# A Poisoned Gift: digital platforms that promote new models of shared economy in tourism

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#### **ABSTRACT**

This paper seeks to approach the legal and social implications of digital platforms promoting new models of collaborative economy, focusing on those with low cost to the visitor, exchanging lodging and food for work hours dedicated to the host.

We proceed with an analysis of the diploma that regulates volunteering, trying to understand the way in which the type of work performed by these tourists fits into the legal constraints of the concept, as well as what kinds of work relationships underlie the context of work exchange platforms. Likewise, we look at the online perceptions of these platforms, attempting to understand what might an individual find in searching for them, and what kinds of promises are made *viz* the reviews and descriptions of visits.

We will in that sense attempt to open several lines of inquiry into these forms of touristic and professional relationships: can these platforms – such as Helpaway, Hopineo, Worldpackers, Diverbo, Workaway and Helpstay – be understood as mere mediators, or do they function as temporary work companies? Does this judicial figure of "voluntary work" not bear potential risk in terms of the extremely low cost, few obligations (such as insurance), and no protection asides from user ratings? What motivates individuals to want to participate in these

relationships? We conclude with some remarks on these questions, pointing to the need of more research and a need to evaluate regulatory costs *viz* dynamical evolution of a lack of regulation.

**Keywords:** Sharing-economy, hospitality, cultural exchange, volunteer.

#### INTRODUCTION

The Law n°71/98 of November, the Portuguese legal regime on volunteer work establishes that volunteering implies the development of some social and community tasks, in an altruistic way, which means that there will be no trade regarding the work done.

Is this the kind of work that the digital platforms promote by trying to organise homestays and cultural exchange? Or, is there a chance of promoting new kinds of shared economy but working theses platforms as agencies to recruit workers that will not have the salary and the assurance required by a labour contract?

This study seeks to analyse the kind of offer made by the platforms and the results of the reports made, when it turned into a bad or good experience as they are attracted to a place where they will be given much more hours of work per day and forced to do them as they want to assure lodging and food.

The analysis of the platforms, and the reports made can give us the feed-back of theses platforms and decide if they are a great way to embrace a new experience and travel with a low budget or the beginning of a disaster and very bad memory.

The sharing economy has had a positive impact on tourism as well as a negative one. Its advocates think that it provides easy acess to a wide range of services that are often of higher quality and more affordable than those provided by traditional business counterparts. Critics, on the other hand, claim that the sharing economy provides unfair competition, reduces job security, avoids taxes and poses a threat to safety, health and disability compliance standards.

## **Objectives**

## General goals

To demonstrate that the promotions made by some digital platforms engaged in finding "volunteers" to work in hotels, hostels, farms and other kind of establishments, trading some hours of work into lodging and food and without any legal protection can be a very poisoned gift to the people sicking to travel and see the world as they may find a new way of recruitment of very low price hand work, leading to situations of real slavery.

# Specific goals

The specific objectives of this research are:

- To analyse the legal evolution regarding the volunteering work;
- To analyse the suggested or apparent impact produced by this new supply of work, with the visible positive and negative outcomes;
- To analyse the digital platforms to understand their offer and the dangers hidden, like the absence of protection to the volunteer.

## Methodology

The Methodology includes:

- Comparative analysis of diplomas which regulate the legal figure of Volunteer work;
- Analysis of current data on the registration of volunteers in the digital platforms;
- Analysis of a study elaborated by European Parliamentary Research Service;
- Analysis of data from the Platforms Workaway, Helpstay, Hopineo;

## **Analysis**

Our work focus on the analysis of the legal frame of volunteering work and to understand how digital platforms can increase the sharing economy applied to tourism and if their offer really leads into a volunteer work or, otherwise, establishes a working bound, with much more responsibility and without security to the "volunteers".

Tourism services have traditionally been provided by business such as hotels, taxis and tour operators. Recently, a growing number of individuals are proposing to share temporarily with tourists what they own. This type of sharing is referred to as the "sharing economy".

The sharing economy is a relatively new phenomenon and much of the information on its impact on tourism comes from the platforms themselves.

With this said, we can see that those platforms are international hospitality services that allow members to contact one another to organise homestays and cultural exchange. But volunteers are expected to contribute a pre-agreed amount of time per day in exchange for lodging and food, which is provided by the host.

