

Article

# Assessing the impact of sharing economy on Greece's hospitality sector: Perspectives from hoteliers and hosts

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**Abstract:** The expansion of short-term rental platforms like Airbnb and HomeAway has reshaped the hospitality sector, introducing competitive pressures for traditional hotels and influencing local communities in Greece. This study examines perceptions among 343 hoteliers and 277 Airbnb hosts across Greece, focusing on economic, competitive, and social impacts of Airbnb-type accommodations. This cross-sectional study used structured questionnaires to assess views on Airbnb's contribution to tourism, competition, and economic performance. Results reveal significant differences in perceptions: hoteliers expressed concerns about increased competition and regulatory inequalities, often viewing Airbnb as a mixed or negative influence on local tourism. In contrast, Airbnb hosts perceived their accommodations as beneficial for tourism growth and local economic support. Key areas of divergence included perceived competitive pressures, impact on overnight stays, and pricing strategies, with Airbnb hosts reporting more frequent economic benefits. These findings emphasize the need for a balanced regulatory approach to ensure fair competition and sustainable growth in Greece's tourism sector. By comparing the perspectives of traditional and alternative accommodation providers, this study provides insights for policymakers seeking to address evolving challenges in the Greek hospitality landscape.

**Keywords:** sharing economy; tourism; short-term rentals; Airbnb; hospitality

## 1. Introduction

The sharing economy, characterized by its emphasis on access over ownership and the optimization of underutilized assets through digital platforms, has redefined traditional industries, including hospitality (Belk, 2014; Schor, 2016). The emergence of platforms like Airbnb and HomeAway has significantly redefined the traditional hospitality landscape, allowing a diverse range of accommodations to be available to travelers, from single rooms to entire homes. These platforms epitomize the rise of the sharing economy, a digital ecosystem that leverages underutilized assets and offers flexibility, personalization, and, in many cases, cost savings. While advantageous for travelers, the widespread adoption of short-term rentals poses challenges for the traditional hotel industry, which now faces a reconfigured competitive environment that has led to new market dynamics, economic pressures, and regulatory discussions. As these platforms continue to expand, their influence extends beyond the reshaping of traveler preferences to the structural transformation of the global accommodation market (Tatsi and Karamanis, 2021).

The rapid growth and diversity of available accommodations have added complexity to tourism decision-making and intensified competition within the

accommodation sector (Tsaih and Hsu, 2018). Traditionally, competition existed primarily among conventional forms of lodging, such as star-rated hotels. However, in addition to traditional accommodations, competition now also stems from alternative lodging options emerging from the sharing economy and online marketplaces, such as Airbnb (Guttentag, 2015; Mody et al., 2017; Phua, 2019; Sigala, 2018; Zervas et al., 2017). As one of the hallmark companies of the sharing economy, Airbnb boasts more than seven million listings of homes, apartments, rooms, even houseboats, and treehouses, in over 100,000 cities across more than 190 countries. Airbnb's size now surpasses that of many well-established international hotel chains (Phua, 2019). Airbnb's expansion has also transformed housing market demand in urban areas, with temporary leases on the rise in major urban tourist regions (de Arenaza et al., 2019; Fang et al., 2016). For instance, de Arenaza et al. (2019) reported that Airbnb listings for sun and beach destinations represent 13.69% of rental housing prices in the coastal region of Andalusia, Spain. Similarly, peer-to-peer (P2P) accommodations facilitated by sharing economy platforms are expected to challenge traditional lodging formats and revolutionize the tourism and hospitality sector (Fang et al., 2016; Sigala, 2018). In 2018, P2P accommodations accounted for approximately 7% of global lodging supply or around eight million beds.

Global research on the economic impact of Airbnb and similar platforms has highlighted diverse, often complex outcomes. For instance, studies in Korea demonstrated limited impact on hotel revenues, noting a seasonal fluctuation in earnings where hotel revenues rose during summer but dropped in winter, largely independent of Airbnb's presence (Choi et al., 2015). Contrastingly, Zervas et al. (2017) in Texas found that Airbnb's penetration into the Austin market notably reduced local hotel revenues by as much as 8%–10%, particularly affecting low-tier hotels that serve budget-sensitive clientele. Similarly, Benítez-Aurioles (2019) reported that Airbnb's growth in Barcelona corresponded with decreased hotel occupancy rates, a rise in daily rates, and a negative impact on hotel revenue per available room (RevPAR), underlining the competitive strain placed on traditional accommodations in high-demand urban markets.

The socioeconomic implications of Airbnb have also been widely documented. While Airbnb often stimulates local economies by increasing tourist footfall and spending, concerns remain over its longer-term effects on housing markets and local infrastructure. Williams and Horodnic (2017), examining data from Eastern Europe and Central Asia, observed that traditional hospitality providers perceived unregistered or informal accommodations as significant barriers to business growth, which can inhibit fair market competition and economic development. In regions where Airbnb has established a robust presence, the platform's unregulated status enables it to circumvent tax obligations and licensing requirements, thus intensifying competition for traditional hotels that must comply with these regulatory standards. This disparity has led to calls for standardized policies to promote fair competition, particularly in destinations where both demand for short-term rentals and housing market pressures are high.

