RELUCTANT RENTERS

UNMASKING THE FINANCIAL REALITIES OF THE CIRCULAR ECONOMY

ACCESS OVER OWNERSHIP

VALUE OVER POSSESSION

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LOWER COSTS | GREATER ACCESS | LESS WASTE | MORE VALUE

WRITTEN BY – SOHAM SONAR

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Unmasking The Financial Realities of the Circular Economy

Written By

Soham Sonar

Under the Guidance of

Harshada Abhyankar
Samapika Nayak

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Abstract

For decades, the primary marker of economic achievement was permanent ownership. Whether it was buying a house, a car, or even just investing in professional equipment, accumulating physical assets was the universally accepted marker of financial security. But right now, the global economy is undergoing a dramatic structural transformation. Traditional retail is experiencing comparatively modest growth, projected at 6.87%, while the so-called "sharing economy" is expanding at a substantial 32.3% CAGR. Early digital theorists and academics like Rifkin and Sundararajan significantly romanticized this shift. They characterized the "Age of Access" as a beautiful, enlightened cultural evolution built on the foundation of peer-to-peer trust and community sharing.

But when you look at the actual market—like how aggressively quick-commerce platforms are currently dismantling traditional retail networks in urban centres across India—that utopian theory feels incredibly out of touch. This thesis addresses this disconnect by investigating the central research question: *Why are modern consumers actually abandoning permanent ownership?*

To address this question, this study moved away from abstract theories and gathered primary empirical data from 103 urban consumers. To figure out people's actual attitudes toward property, risk, and sharing platforms, we quantified their psychology into composite scores. The data were analyzed through a Partial Least Squares Structural Equation Modeling (PLS-SEM) framework to isolate the exact mathematical predictors of their behavior.

The findings present a significant challenge to prevailing theoretical assumptions. The statistical evidence fundamentally challenges the academic consensus that digital trust is the engine of network capitalism. In our PLS-SEM model, Trust yielded a p-value of 0.704, proving it entirely statistically insignificant. People don't care about trusting a stranger on an app; it’s just a baseline expectation now. Instead, the framework reveals that Economic Utility is the dominant determinant of modern market behavior, yielding a highly significant p-value of 0.000. Consumers migrate to access-based services simply because the costs associated with acquiring, storing, and maintaining physical assets have become prohibitive. While Sustainability also proved highly significant (p=0.000), the analysis suggests it functions primarily as a psychological rationalization, enabling consumers to reframe what is fundamentally a forced financial downgrade.

The most significant finding reveals a massive cognitive dissonance in today's consumer. Even as they abandon physical assets, their "Resistance Score"—measuring emotional attachment to permanent ownership—stayed staggeringly high at 4.08 out of 5. This paper defines this paradox as a "Forced Transition." Consumers continue to strongly desire the security of owning property, but they have been systematically excluded from traditional ownership models by prevailing economic conditions. Ultimately, this thesis proves the macroeconomic shift toward access isn't a voluntary, eco-friendly lifestyle choice. It represents a reluctant economic compromise obscured by the framing of cultural evolution. We haven't freed ourselves from the burden of ownership; we're just leasing our lives because we have no other logical choice.

Introduction

The Death of the Ownership Dream

For the better part of the last century, the ultimate, universally accepted metric of economic success was permanent ownership. Whether examining the "American Dream" or the aspirational trajectory of the Indian middle class—the end goal was always to accumulate physical equity. Buying your first car, securing a mortgage for a house, or investing substantially in high-end equipment—these were regarded as significant life milestones. These weren't just purchases; they were psychological anchors. Ownership conferred a profound sense of financial security and served as a social signal of economic achievement.

At present, this macroeconomic paradigm is undergoing a fundamental transformation.

Over the last decade, a significant structural shift has redirected the global economy away from traditional physical markets toward what theorists call "network capitalism." Contemporary urban consumers increasingly perceive the accumulation of physical assets—tools, depreciating vehicles, or specialized equipment—not as indicators of prosperity, but as logistical and financial burdens. We are rapidly transitioning into the "Age of Access"—a system where the highest economic value is no longer derived from holding onto an asset for ten years, but from securing fleeting, frictionless, and temporary access to a service exactly at the moment you need it, and completely ignoring it when you don't.

The Utopian Myth vs. The Macro Reality

When this shift first started gaining momentum, the academic world completely romanticized it. Early digital theorists and economists looked at the rise of the "sharing economy" and painted a beautiful, almost utopian picture of our future. Thinkers like Jeremy Rifkin (2000) foresaw this era, but it was later scholars like Botsman and Rogers (2010) and Arun Sundararajan (2016) who framed it as a cultural evolution. They argued that the internet was replacing cold, institutional corporate structures with warm, community-driven "peer-to-peer trust." The prevailing narrative was markedly optimistic: society was becoming less materialistic, more collaborative, and substantially more trusting of strangers thanks to digital reputation systems like five-star ratings.

However, when you step out of the university library and look at the actual, real-time market data, that utopian theory feels incredibly naive. We aren't just holding hands and sharing power drills; we are caught in a ruthless corporate bloodbath.