Their philosophy is simple: a few hours of honest help per day in exchange for food and accommodation and opportunity to learn about the local lifestyle and community, with friendly hosts in varying situations and surrondings.

Their aims are:

- -To promote cultural understanding between different peoples and lands throughout the world;
- To enable people travelling on a limited budget to fully appreciate living and working in a foreign environment;
- To promote the exchange between people from different nationalities and give a chance for volunteers to contribute to a cause;
- To enable language learners to experience different countries and immerse themselves in their target language whilst living abroad;
- To give opportunity to projects around the world to receive support from skilled volunteers and have a real and immediate impact on their projects.

Tourism in the EU as well as in other regions is evolving in response to changes in tourist behaviour as many tourists use digital technology and social media plan and review travel experiences. Also, people are increasingly open to the idea of sharing resources and to new flexible work opportunities. All these factors have favoured the development of the sharing economy.

The sharing economy is developing against a background of rapid growth in international tourist arrivals in the world, as well as in the European Union. Compared with 331 million arrivals in 2000, the 28 EU member states hosted 478 million international tourists in 2015 and this number kept on growing.

The sharing economy is changing the tourism marketplace, giving people new options for where to stay, what to do and how to get around. In the sharing economy, anyone can start a tourism business. Online platforms provide easy acess to a wide range of services, some of them of higher quality and more affordable than their traditional business equivalents.

The whole phenomenon of tourism has been changing because the idea of knowing other cultures, other way of living is now opened to more people as travelling has become much easier and cheaper with low cost flights and not reduced to very rich people.

This has a significant impact on sociological development, creating new approaches to life and new meanings to personal achievement as people enjoy the cultural exchange and try to understand how others live.

To promote this mobility the firms have to adjust to the market demands and have to adjust their offer, either by lowering the prices or by improving the quality of their services. Either ways, the customer will be satisfied.

Corporate travellers are also increasing using sharing economy platforms and platforms are adapting what they offer to cater for their specific needs. In some instances, incumbent companies cooperate with sharing economy companies.

Anyway, advocates of the sharing economy claim that this type allows more flexibility. Some tourists appreciate these platforms for their personal approach, authenticity and contacts

with local citizens. The most popular platform to provide accommodation is Airbnb and gives us the chance to stay in the most popular regions and to contact, directly, with citizens and their way of living.

Critics see a number of aspects in which the sharing economy can impact negatively on tourism. Some believe that it is increasing the number of part-time workers in the tourism sector.

This new model also identify possible threats to safety, health and disability compliance has it can attract workers without giving them conditions such as payment and assurance, to make sure that things will be covered if any accident happens.

So, let us analyse the content of the mentioned platforms such as Workaway, Helpstay, Hopineo and see the offer they provide: hosts register and are expected to provide information about themselves. The type of volunteering "help" they require to be performed, the accommodation they offer and the sort of person they are expecting. Volunteers create an online profile, including personal details and any specific skills they might have and then contact the hosts to discuss a possible exchange.

Of course it is very important to create this new economic models and in recent years the collaborative economy.

But it is important to control this phenomenon and the Commission encourages member states to take a balanced approach "to ensure that consumers enjoy a high level of protection in particular from unfair commercial practices.

Finally, the Commission provides some clarification on how to define a "worker" and facilitate tax collection, for instance by using the possibilities offered by the collaborative platforms.

The main issue is to understand if the offer made by digital platforms is really volunteer work in the sense defined by our legal frame or is another kind of trade which implies working without security system and no money paid.

When we talk about volunteer work we assume that the person will be dedicated to some cause or use his skills to help someone in an altruistic manner, that is, without wanting anything in return. That is what is defined in the Portuguese law and we have to find out if the work provided in the mentioned platforms fit into this legal concept.

In our system, we classify any kind of manual or intellectual work as submitted to a working contract when the worker fulfils the needs demanded by the employer and have some schedule to fill in, a place pointed out and expect some payback, either is money or accommodation and food. These things provided to the "helper" are some way of paying the work done and are not executed with no expectation and just to feel helpful.

Of course, the analysis of platforms as Workaway seem to point out to a great change of spending some time abroad, travelling, have a cultural exchange with a very low budget but there

are many risks we have to be aware of, such as having no security system and no accident protection, which is not provided by the platforms, neither by the hosts.

So, how can we classify the relation between the host and the worker? Can we point out to a labour contract or just an "agreement" without any payment expected?