Beyond economic and competitive pressures, psychological and social factors also play a critical role in shaping the dynamics of the sharing economy. Research has highlighted that hosts in accommodation-sharing platforms, such as Airbnb, are often

motivated by opportunities for social interaction and personal development, which extend beyond financial incentives. The ability to engage with guests and form meaningful connections contributes significantly to the attractiveness of hosting, as it provides a sense of achievement and alleviates social or emotional loneliness (Tatsi et al., 2024). To address challenges faced by inexperienced hosts, tools like the “beHost” application provide tailored guidance and predictive insights, helping new entrants align their expectations with market realities (Tatsi et al., 2022).

Airbnb’s appeal lies in its ability to meet contemporary traveler preferences for affordable and immersive local experiences, making it a popular alternative to standardized hotel stays. Lane and Woodworth (2016) highlight that Airbnb’s flexible accommodation supply can reduce room rates, particularly during peak travel periods, impacting the pricing strategies and revenue models of hotels. According to Fang et al. (2016), this increased competition often compels traditional hotels to adopt new service innovations and price adjustments to remain competitive. This dynamic is especially pronounced in markets with substantial Airbnb offerings, where hotel operators experience reduced power to set premium prices and are forced to adjust their strategies to retain guests.

In Greece, where tourism is a cornerstone of the economy, Airbnb’s rapid expansion has generated a lively debate among stakeholders, particularly in popular tourist destinations like Athens, Santorini, and Mykonos. Concerns have emerged around housing affordability, neighborhood character, and market saturation, with Airbnb’s presence contributing to escalating housing costs and altering the demographic composition of residential areas. According to Cheng et al. (2020), Airbnb’s impact extends beyond hospitality to influence local labor markets and housing, complicating recruitment for hotel staff and affecting long-term rental availability for residents. As in many other destinations, this shift has prompted calls for regulatory oversight to address perceived inequities between regulated hotels and unregulated short-term rentals, as highlighted by Ginindza and Tichaawa (2019), who observed similar trends in the Kingdom of Eswatini.

Studies on consumer experience and behavior further underscore Airbnb’s distinct appeal. Mody et al. (2017) found that guests at Airbnb properties reported more personalized and memorable experiences compared to traditional hotel guests, owing to dimensions such as locality, community engagement, and customization. This experiential advantage has created a niche that appeals to travelers seeking authentic local connections and unique accommodations, differentiating Airbnb from the traditional hotel model. In response, traditional hotels are increasingly exploring experiential marketing and emphasizing customer experience as a strategy to compete with Airbnb’s offerings. This shift underscores the adaptive pressures on traditional hospitality providers who must not only address pricing strategies but also enhance the experiential value of their services to retain market share. While the experiential appeal of platforms like Airbnb reshapes the competitive landscape for traditional hotels, it also raises broader questions about the sustainability of the sharing economy and its impact on local communities and the environment.

Academics, media, practitioners and policy makers often promote the sharing economy as contributing to more sustainable consumption (Heinrichs, 2013; Martin et al., 2017). By facilitating access to goods instead of ownership, it is argued that net

consumption is reduced, reducing net production and improving material efficiency, as well as providing other economic and social benefits (Acquier et al., 2017; Belk, 2014; Hamari et al., 2016; Laukkanen and Tura, 2020; Seegebarth et al., 2024). This can reduce resource use and greenhouse gas emissions (Cherry and Pidgeon, 2018; Schor, 2016). Conversely, the sharing economy may contribute negatively to sustainability outcomes due to negative rebound effects—net consumption may increase and current sharing practices may lead to adverse social and environmental impacts (Denegri-Knott, 2011; Kathan et al., 2016; Plepys and Singh, 2019; Schor, 2016). For example, Airbnb has been blamed for increased housing prices, depletion of local housing stock and gentrification, and displacement of local communities (Muñoz and Cohen, 2018).

Despite a growing body of research on Airbnb's global impact, limited studies specifically focus on Greek hospitality professionals and their perceptions of Airbnb's role and influence in the national tourism market. Given Greece's reliance on tourism as a major economic driver, understanding the perspectives of both traditional hoteliers and Airbnb hosts is crucial for navigating this evolving landscape. Research by Strømmen-Bakhtiar and Vinogradov (2019) suggests that Airbnb's impact on hotel occupancy and revenue may vary depending on the level of market penetration, with some regions experiencing stable hotel growth alongside increased Airbnb listings. However, the situation in Greece may be more complex due to the concentration of tourism in specific high-demand areas, where the added competition from Airbnb could intensify both seasonal fluctuations and pricing volatility for hotels. Existing literature often overlooks the nuanced perceptions of traditional hoteliers and Airbnb hosts in regions where tourism is a major economic driver, such as Greece.

The purpose of this study is to address this research gap by examining the perspectives of Greek hoteliers and Airbnb hosts on the implications of Airbnb for tourism development, competitive dynamics, and economic performance within Greece. By analyzing these stakeholders' attitudes, concerns, and strategies, this study seeks to provide insights that can inform policy decisions and strategic planning within Greece's hospitality sector. This understanding is critical for fostering a balanced approach that maximizes the benefits of the sharing economy while addressing its challenges, ensuring that Greece's tourism industry remains resilient and sustainable in the face of evolving consumer demands and market conditions.

