

# Under what circumstances will reputation transfer increase or decrease the information asymmetry as experienced by requesters?

Author: Lars ter Avest  
University of Twente  
P.O. Box 217, 7500AE Enschede  
The Netherlands

## ABSTRACT,

**Purpose** – Exploratory research about the effect of reputation transfer on the information asymmetry between the worker and the requester on online platforms.

**Design/methodology/approach** – This research lays on the ‘Signalling Theory’ and the data is collected by conducting interviews in order to get enough and valuable insights about the research question.

**Findings** – Information asymmetry can be increased and decreased due to reputation transfer in all of the four different phases of the ‘signalling timeline’ and can be influenced by two actors of the platform economy.

**Research limitations/implications** – Since reputation transfer is not happening right now, all interviewees were speculating in some cases.

**Originality/value** – This research is the first research and therefore an exploratory research. There is almost no information known about this specific research.

**Paper type** – Research paper

## Graduation Committee member:

**Dr. Jeroen Meijerink**

**Prof. Dr. Tanya Bondarouk**

## Keywords

Online platforms, reputation transfer, information asymmetry, workers, requesters, signal

## 1. INTRODUCTION

Peer-to-peer online platforms became very important in the current digital world. Online platforms are online marketplaces that enable users to take the role as provider and/or requester in transactions with other individuals (Teubner, Hawlitschek, & Adam, 2019). Many people see new opportunities to make money via these online platforms. In order to describe the understanding of independent workers of online platforms, researchers have relied on different concepts (Meijerink & Keegan, 2019). These concepts include independent contracting (Kuhn and Maleki, 2017), crowdsourcing (Nakatsu et al., 2014), elancing (Aguinis and Lawal, 2013), interim/ freelance project work (Keegan et al., 2018) and “work on demand via app” (Aloisi, 2016). So in fact, requesters are requesting a service from workers they do not know. Since the worker and the requester do not know each other, there is an information asymmetry between the worker and the requester. In order to reduce this information asymmetry, online platforms offer reputation systems. The reputation of a worker can be defined as the accumulated and documented evaluation received from prior requesters.

An example of a negative aspect about reputation systems, which is central to this research, is that the platform workers now need to manage separate reputation scores for each online platform they are working for since each online platform commonly specializes on only one particular peer-based online market (Teubner et al., 2019). The absence of technical integration across different online platforms can lead to an increasing of transaction costs and intransparencies for requesters and workers. To remedy this issue, researchers have proposed to enable so-called reputation transfer (Teubner et al., 2019). In this case, a platform worker is, for example, able to transfer his/her reputation from the source platform to the target platform. So, when a new worker starts to work for the target platform and used to work for the source platform, he/she can build on his/her established reputation from the source platform. An important aspect for requesters for deciding which worker to select for a certain service is trust. That is the reason that a lot of requesters base their decision on the reputation of the platform workers. Furthermore, it makes sense that platform workers who want to switch from one online platform to another want to keep their reputation from the first one. When platform workers need to start again at this new platform, they need to build up a whole new reputation which may take a lot of time.

In the current situation we know that reputation transfer from an online platform that is similar to the platform where the reputation is transferred to, helps to create trust in the worker on the part of the requester (Teubner et al., 2019). This fact is also known as the source-target fit. These reputations can be shown by for example the average rating, amount of years working, written comments, badges and number of gigs. This reputation transfer concept led to the question whether there are limitations and boundaries perceived by requesters regarding reputation transfer. There could be situations in which reputation transfer is not beneficial for the requester and information asymmetry will increase. This could for example be when the transferred reputation makes no sense for the target platform and therefore not for the requester or when platform workers can decide on his/her own which part of the reputation to transfer. With this, workers can decide to leave the bad reviews out when

transferring the reputation. However, information asymmetry between the worker and the requester could also decrease. For example, when a worker is new at the target platform and the worker can transfer his/her reputation from the source platform to the target platform. This leads to a decrease of the information asymmetry between the worker and the requester since the requester receives information about the worker now instead of receiving nothing. The goal is to reach a desired situation in which the requester knows all the pros and cons of the reputation transfer of a platform worker. So far, it is not yet known under what conditions or circumstances reputation transfer can be positive or negative for the requester. In order to get a better understanding of relationship between the platform worker and requester, a variety of different perspectives can be applied.

In order to reduce this information asymmetry between the worker and the requester, it is important to know under which circumstances the information asymmetry can either increase or decrease. For this research, especially in case when reputation is transferred between two platforms. When a reputation is transferred between two platforms, the message that the worker wants to provide to the potential requester needs to be clear and understandable in order to decrease the information asymmetry.

This means that information asymmetry is an important aspect for the trust in a worker perceived by the requester. So, together with the problem about under what conditions or circumstances reputation transfer can be positive or negative for the requester, it can be said that the goal of this research is to find out under what conditions or circumstances reputation transfer can increase or decrease the information asymmetry as experienced by requesters. This goal led to the research question which is the following one:

**Under what circumstances will reputation transfer increase or decrease the information asymmetry as experienced by requesters?**

## 2. THEORETICAL FRAMEWORK

### 2.1 Online platforms

The term online platform economy is generally used to describe the economic system of platforms that connect requesters with workers (Meijerink & Keegan, 2019) who do not know each other. The requester can request a service or product whenever they want. The requester is able to download an app or to look for a worker on a website and to choose a worker based on their reputation. This reputation will be explained better in section 2.3. In this research, the focus is on online platform where a service is provided, such as transporting people from A to B or people who help with cleaning. To be more specific, the focus is on online platform where a service is provided and where the requester can choose the worker based on a reputation system.

### 2.2 Information asymmetry

Information asymmetry occurs when “different people know different things” (Stiglitz, 2002: p. 470). Since the worker and the requester do not know each other, there is a difference in knowledge about the worker and therefore there is an information asymmetry between them. This means that the requester is lacking (important) information about the worker that the requester needs in order to make a good decision in which worker to hire. The worker has that information about himself/herself and in order to come

to a transaction, it is important for the requester to gain some knowledge about the worker. The main knowledge that a requester wants to know from the worker is how the worker performed in the past. Therefore, a reputation system can be built within the platform.

### 2.3 Reputation systems

To build up on that, it is important to define the term reputation system. A reputation system is there to provide information about the outcomes of a worker's past performance to future requesters (Tadelis, 2016). A reputation is the accumulated and documented evaluation (Teubner, 2019) which are based on opinions of past requesters about the performance of a worker. The requester can provide information about his/her experience with the worker and share it on the platform. All those different opinions from different requesters are accumulated and documented and that leads to a reputation of the worker. These accumulated and documented reviews exist of, for example, 5-star ratings, grading system, a thumbs up/down system, written comment etc. This reputation can be shown on, for example, a website or an app. So, future requesters know how different workers performed in the past and can, based on that reputation, make a choice about which worker to choose for the certain service. So, it makes sense that it is for workers important to have a good reputation in order to gain new requesters.

In general, a reputation system decreases the information asymmetry between the worker and the requester. Then there is still the question about what impact reputation transfer has on the information asymmetry.

### 2.4 Reputation transfer

In order to get a better idea of all the concepts which are discussed in this research, a theoretical framework is developed. The most important concept is reputation transfer, which is, like said before, the transfer of a reputation from the source platform to the target platform. It is about whether a worker's reputation on the source platform is of any worth to them when the reputation is transferred to the target platform (Teubner et al., 2019). To explain the concept 'Reputation Transfer' better, the concept can be untangled.

First, it is important to know what reputation is. Reputation says something about the performance of a platform worker perceived by the requester. This is already explained in more details in section 2.3.