This new economic model of sharing economy has its dangers as it may facilitate the owners of tourism establishments to recruit "volunteers" to do most of the tasks and be able to save many money, as well as avoid taxes and other legal demands, like medical approval to work.

As we review those mentioned digital platforms we can look up to reports made by people who have experienced that exchange and we can find wonderful accounts, as well as reports of very bad experiences, such as, very bad accommodation, too much work to be done, very bad food.

The use of these digital platforms to promote tourism has been very successful and the Homeaway reported over 1.2 million listings in January 2017, in 190 countries, which means more than 3.9 million dollars and growing.

If we can identify the dangers hidden in those platforms, how come people use them so often and pay just to be registered and to have a list of hosts, knowing that there is no responsibility assumed and there is a possible and very probable chance of arriving to the place and change of terms and increasing the hours to "help" out or giving no free time?

We think that people are more and more willing to try an exchange, assuming the risks because life itself is a risk and the will to see some new things and experience other cultures is bigger than the fear of having a bad experience.

Of course, these wonderful and attractive opportunities can turn into a real nightmare if people go to very exotic places, with very different cultures and they demand an 8 hours working journey or have no day to rest but the "helpers" should learn more about the destination to make sure they are aware of the problems they might have to face.

To control the increase of problems in EU countries, the European Parliament has touched upon the issue of the sharing economy in various resolutions. In its October 2015 resolution on new challenges and concepts for the promotion of tourism in Europe, the Parliament emphasised that current legislation was not suited to the sharing economy. According to the Parliament, "any action on the part of public authorities needs to be proportional and flexible in order to enable a regulatory framework that secures a level playing field for companies, and in particular a supportive positive environment and for innovation in the industry".

In its January 2016 resolution, towards a digital single market act, Parliament welcomed the increased competition and consumer choice arising from the sharing economy, as well as opportunities for the job creation, economic growth, competitiveness, a more inclusive job market and a more circular EU economy.

After these kind of advises, what has really happened to control the content of those platforms and to protect the volunteers that embrace that adventure? It is not easy to control the

contents as we know that in digital world is very difficult to establish any kind of responsibility and to make people aware of the dangers.

As we analyse the promotion made in platforms as Helpstay or Worldpackers or even Workaway is will be difficult to find any gaps because the offers are really attractive but the use of volunteering work is not inappropriate as they carry out some tasks to pay for food and accommodation? We really think that either it is volunteer work and they have to do it without any payment and just to support some cause, or they will be working for accommodation and food but with a real work bound.

In our legal system, whenever we have someone carrying out some tasks for an economic and lucrative purpose, with the fulfilment of timetable and obeying orders or guidelines delivered we talk about a "working contract". But we have a distortion of this concept as it has no protection and no assurance behind, leading to some dangerous situations.

These volunteering work offered to owners of hotels, restaurants and playing parks let them have well prepared workers without any expenses, which make their deal very profitable and taking no tax charges.

#### Conclusions

By analyzing the mentioned digital platforms that offer accommodation and food in exchange for a few hours help per day, we come to the conclusion that this kind of sharing economy has its dangers to inexperienced tourists that are about to embrace an adventure but may stumble into a nightmare.

The world growth of tourism may lead to sick some ways of travelling with very low budgets, like those provided from the platforms we have studied. People are attracted to an exchange that will assure his basic needs like accommodation and food but with no assurance and protection if an accident happen.

We have concluded that this phenomenon will lead to a public intervention, imposing the respect of some rules in order to avoid entrepreneurs to recruit people to really work, much more hours than those established in the agreement made using the platform and without any social assure and accident protection.

Most of the experiences related to the platforms explain a real working contract which leads to classify those platforms like real working agencies but without the fulfillment of legal impositions.

There is a need to control the content of digital platforms because they may promote collaborative economy but also provide unpaid work to some less conscious people who will take advantage of those who have less possibilities of having other kind of travelling experiences as accommodation and food are very expensive in some destinations.

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Our purpose is to keep on monitoring the contents on platforms that promote cultural exchange and tourism experiences to understand if they really report all kind of experiences and to alert young people to dangers of going to places very far from home, with no safety or health plans defined.

In a very competitive world with an enormous growth of tourism sector, the existence of greedy and unscrupulous persons, together with the lack of legal regime, may lead to a poisoned gift to those who embrace the adventure.

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