The global sharing economy is currently expanding at a substantial 32.3% Compound Annual Growth Rate (CAGR). To put that into perspective, traditional global retail is projected to grow at a comparatively modest 6.87%. In India specifically, this disruption is tearing through the legacy economy. Quick-commerce platforms like Blinkit, Zepto, and Swiggy Instamart are leveraging access-based models to significantly disrupt traditional retail networks, growing at upwards of 25% Year-over-Year. The disruption is so severe that major distributor federations like the AICPDF have formally petitioned the government to investigate these platforms for predatory pricing. The market reality is clear: consumers are actively and systematically migrating their revenue away from permanent ownership toward access-based models.

The Research Problem and Core Objective

This pronounced disconnect between the optimistic academic theories of "community sharing" and the ruthless mathematical reality of the modern market constitutes the central research gap this thesis seeks to address. If the transition to network capitalism isn't actually being driven by a newfound desire to trust our neighbors and build digital communities, what is actually causing millions of consumers to abandon the concept of ownership?

Is this shift motivated by genuine environmental concern and want to participate in a sustainable, circular economy? Is it driven by the convenience enabled by algorithmic platforms? Or, more critically, is it a consequence of macroeconomic conditions that have rendered permanent ownership financially inaccessible for the average consumer?

The primary objective of this research is to move beyond prevailing theoretical assumptions and statistically isolate the true behavioral drivers behind "de-ownership." By applying a rigorous statistical framework to real-world consumer sentiment, this study seeks to definitively answer why the modern urban consumer is trading the security of physical assets for the fleeting utility of digital access.

The Micro-Study and the Paradox of the Modern Consumer

To answer this, this study relies on primary empirical data collected from 103 urban respondents. Rather than relying on conjecture, their psychological attitudes toward property, risk, financial burden, and digital platforms were quantified into latent constructs. An initial approach might favour standard ordinary least squares regression. But human behavioral economics is messy and completely non-linear. Averaging out feelings doesn't give you the full picture. So instead, this data was analyzed using a Partial Least Squares Structural Equation Modeling (PLS-SEM) framework. This approach enabled the mapping of latent structural pathways that drive consumers away from traditional ownership models.

The findings of this model yield findings that substantially challenge prevailing theoretical assumptions. As the subsequent chapters will prove, the structural pathway for peer-to-peer trust as a market driver is statistically non-significant. Instead, the framework reveals that Economic Utility—the cold, hard calculation of upfront costs and maintenance burdens—is the dominant determinant of modern market behavior. Furthermore, the measurement model exposes a significant psychological paradox. Even as these consumers actively plan to increase their usage of rental and access-based platforms, their emotional resistance to giving up permanent ownership remains staggeringly high. The deeply rooted inclination to accumulate physical assets has not diminished; it is being overridden by financial necessity.

Thesis Statement

Ultimately, this paper argues that the macroeconomic shift toward access-based consumption is not an enlightened cultural evolution or a voluntary embrace of minimalism. It is a "Forced Transition." The modern consumer is caught in a hypercapitalist system where the traditional ownership model is no longer financially viable. Consumers are abandoning ownership not because they no longer value its security, but because they have been systematically priced out of it—accessing goods and services on a transactional basis as the only financially rational strategy available.

Literature Review

1. The Macroeconomic Transition to Network Capitalism

Access-based consumption originated in a macroeconomic structural shift that transitioned from traditional physical markets to network capitalism. Rifkin (2000) foresaw this “Age of Access,” in which he argued that the ultimate source of greatest economic value in late modern hypercapitalism was not long-term ownership of services but rather short-term, easily modifiable access to them. Following from this theory, Botsman & Rogers (2010) as well as Sundararajan (2016) argue that digital reputation systems have enabled the emergence of "crowd-based capitalism.” This model undermines traditional notions of corporate ownership by superseding institutional assurances with peer-to-peer trust, reshaping market dynamics and reducing barriers to entry. Access-based consumption was born in a macroscale structural shift from conventional physical markets into network capitalism. Rifkin (2000) predicted this “Age of Access" when he posited that the ultimate source of greatest economic value in late modern hypercapitalism would not be long-term ownership of services but rather fleeting, temporary access to them. It’s not just my 103 respondents who are obsessed with price; the whole market is shifting that way. My secondary review shows the sharing economy growing at 32.3% while regular retail is basically crawling at 6.87%. It’s actually getting so intense that in India, the AICPDF is calling for investigations into platforms like Blinkit for 'predatory pricing.' This perfectly matches my regression result where Economic Utility was the biggest predictor (p=0.000). Basically, my survey is the 'micro' proof of a massive 'macro' war between old-school shops and new-age access platforms.