Secondly, literature showed that reputation transfer concerns the transfer of documented and accumulated reputations (Teubner et al., 2019). The reputation has to be accumulated and documented in such way that it can be transferred from the source platform to the target platform. Examples of how reputations can be accumulated and documented are thumbs up/down, 5 star-rating, grading systems or written comments. For example, the 5-star rating can be transferred from the source platform to the target platform. So, a worker can bring his/her 5-star rating from Uber to a different taxi platform. Issues can be faced when the reputations are differently documented on the source platform than on the target platform.

Thirdly, literature showed that the reasons why workers want to transfer their reputation from the source platform to the target platform are important to consider. Like mentioned in section 1, it makes sense that platform workers who want to switch from one online platform to

another want to keep their reputation from the first one (Teubner et al., 2019). When platform workers need to start again at this new platform, they need to build up a whole new reputation which may take a lot of time.

Lastly, literature showed that there is a need to consider how the reputation can be transferred. This can be done by a collaboration between two different platforms. The reputation is directly transferred from the source platform to the target platform. Another way to transfer a reputation is by using a third party (Teubner et al., 2019). The third party is receiving reputations from multiple platforms and is also providing those reputations to the platforms that would like to receive those reputations.

Information asymmetry can either be increased or decreased when a reputation is transferred. For example, there could be problems with transferring a reputation when the reputation on the source platform is documented in a different way than on the target platform. In this case, the information asymmetry between the worker and the requester will increase. However, reputation transfer could also decrease the information asymmetry. When a worker is new to the platform, it could be very helpful for the worker and for the requester to transfer the reputation from the platform where the worker used to work. The worker has a higher chance to get booked by a requester and the requester knows more about the worker than when the worker would have no reputation at all. This would decrease the information asymmetry between the worker and the requester. To better understand these issues, I draw on signalling theory while it helps to understand under which conditions reputation transfer may decrease or increase information asymmetry between a worker and requester.

### 2.5 Signalling theory

#### 2.5.1 Content of the signalling theory

The signalling theory (Connelly et al., 2011) can be very well used to answer the research question since the theory describes clearly how signalling works. This signalling can increase or decrease information asymmetry in different ways. Workers who want to change form platform might also the way they signal their reputation. When this is not well enough analysed or it is not done in the right way, it could increase the information asymmetry between the worker and the requester. That is the reason that this theory can help in order to answer the research question.

The concept information asymmetry concept is very well related with the Signalling Theory from Connelly et al. (2011), which is already mentioned in the introduction. This theory is fundamentally concerned with the reducing of information asymmetry between two parties (Spence, 2002). This can be explained better by giving a simple example: a potential employee obtains education in order to show the employer his/her quality and to reduce information asymmetries (Spence, 1973). The employer does not know the potential employee and so does not know whether the potential employee has the required knowledge for the job. In order to reduce that information asymmetry between those two, the employee obtained education and is then able to show a diploma.

#### 2.5.2 Key concepts in signalling

In figure 2 the signalling process is shown. In the signalling process, there are two primary actors: the signaller of the signal and the receiver of the signal (Connelly et al., 2011). The figure also shows that at the

end there is an opportunity for the receiver to provide feedback to the signaller. In the case of online platforms, the workers are the signallers and the requesters are the receivers (see Figure 2).

During describing the key concepts in signalling it becomes also very clear how it relates to information asymmetry. The signaller are the platform workers who obtain information about an individual (e.g., Spence, 1973) that is not available to the requesters. So, like said before, the requester is lacking (important) information about the worker that worker does have. This information includes opinions of previous requesters about the service of a certain platform worker (Connelly, 2011). The signal is the way how the private information is provided from the platform workers to the requesters. The signalling theory focuses primarily on the deliberate communication of positive information or reputations because platform workers generally do not send negative signals to the requesters.

During every phase in the signalling timeline, information asymmetry can either be increased or decreased due to reputation transfer. So, this can be analysed for every single phase and this is described below.

The first phase ( $t=0$ ) is about the signaller, who is the person that obtain certain information about himself/herself and about the company that the receiver finds useful (Connelly et al., 2011). This information could include specifics about the organization's services or products. So, literature shows that the signaller has a privileged perspective regarding the underlying quality of himself/herself, the service or the organization. When relating this phase to this research and the concept 'reputation transfer', it is important for a worker that he/she has a reputation, otherwise it is not possible to transfer a reputation. In this phase, there could already be circumstances under which reputation transfer can increase or decrease information asymmetry. For an increase of the information asymmetry, the signaller could hide some bad signals in order to act like he/she does a very good job. This is about the honesty of the signaller (Tadelis, 2016). It also depends on whether the signaller can decide by himself/herself what information and how many information to share with receivers. When looking into this phase for platforms, a worker could lie about his/her reputation. The requester does not know whether the reputations that are shown on the website or the app are really based on the opinions of past requesters. There could be situations that the worker can decide for himself/herself which information to share. It is also conceivable that the platform tries to keep the reputations as good as possible to signal that they have very good workers. So, when the worker is not honest about the reputation and that reputation is transferred to a platform where all reputations are honest, information asymmetry would increase.

The second phase ( $t=1$ ) is the actual signal. The signaller obtains private information and he/she has to decide whether to communicate this information to potential receivers (Connelly et al., 2011). For the signaller, it is important to consider what information to share, how much and in what way. When relating this to this research, the signal is the reputation that is provided by the worker to the requester. It is important for the worker that he/she knows what information to share, how to share, in what way and how much. The reputation can be shared by providing the requester with for example written comments, grading system, 5-star rating, thumbs up/down-

system etc. When it comes to transferring the reputation, information asymmetry can be decreased when a worker can transfer his/her reputation from the previous platform to the current one if that provides additional and useful information. However, information asymmetry can increase when the reputation cannot be transferred or is very difficult to transfer. For example, the source platform can make use of written comments and the target platform can make use a 5-star rating system. It is very difficult to transfer the written comments into a 5-star rating system. Furthermore, the concept source-target fit (Teubner et al., 2019) is important to take into account. This is about the fact that transferring reputations is easier to do when the different platforms are working in the same market than in different markets. Think about transferring reputations between two different taxi driver platforms is easier to do than transferring reputations from a taxi driver platform to a platform where you can hire people to help with cleaning.

The receiver of the signal is the third element ( $t=2$ ) in the process. The receiver is, according to signalling models, the one who is lacking information about the signaller but would like to receive this information (Connelly et al., 2011). There are some contrasts with the signaller as their interests are different. For signalling to take place, the signaller would benefit by actions from the receiver that the receiver would not have done without the signalling. That is also the reason that signallers most of the time only signal positive information and reputations. The receiver wants to receive as much information as possible in order to make the best choice (Connelly et al., 2011). That means for this research that the requesters of the services from online platforms are the receivers of the signal. The requesters want to receive the information/signal from the platform workers in order to make a choice which worker to hire. When looking at the fact how reputation transfer can increase or decrease information asymmetry in this phase, it is important to take into account that if the signal that was understandable for the requester on the source platform, then signal needs to be understandable on the target platform as well. If that is the case, information asymmetry will stay the same since there is no new information provided. However, if that is not the case, information asymmetry will increase since the requester does not understand the signal and know less about the worker than before.