Therefore, based on the existing literature and the theoretical framework of the sharing economy, we tested the following hypotheses:

H1: Hoteliers are more likely than Airbnb hosts to perceive the development of similar hospitality units as a threat to their business operations.

H2: Airbnb hosts are more likely to view Airbnb-type accommodations as positively contributing to tourism development compared to hoteliers.

H3: The perceived competition from Airbnb-type accommodations will significantly influence the pricing strategies of traditional hotels.

H4: Airbnb-type accommodations have a significant positive impact on increasing overnight stays and generating revenue within the tourism industry.

## 2. Materials and methods

### 2.1. Study design and participants

This cross-sectional study surveyed a total of 620 participants from various regions in Greece, comprising 343 hoteliers and 277 hosts of Airbnb-type properties. The study aimed to capture and compare the perspectives of these two distinct groups concerning the impact, competitive dynamics, and economic implications of Airbnb-type accommodations within the hospitality sector. By focusing on both traditional and alternative accommodation providers, the research provides insight into how the sharing economy, exemplified by platforms like Airbnb, affects stakeholders with differing business models and market priorities. Participants were selected to represent a diverse cross-section of the Greek hospitality industry, ensuring a comprehensive view of perceptions across different geographic and economic contexts. The study gathered data on participants' views regarding competition, tourism development, and perceived financial impacts, with the goal of contributing to an informed discussion on regulatory considerations and strategic adaptation within Greece's evolving tourism landscape.

Participants were selected through a targeted outreach strategy to ensure a diverse and representative sample of the Greek hospitality industry. Diversity was defined based on geographic location (representation across Greece's 13 administrative regions), property type (hotels versus short-term rental properties), and market characteristics. Recruitment efforts aimed to reflect the regional distribution of accommodations as provided by the Institute of the Greek Tourism Confederation (INSETE) national statistics (INSETE, 2023).

**Table 1** presents the proportional representation of each accommodation category in the sample by the administrative regions of Greece compared to the national distribution. Notably, in 10 out of 13 regions, the representation in the sample closely mirrors national percentages. Exceptions include the regions of Western Greece, Western Macedonia, and Epirus, where the sample shows overrepresentation, attributed to the inherent sampling bias of purposive sampling. The cumulative percentages in the sample exceed 100%, as some participants reported operating across multiple regions.

**Table 1.** Regional representation of accommodation categories in Greece: comparison between national and sample distributions.

Region	Hotels (National)	Hotels (Sample)	Airbnb-type properties (National)	Airbnb-type properties (Sample)
Eastern Macedonia-Thrace	3.8%	5.7%	3.6%	5.4%
Attica	6.9%	1.3%	13.1%	22.2%
Northern Aegean	3.8%	6.4%	2.1%	2.5%
Western Greece	2.7%	7.0%	1.7%	2.9%
Western Macedonia	1.2%	7.0%	0.2%	2.9%
Epirus	4.3%	17.8%	2.3%	6.8%
Thessaly	5.4%	6.4%	4.7%	4.7%
Ionian Islands	10.0%	5.1%	15.8%	10.4%

**Table 1.** (Continued).

<b>Region</b>	<b>Hotels (National)</b>	<b>Hotels (Sample)</b>	<b>Airbnb-type properties (National)</b>	<b>Airbnb-type properties (Sample)</b>
Central Macedonia	11.4%	15.3%	11.1%	14.0%
Crete	16.4%	14.0%	15.2%	14.3%
Southern Aegean	22.4%	7.6%	21.9%	12.2%
Peloponnese	6.7%	7.0%	5.6%	12.2%
Central Greece	5.0%	8.9%	2.5%	3.2%

## 2.2. Data collection

Data collection was facilitated via structured questionnaires, which included a range of items related to the perceived impact of Airbnb-type accommodations, competitive pressures, economic performance, and overall attitudes toward the sector’s evolving landscape. Data were collected using Google Forms, a secure and widely used digital platform for surveys. Invitations were distributed via email and social media. The form was configured to ensure that no personally identifiable information, such as email addresses or IP data, was collected.

To safeguard anonymity, all responses were assigned randomized identification codes during processing. Participants were informed about the study’s purpose and guaranteed full anonymity through an electronic informed consent process. Responses were encrypted and securely stored in a password-protected database accessible only to the research team.

These measures ensured participant privacy, compliance with ethical standards, and data integrity, while the regional distribution of the sample provided a robust representation of Greece’s diverse hospitality landscape.

## 2.3. Statistical analysis

The statistical analysis for this study was performed using IBM SPSS Statistics (IBM Corp, 2023). Both descriptive and inferential statistical methods were utilized to explore the perceptions of hoteliers and Airbnb hosts regarding tourism development, competition, and economic impacts. The analysis focused on identifying statistically significant differences between the two groups across multiple dimensions.

