

Redesigning the composite index of sharing economy: issues and perspectives

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Abstract | The sharing economy has significantly influenced changes in consumer behaviour and attitudes. As a consequence, it altered business models and transactions with a vast number of organizations around the globe accommodating their business operations and algorithms according to the uprising demand for sharing economy services. Furthermore, many countries, regions and/or cities whose economic prosperity depends on the tourism industry are forced to adhere to such global trends strategically and on time. An objective of this study is to propose the usage of composite index methodology in the evaluation of the availability of countries'/cities' sharing economy services. The evaluated LATAM Sharing Economy Index 2021 evaluates and ranks the 44 biggest cities in Latin America. The index consists of a few main indicators describing the overall level of availability of crucial sharing economy services such as flat-sharing, e-scooters, car-sharing applications, gym sharing, and ride-hailing services. The paper will shed additional light on the methodological challenges when building composite indexes for sharing economy.

Key words | *sharing economy, composite index, multivariate statistics, methodological issues*

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