Botsman & Rogers (2010) and Sundararajan (2016) contend that the advent of digital reputation systems has facilitated the rise of “crowd-based capitalism". This model challenges and redefines what it means to own a company as peer-to-peer trust replaces institutional guarantees, shaking up market forces and lowering the barriers to entry. But is it really just about peer trust, or is it the technology pushing us? Puschmann and Alt (2016) are right to argue that this whole macroeconomic transformation would be an intellectual house of cards without the data infrastructure beneath it. They explain that it’s the real-time matchmaking algorithms, not a sudden cultural awakening, that drove transaction costs down to virtually nothing. What this al means is that the intense data analytics quietly powering everything in the background is what a low temporary access to make sense financially when before it didn’t. This points to a notable paradox in the literature. Belk (2014) proposes that the internet era has completely decoupled our identity from physical things. We used to be what we owned; now, "you are what you can access." It's a neat, almost philosophical take. However, the empirical evidence suggests a considerably more pragmatic reality. Bardhi and Eckhardt (2012) critically dismantle the romanticized idea of a "sharing" economy. Reviewing their findings on car-sharing, it becomes obvious that consumers aren't really looking to build community. They just want the utility of the vehicle, the camera lens, or the apartment without the massive sunk cost of buying it outright. It is pure, calculated self-interest. However, we can't ignore the social dimension completely. Some consumers genuinely experience a profound sense of environmental and social responsibility when utilizing shared services instead of hoarding physical assets. It feels good to participate in a system that theoretically reduces waste. However, Frenken and Schor (2017) challenge this narrative, identifying a critical limitation: access-based consumption only yields actual macroeconomic environmental benefits if it stops

new goods from being manufactured in the first place. If a platform just makes it easier to consume more resources faster, that sense of environmental responsibility is largely a product of effective platform marketing. Acquier, Daudigeos, and Pinkse (2017) echo this, mapping out the stark disconnects between the "community" these platforms promise and the highly detached, transactional reality they actually deliver. So, where does the literature actually leave us? The shift from ownership to access isn't a straight line. It's messy. The early theoretical optimism of Botsman and Rogers has given way to a much more cynical, pragmatic reality in recent empirical studies. Consumers are abandoning ownership because network capitalism has rendered it financially suboptimal to retain depreciating assets, even as platforms continue to navigate the tension between aggressive algorithmic pricing and the social goodwill upon which they initially capitalized.

2. Utilitarian Drivers and Behavioural Economics

The early expectations of communal altruism are contradicted by the empirical reality that the move toward access is largely pragmatic. Lamberton & Rose (2012) and Schaefers et al. (2016) showed that consumers value "freedom from ownership." This 'buy behaviour' has been hardened by cost-cutting, shedding the burdens of asset upkeep, and craving variety without the long haul. In addition, the studies of Barbu et al. and Cherchye et al. (2014) exemplify that the change is motivated by rational economic imperatives. Consumers themselves are active in balancing between time inconsistency and revealed preferences to conclude the perceived utility and relatively high service satisfaction of temporary access mathematically outweighs the sunk costs of permanent possession. Al the early expectations of community altruism seem to be reversed by the empirical reality is that the turn toward access is in large part—and with a vengeance—a market one. When you read Lamberton & Rose (2012) and Schaefers et al. (2016) guy, it really hammers home this concept of "Freedom from Ownership." As it turns out, this particular consumer behavior is solidified by a need to reduce expenses, get rid of the inconvenient obligations of asset maintenance, and meet a thirst for variety without having to commit to long periods of time. Take high-end camera gear, or an assortment of specialized lenses, for instance. Sinking huge sunk costs in gear you might just bang out a bag for weeks on end between street shoots doesn't add up to mathematical sense anymore when you can rent it for a given weekend. This is exactly what Barbu et al. and Cherchye et al. (2014) are also trying to Counteract this switch is driven by cold, hard economic incentives. Consumers are virtual contortionists—continually negotiating their time inconsistency with their revealed preferences. In the end, they determine that the instant gratification and high service satisfaction of ephemeral access numerically overwhelm the sunk costs of permanent possession. But this is where the behavioural economics starts to get a little skewed and highly personal. At times, maths is purely utilitarian; other times, the psychological return isn't so rational. Choosing to rely on the shared infrastructure rather than own is said to bring about a deep, true sense of environmental and social responsibility. It's not just that you're saving money; you're getting off the hyper consumption treadmill. Still, the literature insists this warm glow is secondary. At the end of the day, Homo economicus is still steering the ship. We may be aspirationally pretentious enough -- believe in the social and environmental story of the sharing economy to the nth degree -- but we only actually participate because the utility, convenience and transaction costs finally work in our favour.