The fourth and last phase ( $t=3$ ) is feedback which can be provided to signaller by the receiver of the signal. This is feedback about the signal that was sent by the signaller to the receiver (Connelly et al., 2011). This phase is mainly used to improve the signal for future receivers. Signallers can improve their signal by receiving feedback from past receivers. Feedback can also be used by the receiver to clarify certain aspects about the signal when it is not understandable for the receiver. Related to this research, this means that the requester could provide feedback about the reputation of a platform worker to the platform worker. This way, the platform worker is able to improve his/her reputation for future requesters in order to gain the most requesters as possible. Future requesters are better able to understand the reputation and this will decrease the information asymmetry. This is important when a reputation is transferred since the way of sharing the reputation could be improved. The requester does also have the possibility to ask questions about aspects they do not understand about the reputation. Requesters would like to clarify those aspects they do not understand or they

would like to ask questions about aspects in order to gain more knowledge from it. This would decrease information asymmetry between the worker and the requester since the requester receives information that they need to have in order to make a choice. With those questions and feedback, the worker is also able to improve his/her reputation and that could decrease the information asymmetry between the worker and future requesters.

After explaining how reputation transfer could increase or decrease information asymmetry as experienced by requester for all the four different phases, a framework can be developed (see Figure 3).

To conclude, the signalling theory has a lot to do with the asymmetry of information. It is also very well related to the topic of this research as there is an asymmetry of information between the platform workers and their requesters. This asymmetry of information needs to be reduced in order to create trust between the platform workers and their requesters. A method for reducing this asymmetry of information is to have a reputation as a platform worker. So, it is also important for platform workers that they are able to transfer their reputations from the source platform to the target platform. That way, the information asymmetry is directly reduced compared to starting again with a new reputation. In the situation where the platform worker needs to start again with a new reputation, the information asymmetry between the platform worker and the requester is much higher.

### **3. METHODOLOGY AND DATA**

#### **3.1 Method**

I collected data from different platform economy actors in order to answer my research question. Since the topic of reputation transfer has not been researched extensively yet, exploratory research would be the best way to answer the research question. The best method to gather this information/data and to do this exploratory research is to use qualitative interviews. That is also the reason that only primary data is gathered, by conducting interviews, and no secondary data is gathered. The decision to use qualitative interviews was based on the assumption that in qualitative interviews the interviewees are able to respond independently and without being biased by the responses of other interviewees (DeJonckheere & Vaughn, 2019). Besides that, qualitative interviews are chosen in order to get in-depth insights since qualitative interviews support open answers without giving any direction, thereby supporting the exploratory nature of my research. Interviewees were able to answer follow-up questions in order to get the most out of the interviews as possible. To be more specific, the interview was semi-structured since there are prepared questions but also unprepared (follow-up) questions (Cohen and Crabtree, 2006). This last one is the main argument for using semi-structured interviews since the goal of an exploratory research is to gain new knowledge about a topic which is not researched yet. By using a prepared and unprepared questions, I was able to get the most valuable information out of the interview as possible.

#### **3.2 Data collection**

During the interviews, I tried to find out under which conditions reputation transfer could increase or decrease information asymmetry. The interview questions were developed in such a way that they stay close to the concepts of the theory section. This means that I gathered

data which can be connected to the theory. For the 'Signalling Theory' (Connelly et al., 2011), this means that data is gathered which could be assigned to the four different phases of the signalling timeline. For every phase, there could be circumstances under which reputation transfer will increase or decrease the information asymmetry between the worker and the requester. I used possible circumstances under which information asymmetry could increase or decrease from the theory section when I developed the interview questions. Furthermore, there is also data gathered that could not be really connected to the theory. The participants can provide insights which cannot be connected to a phase or concept from the theory. That kind of data is just as valuable and may even be more valuable than the data that could be connected to theory since this research is exploratory.

The participants who took part in the interviews consists of 4 requesters and 9 platform representatives. The reason is that it is important to know the opinion of various requesters since that is where this research is focussing on. However, the platform representatives have much more knowledge about online platforms and their reputation systems. That is why is chosen for a combination and try to find out what the wishes of the requesters are and how the platform representatives think about certain situations and aspects. The platform representatives were from different platforms. For example, a platform for a tour guide, platform for cleaning and for small and large projects within a company. Since the platform representatives were from different kind of platforms, I could be provided with a lot of different perspectives about the topic which was really helpful in order to answer the research question. When I decided which platform representatives to interview, I took a look at whether I thought the platform representative could provide me with valuable information. For the representatives, I interviewed people who have a significant level of knowledge about online platforms in order to get the most valuable information as possible out of the interview.

For the data collection, two different interview schemes are developed with a number of open-ended questions. One interview scheme for the interviews with the platform representatives (see appendix A) and one interview scheme for the interviews with the requesters (see appendix B).

Concerning the data storage and ethical aspects, the participants of the interviews were asked in an e-mail before and orally before the interview itself for their consent to record the interview and to use it for scientific purposes during writing this research paper. Next to that, the participants is told that all the provided information by them would be treated anonymously.

The conducted interviews were recorded and after that transcribed. With those transcriptions, the data of those interviews could be coded. The participants were told that the information would be treated anonymously and used for scientific purposes during the research. After finishing the research, the recordings will be deleted.

#### **3.3 Data analysis**

After I collected the data by conducting qualitative interviews, I analysed the data (Campbell, Quincy, Osserman, & Pedersen, 2013, p. 318). I analysed the data for this research by using a coding scheme. Coding helped

me to give me credibility, that is why this is used coding for this research. Coding is useful when you want to be confident about the fact that your findings are representing the majority of user feedback. Codes can be seen as the smallest unit of text that conveys the same meaning. After providing every small unit of text a code, I assigned the codes to different categories. This is done in order to be able to detect consistent and overarching themes.

The coding is done in two different rounds. The first round includes the deductive codes and the second round includes the inductive codes.

Deductive codes are the codes wherein a codebook is developed as a reference to guide through the coding process (Campbell, Quincy, Osserman, & Pedersen, 2013, p. 318). This codebook comes from the theoretical framework. These different codes will be assigned to four different categories from the Signalling Theory: signaller (t=0), signal (t=1), receiver (t=2) and feedback (t=4).

Inductive codes are the codes which are developed based on the interviews. Since this research is exploratory, the inductive codes are at least as important as the deductive codes.

### 3.4 Codes

During the first round, the deductive codes are described. The codes are assigned to four different categories from the Signalling Theory: signaller (t=0), signal (t=1), receiver (t=2) and feedback (t=4) (see appendix C).

The second round is about the inductive codes. These codes are developed during and after the data collection, which is in this case during and after the interviews (see appendix D).

## 4. RESULTS

In the result section are various circumstances described under which information asymmetry between the worker and the requester will increase or decrease due to reputation transfer. This is described for the four different phases: signaller (t=0), signal (t=1), receiver (t=2) and feedback (t=4).

### 4.1 Signaller (t=0)

For the signaller, there is one important condition under which information asymmetry could increase or decrease due to reputation transfer: the autonomy of the worker.

Most of the time, there is a reputation for the worker based on a 5-star rating or a score in points on a scale from 1 to 10. Almost all the participants said that there is an opportunity on their website or in their app for the worker to write down about themselves what they want. So, the workers have the autonomy to write down what they want. They can share all the information about themselves what they want to share. However, some requesters said that there should be a standard set of indicators that has to be same for every worker in order to compare the workers easier. When the workers show different indicators on their profile, the requesters can get confused since it is harder to compare the different workers. So, when a reputation is transferred, workers need to take into account that they show the same indicators on the target platform as the other workers do on that platform. Then the requesters are better able to compare the different workers and the information asymmetry will decrease since the

workers can compare the different workers better. When a worker wants to show some extra capabilities, there should be a possibility to write something down about yourself.

