Taxonomy of C2C E–Commerce Venues

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INTRODUCTION

Commerce can be conducted face-to-face or electronically. Electronic commerce (e-commerce) refers to buyers and sellers transacting online. As Figure 1 illustrates, businesses and individual consumers participate in various forms of this commerce, for example, business-to-business (B2B); business-to-consumer (B2C); and consumer-to-consumer (C2C). B2B e-commerce is the conducting of online transactions between businesses. It is the largest form of e-commerce being practiced today. B2C e-commerce is the conducting of online transactions between a business and a consumer. It is the largest form of e-commerce being researched and the second largest form of e-commerce being practiced. C2C e-commerce is the conducting of online transactions between consumers. It has not been researched as much as B2B or B2C e-commerce, but it is steadily catching up to B2C e-commerce, in practice. For example, online auction use is expected to reach $54 billion in 2007, which is a growth rate of 33% compounded annually since 2002 (Johnson, 2002). Even though more transactions are occurring, research in C2C e-commerce has not kept up in this growing field. Perhaps the reason for this lack of synchronization is that researchers are unaware of the many venues in which C2C e-commerce can and is being conducted.

The most cited and researched example of C2C e-commerce is through online auctions such as eBay. However, there are many other venues for conducting C2C e-commerce that should be explored that may not necessarily be apparent. As demonstrated by existing research in C2C e-commerce, researchers have focused their studies on venues in which C2C e-commerce is the specified purpose of a site. In addition to these venues, C2C e-commerce can be facilitated in places such as online communities, Web-based discussion forums, consumer blogs, and chat rooms. Each of these venues needs to be explored before a complete representation of C2C e-commerce can be made. Differences in how a consumer views each of the C2C e-commerce venues may be expected to alter the factors affecting his/her determination to participate in C2C e-commerce in the various venues.

To help researchers in structuring the potential venues and classifying factors affecting participation, this article presents a taxonomy of the C2C e-commerce venues and a description of the types of venues found in the categories. The next section provides a background discussion of each venue discussed in the taxonomy. Following that will be the presentation of the taxonomy. Future trends and conclusions are provided at the end of the article.

BACKGROUND

C2C e-commerce has been examined in terms of trust, reputation systems, and value in communities. However, the venues for conducting C2C e-commerce have not been explored, nor have the multitude of venues available to conduct C2C e-commerce been recognized. This section will present potential C2C e-commerce venues and the relevant research to date for each venue.

Online auctions have been heavily researched in the literature. An online auction is designed to allow consumers to buy and sell from one another in a structured environment.

Figure 1. Commerce channels
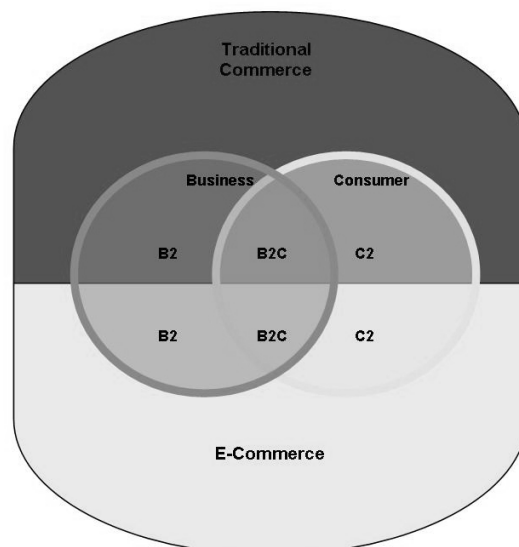
In this venue, payment and product exchange mechanisms are established. One area of concern in online auctions is the reputation system. Many researchers have examined the impact of a seller's reputation (given that he/she may be anonymous) on the willingness of buyers to bid on and purchase items in an online auction (Lin, Li, Janamanchi, & Huang, 2006; Melnik & Alm, 2002). Online auctions have also been researched in many other ways, such as price setting (Bapna, Goes, & Gupta, 2001), bidding strategies (Ward & Clark, 2002), and trust (Klein & O'Keefe, 1999).