To assess these differences, Pearson’s Chi-Square ( $\chi^2$ ) test was employed, as it is a widely used non-parametric statistical test for examining associations between categorical variables. This test was chosen due to its suitability for analyzing relationships within contingency tables, such as the perception-based responses in this study. Pearson’s  $\chi^2$  evaluates whether the observed distribution of responses differs significantly from the expected distribution under the null hypothesis of independence. A *p*-value of less than 0.05 was considered indicative of a statistically significant association, allowing us to reject the null hypothesis.

In addition to the  $\chi^2$  test, Cramér’s *V* was used as a measure of effect size to quantify the strength of the association between the categorical variables. Cramér’s *V* provides a normalized value ranging from 0 to 1, where:

- Values close to 0 indicate a weak or negligible association.
- Values between 0.1 and 0.3 suggest a moderate association.

- Values above 0.3 typically indicate a strong association.

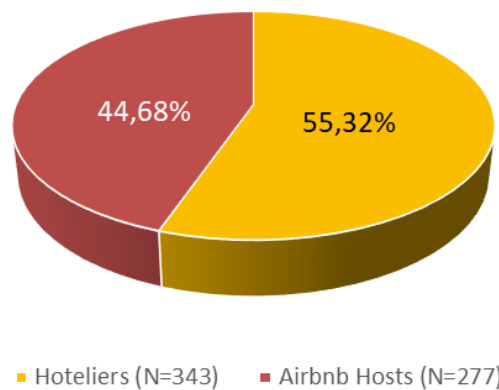
The inclusion of Cramér’s  $V$  is critical for interpreting the practical significance of statistically significant results, especially in cases where large sample sizes could inflate the  $\chi^2$  statistic. This measure allowed us to better understand the magnitude of the relationships observed, beyond their statistical significance.

The combination of Pearson’s  $\chi^2$  and Cramér’s  $V$  provided a robust framework for analyzing the categorical data in this study, ensuring that the findings not only identified significant differences but also contextualized their importance in terms of effect size. These statistical methods were integral to addressing the research objectives and uncovering nuanced insights into the perceptions of hoteliers and Airbnb hosts.

### 3. Results

The current study aimed to investigate the perceptions of two distinct groups, hoteliers and hosts of Airbnb-type properties, regarding the impact of Airbnb-type accommodations on tourism development, competition, and their economic performance in the region. As illustrated in **Figure 1**, the study included 620 participants, consisting of 343 hoteliers (55.3%) and 277 Airbnb hosts (44.7%).

Distribution of Hoteliers and Airbnb Hosts



**Figure 1.** Distribution of hoteliers and Airbnb hosts.

#### 3.1. Impact of similar units on regional development

When asked about the impact of developing similar hospitality units in their region, responses varied considerably between the two groups. A positive impact was reported by 69.0% of hoteliers and 50.7% of Airbnb hosts. In contrast, 12.9% of hoteliers and 16.7% of Airbnb hosts indicated a negative perception. The “neutral” stance was more prevalent among Airbnb hosts (32.6%) compared to hoteliers (18.1%).

This difference was statistically significant, as evidenced by Pearson’s  $\chi^2 = 22.93$ ,  $p < 0.001$  and Cramér’s  $V = 0.19$ , indicating a small to moderate association. These results suggest that hoteliers are more likely to perceive a positive impact from the development of similar units in their region, whereas Airbnb hosts tend to adopt a more neutral or negative stance. This difference may reflect divergent economic

interests and operational models between traditional hotels and Airbnb-type accommodations.

### **3.2. Perceived competition in the hospitality sector**

Understanding perceptions of competition in the hospitality sector provides valuable insights into market dynamics and strategic positioning among hoteliers and Airbnb hosts. Participants were asked to identify their primary competitors, revealing notable differences between the two groups.

Among hoteliers, 22.2% identified other hotels with similar amenities as their primary competitors, while only 4.0% of Airbnb hosts considered hotels as competitors. Conversely, 26.3% of hoteliers and 37.3% of Airbnb hosts viewed Airbnb-type apartments as their primary competitors. Interestingly, 37.4% of hoteliers and 38.4% of Airbnb hosts identified both hotels and Airbnb-type apartments as competitors, indicating that a significant proportion of respondents from both groups perceive competition from both sectors. Additionally, 14.0% of hoteliers and 20.3% of Airbnb hosts did not consider either category as competition.

These differences were statistically significant (Pearson's  $\chi^2 = 45.59$ ,  $p < 0.001$ , Cramér's  $V = 0.27$ ), suggesting a moderate association between group affiliation and perceptions of competition. Specifically, hoteliers tend to perceive competition predominantly within their sector, reflecting a focus on similar offerings, whereas Airbnb hosts demonstrate a more varied perception, often viewing hotels as less relevant competitors. This variability in Airbnb hosts' responses may reflect their diverse offerings and target demographics, which often overlap with traditional hotel clientele. These findings underscore the complexity of competition in the hospitality sector and suggest differing strategic challenges for hoteliers and Airbnb hosts.