*“As a requester, I think that the worker should not be able to decide by himself/herself what kind of information he/she wants to share in the sense of that the worker can decide to leave out the bad reputations. On the other hand, if the workers think that they have certain abilities that they want to show, they should be able to decide by themselves. The workers should be able to let the requester know what they are capable of but the bad reputations may not be left out because the complete picture is important. Furthermore, I think that the platform needs to decide which performance indicators are shown because that way, it is the same for every worker on that platform. This helps the requester to compare the different workers better.” (Requester)*

Furthermore, the autonomy to decide what information to show through the reputation systems differs per platform. It is necessary to check for every person which performance indicators to transfer and which not. When this is not done well, it will lead to an increase of the information asymmetry between the worker and the requester. Next to that, there was the aspect whether the worker should decide to transfer the reputation or the platform. There is the issue that the worker could leave out bad reputations which leads to an unrealistic reputation on the new platform. Requesters will, in that case, doubt about the truth of the reputation which will also lead to an increase of the information asymmetry between the worker and the requester.

### 4.2 Signal (t=1)

For this phase, there are various circumstances under which information asymmetry could increase or decrease due to reputation transfer. These are the following ones:

- Different types of signals
- Sharing only raw data
- Source-target fit
- Amount of information
- Type of information
- Complexity of the work

Information asymmetry could increase when the source platform and the target platform have different types of signals. From the interviews, the conclusion is that most of the requesters would like to see something like a 5-star rating or a 1 to 10 score. They have an overview of the workers and can filter out workers they are not going to hire. When there are a few left, they would like to read some written reviews about the different workers.

*“The easiest to look at is a 5-star rating or a 1 to 10 score but if you want to look into which worker is the best, written reviews could be very handy. So, it is a combination of both. First, I would like to see the stars or the 1 to 10 score and if you have filtered the ones out that you are not interested in and there are for example three people remaining, I would like to read the written comments.” (Requester)*

This is also what most of the platforms are already doing right now, having a reputation score with stars or points and when you click on the profile there is more information from previous requesters by means of a written review. Various platform representatives mentioned that it is important for them to know how the receiving reputation is built up when a reputation is transferred to 'their' platform. Then the platform representatives know whether they can use the reputation for their own platform since the reputation can be built up in a different way on the source platform than on their platform. They came with the fact that two different platforms can use the same performance indicator, but it is assessed in a different way for the two platforms. Then it would still not make sense to transfer that reputation and this would still increase the information asymmetry since the reputation is built up in a different way and the information is not valuable for the target platform. Therefore, it would be better for the requester if the platforms only share the raw data. In that way, the target platform is able to customize the raw data in such a way that it is suitable for their requesters. Their requesters receive more valuable information that they need during their decision-making process which will lead to a decrease of the information asymmetry between the worker and the requester.

*"We need to know how they (the source platform) build up their scores. If they have a 5-star rating system, you need to determine what needs to happen. For us, what needs to happen when there is a thumb up, so then you need to try to make sure that it is aligned. Probably the biggest problem with transferring data is that the algorithm that works on the background programs differently. It is not said that all the data that is provided from platform A is applicable to platform B in order to determine the end rating. Probably as it is the core of every platform, the algorithm in the background, nobody is going to share that because that is their commercial advantage. Therefore, it is going to be a tricky one. It would then be a question if it is possible, as data is king, to transfer raw data because then it doesn't matter anymore what the reputation was on the other side. Because then the data is going to be recalculated and made suitable for the new platform. It is just the data sharing then and not how you get to the rating. The platform is always being created on what they think is important for their end-user and suitable for their end-user. Therefore, it is also always an approach from that end. Why would there be different platforms if all the data is the same? So probably the data transfer sharing should only be based on raw data and then it needs to be recalculated from the beginning on." (Platform representative from platform for contract workers)*

Furthermore, there were some platform representatives that value the objectivity of the reputation. They only want reputation which can be seen as objective, like how many jobs he/she did. They do not want any information about the performance which was reviewed by the requester. They do not seem that subjective information as valuable

since for a different platform the evaluation of a worker can be done differently than on their platform. So, some platform representatives mentioned that when subjective information is transferred the information asymmetry between the worker and the requester will increase because the reputation is not valuable and maybe not understandable for their requesters. This can be connected to what is said by the platform representative above. The evaluation of requesters about the workers differs per platform, that is why a platform representative said the following:

*"Having all those parameters that we mentioned before, like trustfulness. I would like to receive fact-based information. Also as standardized as possible. For example, driver's license, certificates, experience etc. To me, if someone has a thousand installations, that is valuable information. Stars could be important but I do not know how these stars are built up so the subjective part I always take with 'a grain of salt'. So, stats are for me important. It has to be information that is understandable for all parties." (Platform representative of platform for flexible workforce)*

However, one platform representative mentioned that he/she wants to have external opinions from past requesters since the platform is not able to judge the workers on their performances. This representative would like to receive subjective information from other platforms about the workers of the platform he/she works for. This will lead to more (reliable) information about the worker which could be shared with the potential requesters. This will decrease the information asymmetry between the worker and the requester.

*"I would say, we would like to share and receive data that represents the customer's opinion about that person. We are not really willing to share and receive data about for example the person cancelled X times. Uber has a really concrete statistic on driver cancellations. I don't think that would be of any value cause since we are just the platform and we cannot judge what a person is doing, we are the mediator. That is also why reputational data is important to our platform, we cannot say anything ourselves, we need the customers to speak. So, the data that we would like to share and to receive is data that is obtained by external opinions." (Platform representative of cleaning platform)*

Next to that, various participants mentioned that it would make more sense to transfer reputations within the same market than across different markets. This relates to the concept 'source-target fit'. Different performance indicators would make more sense to share them within the same market than across different markets. So, information asymmetry between the worker and the requester could be decreased when the reputation is shared within the same market. This could also be the case for sharing across different markets, but this the chance that sharing across different platforms would be successful is

smaller. For sharing across different markets, it is important to filter out information that is not relevant.

*“When, for example, information is transferred from Helping to Uber (there is not the biggest source-target fit), so transferring all information would not be that helpful.” (Requester)*

The amount of information could increase or decrease the information asymmetry between the worker and the requester. The most common is that information asymmetry will increase since the requester can get confused by so much information. Requesters mentioned in the interviews that the more information they receive the better they are able to make a decision. That would mean that the requester would receive more valuable information and the information asymmetry would decrease. However, there is one condition, the information has to be clear and structured. For example, indicators which can be assigned to the same ‘category’ need to be shown next to each other on website/app. This makes it more suitable for the requester to check all the different indicators. Next to those indicators, there needs to be a clear part with written text. So, when a reputation is transferred, it is important take into account that the reputation is clear and structured. When the reputation is not clear and unstructured, the requester could get confused and the information asymmetry will increase.

*“What I like to see is definitely written comments because they give more insights than only a 5-star rating, for example. You receive more detailed insights in good and bad things. In general, the more information I receive from a worker, the better I will be able to make a good decision ..... Could be, but when the information that is shown is unstructured. When it is way too much and unstructured it could confuse me. But speaking of the more the better, I would say yes it applies. For example, badges, written comments, star ratings and performance indicators are better than only 5-star ratings.” (Requester)*

The type of information that the worker shows with potential customers is very important for the workers to let the requesters know who they are. When reputation is transferred, it is important that the transferred reputation is valuable and relevant for both the platforms and the requesters. From the interviews with the requesters can be concluded that the requesters only want to see relevant information. Relevant information is information that the requesters need in order to make a choice which worker to hire. It is valuable information that helps the requester in the decision-making process. The fact that only the relevant information is shared, would definitely decrease the information asymmetry between the worker and the requester because the requester only receives information that can be seen as valuable and helpful in order to make a good decision. The requesters would also like to see some more performance indicators about the worker, so some more specific information about the performance of a worker. For a taxi driver this could, for example, be ‘how fast does the person drive’ or ‘how is the price-quality

ratio’. So, in order to decrease the information asymmetry between the worker and the requester as much as possible, it is important to try to transfer as much different performance indicators as possible in order to provide the potential requester with as much as (valuable) information as possible. Furthermore, the interviewees (especially the requesters) mentioned that they see information about the performance of a worker as most valuable for their decision-making process. Since they see this information as most valuable, transferring this information to the target platform would be the most important information to transfer in order to decrease information asymmetry. Next to that, there is also information about the characteristics of a worker and about the stats of a worker. With stats is meant for example how many jobs the worker did before, how many reviews the worker has etc. How many jobs a person did can say something about the performance of a worker already, since a person is likely to have a low number of jobs when the performance is bad. However, it would definitely help to make the specific performance indicators more reliable since it is based on multiple reviews. The opinions differed about whether information about the characteristics is more important than information about the stats of a worker or the other way around. The requesters would like to see this information transferred in order to decrease information asymmetry but it is way less important than information about the performance of a worker.

