Consumer online resale at Tradera

– A qualitative study of valuation and pricing in the online auction marketplace

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Abstract

Trade of second hand goods between private individuals has increased substantially during the 21st century, particularly in the light of a growing e-commerce scene. Consequently, individual consumers more notably find themselves in the role of sellers in the marketplace and take on responsibilities traditionally performed by businesses. The study at hand builds on this phenomenon and examines how consumer online resellers at the online auction marketplace Tradera make sense of valuation and pricing processes related to their intended resale of pre-owned branded clothing. For this purpose, nine private Tradera-users have been interviewed. By drawing on theoretical contributions from economic sociology and the sociology of valuation, the study has contributed to an enhanced understanding of consumer online resale behaviour and the role of individual valuation and pricing processes for the ordering of an online auction market. The results show that the informants find it problematic to economically value and price garments that are to be resold in the market since they are considered, more or less, usable and meaningful possessions. The study has found valuation of garment condition to be the main source of uncertainty as it distinguishes the economic value of branded garments in the marketplace. The informants broaden the definition of what is judged “new” to make valuation processes more favourable in accordance to their perception of second hand markets. The study further finds that the informants facilitate individual valuation and pricing processes, and simultaneously contribute to market order, by referring to an informal and socially constructed scale for valuating product condition that is marketplace-specific and complements Tradera’s formal categorization system by adding nuances. To cope with the situational uncertainty of not knowing the auction outcome in advance, the study has shown that the informants appear risk averse when pricing garments and therefore avoid misplacing the value distribution.

Key words: Valuation, Pricing, Consumer online resale, Online auction, Markets
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1. Introduction

A recently published report by PostNord (2018) shows that Swedish online commerce has grown tremendously during the twenty-first century. The e-commerce turnover has shown a remarkable growth from nearly 7 billion in 2004 to 67 billion in 2017.\(^1\) In the aftermath of this general development towards an online-based market society there has been an emerging scene for e-commerce of second hand goods, not least accentuated by an increasing trade between private individuals (Swedish consumer agency 2015). This thesis will elaborate on this phenomenon by shedding light on the situation in which private individuals take on the role of salespeople in order to offer selected possessions to the market, and more specifically when mediated through the Swedish online auction platform Tradera.

Tradera is one of the Sweden’s largest online marketplaces with more than 16 million visits each month (Mynewsdesk 2018). The firm was founded in 1999 and in 2006 acquired by the global e-commerce giant eBay for 365 million (eBay 2006). Since 2011 Tradera is owned by Paypal Payments and reported a turnover of 186 million in 2016 (Allabolag 2018). Tradera hosts a wide variety of product categories ranging from antiquities to smartphones and branded fashion clothing, all of which are accessible for the two million registered users (Tradera 2018). The marketplace is principally organized according to the English auction principle (Aspers 2010, p. 98) in which a seller sets a listing price that is expected to ascend as bidders compete, although the platform also provides an option for fixed prices. The marketplace primarily builds on trade between private individuals even if commercial businesses have entered the field (Swedish consumer agency 2015). In large, this thesis focuses on activities undertaken by private individuals when auctioning selected belongings at Tradera, and more precisely how they make sense of the value of the goods they intend to sell and the prices they set. In the following section, an elaborated background of the study’s central subject is introduced. The background is followed by a presentation of the purpose of the research and the question the study aims to answer. The introduction concludes with an account of the study’s continued disposition.

1.1 Background

Trade between private individuals is a recognized practise of collaborative exchange and has a rich history stemming from physical secondary markets such as garage sales and flea

\(^1\) All figures in Swedish krona, SEK.
markets, through which individuals acquire and/or dispose pre-owned consumer goods. This phenomenon, also known as consumer-to-consumer (C2C) commerce, has however transformed significantly during the past decades. Developments in information and communications technology have enabled sellers and buyers to interact and transact conveniently via mobile phones, tablets or computers whenever and wherever there is an Internet connection. C2C commerce has in this sense developed from traditional dyadic (one-to-one) and polyadic (one-to-many) exchanges to networks of rhizomatic (many-to-many) exchanges (Giesler 2006), where consumers concurrently engage in both acquisition and disposition of goods. Accessibility and user-friendliness for both sellers and buyers have positioned online market platforms as prominent C2C consumer channels, not least exemplified by the largest global online auction platform eBay that hosts 170 million active users worldwide (Statista 2018).

Chu and Liao (2007, p. 6) have used the term consumer online resale to describe an Internet based sales activity among private individuals, “... in which the products being resold are purchased mainly for self-use, not for resale”. In Sweden, such consumer online resale has increased significantly during the twenty-first century in the light of an expanding digital economy facilitated by online market platforms such as Tradera, Blocket and Facebook (Swedish Consumer Agency 2015), and continues to show a positive development (Swedish Competition Authority 2018). The growing size of online C2C secondary markets inherently means that private individuals more notably take on the role of resellers and assume responsibility for activities concerning product valuation, marketing and pricing that are ordinarily performed by businesses and professional resellers in conventional business-to-customer (B2C) retail. This poses an interesting conundrum regarding the functioning of C2C markets considered that consumer online resellers approach the market as laymen and that their participation is characterized by an “entry-exit” approach as they come and go with their offers. These offers are, as expressed by Chu and Liao (2007), limited to personal use items of shifting quality and quantity, which subsequently raises the question how laymen market resellers make pricing decisions when they are uncertain about the value of their qualitatively different offers.

From the viewpoint of economic sociology this conundrum accentuates a concern regarding the operations and dynamics of online C2C secondary markets. Aspers and Beckert (2011, p. 4) suggest that order in a market presupposes that uncertainty is reduced, and that uncertainty
regarding value and price “… stems from the contingency of the value of products and from the difficulties in judging the qualities of the products offered in the market”. Although the authors refer to this as a general issue to be resolved in all kinds of markets, the problem is in this study thought to bear particular relevance for second hand markets due to the asymmetric information (Akerlof 1980) involved in trade with pre-owned goods. A report published by the Swedish Consumer Agency (2015, p. 36) has stressed clothing as a particularly complex commodity in C2C e-commerce because of the ambiguous subjectivity involved in judging the quality and condition of a used garment and the disputes this renders as sellers’ descriptions and buyers’ expectations do not coincide. Hence, the issue is not principally the result of sellers’ conscious dishonesty or mere carelessness but rather people’s different assessment of product quality.

1.2 Purpose and research question
The purpose of the study at hand is to explore how individual consumer online resellers perform valuation and pricing processes related to their intended resale of branded fashion clothing at the online auction marketplace Tradera. To use clothing as research commodity is, besides the judgement issue, relevant since it resonates with a larger societal discourse regarding sustainable consumption and a willingness to sell and buy more clothes second hand (DN 2017). Moreover, pre-owned clothing is statistically argued to be the most easily sold product category at the marketplace (Tradera 2017). The study aims to provide an understanding of how laymen consumer resellers make sense of valuation and pricing processes as they sporadically enter the market with qualitatively different offers. By drawing on theoretical contributions from economic sociology and the sociology of valuation I strive to contribute to an enhanced understanding of consumer online resale behaviour and the role of individual valuation and pricing issues for the ordering of a C2C e-auction market. Based on the background presented above and the line of inquiry refined through the research aim, I have formulated the following research question: How do private consumer resellers make sense of valuation and pricing of pre-owned branded clothing when approaching an online auction marketplace?

1.3 Disposition
Following the introduction, the coming chapter presents a review of previous research relevant for the study at hand in regards to asymmetric information and uncertainty in the online auction marketplace and consumer online resale motivations and behaviour. The next chapter offers an account of the study’s theoretical framework grounded in contributions from
economic sociology and the sociology of valuation. This is followed by an examination of the study’s methodological considerations and the procedures for collecting and processing the empirical material. Thereafter, the results of the study are presented in the light of selected quotations from the interviews. Finally, I engage in a discussion about the results in relation to the study’s purpose and research question before presenting a conclusion of the study’s results and suggestions for further research.

2. Previous research

The following chapter provides a review of academic research from multiple disciplines that are relevant for the study at hand. I have chosen to divide the chapter into three parts, where the first focuses the general issue of uncertainty sprung from information asymmetry in online auction markets. The next section introduces a topic that has gained particular scholarly attention in the study of online auctions, reputation systems. The third and final section more precisely focuses on consumer online resale behaviour. I will concurrently engage in a discussion with the literature to motivate sociological inquiries related to the purpose this thesis.

2.1 Asymmetric information and signalling in the online auction marketplace

Consumer-to-consumer e-commerce is in many ways a type of market exchange characterized by perceptions of uncertainty and risk for both sellers and buyers, which largely derive from asymmetric information (Akerlof 1970). Unlike conventional markets, interaction and transaction between sellers and buyers in online markets are essentially anonymous and unconstrained by time and physical location. Traders do not have an established relationship and seldom meet in person or interact more than once or possibly a few times. Asymmetric information and uncertainty regarding both the qualities of the item being traded and the characteristics and behaviours of the trading counterpart makes trust a major concern for online exchange relations to transpire, especially since trust in sale situations relate to reliability, dependability, responsibility, likeability and honesty (Swan, Trawick, Rink & Roberts 1988). Since sellers cannot choose their buyers and buyers cannot inspect the item before payment, sellers and buyers must be both trustors and trustees (Jones & Leonard 2008, p. 88). To understand how e-commerce markets function to mitigate such risks scholars have largely turned to signalling theory (Spence 1973) by emphasizing that sellers can counteract problems of asymmetric information and adverse selection by disclosing credible signals to the environment. Hence, economic actors perform observable and costly actions of signalling
to inform others about the quality and value of one’s offer with the intention to alter their beliefs or behaviour.

Consumers’ trust concerns in online auction markets have been proved legitimate due to the occurrence of various kinds of fraudulent activities (Pinker, Seidmann & Vakrat 2003; Gavish & Tushi 2006). Research indicates that fraudulent activities are more frequent than the levels reported by online auction operators (Gavish & Tushi 2006) and that fraud allegations found in reputation systems significantly exceed fraud allegations made through official channels (Gregg & Scott 2006). A major concern has therefore been to examine what strategies sellers are using in online auction marketplaces, what signals are used and how, and the effects on auction outcomes since reliable signals could reduce information asymmetry and bidders perceived risk. Importantly, sellers’ signalling strategies simultaneously serve as differentiation attributes to affect auction outcomes in highly competitive online auction markets (Bockstedt & Goh 2012). Song and Baker (2007) have e.g. shown that diverse seller-controlled factors such as auction duration, number of payment options, shipping costs, number of pictures etc. could all support the probability of online auction success in terms of higher net revenues. Research has also shown that race can function as a signal when disclosed on photographs in online auctions. Ayres, Banaji and Jolls (2015) found that the skin-colour of the hand holding a baseball card for sale in eBay auctions impacted selling price. Pictures with dark-skinned hands sold for approximately 20% less than auctions signalled with light-skinned pictures.