### **3.3. Contribution of Airbnb-type accommodations to tourism development**

Airbnb-type accommodations have been widely debated regarding their role in enhancing regional tourism development, particularly in comparison to traditional hotel offerings. The majority of Airbnb hosts (72.6%) "strongly agreed" that Airbnb-type accommodations contribute positively to regional tourism development. In stark contrast, only 8.5% of hoteliers shared this view. Disagreement was notably higher among hoteliers, with 19.8% strongly disagreeing and 16.9% somewhat disagreeing about the positive contribution of Airbnb-type properties to tourism development.

Statistical analysis confirmed these differences (Pearson's  $\chi^2 = 347.35$ ,  $p < 0.001$ ), revealing a strong association between group affiliation and perception of Airbnb's impact (Cramér's  $V = 0.75$ ). This indicates a significant polarization in viewpoints: Airbnb hosts predominantly view their accommodations as enhancing regional tourism growth, whereas hoteliers are more likely to perceive Airbnb as having a limited or even negative impact.

The contrasting views may reflect underlying economic and operational tensions. Hoteliers might perceive Airbnb-type accommodations as disruptive competitors, potentially reducing market share and affecting pricing strategies. In contrast, Airbnb hosts may associate their properties with attracting new demographics and fostering a



more diverse tourism offering. These findings underscore the need for further exploration of how Airbnb-type accommodations influence regional tourism dynamics and the broader implications for both sectors.

**Table 2** summarizes key differences in perceptions between hoteliers and Airbnb hosts regarding tourism development and competition.

**Table 2.** Perceptions of hoteliers and Airbnb hosts on tourism development and competition.

	Hoteliers (N = 343)	Airbnb Hosts (N = 277)	p-value
Positive view on the development of similar accommodations in the area	69.0%	50.7%	< 0.001 Pearson's $\chi^2 = 22.93$
Perception of competition from other hotels	22.2%	4.0%	< 0.001
Perception of competition from Airbnb-type apartments	26.3%	37.3%	Pearson's $\chi^2 = 45.59$
Agreement that Airbnb-type accommodations contribute to tourism development	8.5%	72.6%	< 0.001 Pearson's $\chi^2 = 347.35$

### 3.4. Sustainability of Airbnb-type accommodations

The longevity of Airbnb-type accommodations is a critical issue for understanding their impact on the hospitality sector and their role in shaping future market dynamics. In this study, 67.6% of hoteliers and 94.9% of Airbnb hosts agreed that Airbnb is a permanent feature of the hospitality landscape. In contrast, 32.4% of hoteliers and only 5.1% of Airbnb hosts perceived Airbnb as a passing trend.

This variation was statistically significant (Pearson's  $\chi^2 = 69.14, p < 0.001$ ), with a moderate association (Cramér's  $V = 0.34$ ), indicating differing perspectives between the two groups. While most stakeholders recognize Airbnb's enduring presence, hoteliers exhibit greater skepticism compared to Airbnb hosts. This skepticism may reflect concerns about market volatility, regulatory uncertainties, and the perceived disruptive impact of Airbnb on traditional accommodation providers.

These findings underscore the need for ongoing dialogue and collaboration between traditional and non-traditional stakeholders to address challenges and capitalize on opportunities in the evolving hospitality landscape.

### 3.5. Impact on overnight stays and annual revenue per room

Understanding the economic impact of Airbnb-type platforms provides insights into their role in shaping market dynamics, particularly in terms of overnight stays and revenue generation. The study revealed significant differences between hoteliers and Airbnb hosts regarding these metrics.

Specifically, 15.4% of hoteliers reported an increase in overnight stays, compared to 61.7% of Airbnb hosts who observed such an increase. Similarly, only 14.3% of hoteliers reported increased annual revenue per room, whereas 66.5% of Airbnb hosts experienced revenue growth.

Both findings were statistically significant (Pearson's  $\chi^2$  for overnight stays = 154.99,  $p < 0.001$ , Cramér's  $V = 0.51$ ; Pearson's  $\chi^2$  for revenue per room = 183.02,  $p < 0.001$ , Cramér's  $V = 0.55$ ). These Cramér's  $V$  values indicate strong associations, underscoring the substantial differences in perceived economic benefits. Airbnb hosts appear to derive greater advantages from Airbnb's presence, likely due to their ability

to attract diverse customer segments, adapt pricing strategies dynamically, and operate with lower fixed costs compared to traditional hotels.

### 3.6. Price adjustment to maintain competitiveness

Price adjustment is a critical strategy in maintaining competitiveness, particularly in dynamic markets influenced by platforms like Airbnb. To assess competitive pressures, participants were asked if they had to lower their room rates due to the presence of Airbnb-type accommodations. Among respondents, 22.5% of hoteliers and 32.0% of Airbnb hosts reported reducing rates to remain competitive.

This difference was statistically significant (Pearson’s  $\chi^2 = 6.38$ ,  $p = 0.012$ , Cramér’s  $V = 0.10$ ), indicating a weak association. While both groups experience competitive pressures, Airbnb hosts are somewhat more likely to adjust their pricing. This tendency may reflect their reliance on dynamic pricing models and their greater exposure to market fluctuations compared to traditional hoteliers.