*“I think the most important one is performance, because that really says something about how they regularly do the job that you ask them to do. Secondly the stats, because if someone has good performance related reputation scores and that worker is evaluated very often, the performance related reputation score is more reliable. Lastly the characteristics because you just want them to do the job. It depends a little bit on what kind of job you want them to do.” (Requester)*

The platforms really like to show what the workers did in the past and also some stats about, for example, how many jobs a worker did because that creates trust. The goal of the platform is to provide the potential requester with the information about the quality of the workers.

The last thing that is said about the signal itself, is that the complexity of the work also influences how easy it is to transfer a reputation. Some interviewees mentioned that it is difficult to transfer a reputation from a platform, which is about providing a service where a low number of skills is needed, to a platform which is about providing more complex work or work with a higher number of skills is needed. This would definitely not decrease the information asymmetry.

*Nurses that are on our platform have a quite specific skillset. So, if they are working on another platform, that platform is likely to have the same purpose. So, we can probably agree on some standards. The difficult thing is that there are maybe different platforms, for example a nanny platform. That is also some kind of care but it is just*

*a little bit different. So, they would have a little bit other standard so that is where the tricky part comes. (Platform representative from healthcare platform)*

### 4.3 Receiver (t=2)

For this phase, the participants of the interviews also mentioned a few conditions under which information asymmetry could increase or decrease due to reputation transfer. These are the following ones:

- Understandable reputation
- Show where the reputation came from
- Show different reputations separately

When sharing information with the requester through a reputation, it is important that the requester is able to understand the reputation. When a worker is transferring a reputation from the source platform to the target platform, it could be that a requester from the target platform does not understand that transferred reputation of the source platform. The information asymmetry would definitely not decrease and may even increase when this is the case. Therefore, it is important to make sure that the transferred reputation is understandable and therefore valuable for the requester in order to decrease the information asymmetry. Platform representatives provided a lot of overlapping information. They came with two different possibilities to make the reputation more understandable for the requester: the reputation can be transferred by a one to one corporation or there should be a third party included.

*“That is the most interesting part. If you are going to transfer reputation scores, how are you going to do it? Are you doing it via a central platform or a 1 to 1 cooperation. If you have overlapping performance indicators, then it is very easy to share them. If I have a performance indicator ‘personality’ which is a thumb up or thumb down, then you can share it directly. It would be a challenge for the central platform to let this come together. I can believe, if you have this central platform, it is maybe not that interesting for my platform if someone can clean very good. I would rather have the reputation about if someone is nice Uber driver because there is more personal contact there. Very interesting part because if you stand in the shoes of the customer, you want to know what a person is like for this specific job. And if I have to spend a longer period with a person in a private setting, I am not interested in the fact how fast he/she can drive pizzas around. That is then very interesting if you are doing it via a central platform. You need to be able to check the boxes of the specific performance indicators that apply to your platform.” (Platform representative of guide platform)*

The main question for the requesters was what he/she should do when the signal of the source platform is different from the signal of the target platform. The opinions were very different. Some requesters would like to see that the signal stays the same when it is transferred from the source platform to the target platform. Others mentioned that they would translate signal from the source platform into the same as that from the target platform because the requester could get confused. So, when the source platform has a thumbs up/down system and the target platform has a 5-star rating system, they would like

to translate the thumbs up/down system to a 5-star rating system. One aspect they did all agree on, is that the platform should show from which platform the reputation was transferred. Some participants of the interview mentioned that they would like to see the transferred reputation from the source platform integrated into the one of the target platform. However, almost all of the participants mentioned that the reputations should be shown separately. So, when the reputations from two different source platforms are transferred to the target platform, the requester is able to see three different reputations on the target platform, the one from the target platform and those from the two source platforms.

*“I would extend the reputation of the target platform to the one of the source platform. I would like to see then both reputations, from the target platform and from the source platform.” (Requester)*

Also, in general the reputations could be made more understandable for the requester. This would lead to a better understanding of the reputation by the requester and therefore the information asymmetry would decrease and the requester is better able to make a good choice. One platform representative mentioned a feature in which a video can be added to the profile of a worker should be helpful to make the reputation easier to understand for the requester. This would lead to a decrease of information asymmetry. One requester mentioned that a thumbs up/down system is worthless since it does not say anything about the worker. This was confirmed by a second requester that mentioned that a thumb up will assume that everything was fine which is in most of the cases not true. A third requester came with the following example about the understandability of a reputation:

*“For example, when I went to Prague, I wanted to book an Uber cab but all the written reviews were in Czech. So that type of signal was not understandable for me. A 5-star for example would say a lot more because it is more universe and easier to understand for people from all over the world. That is a downside of the written comments.” (Requester)*

### 4.4 Feedback (t=3)

Since a transferred reputation could become unclear due to the fact that it is transferred, it could confuse the potential requester in their decision-making process. Out of the interviews came that the possibility to provide feedback or to ask questions is an important condition in order to decrease the information asymmetry between the worker and the requester. Furthermore, the way how to provide that feedback or to ask those questions is a second important condition in order to decrease the information asymmetry between the worker and the requester.

In order to decrease the information asymmetry between the worker and the requester, it is important that there is a possibility for the requester to ask questions or to provide feedback about the reputation. All the requesters mentioned that they think it is important to provide feedback or to ask questions about the reputation. They mentioned that would like to be able to contact the worker

when something is in their opinion unclear and they want know more about it.

*“I think could be handy when it is possible. For example, every review says that the worker is always on time except of one review who says that the worker is always too late. You may ask a question about that. This will lead to the fact the requester will receive information that he/she is lacking at that moment. He/she wants to receive that information in order to make a choice and that will lead to the fact that information asymmetry will be reduced.” (Requester)*

Providing feedback or asking questions can be done in several ways. Both requesters and platform representatives had their opinion about this aspect. For most of the platforms, there is a possibility to get in contact with the worker before you even booked/hired the worker. Mostly, this can be done via a private message. The requesters told that they would like to have the possibility to directly contract the worker on the website via a private chat function. This would definitely decrease the information asymmetry. When a reputation is transferred and that is shown on the website/app, it could lead to even more questions for the requester. Therefore, it is important that the requester has the possibility to directly contact the worker in order to ask questions and clarify aspects for themselves.

*“I think the easiest way is to chat or to write an e-mail, or a phone call. Definitely a private message and the best would be to have inside the app or website.” (Requester)*

#### **4.5 Newbie dilemma**

There is also a general circumstance which cannot really be assigned to a specific phase. Various participants mentioned that the newbie dilemma is a big problem for workers. The newbie dilemma is the fact that when a worker starts working for the platform, the worker has no reputation. Other workers on the same platform probably already have a reputation. This means that it is more likely for the requester to hire the worker who already has a reputation than the worker without a reputation. However, when a worker worked in the past for a different platform and the worker is able to transfer that reputation to the new platform, the worker is able to already have a reputation for the new platform. This could solve the problem of the newbie dilemma. When the new worker is able to show a reputation that is transferred from another platform, it already helps to ‘tell’ something about himself/herself to the requester. Since the worker already shares some information about himself/herself, the potential requester is already receiving information about the worker that the requester was lacking when there was no reputation transfer. This would decrease the information asymmetry between the worker and the requester.