Shen, Chiou and Kuo (2011) have classified signals into three categories: seller reputation, product condition and argument quality, when investigating how signals affect consumers’ online buying decisions on eBay auctions in the United States. Seller reputation, which will be elaborated on in section 2.2, refers to ratings in peer-to-peer reputations systems that affect buyers’ trust in a seller (Ba & Pavlou 2002). Product condition is signalled by whether the product is new or used and possibly damaged, and can be accompanied by warranties, which impact perceived risks of buying an item one cannot inspect prior to purchase. Used products are inherently associated with greater uncertainty than new products since sellers and buyers have a more shard conception of what “new” means in contrast to the definition of “used”. Argument quality in online auctions refers to sellers’ use of signals to increase credibility and affect buyers’ attitudes towards bidding by providing relevant information. Detailed product descriptions, high-quality pictures, reasons for selling the product, disclosing reference prices
etc. could all serve to reduce information asymmetry, and thus the risk, for bidders. The results indicate that both positive and negative reputations impact auction success, number of bids and buyers’ willingness to pay. Signals for product condition have significant impact on willingness to pay whereas new products receive more bids than damaged items. For argument quality, signals in form of number of pictures and number of words in listings have significant positive impacts on auction success and number of bids while all argument quality signals positively impact the willingness to pay.

While the results from Shen, Chiou and Kuo’s (2011) paper provide useful practical insights for sellers who want to operate in an online auction marketplace, it simultaneously poses an interesting concern about how goods are valuated according to their perceived condition. How does one determine which category an object belongs to, i.e. if it is new, used or damaged? Shen, Chiou and Kuo (2011) have produced these categories for analytical purposes and classified auction records based on coding according to predefined criteria. But how do resellers valuate goods in the marketplace given that the definitions and judgements of what is “new and “used” might differ significantly? On online auction platforms, e.g. Tradera, auctioneers are required to list a good into one of two formally pre-defined condition categories, “new” or “used”, which are subject to interpretation and do not yield any nuances in the degree of used-ness. It is therefore sociological relevant to look beyond formally pre-defined categories in online auction marketplaces and examine how valuation is accomplished through informal, fine-grained categorization constructed in the social interaction between market actors. A limitation of Shen, Chiou and Kuo’s (2011) study is thus that the results do not consider the quality of the signals, as in their meaning, but rather quantifies them, e.g. into the numbers of words deployed.

Hsu, Koçak and Hannan (2009) have made a sociological contribution to the study of seller strategies in online auctions by exploring economic and social effects of offering products that span multiple categories. Audience members (potential buyers) refer to categories for making sense of products and offers, whereby products with features from multiple categories are less appealing than category specialists. Similarly, the seller-side holds that spanning categories reduces the ability to target specific category audiences and thereby decreases their appeal to audience members. The study is based on empirical data from auctions on eBay and

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2 The criteria used to classify auction listings into defined product condition categories in the study are not presented in the article.
considers sellers with varying category-engagement, 70% specialized in one category and the remaining 30% with listings in two or more categories. Sellers on eBay are required to formally categorize the offer from a predefined set when listing. The quality of engagement was analysed based on quality indicators (e.g. “good”) and acronyms in listing titles and found that sellers engaged in at least two categories were less likely to use quality indicators and acronyms. The results show that sellers engaged in two or more categories were significantly less likely to successfully sell their products, but that the use of quality indicators significantly increased the likelihood of sale. In this sense, generalists (sellers who span multiple categories and rarely use quality indicators or acronyms) suffer economic and social disadvantages compared to specialists by not having category-specific identities because audience members do not consider them full category-members. These results clearly introduce some interesting sociological concerns regarding both seller and buyer behaviour in the online auction marketplace and invite for further theorizing. The fact that specialist operating in a single category uses more quality indicators and acronyms than those who engage in multiple categories, and get rewarded for it by the audience, indicates that certain behaviour can be understood as more or less socially legitimate within a defined category. In an uncertain e-commerce environment, in terms of both product quality and trader anonymity, this could be seen as a way to reduce uncertainty by recognizing the importance of experience and situated knowledge within a category.

As evident from the research outlined above, online auction markets are notably sensible to perceptions of risk and trust concerns. Sociological approaches could enrich our understanding in such marketplaces by looking beyond merely economic outcomes of certain seller strategies and instead focusing on the underlying social processes that reduce uncertainty, create market order and guide economic action. Since market participation requires a dynamic and peaceful interplay of economic exchanges between sellers and buyers it is relevant to further dedicate some space to research focusing on the mitigating role of peer-to-peer reputation systems that have received a particularly prominent position in e-auction marketplaces.

2.2 Trust and reputation in online auctions
Peer-to-peer reputation systems have become an important function in online auction markets to, partly, overcome problems of asymmetric information and risk by collecting and publicizing information about traders’ past behaviour in economic transactions (Resnick,
Zeckhauser, Friedman & Kuwabara 2000). It should be noted that trust in online auctions, naturally, not only derives from peer reputation systems but also depends on factors such as personal experiences and attitudes, cultural context, marketplace platform design and user friendliness, support functions etc. (Schlaegel 2105; Jones & Leonard 2008). Simultaneously, it is difficult to even identify and differentiate between ethical and unethical behaviour of resellers in C2C e-commerce, e.g. due to what is deemed socially and culturally acceptable (Leonard & Jones 2017). For the study at hand it is however relevant to elaborate on reputation systems because resellers have the possibility to impact their own reputation, and thus their perceived trustworthiness among potential buyers (Kuwabara 2015).

Diekmann, Jann, Prezpiorka and Wehrli (2014) have made an important sociological contribution to the study of trust and reputation formation in online auction markets by examining the effect of reputation on sale probability and selling price. The authors argue that the typical seller-buyer interaction in online auctions could be conceived as a four-stage process, starting with the initiation stage during which the seller initiates an auction and decides on parameters, e.g. starting price and auction length. Thereafter the bidding stage takes on and potential buyers place bids until auction closing, which follows by the transaction stage when the highest bidder pays the selling price and the seller ships the product. Finally, there is the feedback stage when the seller and buyer can choose to rate the other part, positively or negatively. Submitting feedback is however costly in terms of time and effort and by “… assuming strict rationality, actors would not rate their trading partners…” (Diekmann et. al. 2014, p. 66). Yet, altruistic and reciprocal preferences maintain the provision of feedback and generate the information needed to create mutually beneficial trade (Ibid.).

Diekmann et. al. (2014) studied reputational effect on sale probability and selling price for high-cost (mobile phones) and low-cost (DVDs) products with high (used) and low (new) buyer uncertainty and motivations to leave feedback. Data was collected from eBay Germany and comprised approximately 14 500 mobile phone auctions with a large number of different sellers and 340 000 DVD auctions set up by a relatively small number of professional seller. Results for auction success indicate a significant negative effect of negative reputation ratings and positive effect of positive ratings for the probability of selling new mobile phones and DVDs. There was no significant effect on the probability of sale for used mobile phones. In terms of selling price there is a strong relation between sellers’ reputation and the highest bid
for both products indicating that negative rating tends to reduce price whereas positive ratings increase final price, which is consistent with Ba and Pavlou’s (2002) findings on positive reputational price premiums in online auctions. The effect of negative ratings on price and sales are additionally larger than those of positive ratings for all products. The results also show that sellers’ reputation, both positive and negative, have a stronger effect on price for used than new high-cost products.

An analysis of these results suggests that reputation is of vital importance for both laymen and professional sellers. Positive reputation generates greater price premiums and the other way around for negative reputation. Thus reputation mitigates uncertainty concerns for buyers. A limitation of the study is however that Diekmann et. al. (2014) do not take listing price into account, which leaves out any indication of how sellers initially valued their offers. Gaining a reputational status in an online auction marketplace is not just for businesses building it over time but laypeople get a publicized reputation only after a few transactions been reviewed by buyers.³ This raises the question whether or not consumer resellers take their reputation into account when valuing and pricing their products when approaching the market, either positively or negatively.

As evident from the literature outlined above, there is no universal best practise for selling a product in an online auction marketplace; no magic selling strategy that automatically generates the highest possible bid and guarantees smooth transaction behaviour from the anonymous buyer. Buyers discriminate among sellers based on product offer signals such as category, brand name, condition, retail price and their accumulated reputation as a seller, whereby reputation is thought to have a market value. Sellers must actively decide on what strategies to employ and what signals to be used and how. What we have not seen from the literature is if, and how, individual experience in the marketplace and knowledge of one’s reputation affect a seller’s valuation and pricing processes. The following section will take a step back from the interactional dynamics of online auctions and more specifically focus on what is known about consumer resellers’ behaviour in the initiation stage.

2.3 Consumer online resale motivations and behaviour

One of the most interesting consequences following increased participation in C2C online auctions lies in the fact that consumers not only buy from each other, but that they sell to one

³ Tradera requires ten unique sell-reviews in the past twelve months to publicize a seller’s reputation.
another. Scholars have comprehensively examined the former phenomenon of online consumption through buying, focusing largely on issues concerning purchase and bidding behaviour (Park, Keil, Bock & Kim 2016; Yeh, Hsiao & Yang 2012), e.g. in the form of competitive arousal and auction fever (Adam, Krämer & Müller 2015) and by making comparisons with in-person auctions (Massad & Tucker 2000). Focusing on the activity of selling, consumer resellers are distinguished from professional resellers due to characteristically different attitudes and behaviours. Consumer resellers, in contrast to professionals, take no risk of holding inventory since they resell goods in small quantities initially purchased for self-use. In this sense, consumer resellers also care less about resale failure because they can still make use of the unsold good (Chu & Liao 2007, p. 5-6). Vicente (2015) has shown that the use of online auction websites for C2C trade has increased in the EU in recent years and identified relevant characteristics of the different users based on the activity of selling. The results entail socio-economic differences and indicate that the probability of selling over an online auction platform is; 1.3% points higher for men than women, increasing with age, is lower among individuals with higher education compared to those with primary studies and is more probable among unemployed people than those with a job.

But why do consumers decide to resell their unwanted possessions? Chu (2013) has studied motivations underlying consumer resale on C2C websites. Following analysis of data collected from in-depth interviews with 48 Taiwanese online C2C users, the author identifies four conceptually intrinsic motivations for online resale behaviour; utilitarian motivations, hedonic motivations, guilt and socializing. Utilitarian motivations are rational, decision effective and goal oriented strictly grounded in profitmaking or cost recovery. Hedonic motivations are signified by online resellers who “… resell online because they enjoy the process of turning trash into cash” (Chu 2013, p. 1534) and principally refer to behaviours related to pursuit of happiness and enjoyment. Guilt can motivate consumers to resell unwanted products online instead of storing or throwing them away to avoid “wasting” their remaining value. Socializing is also proposed to motivate online consumer resale, not least in the sense that consumers with similar interests can trade items related to a hobby.

Building on quantitative measures of C2C e-commerce selling, Yrjölä, Rintamäki, Saarijärvi and Joensuu (2017) have contributed to a widened understanding of consumer online resale motivations and behaviour. The authors used survey data yielding 2823 respondents in
Finland who had used C2C e-commerce platforms as either sellers or buyers to, inter alia, explain customer value through four dimensions: economic (price), functional (convenience), emotional (experience) and symbolic (meanings). The results indicate that consumers who are selling, or selling and buying, perceive economic and functional dimensions to be of greater value than emotional and symbolic dimensions in C2C e-commerce. When relating these insights to the qualitative work of Chu (2013) it appears as economic monetary factors constitute a primary source of motivation for consumer resellers accompanied by various non-monetary motives, e.g. social, emotional and functional.