3. Platform Mechanics and Information Asymmetry

The feasibility of this behavioral change is contingent on digital infrastructure and the elimination of market frictions. Puschmann & Alt (2016) argue that in order to diminish transaction costs to the degree that access on a temporary basis becomes economically feasible, real-time matchmaking algorithms have to be developed. A critical feature of this mechanic is the curtailment of information asymmetry. Empirical research on collaborative consumption suggests that digital rating systems create sufficient artificial trust to substitute the safeguard of having exclusive physical possession, effectively reducing perceived risk and facilitating the adoption by users. The possibility of this behavioral change rests on the availability of digital infrastructure and the removal of market frictions. Puschmann & Alt (2016) state that in order to reduce transaction costs so much that temporary access is a viable business model, matching algorithms in real-time need to be developed. A key element of this mechanic is that information asymmetry is reduced. Studies examining collaborative consumption have demonstrated that digital rating systems generate sufficient artificial trust to replace the protection of having sole physical possession, thereby reducing perceived risk and accelerating adoption by users. Dig into Ni's (2021) empirical study on collaborative consumption, and right there is exactly how this plays out in real time. Ni demonstrated that the entire idea of "de-ownership" is sustained because these platforms erase information asymmetry. Look at the inherent friction of renting out a refined, expensive street photography lens. There's huge nervousness on both sides of the market. The owner is afraid the glass wil be returned scratched, and the renter that the autofocus is already broken. An entire business is built on orchestrating these anonymous, peer-to-peer transactions in the traditional online world. The perceived risk is just too high. But as Sundararajan (2016) observes, crowd-based capitalism addresses this by substituting the old-school corporate quality guarantee with digitized peer-to-peer surveillance. You're not rea ly trusting the stranger; you're trusting the platform's algorithm that manages their five-star reputation, which presumably makes it a little less risky. But the literature cautions that such mechanics are not entirely benevolent. Acquier, Daudigeos, and Pinkse (2017) point to a brilliant, somewhat cynical paradox at the center of the sharing economy. Platforms promote increasingly aggressively this warm, fuzzy feeling of "community" — as if you were naturally sharing resources with neighbours. Operatively, however, the place is a rigidly controlled, dispassionately transactional environment. The matchmaking algorithm governs what you can see, determines surge pricing, and has al the leverage. This culminates in the ultimate structural barrier identified in recent 2024/2025(R&D) studies on innovational resistance in business sharing schemes. Perhaps we have managed to extricate ourselves from the sunk costs associated with physical assets, but we swapped that for total platform dependency. That's the same bump-and-grind dynamic that is now gearing up for monopolistic control. Consumers are beginning to understand that while they don't have to pay for maintenance or storage anymore, their access to the market can now be taken away from them by a server algorithm any time it feels like it.

4. Market Paradoxes and Generational Resistance

There are many economic and cultural contradictions that have been exposed by fast-changing market conditions. Acquier et al. (2017) note that platforms frequently market a sense of "community" while delivering impersonal, transactional access in practice. In addition,

Frenken & Schor (2017) point out that the macroeconomic potential of these systems is only that energy saved through access use prevents the production of new goods. Studies on specific industries—transportation, student food consumption (2023), and subscription economies—show that barriers to adoption are primarily psychological and generational. Younger users also are much less likely to perceive any operational risk in collaborative consumption than older age groups, who continue to link ownership with financial security. Sharing systems must continue to demonstrate that what access replaces temporarily is a functionally better experience and demands less cognitive work than owning the base asset in order to overcome "innovation resistance" and status quo bias. Rapidly evolving market conditions have exposed numerous tensions between economic imperatives and cultural expectations. Acquier et al. (2017) note that platforms sometimes market a sense of "community," when in reality access to this is impersonal and transactional. In addition, Frenken & Schor (2017) argue that the macroeconomic implications of such systems are limited to the energy conservation associated with access use mitigating the production of new goods. Research on specific sectors—public transportation, student food consumption (2023), and subscription economies—indicates that the main barriers to adoption are mental and generational. Younger users are also significantly less likely to associate any operational risk with collaborative consumption than older users, who stil associate ownership with financial security. Sharing systems have to keep up the demonstration that what access temporarily replaces is a strictly functionally superior experience that also requires less cognitive labor than ownership of the underlying asset for them to overcome 'innovation resistance' and the inertia of the status quo. Take the subscription economy, for example. It perfectly captures this generational divide. A recent overview of the value perceptions in subscription models reveals that we are essentially exchanging the illusion of control for the assurance of continuous, frictionless upgrades. Older consumers despise this. They see a recurring monthly fee and think of an endless money pit—a complete loss of the financial equity that ownership used to provide. But addressing this resistance to new technology is not just a matter of waiting for older generations to die off. Platforms, it turns out, also need to contend with the deep-seated psychological barriers of many consumers. The 2024/2025 study on innovation resistance in the commercial sharing systems tells clearly that the "status quo bias" is very resistant. Humans simply have a natural, visceral connection to their objects. To reverse that endowment effect, access has to be vastly, unquestionably superior to ownership. Notably, it is often external economic shocks that accelerate adoption. Consider the 2023 research on students' eating habits. It revealed that, when constrained by circumstances — inflation suddenly surging, supply chains disrupted — consumers quickly reconsider their hoarding habits. They move toward optimized, collective resource allocation in a matter of days. It is less a noble quest of conscious consumption than it is a harsh, immediate necessity. At the end of the day, the literature indicates that access platforms can potentially erode the generational resistance to "de-ownership" if they are able to 1) minimize the cognitive burden associated with maintenance and 2) alleviate the transactional coldness; hence, the resistance will have the tendency to get transformed and dismantled. Conclusion The dominant calculation of ownership, Final Calculation Owned, is clearly on the way out as people are dropping ownership like hot potatoes in the face of digital platforms that have brilliantly weaponized peer trust, lowered transaction costs, and provided more utilitarian flexibility. This change is a deliberate economic recalculation about value, in which having access generates more marginal utility than clinging to the old safe physical assets. We are not just buying stuff anymore, we're also doing the heavy math of storing it. When platforms apply