*“Yes, because if there is a nurse worked for another platform and then he/she starts working with us and they find a new organization, the organization has no clue what the nurse did at other organizations. With reputation*

*transfer, the future organization get to know that.” (Platform representative from healthcare platform)*

## **5. DISCUSSION**

### **5.1 Conditions**

In this section, I reflect on the results and I draw implications. Furthermore, I provide a re-highlight of the relevance of this research and a reflection and the changes on the initial theoretical framework. In the initial theoretical framework, there was described that there are four different phases in the signalling timeline in which information asymmetry between the worker could either increase or decrease due to reputation transfer. However, the different conditions can also be categorized under the three parties participating in the platform economy: platform, worker and requester.

The conditions can be categorized under the three parties by looking at the fact which party influences that specific condition (the most). So, which party can increase or decrease the information asymmetry between the worker and the requester when looking at every specific condition? When looking at the three different parties, I found out that the requesters have no influence on the fact whether information asymmetry increases or decreases due to reputation transfer. This will be better explained for every condition in the text below. So, in fact, the condition can be categorized under two parties: the platform and the worker.

The first condition is the autonomy of the worker which can be placed at both the platform and the worker since the platform decides whether the worker has the autonomy in transferring a reputation and the worker decides how to deal with it. So, these two actors of the platform economy can influence this condition, while requester cannot. In the initial theoretical framework, the focus was on the honesty of the worker about his/her reputation. So, the focus was on whether the worker is honest about the reputation he/she shares or not. However, this focus changed a little bit since it the focus shifted more to the autonomy of the worker. The autonomy of the worker contains aspects whether the worker can decide by himself/herself what information to share and whether the worker can decide by himself/herself which reputations/reviews to transfer when he/she wants to transfer it to the target platform. Not being able to share all the information you have as a worker or being able to leave out bad reputations/reviews as a worker when it is transferred could increase the information asymmetry between the worker and the requester. This could lead to a situation which is beneficial for the worker but which will increase the information asymmetry and therefore is not beneficial for the requester. This has to do with the honesty of the worker and so the truth of the reputation. This was also already mentioned in the theory section (Tadelis, 2016). Being able to share all the information you have as a worker or not being able to leave out bad reputations/reviews when it is transferred could decrease information asymmetry. When transferring the reputation, it is possible to face the following problem: the

reputation of every person needs to be transferred separately which can lead to a decrease of the quality of the reputation. This decrease of the quality of the reputation could lead to an increase of the information asymmetry between the worker and the requester.

The second condition deals with the fact that the source platform and the target platform can have different types of signals which can lead to problems when transferring the reputation. This condition can be combined with the conditions whether the transferred reputations should be shown separately on the platform or not and the understandability of the transferred reputation for the requester. The platform is the actor of the platform economy which can influence these conditions, since the platform is the actor who decides which signals to use and how to show a transferred reputation. When talking about translating different kind of signals, there was some difference in the opinions of the participants. Some participants would like to see the reputation translated in the one of the platform where it is transferred to and some would like to see that the reputation would stay the same as where the reputation comes from. It could be less confusing for the requester to integrate the transferred reputation into the one of the target platform and to only show one reputation. However, showing two or more reputations about the transferred reputation(s) from the different platforms shows the requester very clearly what the transferred reputation is and where it is transferred from. When reflecting this to the initial theoretical framework, it shows a small difference since the theoretical framework only talks about showing the different reputations separately. The outcomes of the interviews showed that there is also a possibility to integrate the transferred reputation into the already existing one. This aspect could be very interesting for future research since I think it is important to know what requesters do like to see and what platforms do think is the best way to show the reputation in order to decrease the information asymmetry between the worker and the requester. I think, the best way is to show it separately and to clearly mention where the reputation is coming from, including a URL so that the requester can immediately go to the platform where the reputation is coming from. Since every reputation is built up in a different way, it makes no sense to integrate the reputation from the source platform into that from the target platform, because then you have a reputation which consists of various reputations that are built up in a different way. However, the platform representatives doubt about fact whether platforms want to have a URL from a competitor on their website. That could hinder this idea of showing the reputation transfer.

The opinion of the requesters about the amount of information that should be shared is that, the best way to decrease information asymmetry, is to provide as much as information as possible, which can be connected to the theory (Connelly et al., 2011). However, the information has to be structured so that the requester does not get confused. It can be connected to the signalling theory since

the theory also stated that, in order to decrease the information asymmetry, as much information as possible should be shared with requester. When regarding specifically to reputation transfer, multiple platform representatives mentioned that they would like to transfer only reputation that can be seen as objective since that information is for every platform the same despite the fact that the platforms might use different parameters for building up the reputations. However, one platform representative told the opposite. He/she wants to have external opinions from past requesters about the worker since that information is valuable in order to already have an evaluation about the performance of a worker. This aspect could be interesting for future research since it is important for workers and platforms to know what kind of information (objective/subjective) is the most valuable when transferring a reputation. Next to that, it is important for platforms to know how the reputation is built up when it is transferred to their platform because if this is not the case, information asymmetry would not decrease and might even increase. Platforms need to know whether they can use the reputation for their own platform since the reputation can be built up in a different way on the source platform than on their platform. For example, when two different platforms use the same performance indicator, but it is assessed in a different way, it makes no sense to transfer the reputation since the reputation is built up in a different way and the information is not valuable for the target platform. Therefore, it would be better for the requester if the platforms only share the raw data. In that way, the target platform is able to customize the raw data in such a way that it is suitable for their requesters. Their requesters receive more valuable information that they need during their decision-making process which will lead to a decrease of the information asymmetry between the worker and the requester.

Also, the source-target fit (Timm Teubner, Adam, & Hawlitschek, 2019), which is also mentioned in the theory section, is an important condition since the chance that reputation transfer would lead to a decrease of the information asymmetry is higher when the two platforms act in the same market than when they act in two different markets.

The next condition is that it is important to know that type of information will be transferred. The information should be relevant for the requesters in their decision-making process in order to decrease the information asymmetry. It is also important to show the number of jobs the worker already did, because that makes the reputation more reliable which will lead to a decrease of the information asymmetry. This condition can be influenced by the platform or the worker since they are the actors who decide what type of information will be transferred.

Also, the complexity of the work plays a role for reputation transfer since it is tricky to transfer a reputation from a platform with low complexity of the work to a platform with high complexity of the work. Since transferring the

reputation of workers who are doing complex work is so tricky and costs so much time and effort, it makes no sense to transfer their reputation. This would not decrease the information asymmetry. The complexity of the work is an example of an aspect that I did not think of in the beginning but which is, I think, also important to consider when transferring a reputation. Regarding this condition, the requester plays no role in the reputation transfer process and is not able to influence that in order to decrease the information asymmetry. The example from one of the participants was a really nice one. It is difficult to transfer a reputation from a nanny about child care to a platform where you are going to work in the healthcare sector. Transferring reputations like this would not decrease the information asymmetry between the worker and the requester.