Chu and Liao (2007) have contributed to a more conceptual understanding of C2C consumer resale behaviour by studying the linkage between acquisition and disposition phases. The authors base their study on participant observations from buying and selling items on eBay, Yahoo Auction and Taobao and data from interviews with 25 resellers in Taiwan and China. From their analysis, the authors provide a taxonomy for consumer online resale behaviour that differentiates between “planned” or “unplanned” resale and “used” or “unused” products, thereby creating four types of consumer online reselling: (1) resale of extra purchase, (2) resale after temporary ownership, (3) unintentional resale, and (4) disposition (Chu & Liao 2007, p. 7). Planned online resale refers to the condition when a consumer prior to purchase considers the possibility to, and has the intention to, resell the product after possessing it for a period of time to receive compensation for the initial costs. This has been shown to affect purchase decisions since it mitigates the financial risk if one would turn out dissatisfied. In scenarios of unplanned online resale however, the intention to resell a product occurs first after it has been acquired wherefore the expected return was initially zero. Reasons for deciding to dispose a new or used “unplanned” item might come from an idea that it is no longer useful for the consumer, unexpected circumstances which requires the item to be disposed or simply to gain some money. Conceptually, both planned and unplanned resale indicate that possessions “... are no longer considered to be unrecoverable costs, but rather can be considered as liquid assets or acceptable accounts for consumers who have mastered reselling on C2C online auction sites” (Chu & Liao 2007, p. 1).

The study by Chu and Liao (2007) provides an interesting conceptual framework for different types of resale behaviours but is rather limited in the sense that it does not consider the inherent uncertainty involved in C2C e-commerce and the valuation of goods. Consumer resale, even when unplanned as a disposition activity, seems to be peaceful and unproblematic.
for the resellers. It appears as if the valuation and pricing of goods are taken for granted, that it does not require any effort by the reseller and that goods are easily sold with a pleasurable outcome. This even though previous research in the field, as presented in section 2.1 and 2.2, have indicated that online auction success does not come naturally and that buyers discriminate among sellers. This background offers a natural ground for economic sociology to elaborate and nuance the understanding of consumer online resale behaviour. How does a reseller make sense of valuation and pricing of goods she intends to offer to the market when she does not know how to get the most out of them?

Denegri-Knott and Molesworth (2009) have made a phenomenological contribution to the knowledge of consumer online resale behaviour by studying the practical activities undertaken by consumers to make goods re-sellable. The authors interviewed 20 eBay users in the South of England to document how previously owned goods are managed and prepared for sale in online auctions. All possessions in a household are inevitably subject to possible re-commodification, i.e. objects to be traded on a market. Denegri-Knott and Molesworth (2009) have studied how an online auction platform facilitates this transformation of pre-owned goods into valuable “stock” through the work put in by the consumer reseller. The conception of goods’ as stock means that they are no longer personally meaningful items but transient economic things. In this sense, the authors argue that economic value is axiomatic to disposal practices that serve to activate a latent economic exchange value of a good and make it sellable to realise this value. The work demanded to make goods into stock is described as a three-stage process: valuing stock, preparing stock for sale and marketing stock.

Valuing possessions as stock requires a consumer to recognize an object’s economic value. Valuation includes “…nuanced and situated knowledge about what goods are worth” (Denegri-Knott & Molesworth 2009, p. 306) and can depend on all kinds of factors, e.g. a good’s condition, uniqueness, quality, brand name, retail price or fashionability. From a sociological point of view this is a rather under theorized conception of valuation since it does not sufficiently address the underlying problem of uncertainty regarding value, i.e. the contingency of a good’s value and the difficulties in judging its qualities (Aspers & Beckert 2011, p. 4). Consequently, how are valuation processes performed by actors to ascribe a certain worth to a good given the complexity of assessing factors such as those listed above. In this regard, Denegri-Knott and Molesworth’s (2009) results for “the process of valuing stock” only touches the surface of valuation without engaging in any nuanced discussion of
how quality, and worth, is measured and compared. The authors solely state that consumers tend to go beyond use and aesthetic values when calibrating the economic value of a good by loosely gathering knowledge about demand conditions, e.g. by listing clothes which have recently been borne by celebrities or doing research on the history of a product. A sociological account of resellers’ valuation in the online auction marketplace needs to examine how the value of a good is assessed beyond acts of superficial comparison and critically study how it is measured according to a common scale of prices (Aspers & Beckert 2011, p. 7).

The next stage in making stock resellable involved practices meant to prepare the stock for sale, mainly by attempts to restore a good’s original value by cleaning, packaging and mending. The study here shows that consumers started by classifying goods into stock by their perceived worthiness and thereby worthy of “preparatory attention”. Descriptions from interviewees entailed that goods with a higher imagined economic value were invested in through various restoring practises, like washing and ironing clothes. Goods with perceived low economic worth, because they were too used, damaged or unfashionable, were subject to other disposal conduits, e.g. donated to charity or thrown away.

The third and final process, marketing stock, includes the work undertaken to make the offers appealing to potential buyers, which involves many of the practises discussed previously in terms of signalling and seller strategies. Consumer resellers have countless possibilities to decide on how to market their offer with the functions provided by the marketplace platform. The results from Denegri-Knott and Molesworth’s (2009) study entail that consumer resellers engage in comparing-practises by researching current listings of similar goods in the marketplace. This concerns information about what kind of text others have included, how pictures are taken, price levels etc. For example, a respondent who sold DVDs used to review her competitors’ listings and undercut their price by £1. This poses an interesting sociological concern that is not addressed by Denegri-Knott and Molesworth (2009), in the sense that they do not consider how resellers decide, or judge, which other sellers and “similar goods” to compare offers with. This is relevant to consider since Denegri-Knott and Molesworth (2009) treat valuation and pricing as a more or less homogenous and peaceful activity with reference to existing market listings and do not considerably account for the competitive, heterogeneous nature of the online auction marketplace. As concluded from previous research, economic factors seem to be the primary drivers for online consumer resale at the same that there is no
universal best practise for selling a product that ensures auction success. Sellers therefore have to decide on a seller strategy, and more specifically a listing-price that may or may not be the equivalent to their economic valuation of the good.

Other practices involved in transforming goods into stock at this stage were found in the use of persuasive rhetoric and photographing. To recognize a stock’s economic value the reseller would use depersonalized persuasive rhetoric that generates positive associations and informative signals. Similarly to what was addressed in section 2.1 and the research by Hsu, Koçak and Hannan (2009) this raises questions about market order and situated knowledge, e.g. what persuasive rhetoric is considered custom in a certain category and does the seller get rewarded for acting accordingly? Similar procedures were found in regards to photographing as resellers attempted to emulate professional photography. Finally, they emphasize that the work with making a good into a stock also requires the physical labour of packaging the sold item, carrying it to the postal service and handling payment to fully realise the economic exchange value.

To summarise, existing literature has shown that various economic, social, emotional and functional factors that can motivate and affect consumer online resale behaviour. As evident from the work of Denegri-Knott and Molesworth (2009) online consumer resellers undertake various complex practices to make pre-owned goods sellable in online auctions and it has been notable that experience and expertise from the marketplace significantly impact resale decisions and consumer behaviour. This literature encompasses truly valuable insights to the general understanding of online auction markets and the more specific way consumer online resellers approach the market with their offers. It has nonetheless been noted throughout this literature review that there is room for further sociological inquiries on online auction markets, especially regarding how the dynamics of such marketplaces affect consumer resellers’ valuation and pricing processes.

3. Theoretical framework

The following chapter presents the theoretical framework that constitutes the study’s analytical foundation. Firstly, I present a proposition for a sociological understanding of markets. Secondly, I address the concept of valuation as it has been treated in economic
sociology before turning to sociological French pragmatism through the theorization of justification and conventions.

3.1 A sociological approach to markets

A thesis that aims to examine valuation and pricing issues in any market inevitably needs to address how markets are to be essentially understood. This study is inspired by the sociological theory of markets as proposed by White (1981). In his study of production markets, White (1981) theorizes that markets are social structures in which a fully connected clique of producers observes the behaviour of each other and acts accordingly in self-interest to create a niche. This conception deviates from the neoclassical model in economics in the sense that White (1981) partly disregards the “demand side” of markets by arguing that markets neither are defined by a set of buyers nor speculations of an amorphous demand. Instead, firms compete by deciding on production volume and price formation, and thus tacitly the perceived value of products, based on their reciprocal orientation towards one another. Producers’ relative position to others allows them to acquire identities and creates product differentiation from which consumers can discriminate.

A critique of White’s (1981) paper is that the author assumes fixed market boundaries in that there is a fully connected clique of producers and that each producer acts based on observed actions of all others. This implies that there is no additional search costs for finding out whom to compare one’s offer with. Online auction markets are however more chaotic and dynamic than White’s (1981) treatment of producer markets since there are numerous, largely, anonymous sellers that do not have a permanent market presence but rather come and go with their offers, wherefore it is difficult to assume that a consumer reseller would have knowledge about the actions of all others. Additionally, a question can be raised regarding the rather under-emphasized conception of the demand side of markets. Consumer resellers constitute the supply side of markets similarly to producer firms in White’s (1981) article. However, resellers have the dual roles of being both buyers and sellers of consumer goods wherefore it is necessary to consider how such a reflexive arrangement affects resellers’ general conceptions of the demand side and how actions are guided accordingly.

A second insight to the understanding of markets used in this study is found in Aspers’ (2010) theoretical distinction between standard and status markets, which is particularly relevant since it is based on empirical evidence from the fashion industry. In the light of White, Aspers
(2010, pp. 7-9) build on a social constructivist worldview for addressing the issue of market order by emphasizing how value is fundamentally derived. In a standard market, the standard of the offer is the main ordering principle and a relatively more entrenched social construction than the status, or social structure, of actors. A scale of value, which principally corresponds to quality, serves as the primary valuation order by creating a basis for which the standard is evaluated (Aspers 2010, pp. 144-145). What is relevant is thus the comparison of one’s offer in relation to the market’s operational standard. In status markets however, the value of differentiated products primarily derives from the social status of the actors and not the offers. Actions, e.g. price-setting, are therefore guided according to status position (Aspers 2010, pp. 58-59).

In Aspers’ (2010) work, the retail consumer market for branded fashion is identified as a status markets. The conundrum for the study at hand is how market order, and the origin of value and price, is interpreted when extending the market of branded clothing to a C2C second hand market setting. This is interesting in two ways: (1) pre-owned goods are inherently subject to greater quality uncertainty than retail offers wherefore alternative standards might be accentuated, and (2) the status of producers is amalgamated with the reputational status of consumer resellers on the marketplace. I will be treating the analytical distinction between standard and status markets as on a continuum to analyse how valuation and pricing of branded fashion is affected by the particularities of a C2C market when standard quality cannot be taken for granted.

3.2 Sociological valuation

As noted in the introduction chapter, Aspers and Beckert (2011, p. 4) propose that order in a market presumes that uncertainty is reduced, and that uncertainty regarding value and price “... stems from the contingency of the value of the products and from the difficulties in judging the qualities of the products offered in the market”. Sociologically, value is not intrinsic to the materiality of an object but constructed through social valuation processes founded on the concept of meaning and has numerous interrelated dimensions. These dimensions appear simultaneously in social life in the form of e.g. moral, aesthetic, sentimental and economic values (Aspers & Beckert 2011, pp. 5,10). From this stance, valuation as a process theoretically means “giving worth or value” (Lamont 2012, p. 215) to an entity by measuring and comparing it according to a scale (Aspers & Beckert 2011, p. 5). As several scales exist concurrently for different forms of value, conflict may occur over the
assessment of a good when value is translated from one scale to another since there is no clear “exchange rate” (Ibid.). Speaking to the study at hand, a garment can e.g. be judged as more or less beautiful or more or less expensive. This conflict is particularly evident through Zelizer’s (1978) work on the troublesome emergence of the life insurance industry in America, which shows how moral values are economically relevant even though they are distinct from economic values. Thus, what is valued in society and among its individuals is reflected in markets.

