

Executive Summary

Hsunchi, C., & Shuling, L. (2007). Exploring consumer resale behavior in C2C online auctions: Taxonomy and influences on consumer decision. *Academy of Marketing Science Review*, 11(3), 1-25. Retrieved from <http://ezproxy.edu/login/?url=http://search.proquest.com/docview/2000799678?accountid=25320>

Purpose. This research was conducted to learn about C2C (consumer-to-consumer) online resale behavior. It is important to know that the study defines consumer online resale as one that has purchased a product (new or used) primarily for self-use (not for resale), then resells the product (new or used) online through auction Web sites. The study differentiates between consumer online resale, from professional online resale. The Internet has revolutionized the way in which we purchase products by using C2C Web sites like eBay, which has 233 million registered users worldwide. The study aims at understanding the motivation in resale behavior, rather than the resale experience or the frequency of resales. Interestingly, the study goes to show the interaction that occurs between online and offline purchasing patterns, suggesting that there is a connection and correlation between the two buying methods. Consumers often collect information from both online and offline sources prior to making a purchase.

Major Findings. The Internet has created tremendous potential for resellers. It has changed the way in which we behave as consumers because it has created a secondary market. Personal possessions are viewed as an extension of someone's net worth, especially for those who use Web sites like eBay to resell goods. The study is based on primary research conducted in Taiwan and China to learn more about the motivation behind consumer online resale.

Sellers are motivated by different reasons. There are consumers who purchase items with the intent to use and later resell, like items that will be used for a short period of time by growing children. These sellers are motivated by the need to make room for new items while earning additional income. These are called "spring house cleaners." Then there are the "housecleaners," who regularly rid the home of unwanted items and are motivated by the same reasons as the "spring house cleaners."

Then, there are sellers who sell for emotional and social motivation, who are less concerned with making a profit. Some of the possible motives are protection of the environment, avoiding potential waste, socializing, achievement, and the joy of selling. There was an interesting interview conducted where a participant said that shopping online is a great way to experience new high-end fashion. She purchases items, uses them, resells them for a profit, and then invests in newer fashion. She is essentially allowing others to help pay for her experience.

Usefulness. The usefulness of this information to the global marketer is to create an awareness of the changes being created by C2C online auctions, and how that influences retail shopping behavior. Contrary to the thought that C2C may take away from retail sales, there is a strong possibility that C2C online auctions may lead to additional sales because people who purchase items at retail stores, then go online to sell these items to people who prefer to shop via the Internet. The ability to resell products online reduces purchasing risks and possibly leads to purchasing more goods. Marketers can capitalize on this shopping trend and develop strategies about how to participate in secondary markets as a way to gain additional sales and market share.