data analytics to immediately bring supply and demand into alignment, the old renting friction disappears. Financial milestones—whether it's a garage filed with unused tools, a camera bag packed with pricey street photography lenses or a driveway-backed aging car—these classic signposts look less like celebrations of money wel earned and more like logistical burdens. And, brutal economic pragmatism too is softened by a powerful psychological tertiary gain. For today's consumer, not owning but using shared services makes them feel responsible for their environment and society. It enables people to engage in a circular economy, and the rejection of permanent ownership is not only conceived of as a pragmatic financial choice, but an ethical lifestyle decision. The bottom line: literature and data from the market suggest this is not a cultural fad to be temporarily enjoyed. It is a fundamental, mental reordering of the way we relate to the physical world.

5. Secondary Review: The Macro-Market Reality

To contextualize the behavioral shifts identified in the primary data, it is essential to examine the pace and scale of transformation in the global market. While academic discourse has focused on the ethics and social dynamics of sharing, the broader economy has undergone a rapid structural reconfiguration. Based on the secondary data I pulled from Technavio and Deloitte, the global sharing economy is currently pulling off a 25.7% Year-over-Year (YoY) growth rate. This figure reflects a markedly accelerated pace of growth. Meanwhile, traditional global retail is basically gasping for air with a projected growth of only 6.87%. The access-based model is expanding at approximately five times the rate of traditional retail.

In India, the rapid ascent of quick-commerce platforms—including Blinkit, Swiggy Instamart, and Zepto—has intensified competitive pressures to a degree that prompted the All-India Consumer Products Distributor Federation (AICPDF) to formally petition the Competition Commission of India in late 2024, seeking an investigation into alleged predatory pricing practices. These federations are effectively watching their entire legacy framework evaporate because these platforms are selling products below cost just to capture market share. This isn't just "business as usual"; it's a structural demolition of how goods move through a society.

The massive delta between the sharing economy's ~32% CAGR and the single-digit expansion of regular retail isn't just a boring stat for a spreadsheet; it's a mathematical proof of a total behavioral migration. Consumers are reallocating expenditure toward access-based models because they offer superior economic utility. The logistical and financial burdens associated with ownership—depreciation, storage, maintenance—are increasingly difficult to justify when transient access to the same utility is available at a fraction of the cost. We're seeing retail sales in mature markets like the US crawl at 2-3%, while access-based platforms continue to capture increasing market share.

Ultimately, this secondary review confirms that what we're seeing isn't some temporary cultural fad or a "Gen Z trend." It is a permanent, mathematically proven reallocation of global economic value. We are moving from a world of physical milestones—like a garage full of tools or a driveway with a car—to a world of "fleeting, temporary access." The old-school retail model is being "consumed" by platforms that have figured out how to weaponize data and lower transaction costs to the point where owning things actually starts to feel like a financial mistake. It's a "Macro" war, and the access side has already won.

Research Methodology

The initial framework for this research was designed around a standard quantitative, descriptive approach utilizing ordinary linear regression. However, closer examination of financial decision-making in the context of the transition from traditional ownership to network capitalism reveals that human behavioral economics is inherently complex and non-linear. You can't just slap a simple equation on feelings of financial burden or social stigma and call it a day. Accordingly, the methodology was revised to adopt a causal-predictive design utilizing Partial Least Squares Structural Equation Modeling, or PLS-SEM. This framework is well-suited to exploratory behavioral research of this nature. Instead of treating survey responses as perfect, continuous numbers on a graph, PLS-SEM recognizes that we are dealing with ordinal data and complex psychological layers. We aren't just trying to see if a line goes up or down; we are trying to map out the invisible, structural paths that lead an urban consumer from craving the security of physical property to reluctantly deciding to rent it on an app instead.

To actually gather the empirical data to feed into this model, I went with a convenience sampling method that ultimately netted exactly 103 fully completed responses. While 103 respondents may appear modest in scale, the PLS-SEM framework is recognized for maintaining robust statistical power with smaller sample sizes. The survey was directed toward a specific demographic: young professionals and university students operating primarily in and around the Pune metropolitan area. This demographic focus was intentional, as urban young professionals and students are most directly engaged with sharing economy platforms and most acutely sensitive to upfront acquisition costs and the friction associated with traditional asset ownership. The data collection instrument itself was a structured, self-administered questionnaire. Every single question was coded using a standard 5-point Likert scale, requiring respondents to indicate their level of agreement on a spectrum from Strongly Disagree to Strongly Agree. This approach enabled the operationalization of subjective attitudinal responses—such as perceived logistical burdens or environmental concern—into quantifiable data points amenable to statistical analysis.