In Lamont’s (2012) proposition for a comparative sociology of valuation and evaluation she argues that valuation fundamentally requires categorization for determining in which group a certain entity belongs. The categorization dynamics rests upon sub-processes such as classification, standardization and commensuration. In this line of research, Bowker and Star (1999) have made one of the most significant contributions by stressing the real world implications following the interrelatedness of categorization, classification and standardization in assessing and attributing value. Categorization is inherently problematic since it causes either exclusion of entities that do not fit in a category or requires a re-definition of entities so to fit. The classification of categories in a certain order implies a differentiated attribution of value, whereas standards are considered, more or less contested, agreed-upon rules for classifying the world accordingly (Bowker & Star 1999, pp. 10-16). Commensuration refers to the creation of a measure that makes hitherto incompatible entities comparable. In markets, “Money is used as the common denominator to assess the value of goods: it makes qualitatively different objects commensurable on a common scale of prices” (Aspers & Beckert 2011, p. 7). I will use this sociological approach to valuation, and the individual concepts, when considering how consumer resellers’ make sense of value of branded fashion in the online auction marketplace, which subsequently justifies pricing behaviour.

3.2.1 A sociological theory of economic value

In the realization of a sociological theory of economic value, Aspers and Beckert (2011, pp. 9-13) recognize three dimensions of economic value that distinguish different forms by which a good can become economically valuable for a buyer. Firstly, there is the distinction between use and investment value. The former refers to what is gained from the qualities of a good through usage whereas the latter suggests an expectation to realize a monetary gain from the good. Secondly, the authors make a distinction between individualistic value that represents a
buyer’s satisfaction of a desire regardless of social considerations associated with the purchase and relational value, which is based on perceptions of what other people is believed to think, or actually think, of the buyer based on the purchase. Finally, there is a distinction between functional and symbolic value. Functional value refers to the physical effect the good provides for the owner when being used whereas symbolic value looks beyond the physical effects and encompasses the meaning the good has for the owner and her social environment.

These propositions for a theory of economic value certainly provide an insightful foundation for the economic sociology of markets to rest upon when understanding how goods become economically valuable to a purchaser. What is theoretically interesting is however that it only encompasses the buyer while neglecting the seller. From this stance, the limitation of their theory is that it does not recognize the, possibly, dual nature of consumers as both buyers and sellers in market settings. Given that “… value is a precondition for prices…” (Beckert 2011, p. 775), it should hold true that a good must become economically valuable also for a reseller so that she can recognize this value, price it and offer it to the market. I therefore suggest a complement to Aspers and Beckert’s (2011) analytical distinctions of the dimension of economic value to enable an understanding of how goods become economically valuable for consumer resellers. From this stance, economic value is not solely based on the amount of money a buyer is willing to surrender to obtain property rights but also the amount of money a seller is willing to accept, a set price, to transfer property rights.

The first distinction is then between use value and divestment value. This distinction contrast between what can be gained from keeping possession of the good for use and the divestment value, i.e. the expected monetary gain to be realized by selling an already owned good. The second distinction is between individualistic and relational value. The former then concerns the satisfaction of an owner’s desire of selling the good regardless of social interaction associated with the sell while relational value refers to what other people think, or are perceived to think, about the seller after selling the good. Ultimately there is the distinction between functional and symbolic value. In this complementary conceptualization, functional value refers to how a good is sold because of the function it provides to get rid of its physical property. Symbolic value on the other hand looks beyond physical effects and refers to the meaning the disposal of the good has for the seller and her social environment.
3.3 Justification and conventions

How does a consumer reseller make sense of the different values that appear in social life and decide which should be the more prominent when assessing the worth of a good? To analytically approach this issue, I will look to Boltanski and Thévenot’s (2006) theory on economies of worth. As relevant for the purpose of this thesis, Boltanski and Thévenot (2006) are concerned with situations of uncertainty in which individuals need to justify their thoughts and actions. According to Boltanski and Thévenot (2006, p. 37), “… people do not ordinarily seek to invent false pretexts after the fact so as to cover up some secret motive … rather, they seek to carry out their actions in such a way that these can withstand the test of justification”. Justification relies on orders of worth, “collective conventions of equivalence”, sprung from six worlds, each with reference to a distinct higher common principle that deems what is considered just and valuable (Boltanski & Thévenot 1999, pp. 362-365). The six worlds and their principles as proposed by Boltanski and Thévenot (2006, p. 159-211) are the inspired (creativity), domestic (tradition), civic (collective), fame (public opinion), market (competition) and industrial (efficiency). Table 1 displays the essential construction of order of worth in each world.

<table>
<thead>
<tr>
<th>Mode of evaluation (worth)</th>
<th>Inspired</th>
<th>Domestic</th>
<th>Civic</th>
<th>Opinion</th>
<th>Market</th>
<th>Industrial</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grace, nonconformity, creativity</td>
<td>Esteem, reputation</td>
<td>Collective interest</td>
<td>Renown</td>
<td>Price</td>
<td>Productivity, efficiency</td>
<td></td>
</tr>
<tr>
<td>Format of relevant information</td>
<td>Emotional</td>
<td>Oral, exemplary, anecdotal</td>
<td>Formal, official</td>
<td>Semiotic</td>
<td>Monetary</td>
<td>Measurable: criteria, statistics</td>
</tr>
<tr>
<td>Elementary relation</td>
<td>Passion</td>
<td>Trust</td>
<td>Solidarity</td>
<td>Recognition</td>
<td>Exchange</td>
<td>Functional link</td>
</tr>
<tr>
<td>Human qualification</td>
<td>Creativity, ingenuity</td>
<td>Authority</td>
<td>Equality</td>
<td>Celebrity</td>
<td>Desire, purchasing power</td>
<td>Professional competency, expertise</td>
</tr>
</tbody>
</table>

It is important to acknowledge that the six worlds are not distinct in the real world. Quite opposite, the interesting issues arise in situations of uncertainty when assessments of orders of worth are combined and put to test. Tests are situations in which the distribution of worth of an object is unclear and thereby call for individuals’ justification to re-define the situation and make it more favourable by establishing worths, and thus determine what is valuable (Boltanski & Thévenot 2006, pp. 127-134). E.g., if referring back to section 2.3, a consumer

Table 1. Boltanski and Thévenot (1999, p. 368)
reseller might rely on both a civic and market mode of valuation by claiming that a garment primarily should be resold to benefit a new owner instead of going to waste or to simply receive the highest price. The order of worth the individual gives precedence will affect the assessment of the situation and the valuation of the object. Hence, the basic nature of the theory of economies of worth is that individual actors are reflexive when dealing with valuation processes by considering their role as qualified actors, the contextual particularities in a given situation and their relationships with others through orders of worth.

A final theoretical approach I will utilize in this study of valuation and pricing process in relation to a C2C e-auction market recognizes the structural dimensions of the particular market field. In the light of the economic sociology of conventions (Biggart & Beamish 2003) it is relevant to consider how a large number of anonymous and temporally discontinuous resellers in C2C markets socially construct and uphold market order by acknowledging, tacitly or consciously, agreed-upon guides for economic interpretation and interaction. Resellers familiarized with a category’s, e.g. branded sweaters, conventions are able to guide their economic actions accordingly in an otherwise uncertain situation. As seen in Hsu, Koçak and Hannan’s (2009) research, adherence to customs and standard practices such as using appropriate quality indicators and acronyms are rewarding. In this sense, conventions “... govern social interaction in economic settings.” (Biggart & Beamish 2003, p. 449) by making economic actions mutually comprehensible and predictable. With this in mind it becomes natural to consider how experience and knowledge of conventions from the market field in general as well as specific categories affect resellers’ valuation and pricing processes.

4. Methodology

The following chapter presents the planning and courses of action undertaken to collect and process the study’s empirical material. Initially the methodological approach of the study is presented, which is followed by an account of the study’s considerations regarding the material of the method with related subheadings. This is followed by a presentation of the analysis of the material and the associated coding process before discussing the validity and reliability of the study, as well as the ethical considerations taken into account.

4.1 Methodological approach

Based on the purpose of the study and in order to answer the formulated research question I have chosen to use a fundamentally phenomenological approach (Schütz 1980). As explained
by Creswell (2013, p. 76), phenomenological research is a qualitative interpersonal method in which the researcher interacts with those he/she is studying to describe, “… the common meaning for several individuals of their lived experiences of a concept or phenomenon”. The phenomenon of interest for the study at hand is, as outlined in the introduction, consumer online resale and the phenomenological approach is considered relevant for capturing the essence of “what” individuals have experienced and “how” they experienced it (Creswell 2013, p. 79).

From this stance, I have chosen interviews as collection-method as it allows me to interact and speak with the actors in the field, thus creating an understanding of what they themselves think, feel and do (Aspers 2011, p. 33). In this sense, I consider interviews a suitable choice for collecting relevant empirical material according to the purpose of the thesis, to study a number of consumer online resellers’ experiences and reasoning about their sale-oriented presence on Tradera through valuation and pricing processes. Since the scope of the study is not interested in the extent of the phenomenon or whether the results can be considered representative for the entire population of consumer resellers on Tradera, I have chosen to opt out possible quantitative methods. I further justify the choice of interviews as data collection-method with the argument that interview questions can generate complex and comprehensive answers about e.g. perceptions, experiences and opinions of the informants themselves, which could not be accessed in the same way through other qualitative methods, such as observations (Trost 2010, p. 25). With reference to the character of the research question, I thus aim for a principally descriptive study grounded in the experiences of the informants, understood through sociological concepts and theoretical claims for extending the knowledge of social processes (Taylor, Bogdan & DeVault 2015, pp. 153-155).

4.2 Material
The following section presents the considerations and procedures related to the preparation for and collection of the study’s empirical material. This includes a description of selection and delimitations as well as presentations of both preparatory and applied work in regards to data collection.

4.2.1 Delimitations and selection
The focus of the current study falls on the process of valuation and price making in C2C online settings. In order to shed light on this issue, several methodological choices needed to be made. I have chosen to focus on sellers registered as private members at Tradera, and not
as a business, and had a minimum of three branded garments listed for sale at the time I conducted my search. These decisions were made in order to capture informants typical to C2C e-commerce, i.e. individual laymen resellers and not professional market actors, and simultaneously ensure that the resellers had relatively recent experience of listing offers to the marketplace. The categorization of branded fashion clothing, distinct from non-branded clothing, was based on Tradera’s listings of the hottest and most popular fashion brands according to their news site⁴, including brands such as Acne, Odd Molly, Gant, Ralph Lauren, Rodebjer, Filippa K, Peak Performance, Nike and Hope.

These delimitations naturally had an impact on the selection of informants in order to obtain relevant material and thus ensure my ability to properly answer the study’s research question. The population of possible informants was established based on the criteria outlined above. The selection method was based on strategic sampling (Trost 2010, p. 140), and more precisely purposeful sampling meaning that I selected individuals who could purposely inform an understanding of the research phenomenon (Creswell 2013, pp. 156-158). With inspiration from Aspers (2011, p. 38) I spent time in the field, among Tradera’s auction listings of branded fashion clothing, to develop a certain pre-understanding while simultaneously facilitating the strategic selection as I was able to target individuals who met my criteria. Due to practical limitations in terms of time and money, I filtered my search to consumer resellers registered as members in Stockholm, Uppsala and Västerås. I then approached suitable individuals using the communication-function on Tradera’s platform labelled “ask the seller a question” to establish contact for further correspondence. To initiate the first contact within the study’s empirical field, Tradera, and likewise the forum for the individuals’ resale activities was seen beneficial, as the contact could be perceived relatively natural in the context.

