the interaction with another individual as this will build a trust in the brand and reduce risk.

- The lack of knowledge results in incorrect perceptions of the innovation which increases resistance as found in the study. Advertising still plays an important role and business will benefit from not only illustrating the benefits of their disruptive innovation over incumbent innovation but also the similarities. The consumer can thus perceive the innovation as easy to use if they are aware that it offers the same benefits as current innovations.

- Word-of-mouth can increase or decrease resistance and business are advised to use positive word-of-mouth to reduce resistance. The trust individuals have in personal connection will allow them to neglect certain cognitive resistance factors and experiment with a disruptive innovation. Experimentation can increase knowledge of the product and result in adoption if the innovation characteristics align with consumer's needs.

- The lack of knowledge of a disruptive innovation can be reduced by offering a free trial or form of experimentation by demonstration or comparison with incumbent innovations.

7.4. Limitations of the research

The findings of the study are subject to certain limitations due to the exploratory nature of the study. The methodology limitations were discussed in Chapter 4.

- The participants had limited to no experience with Airbnb which influenced the feedback received from them. The limitation did allow the researcher to gain insights into the perception and cognitive processes of the participants but limited the feedback regarding the innovation characteristics.

- The study did not take into account the demographic group between 35 and 55 years of age which will most likely include individuals with children. The influence children can have on the type of holiday as well as required accommodation could

not be researched and as such limits the transferability of the study. The study also contained only one participant from the African ethnic group.

- The study focused on one disruptive innovation namely Airbnb which can further limit the transferability of the study. The term disruptive innovation is a hot topic in the academic world and can be misinterpreted. The researcher deemed Airbnb suitable as a disruptive innovation after evaluating the characteristics of current research. The disruptive nature of the innovation can change which will limit the viability of the study.

- The majority of participants are infrequent travellers which increase the risk associated with the adoption of the innovation. Individuals who travel more frequently might have a different perspective of the innovation and can influence the resistance factors.

7.5. Suggestions for future research

The exploratory nature of the study and limited participants due the time constraints limit the preliminary results obtained. The study still managed to achieve significant insights which contribute to the understanding of how consumers evaluate and perceive a disruptive innovation. The researcher recommends the following areas for future research which can provide further insights into the effect of a disruptive innovation on incumbents.

- The study was limited largely to passive innovation resistance and the effect of active innovation resistance was largely negligible. Future study can focus on active innovation resistance and evaluate the effectiveness of the model proposed.

- The study focused on a certain demographic group due to the purposive sampling method employed. Future study can focus on another distinct demographic group such as families with children to evaluate resistance factors associated with the group. Limited findings were found during the study in terms of the effect of age and gender on the adoption of a disruptive innovation. Further research into these groups can build on this study. Future studies can also conduct the research with focus groups.

- The type of traveller influenced the outcome of the study and future research on frequent travellers or business travel can build on the study.

- The outcomes of the study can be compared to other disruptive innovations that make use of technology. The comparison with other disruptive innovations can provide additional insights into the cognitive process of consumer and can highlight distinct differences between the different innovations. This can be used to contribute to the field of disruptive innovation which is still growing.

7.6. Chapter summary

The chapter provide an overview of the final outcomes of the research and how the initial objectives mentioned in chapter 1 were addressed. A model was developed that provide insights into the effect innovation resistance has on the adoption of a disruptive innovation. The ability to transfer knowledge through word of mouth and advertising is important to bridge the gap and reduce risk amongst consumers. The limitations of the study were discussed and recommendations for future research were made.

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Appendix 1: Interview consent letter

Gordon Institute of Business Science
University of Pretoria

My name is Hendrikus Nel and I am conducting research on the resistance towards the adoption of a disruptive innovation namely Airbnb. I am currently registered at the Gordon Institute of Business Science for a Master's Degree in Business Administration. I am trying to find out more about the reason why you do not use Airbnb after you used it once or why you have never used it before. Our interview is expected to last about an hour and will be conducted in a one on one in-depth interview with the researcher. The outcomes of the interview will help us understand why South African citizen resist the use of a disruptive innovation. ***Your participation is voluntary and you can withdraw at any time without penalty****. Of course, all data will be reported anonymously. If you have any concerns, please contact my supervisor or me. Our details are provided below.*

Researcher name: Hendrikus Nel
Email: 17325715@mygibs.co.za
Phone: 082 440 5907

Research Supervisor Signature
Email: marksj@gibs.co.za
Phone: 082 469 0104

Signature of participant: _____

Date: _____

Signature of researcher: _____

Date: _____

Appendix 2: Interview discussion guide

Date:_____

Time:_____

Venue_____

Participant:_____

Age:_____

Gender:_____

Average travel per year:_____

Date of last travel:_____

Start recording device

Welcome (10 mins)

- Introduce researcher
- Obtain consent from each participant and ask them to fill in consent form
- Collect consent form
- State estimated duration of interview
- Ask participants to speak clearly

Rules of the game (5 mins)

- There are no right or wrong answer, only your personal experience
- Please turn of your cellular phones
- The role of the moderator is to guide the process

Topic (5 mins)

- Provide brief background with regards to the research
- The potential benefits of the study

Discussion topics (1 hour)

Research Question 1

- What platforms do you make use of currently when booking accommodation for travel?
- Why do you make use of these platforms?

Research Question 2

- What characteristics or factors has resulted in you not using AirBnB
- What are the barriers towards function such as how it is used, the risk and the perceived value?
- What traditions do you have with regards to accommodation and the image you have of Airbnb?

Research Question 3

- Do you think you will make use of AirBnB in the future and if so why or why not?
- What will need to change for you to start using AirBnB?
- What can the company do different to convince you to make use of the service?

Research Question 4

- What else do you feel influences your decision not to make use of the service?

- Recommendations

Closing (5 min)

- Thank the participant for their time

Break up

Appendix 3: Ethical clearance approval

Gordon Institute of Business Science
University of Pretoria

23 January 2018

Nel Hendrikus

Dear Hendrikus

Please be advised that your application for Ethical Clearance has been approved.

You are therefore allowed to continue collecting your data.

We wish you everything of the best for the rest of the project.

Kind Regards

GIBS MBA Research Ethical Clearance Committee

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