Then there is the condition about the understandability of the transferred reputation for the requester. It is important to take into account that a requester does not understand the reputation when it is transferred from the source platform to the target platform. The information asymmetry would definitely not decrease and may even increase when this is the case. Therefore, the platform representatives provided two different options of transferring the data. The reputation transfer can be done via a one to one corporation between two platforms or via a third party. In the case of a third party, there is an independent organization that stores reputations from different platforms. Platforms can do a request in order to receive the reputations of different platforms from that third party. Whether it is better to transfer a reputation via a one to one corporation or via a third party is an interesting aspect for future research. For both ways it is important to consider all the privacy regulations. I think that transferring via a third party could be way easier since platforms are able to receive reputations from multiple platforms way faster. However, when transferring via a one to one corporation, the reputation transfer can be done way more specific and better since the platforms are in direct contact with each other. Furthermore, a platform representative added that it is important that at least one big platform needs to join that third party in order to make it successful. I agree with the fact that you need a big platform to make the third party work since that big platform will work like a magnet. It pulls a lot of different platforms to the third party which means that there are way more reputations available.

For the condition about the feedback on the reputation, it is important to mention that both the platform representatives and the requesters think, generally, that providing feedback and asking questions about the reputation is very important in order to decrease the information asymmetry between the worker and the requester. This corresponds with what was discussed in the theory section about the feedback phase (Connelly et al., 2011), since the theory states that it is important a requester can send feedback about the effectiveness of the reputation from the worker. There should be a possibility to get in

contact with the worker and the best to do that is, according to the requesters, via the platform itself, so in the app or on the website. Facilitating this opportunity to provide feedback needs to be done by platform so that is the actor which can influence this condition.

## 5.2 Limitations and future research

A limitation of this research is that reputation transfer is not really happening between platforms at the moment. So, there is no participant from the interview who really has an experience regarding reputation transfer. That means that every participant who provided information and their opinion about certain topics were speculating. For future research, it is important to interview participants who already have (some) experience with reputation transfer. This could really help to better develop this research.

Another limitation of this research is that most the platform representatives who were interviewed, are working for a platform that offers location-based work. For future research, it is better to interview platform representatives from platforms that offer not location-based work as well. This would definitely help in order to develop this research.

## 6. CONCLUSION

The aim of this research is to answer the research question and therefore to find conditions under which information asymmetry could increase or decrease due to reputation transfer as experienced by requesters. Overall, you can conclude that there several ways in several phases in which information asymmetry can either increase or decrease due to reputation transfer. All these ways have their own conditions and circumstances under which information asymmetry between the worker and the requester will increase or decrease.

Fourteen interviews were conducted with both platform representatives and requesters and those led to results which can be concluded. It is important for platforms and for the worker how to decrease information asymmetry between the worker and the requester when a reputation is transferred in order to attract as much as requesters as possible.

First of all, information asymmetry could either increase or decrease when the worker has the autonomy what reputation to transfer. Information asymmetry will increase when the worker is able to leave out bad reputations when the reputation is transferred. However, information asymmetry will decrease when the workers are sure that they are transferring the reputations and indicators.

Furthermore, information asymmetry will increase when a transferred reputation is not signalled in the right way on the target platform. Next to that, it is important to know how the reputation is built up on the source platform. When this is not understood by the worker/platform, the information asymmetry will not decrease and might even increase. When talking about the amount of information to transfer, it is important to transfer as much information as possible as long as it is relevant for the requesters of the target platform. Only under that condition it will decrease information asymmetry. Next to that, it is important to take into account the complexity of the work because for work

that is too complex, it makes no sense to transfer it because it does not decrease the information asymmetry.

When a reputation is transferred, it is important to mention the source platform of a specific reputation in order to decrease the information asymmetry between the worker and the requester. When the source platform is not mentioned, the information asymmetry will not decrease since the added reputation is not valuable for the requester.

For information asymmetry to decrease when a reputation is transferred, it is also very important for the requester to have the opportunity to provide feedback and to ask questions about the reputation to make it clearer for themselves and for future requesters. The best way to do this is by a private message on the website or the app itself.

## 7. REFERENCES

- Aguinis, H. and Lawal, S.O. (2013), "eLancing: a review and research agenda for bridging the science–practice gap", *Human Resource Management Review*, 23(1), 6-17.
- Aloisi, A. (2016), "Commoditized workers: case study research on labor law issues arising from a set of on-demand/gig economy platforms", *Comparative Labor Law & Policy Journal*, 37(3), 653-690.
- Campbell, J. L., Quincy, C., Osserman, J., & Pedersen, O. K. (2013). *Coding In-depth Semistructured Interviews*. *Sociological Methods & Research*, 42(3), 294–320. <https://doi.org/10.1177/0049124113500475>
- Connelly BL, Certo ST, Ireland RD, Reutzel CR (2011) Signaling theory: a review and assessment. *Journal of Management*, 37(1), 39–67
- DeJonckheere, M., & Vaughn, L. M. (2019). Semistructured interviewing in primary care research: a balance of relationship and rigour. *Family Medicine and Community Health*, 7(2). <https://doi.org/10.1136/fmch-2018-000057>
- Keegan, A., Ringhofer, C. and Huemann, M. (2018), "Human resource management and project based organizing: fertile ground, missed opportunities and prospects for closer connections", *International Journal of Project Management*, 36(1), 121-133.
- Kirmani, A., & Rao, A. R. (2000). No pain, no gain: A critical review of the literature on signaling unobservable product quality. *Journal of Marketing*, 64(2), 66-79.
- Kuhn, K.M. and Maleki, A. (2017), "Micro-entrepreneurs, dependent contractors, and instaselfs: understanding online labor platform workforces", *The Academy of Management Perspectives*, 31(3), 183-200.
- Meijerink, J., & Keegan, A. (2019). Conceptualizing human resource management in the gig economy. *Journal of managerial psychology*, 34 ( 4), 214-232.
- Nakatsu, R.T., Grossman, E.B. and Iacovou, C.L. (2014), "A taxonomy of crowdsourcing based on task complexity", *Journal of Information Science*, 40(6), 823-834.
- Spence, M. (1978). Job market signaling. *Uncertainty in Economics*, 281–306. <https://doi.org/10.1016/b978-0-12-214850-7.50025-5>
- Spence, M. 2002. Signaling in retrospect and the informational structure of markets. *American Economic Review*, 92: 434-459.
- Stiglitz, J. E. 2002. Information and the change in the paradigm in economics. *American Economic Review*, 92, 460-501.
- Tadelis, S. (2016). Reputation and Feedback Systems in Online Platform Markets. *Annual Review of Economics*, 8(1), 321–340. <https://doi.org/10.1146/annurev-economics-080315-015325>
- Teubner, Timm, Adam, M. T. P., & Hawlitschek, F. (2019). Unlocking Online Reputation. *Business & Information Systems Engineering*. <https://doi.org/10.1007/s12599-019-00620-4>
- Teubner, Timm, Hawlitschek, F., & Adam, M. T. P. (2019). Reputation Transfer. *Business & Information Systems Engineering*, 61(2), 229–235. <https://doi.org/10.1007/s12599-018-00574-z>