A total of 153 individuals were approached. Principally, I could not know the sex of those I approached since most were registered with impersonal usernames wherefore I divided my search and outreach to listings of branded clothing categorized as both male and female clothing. It was proven quite difficult to find individuals interested in participating. I received

⁴ Tradera news articles with fashion brand listings:
http://nyheter.tradera.com/mode/topplistan-heta-markena-svenskarna-vill-ha
http://nyheter.tradera.com/mode/se-hetaste-kladerna-for-man
20 replies, eleven of which declined my invitation and nine who accepted it. The selected group of informants consists of five females and four males wherefore it is my intention to analytically treat the informants’ gender neutral, although referred to with feminine pronoun. A potential limitation that follows from the strategic selection is the risk of self-selection, which means the selection might include too many people who are extreme in some respect and not so “ordinary” in relation to the population (Trost 2010, p. 140). However, based on the interviews I have conducted I consider this unlikely as the informants have not shown any extreme tendencies that distinguish them significantly from each other or the understanding I have gained of the field during the work with this study.

4.2.2 Preparations prior to the collection of material

Prior to collecting the material, preparatory actions were taken to develop the study’s structure and design and ensure fair participation of the informants. Therefore, in order to capture the subjective experiences of the informants of their role as resellers in an online C2C auction marketplace I have decided to conduct in-depth interviews of semi-structured character (Gillham 2005, p. 70-72), with questions of open-ended character (Creswell 2013 p. 163). This degree of structure means that I as a researcher have prepared a number of clear questions that are used during the interview while also leaving space to flexibly and freely follow up on the informant’s answers, thus facilitating what Aspers (2011, p. 143) calls a question-answer dialogue. I have therefore chosen to design an interview guide that served as a foundation for the interviews. The interview guide focuses on three thematic areas: sales (general), valuation and pricing, and marketing. These areas were chosen in order to keep the interview conversations relevant in accordance with the purpose of the study and were thus grounded in the empirical issue of valuation and pricing in consumer resale.

When preparing the questions for the interview guide, I carefully considered Aspers’ (2011, p. 140) explanation of question-formulation based on the researchers pre-conception of what the informant might answer. To avoid such a targeted understanding, I formulated questions of a general character aiming to capture the informants’ own accounts of their experiences acting as consumer resellers in the online auction marketplace. I also consciously chose to avoid explicit theoretical elements in the interview questions to not cause any unnecessary confusion in the conversations with the informants. In accordance with the reasoning of Trost (2010, p. 72) I left the order of the questions undecided to instead focus on creating interviews

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5 See section 5.1 Presentation of the informants for more information.
in which the questions arise as a result of the informant’s response. The informant thus becomes an active co-creator of the interview and is allowed to steer the conversation in the direction she finds relevant, while the interview guide functions as a guide for me as a researcher to steer the conversation in another direction if required. With reference to the purpose of the study and the formulated research question, an overly structured interview with fixed questions asked in a pre-decided order would limit the exploratory nature necessary to capture the informants’ subjective experiences and understanding of the phenomenon (Aspers 2011, p. 143).

During the preparation phase of the data collection I also constructed a formal letter of notice, i.e. missivbrev, which principally outlined the purpose of the study and clarified the rights informants possess regarding their voluntary participation in accordance with the Swedish Research Council’s (2017) publication God forskningssed. As suggested by Trost (2010, p. 65) I was careful to formulate the missivbrev in a way that created a safe basis for the informants, wherefore I invited them to propose time and place for the interviews. The letter also entails the study is conducted as part of a master’s programme at Uppsala University and provides contact information to the thesis’ supervisor.

**4.2.3 Collection of material**

The location and time of the interviews were based on the informants’ desires. All interviews were conducted at public cafes in Stockholm, Uppsala and Västerås between March 31st and April 17th 2018. As recommended by Trost (2010, p. 65) when conducting interviews in public cafes, I made sure we were sitting in some privacy to minimize disturbance and ensure good sound coverage for audio. The time of the nine interviews ranged from 40 minutes to approximately one hour. No notable problems or inconveniences occurred during the interviews. Before starting each interview I went through the missivbrev with each informant to make sure they understood the purpose of the study and their rights as participants and asked for their consent to participate in the recorded interview. All informants agreed to this.

The interviews were recorded to facilitate an accurate depiction of the conversations through transcription. The recording tool should preferably be a device that can be naturally integrated in the environment and not disturb the interaction between the interviewee and interviewer by e.g. blinking or taking up too much space (Taylor, Bogdan & DeVault 2015, p. 126). I used a smartphone as a recording tool. This choice was motivated by the fact that smartphones are a
natural part of most people’s everyday life and that a smartphone device is a common feature on tables at cafés. This was a fruitful approach considered that none of the informants commented on the recording. The interview guide was very useful during the interviews and served as a support to keep the interviews on track with the overall purpose of the study when the conversation either got a bit stuck or empirically irrelevant. A number of questions were asked straight from the interview guide while other questions were not prepared in advanced but instead follow-up questions based on the informants’ responses (Kvale 1997, p. 124). The follow-up questions were used as a guiding tool to build on the experiences of the informants and elaborate on the stories that were relevant for them as consumer online resellers at Tradera.

4.3 Analysis and coding

In the process of converting empirical material into analysable data I transcribed the primary material, which in this interview study meant transforming the verbal recordings into written text (Kvale 1997, p. 149). As previously mentioned, a smartphone was used as recording device. The decision to record the interviews was important from an analytical point of view to capture the exact wording and thereby enabling a transcription as similar to the original conversation as possible instead of relying on selective field notes. As suggested by Aspers (2011, p. 156), the recording were transcribed shortly after the interviews were conducted to capture impressions and nuances that could easily be lost if one waited to long. All interviews were therefore fully transcribed within 48 hours upon completion. I chose to transcribe according to what Repstad (2007, p. 112) calls the main-rule, meaning that the interviews were written down word by word. However, I chose not to include humming and other noises that were considered contextually irrelevant or register pauses in the conversations (Aspers 2011, p. 156). I personally transcribed all interviews to get to know the material properly (Dalen 2015, p. 69).

Coding is a central part of the analytical work through which the empirical material is split up and broken down into smaller segments and pieces, i.e. codes, to enable analysis (Aspers 2011, p. 165). I have chosen to use a combined coding approach grounded in both the inductive and deductive interest of the study. The first part of this analytical work was based on the inductive approach to fully explore the empirical material and interpret it through the accounts of the informants. The inductive process meant that I, section by section, reviewed the transcribed material and identified and created empirical codes (Aspers 2011, pp. 169-
170). After conducting this inductive coding process I chose to use these initial codes in the light of a more deductive approach. This meant that I, based on the inductive codes, created partly deductive codes grounded in the theoretical framework I developed for the study. I was throughout this procedure inspired by Auerbach and Silverstein’s (2003 pp. 40-44) method for processing material from a lower to a higher and more abstract level of understanding, going through their suggested six steps of coding: raw text, relevant text, repeating ideas, themes, theoretical constructs and theoretical narratives. The coding procedure was conducted digitally, and not on printed copies, since I found it beneficial to be able to simply adjust errors, trace the change history and to have the material conveniently available at different physical locations.

4.4 Validity and reliability
To ensure the study’s overall credibility, it is important to consider factors that might affect its validity and reliability (Neuman 2011, p. 208). It should be noted that the validity and reliability permeating the study at hand is not only found in this section but is based on the on-going choices I have made throughout the thesis project.

Validity is considered one of the most important measures of a study’s validness (Rosengren & Arvidson 2002, p. 195). According to Trost (2010, p. 133), a high degree of validity assures that the study is valid in the sense that it measures what it is intended to measure. Hence, the validity is concerned with assessing the study’s operationalization, how well the empirical and theoretical concepts are consistent (Rosengren & Arvidson 2002, p. 195). In a qualitative interview study like this, to measure what intends to be measured means placing great emphasis on the design of the interview guide and the formulation of the questions in relation to the study’s research area. I have therefore designed the interview guide with questions relevant for consumer online resale at Tradera in general, and valuation and pricing processes in particular. In addition to this, I want to refer back to the selection procedure to further emphasize actions taken in order to strengthen the validity of the study by approaching Tradera users who were currently involved in resale activities. This was thought to contribute to more fair and valid results compared to interviewing inactive users, which could easily have been the case in a C2C market characterized by discontinuous resale engagement.

A reliable study, according to Trost (2010, p. 131), means that its measures are stable and not subject to influences of randomness. In qualitative studies the concept of reliability is
perceived rather complex in the sense that high reliability conceptually requires a high degree of standardization, which is particularly challenging in regards to qualitative interview studies, such as this one, that are characterized by a high degree of structuration but low degree of standardization (Trost 2010, p. 41). In order to strengthen the reliability I have tried to avoid random measurement errors by creating similar situations in the cafés for each interview, e.g. by using the same recording device, and asking the questions in a similar way to all informants. Nevertheless, it is important to recognize that I, in accordance with Neuman (2001, p. 214), do not in any way strive to conduct a reliable study in the light of quantitative methodology. Rather the opposite, I emphasize and embrace the evolving nature of contextual relationships and the diversity of the social world meaning that the results are expected to be distinctive, and not intended to be replicated.

4.5 Ethical considerations
In the work with this study I have carefully considered the ethical concerns and guidelines presented by the Swedish Research Council (2017) in the publication *God forskningssed*. I have paid particular attention to the informants’ voluntary and informed participation, confidentiality, and the treatment of empirical material. As outlined earlier in this chapter on methodology, I have carefully provided relevant information regarding their voluntary participation and the purpose of the study. Written information was provided in the missivbrev sent out when the initial contact was established and was followed by verbal elaboration at the time of each interview session. In connection to the interviews I also ensured that the informants did not have any concerns in terms of the content of the missivbrev before obtaining consent regarding their participation. In terms of confidentiality, I have handled the information about the informants, as well as their empirical contributions, with great care and taken measures to protect their integrity and privacy. I have done this by processing the data individually without anyone nearby, storing the material in a password-protected computer and anonymizing all names and locations to impede connections between the material and individual informants. Deleting all audio recordings soon after it had been transcribed further ensured confidentiality. I have also informed the informants that the material will not be disclosed to external actors or subject to commercial use, i.e. that it is used solely for research purposes and available for me as the researcher and, if requested, the course staff at Uppsala University.

5. Results and analysis
The following chapter presents the results of the study grounded in the empirical material. The results are divided into three main sections: Dimensions of valuation, The issue of judging quality and visual valuation and Pricing. The three sections are analytically complementary to one another in the sense that valuation and pricing are interrelated processes. Initially, I provide a brief description of the informants whose participation constitutes the study’s empirical material.

5.1 Presentation of the informants

The selection of informants constitutes of nine individual consumer online resellers registered as private members at the Swedish e-market platform Tradera. The age of the informants has, at the time of the interviews, ranged from 23 to 48 years with a gender distribution of five females and four males. Below follows a brief presentation of the informants.