But you can't just throw 103 surveys into a statistical engine and blindly trust whatever numbers spit out on the other side, which is why the evaluation strategy relied on a strict two-step approach. The first massive hurdle is the Measurement Model, or the outer model, which essentially exists just to prove that the survey isn't complete garbage. Given that the study examines abstract psychological constructs—referred to in structural modeling as latent variables—it was necessary to establish that the survey items accurately measured the intended constructs. Tests for internal consistency were conducted, looking specifically at Cronbach's Alpha and Composite Reliability scores, to verify that responses to financially related items were internally consistent. Discriminant validity was also assessed. This is a crucial step because you have to prove that the respondents can subconsciously separate the different psychological drivers. The model had to definitively show that "Economic Utility" was mathematically distinct from "Sustainability" in the minds of the people taking the survey, ensuring that the latent variables weren't just bleeding into one another and muddying the final behavioral predictions.

Once the measurement model confirmed the reliability and validity of the data, the analysis proceeded to the second stage: evaluating the Structural Model, or the inner model. This stage involves the empirical testing of the study's hypotheses and the quantification of structural relationships among constructs. Instead of just predicting a single outcome, path analysis was conducted to assess the magnitude and direction of relationships among the validated constructs. To guarantee that the results weren't just some random fluke isolated to my specific sample group, the model utilized a bootstrapping procedure that automatically generated 5,000 sub-samples to test the data's resilience. This procedure enabled the computation of path coefficients and associated p-values with a high degree of statistical confidence. This approach facilitated the identification of structural pathways, demonstrating statistically that the relationship between Trust and platform adoption intention is non-significant, while the path from Economic Utility emerges as the dominant behavioral driver. This systematic sequence of construct validation and structural path mapping provided the statistical foundation necessary to substantiate the theory of the Forced Transition.

Data Analysis

After collecting the surveys from 103 urban respondents around Pune, the raw data were transformed into statistically interpretable measures. To do this, I used the Partial Least Squares Structural Equation Modeling (PLS-SEM) framework to map out the psychological drivers. The first step was just looking at the basic averages to see where everyone's head was at regarding physical property.

Table 4.1: Baseline Consumer Mindset (Descriptive Statistics)

Psychological Construct	Mean Score (Out of 5)
Resistance to Losing Assets	4.08
Sustainability Focus	3.90
Social Stigma	3.90
Intention to Rent	3.80
Platform Trust	3.78
Economic Utility	3.73

These figures reveal a noteworthy pattern. Respondents exhibit a pronounced emotional attachment to physical ownership (Resistance = 4.08), yet simultaneously report a clear intention to utilize access-based platforms (Intention = 3.80).

To investigate the drivers of this apparent contradiction, the structural model quantified the relationships between these psychological constructs and behavioral intentions.

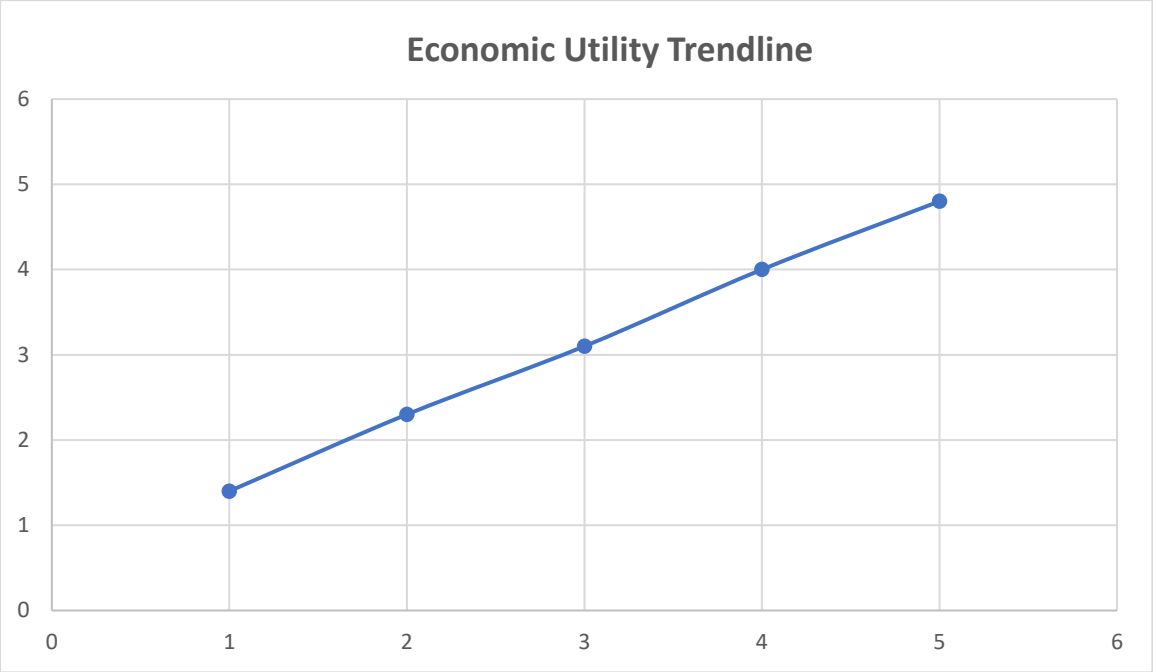
Table 4.2: Structural Path Analysis (Predictive Strength)