### 3.7. Perceived competitive advantages of Airbnb-type accommodations

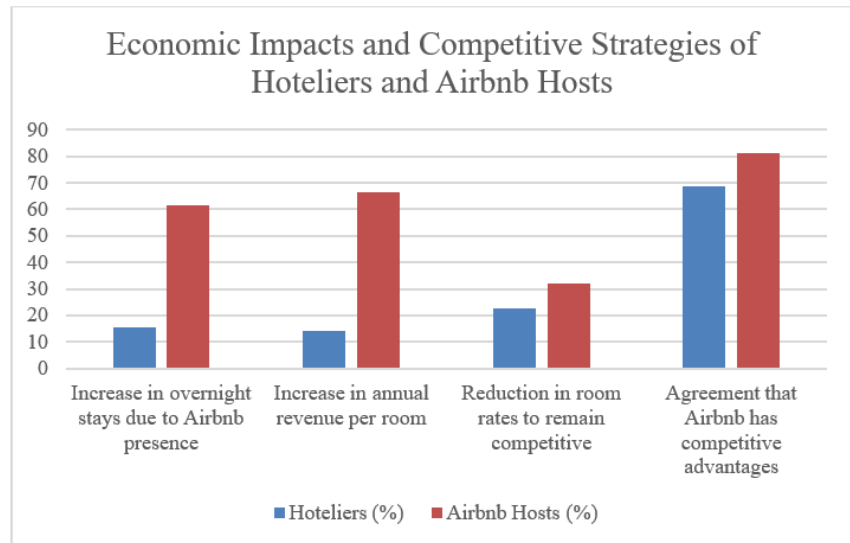
Understanding perceived competitive advantages of Airbnb-type accommodations helps explain their market positioning and continued appeal to travelers. Participants were asked whether they agreed that Airbnb-type accommodations possess two primary competitive advantages: affordability and local experience. Among respondents, 68.8% of hoteliers and 81.1% of Airbnb hosts agreed with this statement.

This difference was statistically significant (Pearson’s  $\chi^2 = 11.35$ ,  $p = 0.001$ , Cramér’s  $V = 0.14$ ), indicating a weak association. While both groups widely acknowledge the appeal of Airbnb-type accommodations, Airbnb hosts perceive these factors as slightly more significant. This stronger agreement among Airbnb hosts may reflect their direct involvement in promoting these advantages as part of their value proposition.

**Table 3** and **Figure 2** presents the perceived economic impacts of Airbnb by hoteliers and Airbnb hosts, along with the strategies used to maintain competitiveness.

**Table 3.** Economic impacts and competitive strategies of hoteliers and Airbnb hosts.

	Hoteliers (N = 343)	Airbnb Hosts (N = 277)	p-value
Increase in overnight stays due to Airbnb presence	15.4%	61.7%	< 0.001 Pearson’s $\chi^2 = 154.99$
Increase in annual revenue per room	14.3%	66.5%	< 0.001 Pearson’s $\chi^2 = 183.02$
Reduction in room rates to remain competitive	22.5%	32.0%	0.012 Pearson’s $\chi^2 = 6.38$
Agreement that Airbnb has competitive advantages (price, local experience)	68.8%	81.1%	0.001 Pearson’s $\chi^2 = 11.35$



**Figure 2.** Economic impacts and competitive strategies of hoteliers and Airbnb hosts.

#### 4. Discussion

The findings of this study shed light on the complex dynamics between traditional hotels and Airbnb-type accommodations in Greece, reflecting a multifaceted landscape of economic impact, competition, and divergent perceptions of the sharing economy’s role in tourism development.

The findings of this study can be contextualized within the framework of disruptive innovation theory, which posits that new market entrants with novel business models or technologies often disrupt traditional industries by catering to underserved or cost-sensitive market segments (Christensen, 1997). Platforms like Airbnb epitomize this phenomenon by leveraging technology to provide affordable, flexible, and localized accommodation options, challenging the dominance of traditional hotels. As demonstrated by our results, Airbnb’s ability to attract budget-conscious travelers and those seeking unique experiences directly aligns with the characteristics of disruptive innovation.

This study’s findings align closely with the principles of sharing economy theory, which emphasizes the role of digital platforms in reshaping traditional markets by democratizing access to services and creating new forms of value (Sundararajan, 2016). Airbnb, as a prominent example, facilitates the utilization of underused housing assets, providing an income source for property owners while meeting evolving consumer preferences for localized, affordable experiences. However, the results also highlight the dual nature of the sharing economy: while Airbnb hosts perceive significant economic benefits, traditional hoteliers express concerns about unregulated competition and market saturation. These findings echo broader critiques of the sharing economy, which argue that its rapid expansion often disrupts existing industries, raises regulatory challenges, and exacerbates issues such as housing affordability (Cheng et al., 2020; Ginindza and Tichaawa, 2019).

Moreover, Airbnb’s rapid growth reflects the broader impact of the sharing economy on traditional industries. The sharing economy, characterized by the use of digital platforms to optimize underutilized assets, has not only redefined consumer

behavior but also compelled traditional players to adapt to new competitive pressures (Belk, 2014; Schor, 2016). For example, the necessity for hotels to reduce room rates, as reported by 22.5% of hoteliers in our study, highlights the pricing pressures exerted by Airbnb's model of dynamic supply and cost-effectiveness.