<table>
<thead>
<tr>
<th>Informant</th>
<th>Age</th>
<th>City of residence</th>
<th>Registered at Tradera</th>
<th>Tradera reputation</th>
</tr>
</thead>
<tbody>
<tr>
<td>PS</td>
<td>27</td>
<td>Västerås</td>
<td>2008-11</td>
<td>4.9</td>
</tr>
<tr>
<td>MF</td>
<td>23</td>
<td>Uppsala</td>
<td>2015-07</td>
<td>-</td>
</tr>
<tr>
<td>JB</td>
<td>24</td>
<td>Västerås</td>
<td>2016-03</td>
<td>5</td>
</tr>
<tr>
<td>AU</td>
<td>48</td>
<td>Uppsala</td>
<td>2006-04</td>
<td>5</td>
</tr>
<tr>
<td>DA</td>
<td>25</td>
<td>Stockholm</td>
<td>2016-09</td>
<td>-</td>
</tr>
<tr>
<td>BV</td>
<td>27</td>
<td>Västerås</td>
<td>2010-03</td>
<td>4.9</td>
</tr>
<tr>
<td>HC</td>
<td>46</td>
<td>Uppsala</td>
<td>2006-11</td>
<td>5</td>
</tr>
<tr>
<td>GR</td>
<td>28</td>
<td>Västerås</td>
<td>2010-06</td>
<td>5</td>
</tr>
<tr>
<td>AS</td>
<td>29</td>
<td>Västerås</td>
<td>2015-05</td>
<td>5</td>
</tr>
</tbody>
</table>

5.2 Dimensions of valuation

When analysing the transcribed material it appears as the informants’ valuation processes are in many cases perceived rather problematic. The results show that pre-owned branded garments are difficultly valued due to the possibility of entrenching multiple dimensions of valuation. In the following sub-sections, the analysis highlights how diverse sources of value are brought to light when the informants are offering branded garments to the marketplace. Pricing will be implicitly present in this analysis due to the informants’ accounts of valuation.

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6 See section 4.2.2 Delimitations and selection where it is stated that informants are treated gender neutral and referred to with feminine pronoun.

7 Tradera’s reputation system publishes a compiled reputation on a scale of 1-5 based on the reviews received by the trading counterpart after completed transactions. A minimum of ten reviews during the past twelve months is needed for a reputation to be complied and published. For specifications, see: http://info.tradera.com/omdomesguiden/
and pricing as overlapping and interrelated processes but analytically more thoroughly examined in section 5.4.

5.2.1 Consumer valuation
The analysis entails that whether or not the informants consider a garment usable has substantial impact on how it is valued when being subject to potential resale. In this regard it is important to acknowledge Chu and Liao’s (2007) conception of consumer resellers. As consumers, the informants can make use of the goods they are willing to offer to the market and do not need to hold goods in strict inventory as conventional commercial actors. Based on the informants’ stories it seems as garments considered usable are such that can be used in the present or expected future. “Unusable” garments are on the contrary those that are not expected to be borne anymore by the owner. In the case of usable clothing it appears problematic for the informants to offer such pieces to the market as the fundamental consumer value could still potentially be realized. AS describes:

Well, I posted an ad recently but then removed it before it was due. I was not entirely sure I wanted to sell it, it was a coat from Second Day with a retail price of 2400kr. I could sell it but I do not know because I might want to use it, but if I get 1000kr for it it might be worth to sell it. So I auctioned it and than looked at that ad everyday and it felt bad inside because I kind of hoped it would not be any bids on it and then I took it down after a few days. Otherwise I would not have a formal coat anymore and I need that sometimes. – AS

Aligned with the quotation above, the analysis indicates an ambivalence surrounding clothes that are considered usable by the owner. Informant AS listed the coat for resale but nevertheless remained uncertain if she actually wanted it sold. Hence, as proposed in the complementary revision of Aspers and Beckert’s (2011) theory, in the same way use value can make a garment economically valuable for a buyer. It appears as the use value can make the same garment economically valuable for the reseller by not selling it. As in this case by illustrating how it is valuable to keep the coat until it becomes needed in formal occasions instead of selling it off. Market offers are thus not necessarily stable in a C2C e-auction market. Unusability on the other hand depends on a variety of factors such as size, fashionability or that it is simply no longer wanted. Informant JB illustrates this by referring to a “Tradera wardrobe”, which serves as a physically defined place for storing unusable clothing before being listed on the market:
Almost everything [that is listed] comes from a wardrobe I no longer use. I have structured it at home. One is with things that just hang there. That is a Tradera wardrobe haha. You know, I move things that I know I will not use anymore from my ordinary wardrobe and then it is nothing more to think about. Well, then I save things for a while so I have some things to sell and start a Tradera period. (…) I do not even think of them as my clothes anymore. I need to make room for new things in there so I just have to get rid of them at some point haha – JB

As shown by the statement, clothing in the resale specific wardrobe has not only lost its use value but also the sense of being personal belongings to JB. In this way, it seems as the items come close to Denegri-Knott and Molesworth’s (2009) conception of stock. The garments are no longer as personally meaningful as they once were but instead closer to be considered transient economic objects. The tipping point for offering the clothes to the market is recognized when the functional value of getting rid of the physical properties exceeds the value of having them stored. This is not to say that unusable clothes are easily valued, they can on the contrary be subject to conflicting dimensions of valuation as will be see in section 5.2.2, but rather to highlight the differences perceived by the informants when valuating usable contra unusable garments.

5.2.2 Economic and social dimensions

When the informants’ reason about their participation as resellers on Tradera they principally describe it as a type of commerce of “small figures” for generating “an extra income”. In this sense, the empirical material indicates that the informants want to get their money worth for engaging at all. Similarly with the case of the Tradera wardrobe, several informants tend to pile garments subject for resale. Hence, the economic valuation of individual branded garments is often not perceived worthy enough in relation to the time and energy required to undertake resale activities. Instead these informants rely on combined offers, which make each individual garment economically valuable through its association with the other pieces that are to be listed. Informant AS describes how two specific branded garments become economically valuable for her solely by being offered together:

Because if it is that I am a little uncertain if I think it is valuable enough to sell or not one has to be a bit creative somehow. (…) I have sweater out for sale now from COS that is think is pretty ugly and I do not think I would get that much for it but it gets nicer on so I can take an outfit-picture with both on it and then sell each separately. Like with the high Levi’s jeans I am selling now, which are almost new. – AS
It is understood that the sweater is not considered valuable enough to list on its own but accompanied with the jeans AS experiences a synergy effect that makes it economically valuable. The same reasoning for getting one’s money worth is present for those informants who list a few single garments sporadically. As seen in the coming statement, GR has developed clear boundaries for which imagined worth has to be met for resale to be an option. This can be understood as the divestment value, i.e. the expected monetary gain to be realized by reselling a possession instead of keeping it.

I think like this, either I let it hang or, in my head, 500kr is a good number for me (…) So the least I can take for more expensive stuff is 500kr and I can feel I have done a good deal instead of keeping it and maybe use it whenever or give it to a friend. – GR

The analysis further indicates that social and moral values are accentuated when the informants work to commensurate garments into economic offers on Tradera. A particularly illustrative example is provided by PS, in which social and moral concerns inflict uncertainty to the situation of valuation:

Well, I had a popular Canada Goose jacket before. Big and thick. Then a few years ago videos started to spread on Facebook when you got to see horrible clips when people picked the feathers from the geese, like torturing them. (…) I had not seen it nor thought of it. But my friends like started yelling on me for having it even though I did not use it. So I did not want to use anymore at all after seeing those videos either. So I sold it instead. They are so expensive; I had bought it for like 7000kr since it was to hold several winters. Then I saw that they were listed for like 2000-5000kr on Tradera for different models but I was disgusted of it … So I listed it for just 100kr actually. Because I did not care, it was worth ZERO to me but I knew that people wanted it anyway so I could at least get some money for it. Maybe I should have thrown it because no one should have it anyway. It was sold for maybe 800. – PS

In accordance with Boltanski and Thévenot’s (2006) theory on justification, the situation can be understood as one of uncertainty in which PS experienced conflicting orders of worth. PS was put to test to re-define the situation to establish what was to be considered valuable. PS gave precedence to domestic (esteem) and civic (collective interest) principles, which are not ordinarily associated with the market world’s emphasis on price when justifying her economic valuation of the jacket. In the light of Zeilzar’s work (1978), it is thus evident that individual moral values are economically relevant in the marketplace. The results in this section have
shown that there is no universal valuation process for branded clothing that is to be listed on a C2C auction market. Instead, different dimensions of valuation come into place, or orders of worth, for justifying how a good is to be valued when offered to the market. The following section will more thoroughly examine a type of valuation that has been subject to particular discussion in the empirical material, the uncertainty of valuating a garments condition.

5.3 The issue of judging quality and visual valuation

The following sections present the results and analysis of the empirical material with regards to the issue of valuating garments’ quality. The analysis indicates that uncertainty of how to value a pre-owned garment’s condition constitutes the primary concern for how to make sense of economic value ahead of market listing. Informant MF illustrates the importance of this valuation by referring to the nature of the C2C secondary marketplace.

There are so many shirts from Ralph Lauren on Tradera so there is nothing unique about that, people are probably not that picky about exactly what model it should be either. It is the quality one is competing with, that it must be in good condition otherwise no one will buy when others’ [listings] are better – MF

In the quotation above we can see that MF consider it more important to identify a valuation standard regarding garment condition than solely referring to the brand equity of Ralph Lauren. Hence, in the C2C market Tradera for branded fashion it appears as measurable standards are partially becoming a more relevant source of value, if seen on a continuum, than status as associated with the retail consumer market for branded clothing (Aspers 2010). When speaking of how to judge the quality of a more or less used garment in terms of its condition the informants refer to an image of how it would look if it was brand-new, i.e. how it appears in retail. In terms of valuation processes, this activity creates a scale for how to visually measure and compare the garment. With relation to this scale, the analysis indicates that informants depreciate value depending on how far away each piece is from corresponding to the platonic ideal-image of a brand-new garment. Interestingly, when applying this scale to the actual marketplace of Tradera the informants widen the scope of how new is to be defined when engaging in consumer online resale. I will use the conception “Tradera new” to explain this phenomenon. To understand this process it has to be put in the context that Tradera as a market-platform only allows for two formal categories for assessing product condition, either new/unused or used. From this stance, the informants display very different valuations of
branded garments for attributing value to a garment in terms of product condition. This can be seen through how HC contra BV conduct valuation in regards to the formal category new/unused:

If it is new with tags on it or a brand-new garment, maybe if it has just been washed but not used. – HC

Well, some I have used maybe 30-50 times while other garments, it is just 10 [times]. So some garments are really different in how much they have been used but they all look like they are brand new sort of. – BV

The two quotations illustrate the broad spectra for how to categorize a garment’s condition. An analysis of the empirical material shows that informants “stretch” the definition of new so to re-define valuation situations and make them more favourable according to their interest, i.e. to successfully sell their offers. When market competition is largely based on the condition of the offers, as illustrated through MF’s citation above, it appears economically relevant to be as close as possible to “retail new” since it is associated with a higher value. Therefore the informants have incentives to valuate their offers so they fit into the category new/unused. Interestingly, none of the interviewees limited the term new to solely encompass garments that had been untouched since purchased from conventional retail. The concern is not that the garment is brand-new, unused or used per se but that the valuation can be justified visually according to a scale of quality for products that is considered just on the market. Hence, the valuation is not intended to result in “fooling” potential buyers about the condition or any other moral unease. The informants speak of this in terms of uncertainty. They do not want to risk judging it incorrectly so that buyers would pay and later find themselves disappointed, which would negatively affect both the Tradera-reputation but also one’s sense of being a fair and decent reseller. Instead, the results show that the informants’ perceptions of what they would accept as “Tradera new” if they were to buy on Tradera serve as a ground for the justification of this valuation. Similarly to what was presented in section 5.2.1, the dual nature of consumer resellers as both consumer and sellers becomes relevant. JB exemplifies this reflexivity by stating:
It could have been used say or so much, so like being in used or new condition is based on what I think. So as I would like to buy it myself, thus if it seems new or used. (...) It is after all a second hand, so one does not expect it to be completely new anyway – JB