Third party listing services allow consumers to post items for sale as one would traditionally post in the classifieds. Third party listing services are also well structured and appear to be an established way to conduct C2C e-commerce; however, they have not been explored in the literature with regard to selling and purchasing. Currently, only the recognition of a third party in the buying/selling process has been studied as to its impact on consumer trust (Schneiderman, 2000).

Online communities offer consumers a venue to post comments regarding a topic of interest to the community. The feeling of being part of a "community" opens the online community up to more than just topical discussions. They offer the opportunity to post items for sale based on the community interest. The "community" feeling may make the member feel more comfortable with buying a product from another community member. Online communities have been greatly researched. Areas examined the most regarding online communities are: value (Armstrong & Hagel, 1996), design (Andrews, 2002; Lutters & Ackerman, 2003), success (Cothrel, 2000), and use in health care (Leimeister, Ebner, & Krcmar, 2005). However, research has not been conducted regarding the commerce that exists in online communities.

Web-based discussion forums are an online venue that allows individuals to post information related to a particular topic. Discussion forums are similar to online communities; however, individuals can be a part of an online forum without being a member of the online community. Web-based discussion forums have been researched in relation to rules of communication (Fayard, DeSanctis, & Roach, 2004), influence on consumer purchase decisions (Dellarocas, 2006), and learning (DeSanctis, Fayard, Roach, & Jiang, 2003).

Consumer blogs are online journal-like Web sites created by users to display their personal thoughts and ideas, much like a diary, and individuals that read the blog can leave messages which make this venue highly interactive. Therefore, blogs can be used for more than displaying journal entries; they can be utilized to conduct transactions. Research related to consumer blogging has currently been completed in relation to why people blog (Nardi, Schiano, Gumbrecht, & Swartz, 2004) and protecting bloggers (Robben, 2006), but blogging has yet to be studied in relation to C2C e-commerce.

Chat rooms offer a locale for individuals to meet and "chat" as often as they would like in real time. Chat rooms also offer the opportunity for consumers to meet and establish how a sale will take place; however, this aspect has yet to be explored in the literature. Chat rooms have been researched regarding information exchange (Shoham, 2004) and promotional chat where word-of-mouth and advertising is used (Mayzlin, 2006).

While research concerning commerce in these venues is lacking, anecdotal evidence suggests that all of these venues can be utilized to conduct C2C e-commerce. In order for researchers to fully study the venues, a taxonomy must first be established for guidance. The next section develops a taxonomy for C2C e-commerce venues.

C2C E-COMMERCE VENUES TAXONOMY

Taxonomies can help to better detail a particular phenomenon. When an area of research begins to blossom, it can be difficult to understand how research areas fit together. A taxonomy can help to structure current research, to identify holes in the existing literature for future research, and to build a roadmap for a given area of research. No such taxonomy exists for any aspect of C2C e-commerce. Without this valuable tool, researchers may find it difficult to see the connections among the current C2C e-commerce research and to develop future C2C e-commerce projects. This article develops a taxonomy of the venues in which C2C e-commerce can take place. Defining the characteristics of these various venues will help researchers to classify aspects of their C2C e-commerce research and begin to provide prescriptions to consumers participating in these various venues.

C2C e-commerce venues can broadly be broken into two main categories: Structured/Intended and Unstructured/Unintended (see Figure 2). Each of these two main categories can contain numerous venues where C2C e-commerce can be conducted. Below is a description of each of these categories.

Structured/Intended

The structured/intended category is made up of C2C e-commerce which is performed in a venue set up specifically for C2C e-commerce. For example, online auctions (e.g., eBay) and third party listing services (e.g., Half.com) are intended to facilitate C2C e-commerce. These venues may have other features available on the sites, but the main purpose for the site itself is to facilitate the exchange of goods and services. In order to participate on these sites consumers are required to adhere to various standards set forth by the third party hosting the site. The third party enforces its right to restrict consumers from participating if they do not adhere to the standards. These venues may or may not require payment

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