#### **4.1. Economic impact and tourism development**

The results indicate significant differences in perceptions of Airbnb's contribution to tourism development. While Airbnb hosts largely view the platform as a positive force, hoteliers express mixed to negative views, likely influenced by perceived competition and pressure on traditional business models. This pattern aligns with Guttentag and Smith's (2017) findings that Airbnb users appreciate the affordability and local authenticity offered by short-term rentals, often at the expense of traditional accommodations. Similarly, Mody et al. (2017) argue that Airbnb's experiential focus resonates with travelers seeking unique, localized experiences, which contributes to its popularity as an alternative to hotels.

While Airbnb can indeed stimulate local tourism by increasing visitor numbers and fostering spending, Ginindza and Tichaawa (2019) emphasize that unregulated short-term rentals can lead to tax and regulatory discrepancies, potentially disadvantaging hoteliers who adhere to legal and operational standards. This disparity may contribute to the hoteliers' more reserved stance on Airbnb's positive contributions. As our results reveal, a substantial portion of hoteliers expressed concerns regarding the proliferation of Airbnb units in their regions, suggesting that such growth may not benefit the entire tourism ecosystem uniformly.

#### **4.2. Competition and market dynamics**

The findings of this study further reveal that Airbnb hosts and hoteliers perceive competition differently. Hoteliers largely view other hotels as their primary competitors, while Airbnb hosts consider both hotels and other short-term rentals as competitive threats. This aligns with Dogru et al. (2019), who identified Airbnb as a significant competitor that pressures hotels to modify pricing strategies and adjust service offerings. The increase in Airbnb listings can impact the average daily rates (ADR) and revenue per available room (RevPAR) of hotels, as observed by Zervas et al. (2017) in Austin and by Benítez-Aurioles (2019) in Barcelona.

Our data show that hoteliers in Greece are particularly sensitive to the competition posed by Airbnb, a trend echoed in the literature. Lane and Woodworth (2016) suggest that Airbnb's flexible pricing and high availability enable it to capture market share, especially during peak travel seasons, thereby diminishing the pricing power traditionally held by hotels. The competitive strain from Airbnb is evident, with a notable portion of hoteliers in our sample reporting that they have had to lower room rates to remain competitive. This pricing adjustment is consistent with Cheng et al. (2020), who observed that Airbnb's presence often compels hotels to adopt similar pricing flexibility to attract budget-conscious travelers, particularly in markets with high Airbnb saturation.

The disparity in perceptions between hoteliers and Airbnb hosts highlights the transformative impact of the sharing economy on traditional industries. Hoteliers'

concerns about price pressures and market saturation reflect the disruptive nature of Airbnb, which operates outside traditional regulatory frameworks while leveraging its digital platform to scale rapidly (Christensen, 1997; Sundararajan, 2017). Conversely, Airbnb hosts' positive views underscore the platform's ability to democratize income generation and create value for individuals who previously lacked access to the hospitality market, a hallmark of the sharing economy.

### **4.3. Regulatory and social implications**

The unregulated nature of short-term rentals has been a contentious issue in many markets, and the Greek hospitality sector is no exception. Hoteliers in our study expressed concerns over regulatory inequities, echoing findings from Ginindza and Tichaawa (2019) and Williams and Horodnic (2017), who noted that the lack of regulatory oversight on platforms like Airbnb can undermine traditional businesses that adhere to compliance standards. This disparity places additional economic pressure on hotels, which are required to meet tax, licensing, and health standards that Airbnb hosts often bypass.

Moreover, Airbnb's rapid expansion in Greek cities and tourist hotspots has led to concerns over housing affordability and community displacement—a phenomenon documented in Barcelona and other urban centers with high tourist demand (Benítez-Aurioles, 2019). This trend, driven by the increased demand for short-term rentals, raises questions about Airbnb's long-term effects on local communities. Cheng et al. (2020) highlight that, while Airbnb can fill accommodation gaps during peak seasons, it can simultaneously disrupt local housing markets by reducing long-term rental availability and driving up housing prices.

### **4.4. Implications for the Greek hospitality sector**

This study's findings underscore the need for a balanced regulatory approach to ensure fair competition and protect the interests of traditional hospitality providers while accommodating the growth of the sharing economy. As observed by Heo et al. (2019), the integration of Airbnb into local economies requires policies that address its unique market structure, such as flexible zoning laws and targeted taxation policies. In Greece, where tourism represents a significant economic sector, such measures are particularly relevant to prevent potential over-saturation of Airbnb listings in key tourist areas.

Additionally, the perceptual divide between Airbnb hosts and hoteliers on economic and social impacts suggests that strategic adaptations are essential for hoteliers. Dogru et al. (2020) emphasize that hotels can enhance their competitive positioning by focusing on unique, high-value experiences that distinguish them from Airbnb offerings. By prioritizing experiential marketing and investing in personalized service, hotels can attract customers seeking memorable experiences—an approach increasingly recommended by hospitality researchers as a competitive strategy against Airbnb's lower-cost, localized model.