5.3.1 Facilitating narratives and categorization

The preceding section showed how valuation of garment condition is economically relevant and a source of uncertainty for the informants in their consumer online resale. This section focuses on how the informants make sense on valuation processes in relation to the social narratives developed in the marketplace and how this facilitates the establishing of market order regarding value and price. The analysis shows that the distinction between new/unused and used are complemented by descriptive narratives that facilitate the informants’ valuation processes by adding nuances when measuring garment condition. In this sense, the informants’ stories entail how they go beyond the formal categories provided by Tradera to make sense of the value of branded fashion clothing by, in accordance with White (1980), looking towards other resellers for making comparisons with others listings. PS illustrates this process when she was about to auction a merino wool sweater from Gant that she had borne a few times and formally categorized as new/unused:

When I was about to sell it I searched for Gant sweaters [on Tradera] to see what was already out there, it was probably like 200 sweaters haha. But I knew mine was almost brand new I so did not just randomly look what others’ used ones were put out for. (...) I clicked in to like 10 ads or something that looked similar to see how they put it. Some were just not as good, they had pilling and such things so mine was better than those anyway. Then I found a few that looked similar so I checked what they had written like; mint-condition. So you know, I do not just compare with anyone. – PS

The quotation above exemplifies a common theme emphasized by the informants in their experiences of valuating clothes’ condition. The informants speak of informal and more fine-grained categories that are established in the descriptive narratives of listings. PS describes how she looks towards other resellers’ listings to make comparisons and from that stance valuate her own sweater. In this case as “mint condition”, which is a complement to the new/unused category. The analysis indicates that the informants use such informal categorization to complement the valuation of clothing that has been formally categorized as both new/unused and used. The empirical material entails that the informants largely speak of six different informal categories, which are used differently in relation to the formal categories based on the informants definition of what is considered new on Tradera in the first
place, echoing the results in section 5.3.1. This six-graded scale consists of the categories: brand new, mint condition, nice condition, used, well used and defect. HC describes her approach to the categories:

I usually do as others. That is, how others describe theirs. Write “nice condition” if it is in a generally good condition but like not new. One can see that it is not new (…) Mint condition, then it is almost as brand new, like you cannot see that it is used. And if something I upload is brand new it means that it has never been used. I almost never upload anything that is damaged but if I do I write it clearly. Otherwise it is much about how much it is used, you must be careful so you do not disappoint the one who buys. – HC

In this sense the informants’ descriptions can be interpreted in the light of conventions (Biggart & Beamish 2003) that are specific for the marketplace and which the informants make use of when guiding economic action, i.e. conducting a valuation of the garment that is to be auctioned. Instead of trying to single-handedly come up with ways in which to valuate condition of garments they look to established social patterns of interaction among the large number of anonymous resellers. The analysis however indicates differences in how much fine-grained comparison the informants engage in. According to the empirical material, this is particularly evident when informants have been absent from Tradera for a period of time and need to reduce the uncertainty of properly valuating and judging offers they do not know the value of. A few informants however describe that their experience from Tradera have made them sufficiently knowledgeable of informal categories. They do not have to look as carefully ahead of each listing as they have a sense of how to asses the condition with reference to the scale. When these categories are recognized it becomes possible to classify garments into each and thus create a ranking order for which is more valuable than others by measuring and comparing according to a commonly organized scale (Lamont 2010). Informant JB however raised an interesting case of how she recently altered her informal valuation scale based on the standards set by a growing commercial business on Tradera:

Well, I have taken over this [scale] that Sellpy uses. It is like “new”, “normal used condition” and “defect”. And I sort of use theirs for it is pretty easy and people maybe start to know of it because Sellpy has started growing rather quick after all. Maybe it is not the best way really because people want to know more but it goes fast and is easier. (…) If I write new then it means that the sweater is not that used, it is clean and tidy. There is no oddities, it looks like unused. Good condition. If I write used condition than instead it is used but still usable. It is not broken. – JB
This quotation provides an interesting example of the analysis of the main results regarding the valuation process the informants’ describe in terms judging product condition. The informants’ urge to reduce uncertainty when valuating garments have required them to go beyond Tradera’s formal categories to account for nuances, degrees of newness or used-ness. These informal, socially constructed categorical narratives appear to facilitate the valuation process for the informants and make it possible to classify a garment into one of the categories and thus, subsequently, justify a certain price. The order of worth is not solely the competition in itself and prices as in Bolantski and Thévenot’s (2006) market world but it appears as the informants to a high extent recognize measurable criteria and efficiency, which is typically associated with the higher common principle of the industrial world. This is particularly evident through JB’s interaction with a commercial actor that, tacitly, dictates the tone of her valuation process. To make sense of orders of worth the informants thus seem to re-define the situation so it is possible to justify what is valuable by referring to a measurable assessment of garments’ physical condition, as this quality cannot be taken for granted in the same way as in conventional retail markets. The coming sections will move forward by focusing on the informants’ pricing processes of making heterogeneous garments measurable according to a scale of price, which is closely interrelated to the valuation processes outlined so far.

5.4 Pricing
The results have so far indicated how the informants make sense of valuation processes before auctioning branded fashion clothing on Tradera and implicitly recognized its impact on prices. The following sections will more closely focus on pricing processes and how the empirical material entail how valuation processes are commensurated into a figure and made tradable in Tradera’s marketplace.

5.4.1 Risk aversion
The following two sections present the results and analysis of the empirical material with regards to the issue of pricing pre-owned fashion clothing on Tradera. When analysing the pricing processes in the empirical material the results show that the informants, echoing back to section 5.2.1 and 5.2.2, are reflective of their role as both resellers and consumers. The garments have a consumer value that can still be potentially realised and they have economic interests in terms of a divestment value, i.e. it has to be perceived financially worth selling the item compared to keeping it. From this stance, the informants appear to be risk averse when
approaching the market with their offers of branded fashion clothing to cope with the situational uncertainty of consumer online resale, i.e. that they are uncertain of the outcome of the auction. It is however possible to distinguish between two ways in which the informants seem to confront this uncertainty. Either by setting higher prices for individual garments or setting lower prices when offering several items at the same time. Informant JB provides an example of the former:

Well, it is maybe many that think I set high prices and that is probably why my things do not always sell because they are quite highly valued. And I think like this, they are worth this much for me and if you do not want to pay it then I will keep it. So, they can be [uploaded] on Tradera for quite some time. After a few weeks, sometimes someone comes who will buy. I do not want to list anything for 1kr either and then it is only one who bids. Then it is not worth it, I could just as well keep it. – JB

This quotation indicates that JB is not stressed to get her garments sold and that it is more important get a sufficient number, based on her valuation, than to get rid of the pieces. Quite contradictory to the idea of an auction per se, JB is pleased with finding a single right buyer and who are willing to accept her price and is not explicitly interested in attracting multiple bidders. Several informants referred to this same principle when pricing their offers. Interestingly, a few informants explicitly addressed the issue of not listing a garment for 1kr even though they thought it would attract more bidders and that it could, at least theoretically, result in higher prices but it would be too risky if only a few came to bid. Instead, the analysis shows that these informants tend to price their garments according to an initial valuation and keeping it listed as such for some time before either withdrawing the offer from the marketplace or lowering its price. To lower the price subsequently can be understood as a trial-and-error pricing process, below exemplified by HC:

I set the price I want. So, some garments are just so nice and kind of new so that you cannot just give them away more or less. But when it has not sold for a few weeks, maybe you lower the price a little bit anyway so that someone will buy it.

Interviewer: Do you have an example?

Well, I have that Filippa K dress out now and it costs 450kr now but I started with 500kr some weeks ago. It is almost new. But I am happy with 450kr as well when someone buys it so it is OK. – HC
An analysis of these results suggests that pricing an offer on the market in this sense could be considered as a *test* in the meaning of Boltanski and Thévenot (2006). The initial valuation, which precedes pricing, is personal to the consumer reseller and based on her justification of order of worth stemming from e.g. the measurable criteria of the industrial world for judging condition or emotions from the inspired world for how beauty is perceived. But when these orders of worth are confronted by the market world’s evaluative logic of price and competition, the consumer reseller has to re-define what is valuable. She is put to test. Several informants, as HC above, have in this sense proved that their valuation of what is valuable is affected by the competition with the “demand side” of the marketplace by speaking a monetary language.

The second way in which informants’ appear to confront the uncertainty of not knowing the outcome of auctions beforehand acknowledges a different pricing process, that is also risk averse by nature. The empirical material indicates that listing prices in these cases are lower but compensated by the collective value of garments listed at the same time, as elaborated by AU when she auctioned four branded sweaters from Odd Molly, Lexington, Hunkydory and Ralph Lauren:

I set fairly low prices because I want to get the bidding going most often. I could have listed these sweaters I have out now for at least the double and they would probably sell because they are good brands, in good condition and everything but I do as I do because then I know there will be bids on them. It is more valuable to get rid of it than to actually get a hundred or so extra. As long as I get a couple of hundreds in total it is fine. – AU

Aligned with the quotation above, the results show that several informants mitigate the risk of setting separately low prices by offering more clothes simultaneously. This echoes back to section 5.2.2 and the way in which informants heap clothes in order to sporadically enter the market with combined offers with a higher perceived total value than would be the case of reselling each piece separately. Interestingly, the low prices are thus monetarily set below what is by the informants’ considered the “actual” economic value of each garment. By setting lower prices, these informants’ entail a higher trust on the demand side coming together in a neoclassical economic sense and thereby rely on competitive bidding (Adam, Krämer & Müller 2015), and not the idea of a single right buyer. Further, it is possible to implicitly discern how consumer online resale motivations, as identified by Chu (2013) and
Yrjölä, Rintamäki, Saarijärvi and Joensuu (2017), affect the pricing process of AU. It is most important to get rid of the clothing, wherefore lower prices are preferred whereas the economic motivation is ensured by the synergy of selling numerous pieces at once.

5.4.2 Price formation

The empirical material indicates that the informants, similarly to when valuating product condition, often adhere to a reference point for making sense of how pricing processes are to be approached. This reference point is the retail price for the garment and is by the informants treated as a point of departure from which depreciation is made. The informants’ stories entail a type of mental depreciation that can be exemplified by DA’s quotation below. DA describes how she depreciate on the price based on both how long a Kenzo sweater has been in her possession and how much it has been used:

It is like this. If I buy something for 1800kr 3.5 years ago, then it feels like if it comes in 400kr on my account it is good because that is such a long time. I have enjoyed it, so it has paid itself off. So it feels like 400, if feels right because it is still in a good condition, very good condition. – DA

The analysis further shows that the visual depreciation is closely related to the valuation of product condition as presented in previous sections. The different condition categories affect pricing through the attribution of economic value based on the judgement of how close to the platonic ideal-image a garment is. AS provide a fruitful example when setting prices on two Gant shirts:

I will drop the price pretty much if it is not in mint condition. If it is damaged in any way, I will drop the price quite a lot. (…) What is new is will be the most expensive and then if it is mint condition and so on. I had these two shirts out [on Tradera] before but I had washed one, the dark blue a few times more so you could slightly see that it was getting washed out so I put it as used [formal category]. I put the white out for 250kr and the blue for 150kr, but then both were sold anyway. – AS

As understood from the results, and illustrated in the citation, it appears as the categories for valuating condition also have direct impact on the price formation for the informants, since garment condition is one of the most important means of competition in this second hand market. The empirical material in this sense stresses that when valuating condition the informants also look at the prices set by others to make sense of the monetary value. Resonating with White (1980), the supply side of the market looks towards one another to
make sense of pricing decisions; the results however deviate from White (1981) in one important way. The informants describe it difficult to decide where to look when calibrating price, given the heterogeneous supply of garments. It takes time and energy to find suitable listings to compare with. Similarly to when valuating condition, the informants seem overwhelmed by the amount of possible reference points and have to settle for a few fine-grained comparisons rather than having a holistic view of all the “suppliers” offers. Recognizing the particularities of each garment, some are in better condition and some worse, is essential in the pricing process.