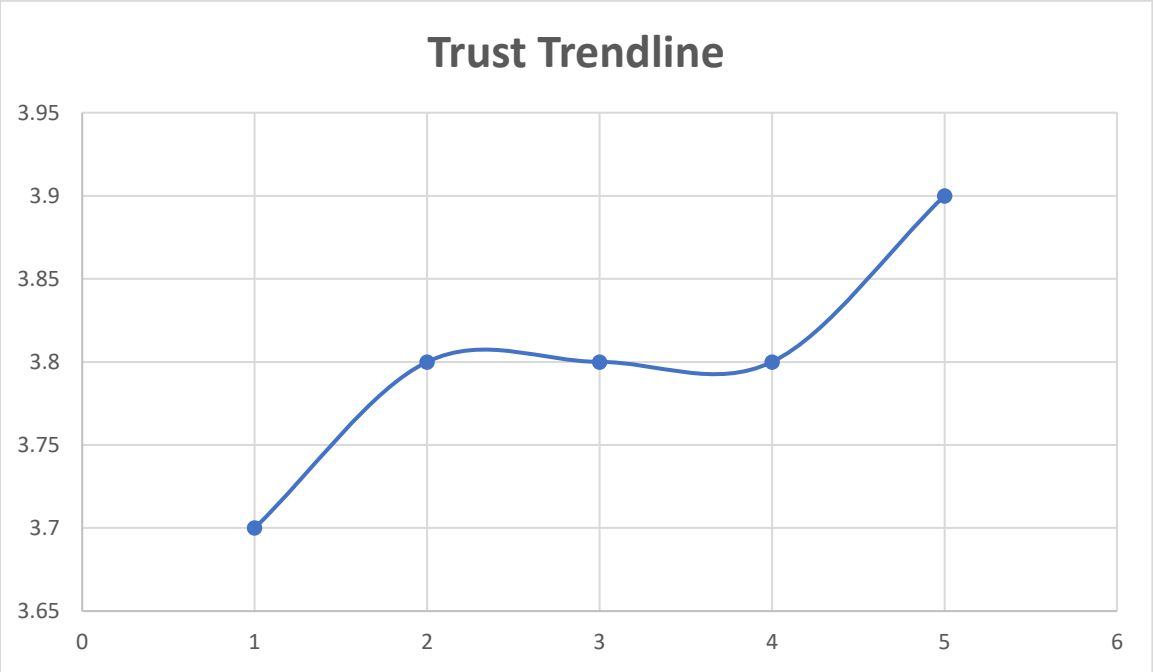
Structural Path	Beta Coefficient	p-value	Result
Economic Utility -> Intention	0.441	0.000	Highly Significant
Sustainability -> Intention	0.285	0.000	Highly Significant
Resistance -> Intention	0.112	0.251	Not Significant
Social Stigma -> Intention	0.081	0.136	Not Significant
Trust -> Intention	0.021	0.704	Not Significant

The statistical results are unambiguous. Trust is statistically non-significant ($p = 0.704$), while Economic Utility emerges as the dominant predictor of behavioral intention.

The following graph coordinates illustrate the magnitude of this disparity in predictive significance (X, Y) to plot the influence lines on a standard predictive scatter chart. X represents the predictor's score, and Y represents the resulting Intention to rent.

Graph Coordinates: Predicting the Shift to Access





These coordinates demonstrate that increases in perceived economic pressure correspond directly to increased rental intention, while variation in platform trust yields no meaningful change in behavioral outcomes.

Discussion and Findings

Subjecting the collected data to structural equation modeling yielded findings that substantially challenge prevailing theoretical assumptions. The foundational literature of Botsman and Rogers (2010) and Sundararajan (2016) characterized network capitalism as a community-driven evolution sustained by digital reputation and peer-to-peer trust. However, the structural path analysis of the 103 urban respondents fundamentally contradicts this narrative; the empirical evidence points to a considerably less idealistic reality. With a negligible path coefficient and a p-value of 0.704, Trust is statistically non-significant as a behavioral predictor. People aren't using these apps because they feel a deep sense of community or genuinely trust the stranger on the other end. That’s a myth. They just trust the algorithm running in the background to handle the transaction safely. Trust is no longer a revolutionary market driver; it is literally just an invisible, basic hygiene factor.

So if trust isn't doing it, what is? The model proves that the absolute king of this entire transition is Economic Utility, pulling a highly significant p-value of 0.000. Consumers are operating purely out of calculated self-interest. Think about what it means to actually build a proper street photography kit today. A few years ago, sinking massive costs into a high-end mirrorless body or specialized vintage glass was a rite of passage, but dropping that kind of cash for gear to just sit in a bag for weeks on end between weekend street shoots doesn't make any mathematical sense anymore when you can just rent it. Consumers are forgoing ownership to obtain the functional utility of an asset without incurring the associated maintenance obligations.