## 8. FIGURES

Figure 1

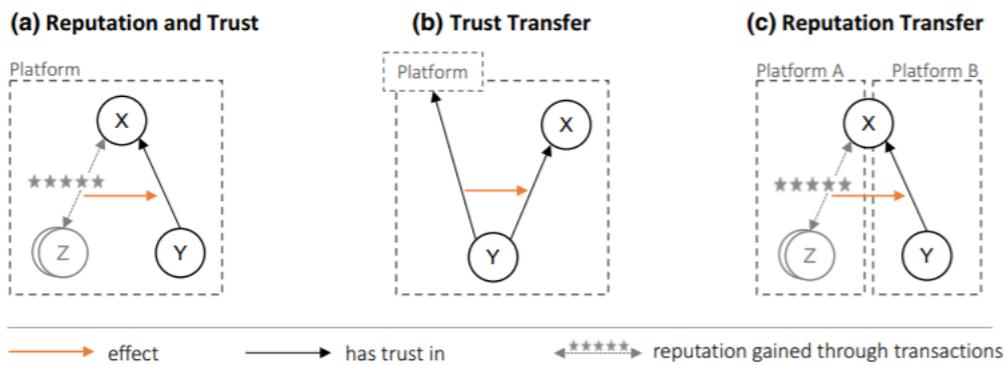
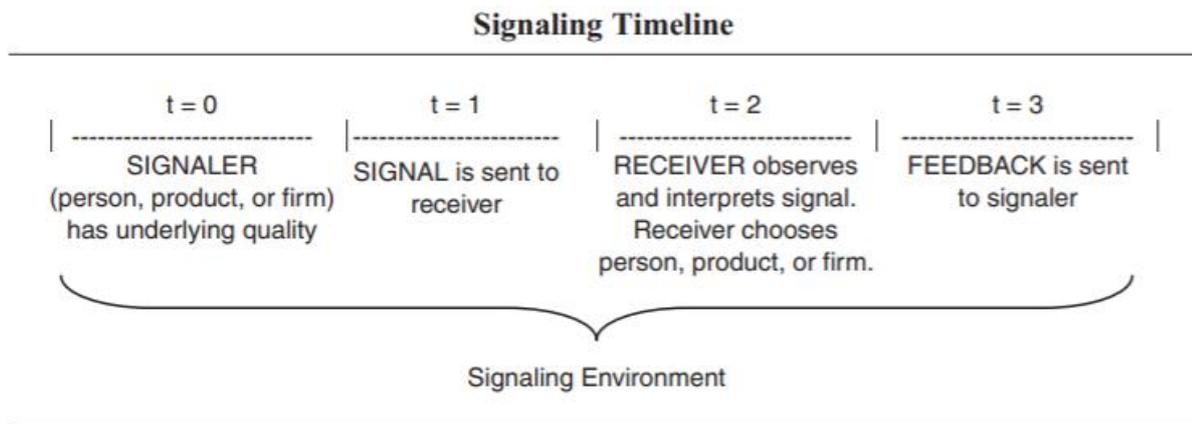


Figure 1: User Y trusts user X because of a X's reputation on the platform based on past transactions with user(s) Z or b Y's trust in the platform. In case (c), user Y trusts X on platform B because of X's reputation gained on a different platform (A)

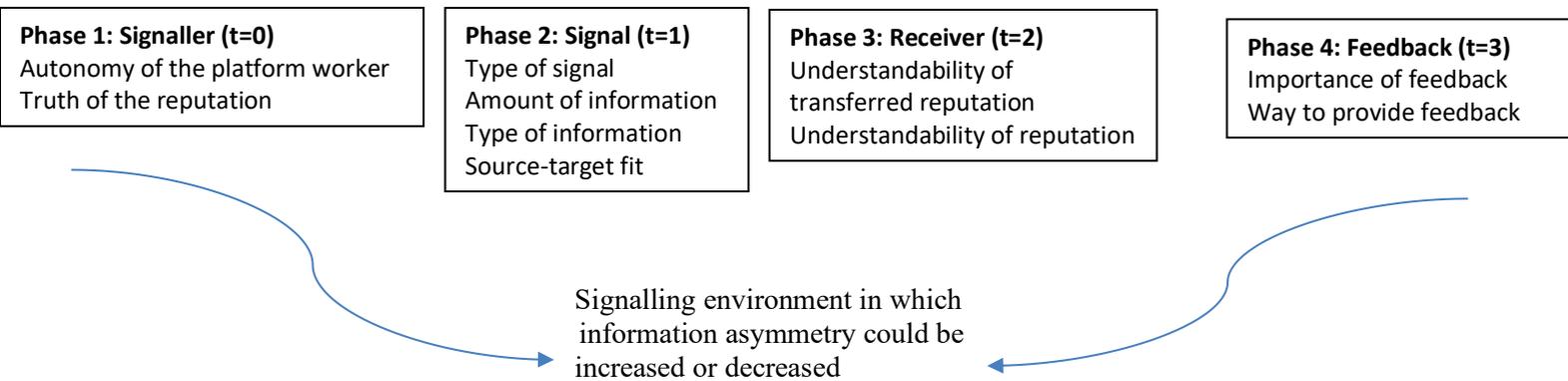
Figure 2



Note: t = time.

Figure 2: The signalling timeline

**Figure 3**



*Figure 3: The theoretical framework*

## 9. APPENDICES

### Appendix A: Interview protocol platform representatives

1. What type of information is shared about the performance of the workers?
2. Is there any information that a worker cannot share on your platform about him/herself while they have the information?
3. How is the reputation shared on the platform?
4. What type of information do you want to share and receive due to reputation transfer?
5. What way could reputation transfer play a role for requesters to better evaluate?
6. What should a platform do to make the signal understandable for the requesters when the reputation is transferred from another platform to yours?
7. How does the platform make sure that they provide the right and valuable information that the requester is lacking in order to make a choice?
8. How can a requester provide feedback about a signal/reputation on your platform?
9. Can you imagine that you can transfer a reputation from another platform to this one would be helpful in order to provide more valuable information for the requester?

### Appendix B: Interview protocol requesters

1. Should a worker be able to decide by himself/herself what kind of information he/she wants to share and why?
2. What kind of information do you like to receive from a worker (performance related? Characteristics? stats)?
3. What do you think is the best way to share the signal/reputation?
4. What way could reputation transfer play a role for requesters to better evaluate?
5. What should a platform do to make the signal understandable for the requesters when the reputation is transferred from another platform to yours?
6. What situations can you remember or imagine when the signal from the worker was not understandable for you? Please elaborate
7. Do you think it is important to provide feedback about a signal/reputation and why?
8. How do you, as a requester, want to provide feedback about a signal/reputation?
9. In what way could reputation transfer decrease information asymmetry perceived by you?

### Appendix C: Coding overview (deductive codes)

Code	Full Name	Theme	Excerpt from transcript
APW	Autonomy of platform worker	Signaller	The autonomy of the worker what information to share and what reputation to transfer
TR	Truth of the reputation	Signaller	Whether the reputation of a worker is true or not
TS	Type of signal	Signal	The reputation system that is used by the platform
AI	Amount of information	Signal	The amount of information that is shared by the worker with a reputation
TI	Type of information	Signal	What kind of information is shared by the worker
STF	Source-target fit	Signal	Whether the market of the two platforms fit each other
UTR	Understandability of transferred reputation	Receiver	Whether the transferred reputation is understandable for the requester
UR	Understandability of reputation	Receiver	Whether the reputation is understandable for the requester
IPF	Importance to provide feedback	Feedback	The level of importance of providing feedback to the worker about the signal
WPF	Way to provide feedback	Feedback	The way how the requester should provide feedback to the worker about the signal

### Appendix D: Coding overview (inductive codes)

Code	Full Name	Excerpt from transcript
ND	Newbie dilemma	The fact that a new worker on the platform does not have a reputation yet
CW	Complexity of work	Whether the worker provides a complex service
WE	Worker evaluation	How the worker is evaluated by the requester
TIRT	Type of information due to reputation transfer	Information that is wanted to be shared and received
WSTR	Way of showing transferred reputation	How the transferred reputation is shown on the platform
PRI	Providing right information	Whether the information is shared that the requester wants to know
PRS	Providing right signal	Whether the right signal is used to share the reputation
ROR	Reliability of the reputation	Whether the information that is provided by the worker is reliable or not
EOR	Expectation of requester	Expectation that the requester has about the worker based on the reputation of the worker