When the valuation of garment condition is performed and classified in a category it thus appears, according to the empirical material, to be easier to assign a monetary value. Informant BV exemplifies this by describing how the prices of five different shirts from Ralph Lauren and Levi’s, once categorized and classified as new according to her valuation, were subject to pricing standardization:

Some of the garments are in such a good condition although I have used them very much, like a whole year. So sure I feel that some garments I have used maybe 40 days a year but some less. But I list all of them for 295 each because the condition is still good at all of them and all of them are still branded shirts. – BV

Once again, as seen in section 5.3, standards regarding product condition appear to constitute an at least equally important source of economic value as the status of the original supplier on the consumer fashion market, i.e. Ralph Lauren or Levi’s. On the topic of status, BV provides an interesting case for how reputation in the marketplace can affect price formation on Tradera. The informants largely describe the importance of a reputation and how it tacitly affects their role in the market in order to be perceived trustworthy and as good resellers. BV extends this idea by explicitly stating that she assigns a monetary value to her reputation:

Most of the times you go in and look at how this person has sold before, and I only have good comments and only positive reviews so then I feel like, well that I can be a bit higher [in prices]. I do not have to go so low because people will still be willing to pay that little extra because they know they are getting a good product. So I can put a slightly higher price than I thought. – BV
As evident from the quotation, BV justifies higher prices with reference to her reputation in the marketplace. In the light of Aspers (2010) this is interesting since the individual consumer reseller *herself* in a C2C secondary market consciously and explicitly account for the value her social status brings by setting higher prices and not only indirectly through the rewarding price premiums from bidders.

### 6. Discussion

The following chapter initially presents a discussion of the main results in relation to the purpose of the study and the research question. Thereafter, the results are discussed in relation to previous research and the theoretical framework before I offer some conclusive comments and suggestions for future research.

#### 6.1 Summary of results in relation to research purpose and question

The aim of this thesis has been to contribute to an enhanced understanding of consumer online resale behaviour and the role of individual valuation and pricing processes for the ordering of a C2C e-auction market. For this purpose, I have drawn on theoretical contributions from economic sociology and the sociology of valuation to study how nine consumer resellers experience valuation and pricing processes related to their intended resale of branded fashion clothing on Tradera. For this end, I have worked with the following research question: *How do private consumer resellers make sense of valuation and pricing of pre-owned branded clothing when approaching an online auction marketplace?*

The analysis of this study shows that the valuation process ahead of market listing is affected by the fact the informants not solely are resellers of the clothing they are selling but also owners and consumers. The fact that the garments potentially could be utilized makes the valuation ambivalent in the sense that the owner has to decide if each garment is worth keeping for further use or made resellable to realize its divestment value. Pre-owned branded clothes come with a history when they are to be offered to the market, which impacts the informants’ personal valuation of each garment. The study shows that dimensions of valuation become apparent when consumer resellers have to undertake a challenging translation of different forms of value to make a single garment tradable by ascribing a numerical value. The empirical material has in this sense shown how valuation of social and moral concerns can be given precedence ahead of economic values even in such a market-specific situation as when offering a branded garment for resale.
The analysis further entails that the informants perceive the issue of judging garment condition as the main source of uncertainty when they are to list their offers. Garment condition has been indicated the primary means for competition for branded clothing in the marketplace as it serves to differentiate pieces from each other and is therefore economically relevant. From this stance, the informants make sense of valuation according to the measurable criteria developed to assess condition with reference to an ideal image of retail condition. The analysis indicates that the informants broaden the definition of new so to make it more favourable for their valuation in the marketplace, a phenomenon I have called “Tradera new”. The study has further shown that the informants go beyond the formally provided categories for new/unused and used condition provided by Tradera to make sense of value and reduce uncertainty when assessing quality. Instead they adhere to socially constructed narratives that facilitate informal fine-grained categorization that yield nuances in garment condition, mainly; brand new, mint condition, nice condition, used, well used and defect.

In terms of pricing, the analysis indicates that the informants are principally risk averse when approaching Tradera with offers. The informants refer to the situational uncertainty of not knowing the outcome on an auction beforehand and cope with this by either setting higher prices that directly corresponds to their economic valuation or offer numerous garments at once with lower prices to attract bidders. The empirical material further entails that price formation is closely interrelated with valuation processes, particularly the valuation of garment condition. The nuanced classification into the informal categories is a way of comparing and measuring against other offers on the market to discover which price can be ascribed to a certain garment based on its condition. In this sense, the results find evidence for standardization in situations of pricing as several informants have developed price-standards for garment types classified into certain categories.

6.2 Discussion of results in relation to previous research and theory

The results of this study give room to discuss how valuation and pricing have been treated in previous research grounded in the theoretical framework. The empirical evidence from this study indicates that Shen, Chiou and Kuo (2011), in their study of signals in online auctions, use a too simplified conception of product condition as they suggest that sellers and buyers have a more sheared conception new contra used. The descriptions in the study at hand entail
a great variance in how resellers on a C2C auction market define what is new given the nature of the marketplace as a setting for trade with pre-owned goods, i.e. what has been referred to as “Tradera new”. Since Shen, Chiou and Kuo’s (2011) study has shown that signals for product condition significantly impact buyers’ willingness to pay, it is reasonable to understand that resellers broaden the definition and judgement of what is new to make the valuation of products more favourable according to their interests.

However, as the results of this study shows, consumer resellers do not limit themselves to the formal categories provided by Tradera for making sense of value and judging garment condition. In the light of Lamont (2012) and Bowker and Star (1999), informal, fine-grained categories that yield nuances in valuation of product condition are deployed to ascribe value and price. The analysis from the study at hand has shown that this is not an isolated process to be performed by each reseller before approaching the market but rests upon the social interaction among resellers on Tradera as they look towards each others’ offers. Speaking with White (1981), the results have however shown that the informants find it merely impossible to take the actions of all other anonymous “suppliers” into consideration. Instead, they rely on a few qualitatively selected listings to compare with and measure against. Uncertainty stems from the difficulty of justifying the valued nuances, which subsequently justify a certain price. In this sense, the current study finds common denominators with Hsu, Koçak and Hannan’s (2009) sociological approach to consumer resale behaviour in online auction markets. Hsu, Koçak and Hannan’s (2009) acknowledged how the knowledge and use of quality indicators and acronyms among resellers in a category is associated with auction success. Although this thesis has not focused on auction outcomes, it has become evident that knowledge about the informally constructed scale for valuating garment condition on Tradera is economically relevant for the resellers. The categories (brand new, mint condition, nice condition, used, well used and defect) make it possible to measure and compare offers according to a common scale, that is recognized in the marketplace, and therefore reduce uncertainty in regards to valuation and pricing processes. It is thus possible to identify field specific conventions in the light of Biggart and Beamish (2003), to understand how socially constructed narratives reduce uncertainty when valuating pre-owned garments and guide economic action.

The analysis has in this sense shown that Tradera as a C2C secondary market for pre-owned fashion clothing deviates from the retail consumer market for branded fashion in the way
value is constructed (Aspers 2011). Seen on a continuum, Tradera’s marketplace gives more prominence to measurable standards than the status of the original producer. This is not to neglect the value of brand equity but highlight that value more clearly derives from standards related to product condition. Although, an interesting result indicates that the status of a reseller through her reputation can constitute a source of value in C2C markets. The previous research by Diekmann et. al. (2014) has shown that a positive reputation generates higher selling prices. The study at hand complementary shows that consumer resellers might take their reputation into account when valuating and pricing their offers and thus not only implicitly realizing the value of a good reputation but also de facto set higher prices to start with.

The results of this study show how the nine consumer resellers make sense of valuation and pricing is closely related to how they, in Boltanski and Thévenot’s (2006) terms, establish orders of worth when approaching Tradera with their offers. Quite contrary to the study of Denegri-Knott and Molesworth (2009), the pre-owned garments are not understood as “stock”, i.e. personally meaningless items, but instead treated as meaningful in the sense that they are usable and have a personal history for the owner. This complicates the consumer online resale behaviour. To understand how valuation and pricing processes are experienced, one has to look at both how the individual reseller establishes her order of worth but also how worth is manifested in the marketplace. This study has shown that the higher common principle of competition and price related to the market world is not necessarily the most prominent for individual consumer resellers. Personal orders of worth such as collective interest and morality, associated with the civic world, have in cases been seen more important than price for discerning economic value. Similarly, the complementary model of Aspers and Beckert’s (2011) sociological theory of economic value has appeared fruitful to properly account for how consumer resellers make sense of valuation and pricing processes by acknowledging the dual role of both being a consumer and a reseller of the garments. Corresponding to the recognition of an increased emphasis on standards in the marketplace, the consumer resellers however largely seems to justify their valuation, and thus pricing, of pre-owned garments based on the industrial world’s guiding principles in terms of measurable criteria.
6.3 Conclusion and suggestions for further research

The study’s results invite for some conclusive reflections of the informants’ experiences of undertaking valuation and pricing processes when acting as consumer online resellers on Tradera. An important insight of this study is that consumer resellers do not necessarily approach the market with the sole intention to, at all cost, resell their offers. Instead, it can be considered an arena for testing to realize the economic value of a pre-owned garment buy offering it and subsequently find out if it is worth reselling it or keeping it to utilize its remaining consumer value. In this sense, the informants have indicated that they use the auction mechanism cautiously and appear risk averse rather than trusting the demand side of the market to come together and generate sufficient price premiums. Another interesting insight from this study relates to Aspers and Beckert’s (2011, p. 4) concern for uncertainty regarding value and price in markets, based on the difficulties of judging a product quality, and to establish market order. This study has shown that this uncertainty is largely reduced by the way individual consumer resellers come together and socially construct categorical narratives that facilitate the valuation of product condition for all. This highlights the importance of social valuation processes that go beyond the technological functions provided by the marketplace itself to establish market order in a C2C market for second-hand goods.

The purpose of this study has been to examine how consumer resellers experience valuation and pricing processes related when offering branded fashion clothing to Tradera’s marketplace. By analysing an empirical material consisting of nine interviews with consumer online resellers in the light of theoretical contributions from economic sociology and the sociology of valuation as well as relevant previous research, I have hopefully contributed to a deeper understanding of the subject. The results from this study also raise several interesting questions for future research to investigate, three of which will be suggested here. Firstly, it would be interesting to complement a qualitative interview study of consumer resellers’ subjective experiences with a content analysis of auction listings to see how categorical narratives de facto are put to use and articulated for different types of clothing. Secondly, a quantitative study would be suggested in order to examine if consumer online resellers with a high reputational status in online auction marketplaces actually set higher prices than others. Thirdly, it would be interesting to conduct comparative study in which two or more online C2C marketplaces are examined to entail how social narratives for valuating product condition differ among marketplaces.
7. Literature list


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