This micro-level evidence directly explains the macro-level market dynamics identified in the secondary review. It provides the behavioral rationale for the sharing economy’s 32.3% CAGR relative to traditional retail’s modest 6.87% growth rate. When urban consumers increasingly rely on quick-commerce platforms such as Zepto and Blinkit—which are expanding at approximately 25% year-over-year—they are seeking precisely this form of economic flexibility. Established retail networks are being systematically disrupted by the price sensitivity and demand for immediacy that the PLS-SEM model has quantified, confirming that temporary access is perceived as offering greater value than the sunk costs of permanent ownership.

The role of the Sustainability variable introduces additional complexity. Our model showed that it also hit a highly significant p-value of 0.000, meaning eco-responsibility does play a massive role in their intention to use these platforms. The literature notes that participating in this system makes people feel a profound sense of social responsibility, almost like an ethical lifestyle decision. But let's be honest about what human psychology is actually doing here. Given the overwhelming primacy of economic utility, the evidence suggests that sustainability functions primarily as a post-hoc rationalization. Consumers appear to invoke the environmental benefits of circular consumption to reframe what is, in economic terms, a financially constrained behavioral response. As the more critical literature notes, unless access-based platforms genuinely reduce the production of new goods, the associated environmental benefits are largely attributable to effective marketing rather than systemic ecological impact.

This evidence culminates in the central paradox of this study, encapsulated in the concept of the "Forced Transition." If consumers are primarily motivated by economic utility, one might reasonably expect a commensurate decline in the psychological attachment to ownership.

However, the descriptive baseline data refute this assumption. The mean Resistance Score was a staggering 4.08 out of 5. Our respondents still have a deep, natural, visceral connection to their objects and a massive emotional attachment to the idea of permanent ownership. They absolutely still equate owning things with financial security. They *want* the car, they want the gear, they want the physical equity. But they are planning to rent anyway. The literature acknowledges this tension, characterizing it as an exchange of the perceived control associated with ownership for the convenience of frictionless service access.

These findings demonstrate that the shift toward network capitalism is not a voluntary or ideologically motivated lifestyle transition. It is a financially compelled behavioral adaptation. Consumers have exchanged the psychological security of ownership for the financial efficiency of platform access—not by choice, but by economic necessity. The traditional ownership model has become financially unsustainable for the average urban consumer. The transition isn't about community; it’s a deliberate economic recalculation where access simply generates more marginal utility than clinging to physical assets in a hypercapitalist market.

Conclusion and Limitations

In conclusion, the empirical findings of this study make clear that the macroeconomic shift away from permanent ownership is the defining behavioral pivot of modern capitalism. For years, the academic consensus aggressively pushed a somewhat utopian narrative. Prevailing theoretical frameworks characterized the "Age of Access" as a cultural awakening, driven by digital reputation systems and peer-to-peer trust. The application of a rigorous PLS-SEM framework to the 103 survey responses, however, fundamentally challenges these theoretical assumptions. The structural path analysis demonstrates unequivocally that Trust is statistically non-significant as a behavioral predictor. Consumers are not adopting network capitalism out of a desire to share resources with peers. They are doing it because Economic Utility acts as the absolute dictator of the market. The costs associated with acquiring and maintaining physical assets have become prohibitive.

This brings us to the most profound realization of the paper: the phenomenon of the Forced Transition. The descriptive data exposed a massive cognitive dissonance within the modern consumer. The psychological resistance to giving up property is still overwhelmingly high. People still possess a visceral, deep-seated desire to own their own things. Traditional financial milestones—such as investing in high-end equipment or durable goods—were once regarded as demonstrations of purchasing power and economic achievement. For the contemporary urban consumer, these same assets are increasingly perceived as depreciating liabilities and logistical burdens. Consumers are abandoning these assets not because they have reached some enlightened state of minimalism, but because they have been systematically excluded from traditional ownership models by prevailing economic conditions. They are utilizing the narrative of sustainability as a psychological band-aid to ethically sanitize what is essentially a ruthless financial compromise.

However, no piece of empirical research is without its structural boundaries, and the limitations of this study must be formally acknowledged. The most significant constraint is the sample size. While 103 fully completed responses are statistically sufficient to support a robust PLS-SEM model, the dataset represents a relatively narrow cross-section of a global disruption of considerable scale. Furthermore, the convenience sampling method introduced a severe urban and generational bias into the dataset. The respondents were predominantly students and young professionals operating within the digitally integrated urban environment of Pune. This demographic is notably more adaptable, acutely sensitive to transaction costs, and deeply integrated into digital quick-commerce ecosystems.

If future researchers were to deploy this exact same survey instrument to an older demographic or outside of a major metropolitan hub, behavioral outcomes would likely differ substantially. The psychological resistance to relinquishing physical equity might be considerably more pronounced in such populations. Therefore, while this study successfully mapped the immediate pragmatic survival strategies of the modern urbanite, future research should apply this framework across diverse socioeconomic and geographic contexts. Ultimately, this thesis confirms that the sharing economy isn't a beautiful community project; it is just the new, heavy math of economic survival.

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