## **5. Conclusion**

This study provides a comprehensive look into the perceptions of Greek hoteliers and Airbnb-type property hosts, revealing a nuanced picture of the economic, competitive, and social impacts associated with the rise of short-term rental platforms in Greece. The findings suggest a clear divergence in views, with Airbnb hosts predominantly viewing their role as positive for local tourism, while hoteliers express more caution, largely due to perceived competition and regulatory inequalities.

The economic influence of Airbnb, while beneficial for some, has created competitive pressures for traditional hotels, leading to adjustments in pricing and service offerings. Additionally, the unregulated nature of short-term rentals has raised concerns among hoteliers, who argue that this disparity disrupts fair competition and places undue strain on hotels that adhere to stricter regulatory standards. These findings align with the broader literature, which has highlighted similar patterns of concern in various global markets.

In Greece, where tourism is a major economic pillar, the rise of Airbnb presents both opportunities and challenges. As the hospitality landscape continues to evolve, policies that balance innovation with sustainability and fairness are essential to maintaining a thriving tourism industry that serves all stakeholders. Embracing experiential and service-based strategies may enable traditional hotels to better compete with Airbnb-type properties, attracting guests who prioritize high-quality and unique experiences.

Based on the findings of this study, several policy recommendations are proposed to address the challenges posed by the rapid expansion of short-term rental platforms in Greece. A standardized licensing scheme for short-term rentals is essential to create a level playing field between traditional hotels and alternative accommodations. This framework should include minimum health and safety standards, mandatory reporting of rental income, and zoning restrictions to prevent the over-concentration of short-term rentals in heavily saturated areas. Additionally, the establishment of a regulatory body dedicated to overseeing the sharing economy would ensure compliance with transparency, taxation, and competition standards. Such a body could collaborate with local governments to adapt regulations to regional needs, balancing economic growth with community well-being.

Tax reforms are also necessary to harmonize contributions from short-term rental operators and traditional accommodation providers. Simplified taxation procedures for hosts could enhance compliance and reduce administrative complexity. Furthermore, initiatives encouraging collaboration between hotels and Airbnb hosts, such as joint marketing campaigns and combined tourism packages, could foster a more integrated hospitality sector. Finally, the development of a centralized database for short-term rental properties, supported by regular data reporting from platforms, would improve market transparency and facilitate data-driven policymaking. These measures aim to ensure that the benefits of the sharing economy are harnessed while mitigating its potential negative impacts on local communities and the traditional hospitality sector.

## **Limitations and future research**

This study has several limitations that provide pathways for future exploration. First, as a cross-sectional study, it captures the perceptions of participants at a single point in time. Attitudes toward Airbnb and short-term rentals may vary with seasonal shifts in tourism or changes in regulatory policies. Future research could employ a longitudinal approach, tracking the evolving perspectives of hoteliers and Airbnb hosts over time, particularly in response to any new regulatory interventions.

Second, this study focused primarily on the supply side by examining the views of accommodation providers. A complementary study involving tourists would offer a fuller understanding of how consumer preferences influence the dynamics between hotels and Airbnb properties. By comparing provider and traveler perspectives, future research could reveal how well the motivations of both groups align with the shifts observed in the hospitality market.

Building on the findings of this study, several targeted research avenues can further illuminate the dynamics between traditional and alternative accommodations in Greece. One important area for future exploration is the impact of seasonal tourism fluctuations on the competition between hotels and Airbnb. Seasonal variations in demand are a defining characteristic of the Greek tourism sector, and understanding how they influence pricing strategies, occupancy rates, and market share could provide deeper insights into the adaptive strategies of both hotels and short-term rental operators. Another critical topic is the long-term impact of Airbnb on housing affordability in Greek tourist destinations. While our study highlights concern about regulatory disparities and competition, a more detailed examination of Airbnb's role in shaping local housing markets—particularly in high-demand regions—would be valuable. This could include analysis of rental price inflation, displacement of local residents, and changes in urban planning policies.

Additionally, future research could investigate the effectiveness of regulatory interventions aimed at balancing innovation and fairness in the hospitality sector. Comparative studies examining regions with differing levels of regulation could shed light on best practices for managing the coexistence of hotels and short-term rentals. Lastly, exploring consumer perspectives on the trade-offs between cost, experience, and convenience when choosing between hotels and Airbnb properties could provide a more holistic view of market dynamics, complementing the supply-side focus of this study. These focused research questions will help deepen understanding of the ongoing transformations in the hospitality sector and support evidence-based policymaking for sustainable tourism development in Greece.

In conclusion, this study underscores the need for a balanced approach to the regulation and growth of Airbnb in Greece. As both traditional and alternative accommodation providers adapt to an evolving market, ongoing research and proactive policymaking will be crucial to support sustainable growth, competitive fairness, and the long-term resilience of Greece's tourism sector.

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(Foteini Tatsi); investigation, FT (Foteini Tatsi); data curation, FT (Foteini Tatsi) and FT (Fotios Tatsis); writing—original draft preparation, FT (Foteini Tatsi) and FT (Fotios Tatsis); writing—review and editing, FT (Foteini Tatsi), NM and KK; supervision, KK; project administration, KK. All authors have read and agreed to the published version of the manuscript.

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